

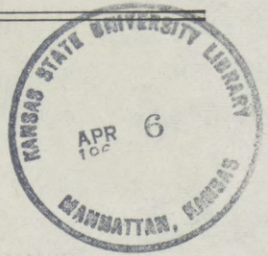
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AMENDING THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

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HEARINGS BEFORE THE SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE UNITED STATES SENATE

EIGHTY-NINTH CONGRESS

FIRST SESSION

ON

S. 974

A BILL TO AMEND THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962, AS AMENDED, AND FOR OTHER PURPOSES

FEBRUARY 9, 10, AND 19, 1965

Printed for the use of the
Committee on Labor and Public Welfare



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CONTENTS

	Page
Text of S. 974.....	2
Report from the Bureau of the Budget.....	14

FEBRUARY 9, 1965

Hon. Willard W. Wirtz, Secretary of Labor; accompanied by Edward D. Friedman, Deputy Solicitor; Stanley H. Ruttenbert, Manpower Administrator; and Samuel V. Merrick, special assistant to the Secretary of Labor.....	17
Francis Keppel, Commissioner of Education; accompanied by James Clarke, Assistant to the Under Secretary for Manpower Training, Department of Health, Education, and Welfare, and Dr. Roy W. Dugger, Deputy Director, Division of Vocational and Technical Education, Office of Education.....	66
William L. Batt, Area Redevelopment Administration; accompanied by Milton P. Shore, Office of Chief Counsel, Area Redevelopment Administration.....	90

FEBRUARY 10, 1965

Dr. Byrl R. Shoemaker, State director of vocational education, Columbus, Ohio.....	107
Phillip W. Seagren, director of vocational and adult education, Miami, Fla.....	113
Hon. Robert D. Helsby, deputy secretary of labor, State of New York; accompanied by Nelson F. Hopper, director, office of manpower development, New York Department of Labor.....	117

FEBRUARY 19, 1965

Thomas Roumell, director, Michigan Employment Security Commission.....	146
Robert W. Sneden, Detroit College of Business, Dearborn, Mich.; accompanied by Harrison Myers, Jr., Sawyer School of Business, Los Angeles, Calif.; Clarence A. Phillips, Heald's Business College, San Francisco, Calif.; and Richard A. Fulton, counsel.....	158
Mr. Lee Isenberg.....	188
William Hardman, training director, National Tool, Die & Precision Machining Association, Washington, D.C.....	206
Samuel V. Merrick, special assistant to the Secretary of Labor for legislative affairs, Department of Labor.....	209

STATEMENTS

Association of Scientists & Professional Engineering Personnel, Camden, N.J., prepared statement.....	236
Batt, William L., ARA; accompanied by Milton P. Shore, Office of Chief Counsel, ARA.....	90
Prepared statement.....	89
Biemiller, Andrew J., director, Department of Legislation, AFL-CIO, prepared statement.....	231
Hardman, William, training director, National Tool, Die & Precision Machining Association, Washington, D.C.....	206
Helsby, Hon. Robert D., deputy secretary of labor, State of New York; accompanied by Nelson F. Hopper, director, Office of Manpower Development, New York Department of Labor.....	117
Balance of prepared statement.....	120
Isenberg, Lee.....	188

	Page
Jacobi, Dr. William J., president, Economic Development Division, Litton Industries, Beverly Hills, Calif., prepared statement.....	239
Keppel, Francis, Commission of Education; accompanied by James Clark, assistant to the Under Secretary for Manpower Training, Department of HEW, and Dr. Roy W. Dugger, Deputy Director, Division of Vocational and Technical Education, Office of Education.....	66
Prepared statement.....	66
Merrick, Samuel V., special assistant to the Secretary of Labor for Legislative Affairs, Department of Labor.....	209
Roumell, Thomas, director, Michigan Employment Security Commission..	146
Prepared statement.....	152
Seagren, Phillip W., director of vocational and adult education, Miami, Fla.....	113
Shoemaker, Dr. Byrl R., State director of vocational education, Columbus, Ohio.....	107
Prepared statement.....	99
Supplemental statement.....	230
Sneden, Robert W., Detroit College of Business, Dearborn, Mich.; accompanied by Harrison Myers, Jr., Sawyer School of Business, Los Angeles, Calif.; Clarence A. Phillips, Heald's Business College, San Francisco, Calif.; and Richard A. Fulton, counsel.....	158
Joint prepared statement.....	158
Wirtz, Hon. Williard W., Secretary of Labor; accompanied by Edward D. Friedman, Deputy Solicitor; Stanley H. Ruttenbert, Manpower Administrator; and Samuel V. Merrick, special assistant to the Secretary of Labor.....	17
Prepared statement.....	17

ADDITIONAL INFORMATION

Action taken by States to meet one-third matching.....	64
Age of trainees in West Virginia as of December 31, 1964.....	63
American Nurses Association, Inc., New York City, prepared statement..	238
Approved projects not started.....	137-38
ARA training.....	93
Articles entitled:	
"Jobless Training Called Success as Cutback Looms," from the Times, January 23, 1965.....	278
"Keep the Job Hunters in Harness," from the Norfolk (Va.) Pilot, January 23, 1965.....	279
"Manpower Development and Training Act Deserves State Support," from Daily Progress, February 5, 1965.....	278
"State Work Force Achievement High," from the Sunday Gazette-Mail, Charleston, W. Va., February 7, 1965.....	44
"The Economics of Training the Unemployed," by Leroy A. Cornel- sen, from School Life, October 1964.....	245
Characteristics of enrolled trainees.....	54
Comments of Mr. Batt on recommendations 18 through 21.....	96
Coverage of domestic workers under the Fair Labor Standards Act.....	32
Distribution of Manpower Development and Training Act institutional projects approved in calendar years 1963-64, by weeks of duration....	213
Distribution of trainees for Manpower Development and Training Act institutional projects in calendar years 1963-64, by weeks of duration..	47
Dropout experience under Manpower Development and Training Act program.....	48
Estimate of the percentage of trainees who would participate in Manpower Development and Training Act programs.....	53
Exhibit A.—Manpower development training class for stenographers at Detroit Institute of Commerce, Detroit, Mich.....	164
Exhibit B.—California State Department of Education.....	166
Exhibit C.—Followup survey.....	166
Exhibit D.—Employment status of persons trained under Manpower Development and Training Act as of a specified followup, July 1962-December 1964.....	170-73
Exhibit E.—Procedures governing Manpower Development and Training Act training on less than a classroom basis.....	178
Figures on performance of ARA retraining.....	91
Information on Manpower Development and Training Act trainees who earn less after completion of training than before.....	60

CONTENTS

V

	Page
Information on occupations for which the Department is now permitting immigration.....	33
Labor mobility demonstration projects.....	79
Letters and telegrams from State vocational education departments and schools.....	262
Letters from—	
Andreas, Henry J., executive secretary, Association of Scientists and Professional Engineering Personnel, Camden, N.J., to Senator Clark, dated February 22, 1965, containing a prepared statement.....	235
Bane, Frank, Chairman, Advisory Commission on Intergovernmental Relations, to Senator Clark, dated February 12, 1965.....	245
Bartlett, Hon. E. L., a U.S. Senator from the State of Alaska: February 23, 1965.....	228
February 24, 1965.....	226
Byrd, Hon. Robert C., a U.S. Senator from the State of West Virginia, to Hon. Joseph S. Clark.....	216
DePuis, Virgil N., Chairman, Manpower Advisory Committee, Anchorage, to Hon. E. L. Bartlett, dated February 9, 1965.....	228
Eberle, Fred W., State director, West Virginia Board of Education, to Hon. Robert C. Byrd, dated February 9, 1965.....	217
Gruening, Ernest, a U.S. Senator from the State of Alaska, to Hon. Joseph S. Clark, dated February 24, 1965.....	229
Levy, Robert, Employment Security Division, to Hon. Ernest Gruening.....	230
Merrick, Samuel V., Special Assistant for Legislation, Department of Labor, to Senator Randolph, dated February 24, 1965.....	210
Moore, Dan, Governor of North Carolina, to Senator Clark, dated March 1, 1965.....	280
Pell, Hon. Claiborne, a U.S. Senator from the State of Rhode Island, to Hon. Joseph S. Clark.....	213
Warring, R. W., head of vocational department, Misharvaka city schools, to Hon. Vance Hartke.....	230
List of training programs.....	88
Manpower development and training programs approved for nonpublic agencies to August 1, 1964.....	281
National Manpower Advisory Committee.....	78
Occupations for which training has been provided.....	35
Projects in progress December 31, 1964, New York State Department of Labor, Office of Manpower Development.....	133-36
Proposals pending Office of Manpower Development approval.....	143-44
Proposals processed to education department.....	139-42
Questions submitted by Senator Prouty and answers by Secretary Wirtz.....	56
Questions submitted by Senator Javits and answers by Secretary Wirtz.....	33
Resolution XI—Manpower Development and Training Act.....	116
Telegrams from:	
Russell, Hon. Donald, Governor of South Carolina, to Senator Clark, dated February 8, 1965.....	85
Telegrams sent to State Governors and replies.....	247
Trainee graduates who are not placed into employment.....	53

1200 Examination of the records of the Board of Health, showing the number of cases of
 1195 smallpox, measles, scarlet fever, diphtheria, and other communicable diseases,
 1190 and the number of deaths therefrom, for the year ending December 31, 1907.
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MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

AMENDING THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

TUESDAY, FEBRUARY 9, 1965

U.S. SENATE,
COMMITTEE ON LABOR AND PUBLIC WELFARE,
SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to call, in room 4200, New Senate Office Building, Senator Joseph S. Clark (chairman of the subcommittee) presiding.

Present: Senators Clark, Randolph, Pell, Kennedy of Massachusetts, Nelson, Kennedy of New York, Javits, Prouty, and Murphy, members of the subcommittee; and Kennedy of New York, member of the full committee.

Committee staff members present: Stewart E. McClure, chief clerk; William C. Smith, counsel to the subcommittee; and Stephen Kurzman, minority counsel.

Senator CLARK. The subcommittee will be in session.

Before we move forward with the work today I would like to note my personal gratification on the one hand and some mild sadness on the other in greeting at the opposite side of the witness table two former employees of the Committee on Labor and Public Welfare who have now deserted and gone over to the executive branch of the Government where we hope their eyes and ears will still be available to the committee and the subcommittee. First, Sam Merrick, who served so long with us and Ed Friedman, who was our strong right arm during the comprehensive hearings we had last year have gone off to greater glory. Gentlemen, I am happy and I am sure all the other members of the subcommittee are happy, too, to have you back to give us your help on the legislation we are about to consider and to assist our very able Secretary of Labor in his constant association and very happy association with this subcommittee.

Today the Subcommittee on Employment and Manpower begins hearings on a bill to amend the Manpower Development and Training Act of 1962. I introduced this bill at the request of the administration and of the Secretary of Labor and it was referred to the subcommittee.

(S. 974 and report from the Bureau of the Budget follow:)

89TH CONGRESS
1ST SESSION

S. 974

IN THE SENATE OF THE UNITED STATES

FEBRUARY 3, 1965

MR. CLARK (for himself and Mr. PELL) introduced the following bill; which was read twice and referred to the Committee on Labor and Public Welfare

A BILL

To amend the Manpower Development and Training Act of 1962, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Manpower Act of 1965".

4 SEC. 2. (a) Section 102 (5) of the Manpower Develop-
5 ment and Training Act, as amended (hereinafter referred
6 to as the "Act"), is amended by adding a comma after the
7 word "arrange" and inserting "through grants or contracts,"
8 immediately following the comma.

9 (b) Section 102 of the Act is further amended by adding
10 new paragraphs (6) and (7) at the end thereof to read as
11 follows:

II

2

1 “(6) establish a program of experimental, develop-
2 mental, demonstration, and pilot projects, through grants
3 or contracts, with public or private nonprofit agencies,
4 for the purpose of improving techniques and demonstrat-
5 ing the effectiveness of specialized methods in meeting
6 the manpower, employment, and training problems of
7 worker groups such as the long-term unemployed, dis-
8 advantaged youth, displaced older workers, the handi-
9 capped, members of minority groups, and other similar
10 groups. In carrying out this subsection the Secretary
11 of Labor shall, where appropriate, consult with the
12 Secretaries of Health, Education, and Welfare, and
13 Commerce, and the Director of the Office of Economic
14 Opportunity. Where programs under this section re-
15 quire institutional training, appropriate arrangements for
16 such training shall be agreed to by the Secretary of
17 Labor and the Secretary of Health, Education, and Wel-
18 fare. He shall also seek the advice of consultants with
19 respect to the standards governing the adequacy and
20 design of proposals, the ability of applicants, and the
21 priority of projects in meeting the objectives of the Act;

22 “(7) stimulate and assist, in cooperation with in-
23 terested agencies both public and private, job develop-
24 ment programs, through on-the-job training and other
25 suitable methods, that will serve to expand employment

1 by the filling of those service and related needs which
2 are not now being met because of lack of trained work-
3 ers or other reasons affecting employment or opportuni-
4 ties for employment."

5 SEC. 3. Sections 103 and 104 are renumbered 105 and
6 106 and new sections 103 and 104 are added to read as
7 follows:

8 "LABOR MOBILITY DEMONSTRATION PROJECTS

9 "SEC. 103. (a) During the period ending June 30,
10 1967, the Secretary of Labor shall develop and carry out,
11 in a limited number of geographical areas, pilot projects
12 designed to assess or demonstrate the effectiveness in reduc-
13 ing unemployment of programs to increase the mobility of
14 unemployed workers by providing assistance to meet their
15 relocation expenses. In carrying out such projects the Secre-
16 tary may provide such assistance, in the form of grants or
17 loans, or both, only to involuntarily unemployed individuals
18 who cannot reasonably be expected to secure full-time em-
19 ployment in the community in which they reside, have bona
20 fide offers of employment (other than temporary or seasonal
21 employment), and are deemed qualified to perform the work
22 for which they are being employed.

23 "(b) Loans or grants provided under this section shall
24 be subject to such terms and conditions as the Secretary shall
25 prescribe, with loans subject to the following limitations:

4

1 “(1) there is reasonable assurance of repayment of
2 the loan;

3 “(2) the credit is not otherwise available on rea-
4 sonable terms from private sources or other Federal,
5 State, or local programs;

6 “(3) the amount of the loan, together with other
7 funds available, is adequate to assure achievement of the
8 purposes for which the loan is made;

9 “(4) the loan bears interest at a rate not less than
10 (A) a rate determined by the Secretary of the Treasury,
11 taking into consideration the average market yield on
12 outstanding Treasury obligations of comparable maturity,
13 plus (B) such additional charge, if any, toward covering
14 other costs of the program as the Secretary may deter-
15 mine to be consistent with its purposes; and

16 “(5) the loan is repayable within not more than
17 ten years.

18 “(c) Of the funds appropriated for a fiscal year to
19 carry out this Act, not more than \$5,000,000 may be used
20 for the purposes of this section.

21 “TRAINEE BONDING DEMONSTRATION PROJECTS

22 “SEC. 104. During the period ending June 30, 1967, the
23 Secretary shall develop and carry out experimental and
24 demonstration projects to assist in the placement of persons
25 seeking employment through a public employment office

1 who have successfully completed or participated in a federally
2 assisted or financed training, counseling, work training, or
3 work experience program and who, after appropriate coun-
4 seling, have been found by the Secretary to be qualified and
5 suitable for the employment in question, but to whom em-
6 ployment is or may be denied for reasons other than ability
7 to perform, including difficulty in securing bonds for indemni-
8 fying their employers against loss from the infidelity, dis-
9 honesty, or default of such persons. In carrying out these
10 projects the Secretary may make payments to or contracts
11 with employers or institutions authorized to indemnify em-
12 ployers against such losses. Of the funds appropriated
13 for fiscal years ending June 30, 1966, and June 30, 1967,
14 not more than \$200,000 and \$300,000, respectively, may
15 be used for the purpose of carrying out this section."

16 SEC. 4. Section 202 (i) of the Act is amended by strik-
17 ing the words "and such persons shall be eligible for training
18 allowances for not to exceed an additional twenty weeks.",
19 and by changing the comma after the word "Act" to a
20 period.

21 SEC. 5. (a) Section 203 (a) of the Act is amended as
22 follows:

23 (1) Amend the second sentence thereof to read as
24 follows: "Such payments shall be made for a period not

6

1 exceeding one hundred and four weeks, and the basic
2 amount of any such payment in any week for persons
3 undergoing training, including uncompensated employer-
4 provided training, shall not exceed \$10 more than the
5 amount of the average weekly unemployment compen-
6 sation payment (including allowances for dependents)
7 for a week of total unemployment in the State making
8 such payments during the most recent four-calendar-
9 quarter period for which such data are available: *Pro-*
10 *vided*, That the basic amount of such payments may be
11 increased by \$5 a week for each dependent over two up
12 to a maximum of four additional dependents: *Provided*
13 *further*, That in any week an individual who, but for
14 his training, would be entitled to unemployment com-
15 pensation in excess of his total allowance, including
16 payments for dependents, shall receive an allowance in-
17 creased by the amount of such excess.”;

18 (2) Amend the second paragraph thereof to read as
19 follows:

20 “With respect to any week for which a person receives
21 unemployment compensation under title XV of the Social
22 Security Act or any other Federal or State unemployment
23 compensation law which is less than the total training allow-
24 ance, including payments for dependents, provided for by the
25 preceding paragraph, a supplemental training allowance

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1 may be paid to a person eligible for a training allowance
2 under this Act. The supplemental training allowance shall
3 not exceed the difference between his unemployment compen-
4 sation and the training allowance provided by the preceding
5 paragraph.”;

6 (3) Insert the words “under the training program”
7 after “compensated hours per week” in the third para-
8 graph of such subsection;

9 (4) In lieu of the fourth paragraph of such sub-
10 section insert the following:

11 “The training allowance of a person engaged in training
12 under section 204 or 231 shall not be reduced on account
13 of employment (other than employment under an on-the-job
14 training program under section 204) which does not exceed
15 twenty hours per week, but shall be reduced in an amount
16 equal to his full earnings for hours worked in excess of twenty
17 hours per week.”

18 (b) Section 203 (b) of the Act is amended by inserting
19 a comma after the word “transportation” where it first
20 occurs, striking out the language after that word and before
21 the word “Provided” and inserting the following in lieu
22 thereof: “and when such training is provided in facilities
23 which are not within commuting distance of the trainee’s
24 regular place of residence, subsistence expenses for separate
25 maintenance of the trainee:”.

8

1 (e) Section 203 (c) of the Act is amended as follows:

2 (1) Strike the words "not less than" and insert
3 "at least" in lieu thereof;

4 (2) Insert a colon after the words "gainful employ-
5 ment", strike everything in the first sentence after the
6 words "gainful employment", and insert the following
7 in lieu thereof: "*Provided*, That they are not members
8 of a family or a household in which the head of the
9 family or the head of the household as defined in the
10 Internal Revenue Code of 1954 is employed.";

11 (3) Amend the last sentence to read as follows:
12 "The number of youths under the age of twenty-two
13 who are receiving training allowances shall, except for
14 such adjustments as may be necessary for effective man-
15 agement of programs under this section, not exceed 25
16 per centum of all persons receiving such allowances
17 (or who would be entitled thereto but for the receipt
18 of unemployment compensation)."

19 (d) Section 203 (d) is amended to read as follows:

20 "For the fiscal year ending June 30, 1966, and for each
21 fiscal year thereafter, Federal payments for training allow-
22 ances under this section, or as reimbursement for unemploy-
23 ment compensation under subsection (h), shall be paid in
24 accordance with the provisions of section 241."

25 (e) Section 203 (h) (2) of the Act is amended by strik-

1 ing everything in the first sentence after the term "1965"
2 and inserting in lieu thereof "and for 90 per centum of the
3 amount of such benefits paid thereafter."

4 SEC. 6. Section 208 is repealed.

5 SEC. 7. Section 231 of the Act is amended by striking
6 the third sentence and inserting the following in lieu thereof:
7 "For the fiscal year ending June 30, 1965, Federal pay-
8 ments under this part shall be 100 per centum of the cost of
9 carrying out the agreement, and for the fiscal year ending
10 June 30, 1966, and for each fiscal year thereafter, Federal
11 payments under this part shall be made in accordance with
12 the provisions of section 241."

13 SEC. 8. Title II of the Act is amended by adding part C
14 to the end thereof to read as follows:

15 "PART C—FEDERAL PAYMENTS FOR TRAINING AND
16 TRAINING ALLOWANCES

17 "SEC. 241. During the fiscal year ending June 30,
18 1966, and for each fiscal year thereafter, Federal payments
19 for training allowances and for reimbursements for unem-
20 ployment compensation under section 203 and for training
21 programs under section 231 shall be limited to 90 per centum
22 of the total of all such costs. Expenditures from non-Federal
23 sources may be made in cash or kind, fairly evaluated, in-
24 cluding but not limited to plant, equipment, and services."

1 SEC. 9. Title II of the Act is amended by adding part
2 D to the end thereof to read as follows:

3 "PART D—REDEVELOPMENT AREAS

4 "SEC. 251. (a) Notwithstanding any limitation in the
5 other provisions of this Act, the Secretaries of Labor and
6 of Health, Education, and Welfare, in accordance with their
7 respective responsibilities under parts A and B of this title,
8 are authorized to provide a supplementary program of train-
9 ing and training allowances, in consultation with the Sec-
10 retary of Commerce, for unemployed and underemployed
11 persons residing in areas designated as redevelopment areas
12 under the Area Redevelopment Act. Such program shall,
13 insofar as practicable, be carried out by the Secretaries of
14 Labor and of Health, Education, and Welfare in accordance
15 with the provisions otherwise applicable to programs under
16 this Act and with their respective functions under those
17 provisions, except that—

18 "(1) the Secretary of Labor, in consultation with
19 the Secretary of Commerce, shall determine the needs
20 and the eligibility of persons for training under this
21 section;

22 "(2) the Secretaries of Labor and of Health, Edu-
23 cation, and Welfare shall, each with respect to his
24 functions under this section, prescribe jointly with the
25 Secretary of Commerce such rules and regulations as

1 may be necessary to carry out the purposes of this
2 section; and

3 “(3) no funds available under this section shall
4 be generally allocated to any State pursuant to any
5 agreement entered into under this Act, nor shall any
6 State or local matching funds be generally required,
7 nor shall any apportionment of funds be made among
8 the several States, except as the Secretary of Labor
9 or the Secretary of Health, Education, and Welfare,
10 as the case may be, jointly with the Secretary of Com-
11 merce, may deem appropriate, giving adequate con-
12 sideration to the relative needs of the eligible areas.

13 “(b) There are hereby authorized to be appropriated
14 for each fiscal year such amounts as may be necessary to
15 carry out this section.

16 “(c) The expiration or termination of any other part
17 of this Act shall not terminate the authority conferred by
18 this section unless an Act of Congress explicitly so provides.”

19 SEC. 10. Section 302 of the Act is amended by striking
20 the word “and” following “the Smith-Hughes Vocational
21 Education Act,” inserting a comma in lieu thereof, and in-
22 serting “and the Vocational Education Act of 1963,” fol-
23 lowing “the Vocational Education Act of 1946.”

24 SEC. 11. Section 304 is amended to read as follows:

25 “SEC. 304. For the purpose of carrying out this Act

12

1 there are hereby authorized to be appropriated for the fiscal
2 year ending June 30, 1966, and for each fiscal year there-
3 after such amounts as may be necessary.”

4 SEC. 12. The following subsection is added to section
5 305 of the Act to read as follows:

6 “(e) The costs of all training programs approved in any
7 fiscal year, including the total cost of training allowances for
8 such programs, may be paid from funds appropriated for
9 such purposes for that fiscal year; and the amount of the
10 Federal payment shall be computed on the basis of the per
11 centum requirement in effect at the time such programs are
12 approved: *Provided*, That funds appropriated for the fiscal
13 year ending June 30, 1966, may be expended for training
14 programs approved under this Act prior to July 1, 1965, and
15 expenditures for such purposes shall be subject to the match-
16 ing requirements in effect at the time such programs were
17 approved.”

18 SEC. 13. Sections 309 (a) and 309 (b) are both amended
19 by striking “Prior to March 1, 1963, and again prior to April
20 1, 1964, April 1, 1965, and April 1, 1966” and inserting in
21 lieu thereof: “Prior to April 1 in each year.”

22 SEC. 14. Title III is amended by repealing section 310.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 1, 1965.

HON. LISTER HILL,
Chairman, Committee on Labor and Public Welfare,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for comments on S. 974, a bill to amend the Manpower Development and Training Act of 1962, as amended, and for other purposes.

S. 974 would amend the Manpower Development and Training Act in the following respects: (1) The current termination date of June 30, 1966, for title II of the act would be eliminated. (2) The one-third State matching requirement for institutional training, beginning July 1, 1965, under current law, would be amended to require not less than 10 percent non-Federal contributions, with non-Federal matching permitted in cash or in kind. (3) Explicit authority for experimental and demonstration programs would be provided in title I. (4) The bill would authorize job development programs to fill service needs not now being met. (5) Authorization for labor mobility demonstration projects would be extended for 2 years and the dollar authorization would be increased from \$4 to \$5 million a year. (6) Pilot trainee bonding demonstration projects would be authorized. (7) Changes in authority for training allowances would be made to (a) increase maximum duration of allowances from 1 to 2 years, (b) permit single persons without dependents to receive allowances, and (c) increase the maximum amount of allowances by \$5 a week for each dependent over two up to a maximum of six. (8) Specific authority for training in redevelopment areas, currently embodied in the Area Redevelopment Act, would be incorporated in the Manpower Development and Training Act. (9) The present monetary limitations for each title would be eliminated.

The provisions of the Manpower Development and Training Act have made a significant contribution toward combating unemployment among youths and adults in the United States. It is believed, however, that certain changes in the basic act are necessary to enhance its effectiveness.

The President stated in his message to the Congress on the 1966 budget that "Recommendations will also be made to broaden the Manpower Development and Training Act and increase the Federal share of project cost to 90 from 66 percent which would go into effect under present law in 1966." The provisions outlined above and others embodied in S. 974 will carry out the intent of the President's statement.

In view of the above, enactment of S. 974 would be in accord with the President's program.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

Senator CLARK. This bill would make the Manpower Development and Training Act permanent, it directs the Secretary of Labor to assist in the development of programs to train unemployed workers for jobs in service and related fields, to expand the Secretary's authority to permit demonstration projects in meeting employment problems with worker groups.

The bill increases from \$4 to \$5 million the amounts available for healthy working families to move to new jobs, it increases the duration of training allowances to 2 years, it permits payment of additional allowances for dependents, it removes the limitations on the number of young people who can be retrained.

Finally, the bill increases the Federal Government's share of retraining costs to 90 percent instead of the 50-50 cost sharing plan originally envisioned under the Manpower Development and Training Act.

The subcommittee will study these proposed amendments with care and interest.

I think I am probably right in saying that we could not have adopted these amendments as part of the original act; I imagine some of them will be fairly controversial now.

The experience which the Labor Department has had with the act must be our principal guide in determining the desirability and validity of the proposed amendments.

We think of the Manpower Development and Training Act as a very special offspring of this subcommittee's labors; we want to see it succeed and succeed well, but we continue to be disturbed over the persistently high rate of unemployment which prevails despite the extraordinary 4 years of continuous economic expansion. We are, of course, heartened by the recent dip of unemployment below 5 percent, but speaking for the chairman and perhaps many of his colleagues on the subcommittee, I believe that this is still a wastefully high rate of joblessness for the richest and most productive nation in history. A majority of the subcommittee have already stated on other occasions as they view the manpower limitations of economic policy as the toughest, unresolved domestic concern in the land today. For this reason, once legislative action on these proposed amendments has been concluded, the subcommittee will proceed to consider other issues and legislative proposals directed toward putting idle manpower to work.

In the months to come we should concern ourselves with the operations of the public employment services, we shall continue our studies of the employment impact, the defense shutdowns, and hopefully recommend legislation. We will study the effects of research expenditures on the structure of distribution of the country's scientific and technical manpower. We shall be making recommendations in such fields as on-the-job training and the transferability of pension rights.

My own ambition is to see whether, by the end of this session of Congress, we will not have a much clearer view of the desirability and hopefully will have taken action in some sort or other in all of the 24 areas of recommendations which this subcommittee made in its comprehensive report on manpower and employment problems which was published last May.

This is perhaps a good time to say that in addition to the report itself we have either published or are in the course of publishing 10 rather comprehensive volumes outlining the testimony and papers which were submitted to the subcommittee in its comprehensive efforts last year.

I am happy to report that there has been a wide demand for these publications and they are now on sale at the Government Printing Office; while perhaps they have not achieved a rank of a bestseller by James Bond, they are receiving a good deal of interest in the economic expertise community throughout the country.

I am sure the present administration will agree with us that the primary national goal on the domestic front in the next few years must be the restoration of full employment. We will therefore welcome a contribution to our deliberations and I will now ask Senator Prouty to make a comment.

Senator PRUTY. Mr. Chairman, in my judgment too much is expected of the Manpower Development and Training Act and too little has been accomplished under it. The act was expected to give the older unemployed man a new grip on life. For the most part, in this mission it has failed.

It was expected, at least by some of us in the Congress, that individual problems would be given individual attention. But all too often the jobless fellow who wants to pursue a certain type of training must wait and wait until that one bright day when several others want the same type of training.

If only one unemployed man in a given State wants to be a french pastry chef, for example, and there is a skill shortage in this occupation, then I say he should get the training.

If the law makes this difficult or impossible now, let us change the law.

As for the older unemployed worker, I would not place the complete responsibility for his unhappy situation on the Department of Labor. Yet I think the Department can do better.

It has been my hope through Republican and Democratic administrations alike that someone would bring forward a plan which would facilitate the transferability of employee pension rights from one place of employment to another. That hope has been a vain one.

In the dynamic economy of today few workers can expect to spend a lifetime working for the same employer.

And most men and women who lose their jobs also lose pension rights and thus the security of old age, even if they obtain other employment.

We should mark well the fact that on too many occasions a prospective employer will not take on a displaced middle aged or older workman, even if he is competent. Why is this so? Simply because the employer would have to assume the cost of pension and disability protections which he could defer for years or get at a lower cost if he hired a younger worker.

So then, training is not the entire answer to the problems we face, although it can serve a very worthwhile purpose.

As we look to improving the Manpower Development and Training Act, let us also explore other avenues of aid to the unemployed and underemployed.

Let us give private enterprise a greater role in solving the problem.

Let us extend tax credit to employers for sums expended by them in training or retraining any of their employees about to be displaced by automation or mechanization.

We can encourage further employer assistance by extending a tax credit for sums expended for the training of new employees for job skills needed within the industry. These tax credits would be allowable only if immediately subsequent to the conclusion of the training the trainee becomes gainfully employed by the training employer.

We are already giving employers a tax credit for investment in personal property. I think there is a greater justification for giving them a tax credit when they invest in human resources.

During the current session of Congress I shall introduce this human investment credit legislation and work vigorously for its adoption.

In closing, may I say that we all hope that the Great Society will be possible, but surely we can have at the very least a greater one.

Senator CLARK. Thank you, Senator Prouty. The clash on controversy has always been one of the rewarding attributes of this subcommittee. We are happy to have your views, as you know in the past we usually succeeded in working out an adjustment which is satisfactory to all interests in the subcommittee and I think we have been extraordinarily successful in coming to the floor with programs with which we are in substantial agreement.

We welcome your report.

Secretary Wirtz, would you proceed.

**STATEMENT OF HON. WILLARD W. WIRTZ, SECRETARY OF LABOR;
ACCOMPANIED BY EDWARD D. FRIEDMAN, DEPUTY SOLICITOR;
STANLEY H. RUTTENBERG, MANPOWER ADMINISTRATOR; AND
SAMUEL V. MERRICK, SPECIAL ASSISTANT TO THE SECRETARY
OF LABOR**

Secretary WIRTZ. Thank you, Mr. Chairman. You have already identified the presence at this table of the alumni association of this committee and I should add to what you have said our appreciation of Garth Mangum, who with similar background has been working with the Department and now with the new commission which the President has established in the automation field.

Senator CLARK. We are sorry Mr. Ruttenberg is not a member of that alumni.

Secretary WIRTZ. Mr. Ruttenberg is here, too; he is Manpower Administrator in the Department.

I would, with your permission, Mr. Chairman and members of the subcommittee, simply file my statement for the record.

Senator CLARK. Without objection the Secretary's statement will be printed in full in the record at this point.

(The prepared statement of Secretary Wirtz follows:)

PREPARED STATEMENT OF W. WILLARD WIRTZ, SECRETARY OF LABOR

Mr. Chairman, and members of the subcommittee, "Our prosperity is widespread, but it is not complete. Our growth has been steady but its permanence is not assured. Our achievements are great but our tasks are unfinished."

These were the words that President Johnson used in reporting to Congress on the Nation's economic health. And, indeed, the task will remain uncompleted until meaningful job opportunities for all are made available.

It is now clear that full employment opportunity depends on—

One, the economic policy of promoting sufficient economic growth to generate enough work for all in the labor force;

Two, an active manpower policy of developing the skills and abilities of our people to supply the manpower needs created, bringing people and jobs together.

This committee has been continuously addressing itself to these issues. It has shown a continuing awareness of the closely related policies and made a far-sighted contribution to thinking in this field with its 1964 report, "Toward Full Employment: Proposals for a Comprehensive Employment and Manpower Policy in the United States."

The time has now come to face up to the need for establishing an active manpower policy as embodied in the Manpower Development and Training Act on a permanent and continuing basis, and making it more flexible and responsive to developing needs.

Despite recent improvements, unemployment is intolerably high, particularly among the less skilled, less educated, and those for whom opportunity is constricted by poverty and discrimination.

There is a flood of young jobseekers. This year alone the number of 18- and 19-year-old boys and girls in the labor force will increase more than in all the decade of the fifties.

Rapid technological change is hitting many workers and communities, even while benefiting the economy generally.

Four years of steadily expanding job opportunities have not brought us full employment. Some 3¼ millions of our citizens want work but are unable to find it. Up to a million more—the “hidden unemployed”—would enter the labor force if the unemployment rate could be brought down. And if we look behind the average monthly figure of unemployment, we could identify almost 14 million workers who have experienced some unemployment at sometime during the year.

These immediate challenges cannot be met without an imaginative and active manpower policy that goes hand in hand with economic policy.

The President underscored this principle in his Economic Report in January when he said:

“To a substantial degree strong demand for labor will bring workers and jobs together but sole reliance on strong demand would place price stability under an unnecessary threat and the time needed for such adjustments would place unnecessary burdens upon displaced employees and new entrants into the job market.

“To reduce human costs, increase productivity, and make possible full employment without inflation, this administration is developing an active manpower policy.”

The effectiveness of an active manpower policy as carried out under the Manpower Development and Training Act is now clear from the record of proven experience. There is no doubt that the training and retraining of unemployed workers is a sound social and financial investment.

Over 300,000 unemployed men and women will have been trained under the Manpower Development and Training Act programs already completed, now in course, or presently approved.

Approximately 3 out of 4 of those completing their courses have obtained jobs, most of them training related.

Another 60,000 have been reached through special projects tailored to the needs of the disadvantaged, the alienated, the bypassed.

Nearly half of these trainees had been out of work 15 weeks or longer when they entered the training courses.

Six out of every ten are heads of families or households.

A fourth of the trainees are nonwhite Americans.

There have been training programs in every State in the Nation for 500 different occupations.

The Department of Health, Education, and Welfare has estimated that it costs the taxpayers \$2,500 to keep a family on relief for a year. Department of Labor figures indicate that, in contrast, it costs less than half this amount to train relief recipients and convert them into taxpayers carrying, with dignity, their share of the tax burden instead of adding to it.

Several recent studies have demonstrated that persons who have completed training programs have fared considerably better in the job market than those who did not.

Preliminary findings of a Department of Labor study of Manpower Development and Training Act trainees in 30 localities show that—

40 percent earned more than they did in their pretraining jobs (34 percent earned the same; 26 percent earned less);

18 percent had received promotions on their new jobs even though they had been employed only relatively brief periods since completion of training;

employers evaluated about 80 percent of their trainees as ranging from average to excellent.

A University of Wisconsin study financed by the Ford Foundation states:

“With few exceptions, the posttraining employment rates of those who completed their Government-sponsored courses were substantially higher than the rates experienced by appropriately selected control groups of workers.”

A Department of Labor project at Rikers Island in the city of New York involving the training of young prisoners has had similar results.

The Department has long recognized that many young persons who have come out of jail are unemployed not only because of their prison records but also because they do not have occupational skills which are in demand. The Rikers Island project is attempting to reduce delinquency and unemployment by providing young prisoners, before they leave jail, with occupational skills in shortage occupations as IBM equipment operators. The occupational training is reinforced with counseling and social work assistance.

Traditionally, young men leave Rikers Island with two items—25 cents and a bologna sandwich.

To these we have been adding, for these selected youngsters, a marketable skill through specialized training. So far, 75 percent of those who have completed the program are working.

This project already is being identified as a model for other penal institutions and could well affect the future course of rehabilitation in such institutions.

Another Department of Labor project which pointed up the soundness of training programs under the Manpower Development and Training Act consisted of the first nationwide survey of the formal occupational training of adult workers. The study covered 52 million workers between the ages of 22 and 64 who had completed less than 3 years of college.

Some 28.5 million had had no formal vocational training. Half had never gone beyond elementary school. Only a little more than one-fourth of them had completed high school.

A report of this study published in December 1964 contains several important conclusions.

If we simply continue training opportunities at the present level, the labor force will continue to be made up of large numbers of unskilled, undereducated workers. By 1975 there will still be some 20 million workers with neither a high school diploma nor any formal job training. These figures suggest that insofar as structural unemployment is rooted in deficiencies of education and training, it is a longrun barrier to economic growth.

Dependence upon catch-as-catch-can training cannot continue to be the most common source of skill development in our increasingly complex economy.

In at least two respects, the study pointed up the basic soundness of training programs under the Manpower Development and Training Act. The practicality of training adult workers on a large scale is indicated by the frequent occurrence of successful training of workers past 35. The desirability of skill training for workers with the lowest educational attainment is indicated by the much lower unemployment rate for workers with less than 8 years of formal education when they have had vocational training.

The act, therefore, must be put on a more permanent basis. Under its present termination date, June 30, 1966, the training programs will begin to grind to a halt in the latter part of this year. The proposed bill, S. 974, would repeal the termination date (sec. 14) and permit continuing, uninterrupted, and more full-scale development of essential manpower policies.

S. 974 also will enable the Federal Government, as it should, to bear most of the burden of financing the act's vital programs. Unless the present act is amended, the current 100 percent Federal contribution will be cut to 66 percent on July 1, with the States being required to put up 33 $\frac{1}{3}$ percent.

The administration thus urges that the Federal contribution for training and allowances be set at a maximum of 90 percent and that the non-Federal contribution be in cash or in kind (new sec. 241).

This 90 to 10 matching amendment is essential for the program's continuation. It will permit the Federal Government to carry a greater part of the costs of tackling a problem which is nationwide in its causes and effects, and still retain local financial participation.

Secretary Celebrezze and I have written to all the Governors and done everything we could to encourage the States to provide the one-third matching requirement this year. However, it is apparent that a majority of the States will not be in a position to meet the present matching requirements by July 1.

This is in no way a reflection of inadequate interest or concern. Quite the contrary. Virtually all of the State Governors have expressed their strong desire to see the program continue.

It is clearly evident that unemployment is a national problem and that the costs of training the unemployed should be borne evenly across the Nation.

Under the financial pressures of burgeoning education, roads, and health needs, many States find themselves unable to provide substantial matching funds.

Many have already turned to debt financing. Last June, for example, their bonds and other debts exceeded \$92 billion—three times the level of a dozen years ago.

The States should be given the same financial assistance here as for roads and their antipoverty programs.

One of the most significant of the administration's proposals as embodied in S. 974, is the amendment to title I of the act designed to give nationwide direction to the job development program the President has directed be launched as part of the program to achieve full employment opportunity in America (new sec. 102(7)).

An increasing proportion of the consumer dollar is going to pay for services. Between 1954 and 1963, for example, this proportion increased from 36 to 41 percent.

Our findings confirm the fact that there is a great potential for job development and for trained people in a myriad of service activities, and that these unfilled needs are likely to go begging unless additional steps are taken to develop them.

The existing Manpower Act is, of course, a broad charter for the development of an active manpower policy. It does not, however, directly refer to the development of jobs.

The proposed amendment will give clear direction to what must be an integral part of a comprehensive manpower policy—the active development of jobs in the service area.

The implementation of this proposal will be carried out in closest cooperation, not only with all appropriate Federal agencies, such as the Department of Commerce, Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Small Business Administration, but with management and labor and local community representatives. Committees representing business and labor in particular industries will help develop the programs.

Working together, we can:

- Assemble information about job opportunities, unmet needs, and available manpower;

- Promote training in these service occupations;

- Provide technical assistance to management; and

- Stimulate new enterprises in these fields.

Labor standards will be carefully preserved. In fact, this program should contribute to raising standards. Service industries would become more productive and more responsive to the availability of the growing value of consumer income that is ready to pay for services.

We expect the major emphasis of the job development program to be in the service industries.

Accelerated efforts to develop job opportunities in the service sector of our economy will thus meet two needs: those of customers for services, and of workers for jobs.

The absence of a positive program to meet the increasing demand of consumers for services has impeded the development of many thousands of additional service jobs. Unless we take affirmative action, this absence will become more and more difficult to cope with in future years.

Additional changes are very much needed in title I, if the excellent beginning made under the act is to mature into the far-reaching active manpower program demanded by our times.

Manpower research, the central concern of title I, must be materially expanded. The wisdom of the Congress in establishing a strong mandate for research and for experimental progress has been clearly demonstrated.

Organized investigation into the causes and consequences of events generates new programs and modified policies. In other words, today's research leads to tomorrow's progress. This is apparent in the physical sciences. It must be acknowledged in the social sciences.

The limited manpower research program has made impressive contributions in the past 2 years, both to specific policies and, more generally, to our understanding of the processes of human development and socioeconomic behavior.

I have already described some of the important studies which have been conducted.

These and the other research efforts under the act, fruitful as they have been, have little more than opened the door to the imponderables surrounding manpower development and utilization. We are, after all, dealing with the whole human being in relation to his work and his total social environment. The new

knowledge so far gained is, of course, of great importance; but of paramount significance is what has been learned about the far greater research needs of the future.

In order to exploit the research potentialities opening up, substantially larger financial resources are required.

But more money alone will not assure results in manpower research. Labor economics and allied manpower disciplines—along with the other social services—have not attracted sufficient numbers of young scholars. The manifest lure of space exploration programs may help explain this manpower shortage.

To help correct this shortage we propose to expand manpower research capabilities not only at the national level, but at the regional and local levels by encouraging the development of regional manpower research centers. We see such centers, at academic or closely affiliated institutions, as supplementary arms of the Department and of the regional manpower advisory committees.

A part of any meaningful expanded research capacity is "operating research." Accordingly, it is proposed that the small experimental and demonstration program conducted under the general provisions of title II, be strengthened and given explicit sanction under title I of the act.

We have learned that the unfortunate term "unemployables" is at best misleading and at the worst, a cruel distortion of fact. New techniques of "human renewal," pioneered in early experimental and demonstration projects, foreshadow great possibilities for remedying the disabilities of many of these people. New and frequently unorthodox approaches must be developed to deal with the victims of cultural deprivation and social disuse.

The possibilities of innovation in techniques for helping people to help themselves is just beginning to be recognized.

To date, more than 100 special projects, serving almost 60,000 individuals and using a wide variety of public and private organizations, have been authorized. The results of some of these projects have already been put to work in improving services to unemployed workers in regular MDTA operations and in attacking complicated manpower problems.

We have only begun to explore the exciting possibilities in this area. So much is being attempted in our experimental and demonstration program that it is difficult in these brief moments to indicate the scale and spread of the effort to solve the special manpower problems of those who need help most—the disadvantaged.

One most striking success has been the demonstration that methods worked out for the vocational rehabilitation of the physically handicapped also work in dealing with the culturally handicapped. The work-sample method in sheltered workshops replaces the paper and pencil test which intimidates the illiterate and the disadvantaged.

Much has been learned in neighborhood manpower centers—that a heavy emphasis must be placed on supportive counseling, health examinations, aggressive job development, training in "social skills," and remedial education. These have been tried in three or four different ways.

Such activities must be conducted in close association with other manpower research undertakings. Placing the authorization in title I will assure this and will free the experimental program from the State-matching and apportionment requirements of title II. It will provide a closer and more specific tie between basic and operational research.

It is also proposed that limited authority to conduct two specific pilot programs be written into title I—relocation assistance for unemployed workers, and trainee bonding. The purpose of these two pilot activities is to gain experience with these specific types of financial assistance as a means for reducing unemployment.

Section 208 of the act now authorizes up to \$4 million for labor mobility projects. Four States, New York, Virginia, Indiana, and Minnesota are now participating in this activity. A good start has been made under this authority, but it expires at the end of the present fiscal year, and we need more time properly to evaluate its potential in reducing unemployment.

The trainee bonding demonstration projects would authorize small sums in each of the next 2 fiscal years to make payment to, or contracts with, agencies for the purpose of indemnifying employers against possible losses from the hiring of rehabilitated Manpower Development and Training Act trainees with previous records of offense against property.

We have been successfully training and placing some of these workers. However, the scope of occupations open to them is limited by their previous record.

We want to find ways to open to such persons further opportunities for employment.

S. 974 also proposes several improvements in the training programs.

Access to some source of income determines not only the willingness, but the capacity of most people to take training. The allowances under the Manpower Development and Training Act are therefore a key to the success of the program. Such allowances condition acceptance of training and how long they can stay in the program. The proposed Manpower Act of 1965 would increase the amount, extend the duration, broaden the eligibility, and improve the techniques of paying training allowances.

Training allowances are presently too low, especially for trainees with large families who have constituted a sizable percentage of those enrolled in Manpower Development and Training Act training. Regular allowances range from \$24 to \$44 at present, with some trainees receiving up to \$10 a week more. A good deal of the training is done in States where allowances are the lowest. Too frequently the trainee is unable to support his family, particularly for the longer-term training courses.

It is proposed that allowances be increased by \$5 per week for each dependent over two, up to a maximum of four additional dependents (bill, sec. 5(a)(1)). We are hopeful that this will reduce the pressure on trainees, who have heavy family responsibilities, to drop out of much needed training.

The Manpower Development and Training Act Amendments of 1963 provided flexibility to reach the unemployed workers with the least preparation for training. This year we seek an extension of the duration in training allowances to provide flexibility to train for the higher technical skills required by a rapidly changing economy (bill, sec. 5(a)(1)).

Few of the current programs can be of sufficient duration to prepare jobless workers for the technical occupations which are and will be increasingly in greatest demand. In addition, the current 1-year limitation on allowances results in some programs being accelerated to the point where some trainees simply cannot adjust to the tempo required and are lost to the program. These are often the ones who need the program the most.

It is recommended, also, that the allowance provisions be amended to permit eligibility for more than one person in a household of which the head is unemployed (bill, sec. 5(c)(2)). This will permit more training opportunities for the most impoverished family groups which constitute such a large portion of our population. Similarly, we propose to permit payment of training allowances to single persons without dependents (bill, sec. 5(c)(1) and (2)). Exclusion of these people from training allowances, particularly mature women forced to return to the labor force, deprives them of much needed training.

Another proposed change would permit payment of daily transportation costs from residence to training (bill, sec. 5(b)). Experience indicates that these costs can sometimes absorb as much as 20 percent of the training allowances.

We wish also to permit trainees engaged in on-the-job training to retain their earnings from casual employment not related to their training, without reduction of their allowances, just as institutional trainees now do (bill, sec. 5(a)(3) and (4)).

Finally, it is proposed that some administrative flexibility be authorized in determining the number of youths who can receive training allowances, and that the method of computing average unemployment compensation payments in the States, on which training allowances are based, be simplified (bill, secs. 5(c)(3) and 5(a)(1)).

The last amendment sought would rationalize the manpower training structure by incorporating training under the Area Redevelopment Act within the Manpower Development and Training Act (bill, sec. 251). The Area Redevelopment Act contains, along with many other features to assist in the rehabilitation of the economies of depressed areas, provisions for retraining the unemployed. To date, training has been authorized for 40,000 workers. It has been limited to the lower range of occupational skills, since maximum duration of allowances under the Area Redevelopment Act was set at 16 weeks.

Despite some differences, the training programs under the Area Redevelopment Act and the Manpower Development and Training Act are, in purpose, administration, and program content, very similar. It is proposed to merge both activities under the Manpower Development and Training Act but to retain full Federal financing and no State apportionment for the redevelopment area training programs. These features reflect the purpose of the original Area Redevelopment Act.

Secretary WIRTZ. I will confine my remarks because I know you have other witnesses scheduled this morning. I would like to say by introduction a good deal less than I would have if it had not been for the statements of both the chairman and Senator Prouty, because you have, in what you have said, already identified a good deal of the general context of this discussion here today.

I should like to add to that only this: I guess I have said before, but I should like to repeat that I know no comparable record, frankly, in the annals of government of close working association between the legislature and the executive which compares with the one we have here, with the enactment in 1962 of the Manpower Development and Training Act, then with the administrative experience under it. I should perhaps describe our experience under the act differently than the way Senator Prouty has, and would think it included a larger degree of accomplishment than he has suggested.

The amendments in 1963 of that act, and the continued administration of it, which I should like to discuss in my testimony, was followed by the report to which you have already referred, the May report of this committee. This report has been a very basic factor in the preparation of the amendments which we embody in the recommendation brought to the Congress and reflected now in S. 974 which you, Mr. Chairman, have introduced.

Senator CLARK. Let me interrupt a second, Mr. Secretary, to say that, true, through an unfortunate oversight we did not check with all members of the subcommittee to see whether they wished to co-sponsor this legislation. If any of you would like to be listed as co-sponsors I hope you will let Mr. Smith of the staff of the subcommittee know so that we can get you on the bill at its next printing.

Secretary WIRTZ. If you were to take the list of recommendations in that May report, which is a quite extended list, and go down it item by item you would find, I think, with respect to almost every single one of them a reflection of either the administrative policies of the Department of Labor in carrying out this program, or the suggestions which are made here for amendment of that program, or the broader policies toward which we are working in other programs which have been sponsored by the administration and are presently before the Congress.

I should like to add to that, if I may, that there has been not only thorough consideration of that report but also very careful attention to the report of the hearings on S. 2958, a bill which Senator Nelson introduced and which, although it is not reflected in specific provisions in this proposal, is reflected in a number of the attempts which have been made to explore further possibilities along this line.

And so we come to what is, as you say, the Manpower Act of 1965, which attempts to embody the experience which we have had in the administration of this bill, and to move ahead along the lines which are suggested in the May report of this committee.

The basic reason for this bill is the one to which you, Mr. Chairman, have already referred—4 million unemployed people at the end of 5 years of recordbreaking prosperity, is a situation which we still can contemplate only with the strongest degree of concern. We know that meeting this problem depends on two things. One is the stimulation of the economy to the fullest possible extent, there has to be the demand which will create jobs. The second is an active manpower

policy which takes account of the fact that there are probably hundreds of thousands of people who will not, simply by the fact of economic growth itself receive employment, and it is to this second aspect of the problem that we direct our interests and our efforts here particularly.

Now, with respect to the record of the administration of the act. Although, Senator Prouty, I say it was hard for me to share your general description of it, I should, of course, identify myself as we all would with the fact we have not done the whole job yet, we simply cannot. I note with interest your suggestion that we would meet our purpose if we were in a position to set up a training program when there was so much as one man who needed that training program. I would hope we could move toward that goal.

We are presently in the situation where now for the second year the appropriations for this program have been exhausted 3 or 4 months in advance of the termination of the fiscal year. I would hope that the appropriations which are contemplated for the next fiscal year would permit an improvement on that situation. I hope eventually we will be at a point where we can take any individual case which presents itself and do something about it.

With 4 million people unemployed, we are still substantially short of that position.

I should say to you that when the Congress enacted this bill in 1962—the Manpower Development and Training Act—they expressed the hope that it would be possible over the original 3-year period of that act to train at least 400,000 people. We will exceed that goal.

We have at the present time, with still a half year of the administration of that original program to go, approved programs which cover the training of 300,000 people and in addition to that have approved special programs which meet the needs of another 60,000 people. And that is in addition to a number of special experimental projects of one kind or another.

Senator CLARK. I think that requires some emphasis, Mr. Secretary, because I remember very well when you came in here and told us what your expectations were, and a couple of us thought you were a little bit optimistic, and I am happy to know your experience is right in accordance with your expectation.

Secretary WIRTZ. You do not boast when there are still 4 million unemployed in the country, but in terms of the effectiveness of the program and recognizing the financial limitations on it, as well as the administrative limitations on it in starting a new program, I am proud of what has been done.

Another part of this record, 70 to 75 percent of those who have completed this program have received employment, most of it training related.

It is also of relevance that nearly half of these trainees have been from among that group to which you refer, Senator Prouty, and very properly, as the hard-core unemployed. The unemployment statistics for January showed the lowest unemployment on a percentage basis, which is the harder test here, since October of 1957. They also showed that there have been produced in this economy $1\frac{3}{4}$ million additional jobs in the last 12 months. It is not only the administration that is doing well, it is the country that is doing well, as reflected in that particular period.

With respect, too, to your very proper point about the special problem of the hard-core unemployed, it is an interesting thing that in the last 12 months the largest gains have been made in the reduction of the hard-core unemployed. We have made gains on every front except the most serious front which we face, which is the youngsters, the unemployment figure in absolute numbers, as well as percentages, in every single category, is better than it was 12 months ago except that it is 15 percent for the youngsters and is not improving at the present point.

Six out of every ten of the people we have trained are heads of families or households. A fourth of the trainees have been from among the nonwhite groups where the unemployment has centered so strongly.

There are training programs or have been training programs in every State in the Nation and they cover 500 different occupations. In terms of the economics of the situation we know more about it than we did before. We know that the training cost of institutional training programs is now about \$1,200 to \$1,300 a person. We had told you 2 years ago that we hoped we could get that down to between \$1,000 and \$1,500. It is working out at that point.

Studies are also being made which show that the alternative to the expenditure of this amount of money per individual, the alternative, according to figures which have been recently released by the Department of Health, Education, and Welfare, is to spend \$2,500 a family on relief. It costs us less to rehabilitate a person than it costs us to carry that person and his family for even 1 year.

The longer statement which has been filed also includes reference to a number of recent studies which reflect the evaluation of the program which we have before us. I want to emphasize before this committee, because it has always been particularly interested in that aspect of it, the experimental and development programs which are part of the developing administration of this act. I have referred in my statement just illustratively to the kind of thing which we have done. Most recently, the Rikers Island project in the city of New York, where we have taken a group which from one standpoint at least presents the hardest problem that we face. This is the program in which we have been training a group of young prisoners, released from Rikers Island, working with them before they leave jail, training them not in menial tasks, but with the occupational skills which are necessary to fill the shortage occupations such as IBM equipment operators. We are finding an extraordinary result there. Seventy-five percent of even this group is now working out.

There is the traditional saying, you know, that people leave Rikers Island with just two things—they are given 25 cents and a bologna sandwich—and it has not worked out. Now we are giving them a skill that they can use and it is working out and it is just that simple.

There are other studies reported here, evaluation studies, which reflect the fact that we now know a great deal more than we did 2 years ago about the problems or the situation, at least in the work force. There is just one basic difficulty as far as the future of employment in the work force is concerned, and that is that the educational and the training components which enter into most people's experience so far are simply not up to the demands of the jobs for the kinds of skills which are demanded today. There are 28½ million

people in the work force today without any vocational training whatsoever. That we did not know before—now we do know it—and it points out to us the importance, the absolute necessity of that kind of training.

Senator PROUTY. Mr. Secretary, may I interrupt you at this point?

I visited an IBM plant recently and I asked the manager of that plant about the educational requirements for his employees. The workers manufacture parts for computers and things of that nature, which are relatively complex. He said, "None whatsoever." I asked, "Is it necessary for an employee here to have had some vocational education before you will hire him?" He said, "No; we have our own training programs," and he pointed out that quite a substantial number of people working in that particular plant had formerly been employees of a woolen company, they had no skills, relatively little education, and yet the employer was able to train those workers in the plant.

Now, it seems to me that this type of situation is common throughout the country.

I have another case in mind in a different industry, where the manager of a concern said that about 15 percent of his people require no skills of any nature. He said, "We have our own training program, our own school for those who we think are qualified to be supervisors, for men and so forth, and they have been there a while," but he said, "We train our own people, anyone almost, to operate these machines."

It seems to me as I go around that industry can and will do an important part of the training job, and wonder if you are suggesting here that everyone must have a vocational education in order to get a position in some of these industrial plants.

Secretary WIRTZ. Any such suggestion would be too broad.

Our experience would confirm your reports, Senator Prouty, to this extent—as far as the larger companies are concerned we are finding that more and more are doing, and I agree with you, should do the training which is involved here.

We are finding that probably the largest potential for the use of training which we will have to help provide is among the smaller employers. We are working on this right now, and I would like to mention it, in connection with this job development program to which we have just turned our attention. Paralleling what you have said, where a considerable amount of the training is done by a large company, only a very small part of it is done by the small employers in this country.

It is very hard for a person with a very small operation to undertake any substantial training investment because that is what it is. What I am saying is that there is a great deal more need for the kind of training which is provided outside among small employers than there is among large ones and would agree with what you say to that extent. We still have the very, very deep conviction that we are probably, and the figure is in no way reliable, and I do not give you a precise figure, several hundred thousand people short with respect to the possibility of the training being done privately.

I did not put the statement well, let me repeat it. My best estimate would be that there are several hundred thousand situations at any given time in which there are job openings and opportunities which will not be filled unless there are trained people to fill them.

Senator PROUTY. I think Mr. Shriver when testifying before this committee, perhaps when the poverty bill was before us last year, said that the head of some oil company told him that it could use 8,000 filling station employees.

He said the trouble is, we give people jobs but they do not want to work and they will not stay. They do not need training, many of them; they just do not want to work.

That was Mr. Shriver's statement.

Secretary WIRTZ. My reply would not be in contradiction to Mr. Shriver's statement at all. I do not believe there are very many Americans who do not want to work. The experience we have had indicates that the unemployment which exists is a result of lack of training, lack of competence, and an element which most closely approaches what you have just said, which is a lack of motivation, resulting from a century of racial discrimination and disadvantage as far as those individuals who are involved in that are concerned. Our conclusion, quite contrary to what you suggest, is that there are virtually no unemployables in this country, and there are virtually no people who give it the same experience which you and I have had the fortune to have as far as motivation is concerned who do not want to work. Where there is a shortcoming, where there is a failing of motivation, I think it results from the kicking around that they and usually their parents have had. That is the dismal fact.

Senator CLARK. I suggest this is a deep philosophical point of view which we are not going to settle this morning. Senator Prouty made his point.

Senator PROUTY. I will check the record to make sure I quoted Mr. Shriver correctly. It seems to me if jobs are available as filling station operators or in some other field of activity in which these people are qualified to serve and they refuse to work then I think we have to find some way to persuade them that they must work if they are going to live comfortably. It is most important that they be impressed with that fact.

Senator CLARK. I think we all agree with that.

Secretary WIRTZ. Right. Turning to the specifics of the proposals, Mr. Chairman and members of the committee, as you, Mr. Chairman, have indicated, one factor in the recommendations and in the bill, S. 974, is a provision which would put this act now on a permanent basis. I think there is pretty general feeling now that we have reached the point where that should be done.

Of somewhat related nature is the matter of the more permanent financing basis which is here proposed. We have over the years considered this question of the extent to which this should be a Federal program, the extent to which it should provide for State matching.

As a result of the provisions in the 1963 act, and the amendments, we have worked toward the achievement of a two for one, two Federal, one State or local, matching formula to become effective as of July 1965.

Secretary Celebrezze and I have been in touch with the Governors of all the States, we have made every effort we possibly can to effectuate that purpose of moving to a two and one matching basis in July of 1965, I must report to you that our conservative and at the same time most optimistic conclusion from this is that it will not go on a two for one matching basis. We would support, therefore, in line with

the administration recommendation, the provision in S. 974 which would put this program on a 90-to-10 matching basis, providing for the use of 90 percent Federal funds, 10 percent State and local funds, either in cash or in kind, as a proper financing basis.

This parallels the formula which is being worked out in the various parts of the economic opportunity program and we are—

Senator CLARK. I suspect, Mr. Secretary, that this in the end will be one of the more controversial matters which are in this legislation and I would like to ask you to stress a little bit your reasons for urging the subcommittee to abandon the matching fund basis on which the legislation was initially set up on.

I am concerned myself that we are a little bit vulnerable when we find the States are unwilling to pick up their share of the tab. I wonder why. I wonder if there is any merit in the thought that it is because they do not want it and do not think it does any good.

Is this a question of State financial problems? What does your experience indicate as the reasons why the Congress hope, in fact expectation, that the success of this program in its early years would be such that the States would be only too keen to pick up their matching grants and move ahead with the program, and how is this compatible with what you tell us is the success of the training effort?

Secretary WIRTZ. I think there are several elements in the success of that program.

First, with respect to the view held by the Governors of the various States with respect to this program.

As I say, Secretary Celebrezze and I have been in touch one way or another with I think all of them now. I think it is fair to say that there is virtually unanimous approval of this program, although there have been particular projects in certain States with respect to which complications have developed, and difficulties arise. Even despite that there has been and is today complete, I think, support of the program. So, the answer to your question, Mr. Chairman, seems to me to come down to these several elements:

First, is the fact that the States have virtually exhausted their revenue sources with respect to borrowing and taxing alike; they are now at a point where there is almost no money for them. The State indebtedness today exceeds \$92 billion. That is three times the level of just 12 years ago. They are just running out of money.

Now, the second factor is a pragmatic factor. If State funds are to go on the one hand to the building of a bridge that has somebody's name on it and on the other hand into a manpower training program which will be of great benefit to a few individuals, but which will remain completely anonymous, there are just obvious political factors at work which would seem to give the bridge an advantage.

We are dealing with a human investment program and there are not the advantages to that and the sponsorship of that as there are to the others at least in an immediate sense, and so I think there is no question but it is suffering from that liability.

My final point is an entirely different one, and it is that unemployment in this country is a national phenomenon, a national development and a national responsibility. With interstate commerce advancing to the point which it has now to identify a particular community with the responsibility for the unemployment which develops there is

frequently most unfair, because it is a consequence of national economic developments. Because these programs are to a considerable extent centered in those areas where there has been the largest development resulting from our society's general technological advance it seems to us quite fair that the substantial part of the burden be borne nationally.

Senator PROUTY. Mr. Secretary, I think that if we are completely frank we will acknowledge that when this legislation was first enacted it was well known that the States would never be required to put up one-third of the expense. The one-third matching provision was a purely political approach used to get the legislation through the Congress. I do not think any member of this subcommittee who was then on the subcommittee had any reason to believe or doubt that a change would be made. I personally am in favor of the proposed 90-to-10 ratio.

Senator CLARK. I am not prepared to—

Senator PROUTY. Just let me raise one more question.

Suppose, as has been suggested by some, that a substantial amount of the Federal Government's tax revenues were turned back to the States; if that were to happen, would you feel differently about this?

Secretary WIRTZ. If that were to happen, would I feel differently about this?

Senator PROUTY. I am suggesting that possibility.

Secretary WIRTZ. If that were to happen, yes, I would feel differently about this.

Senator PROUTY. Thank you.

Senator CLARK. I just want the record to show my dissent to Senator Prouty's historical analysis of what was going on in the minds of some of us when this legislation first was approached.

Senator PROUTY. I cannot speak for the members of the subcommittee; but I can state my own understanding of the situation.

Senator CLARK. Speaking for yourself, that is fine.

Please proceed, Mr. Secretary.

Secretary WIRTZ. As far as title I of the new act is concerned there are two or three points I would like to direct particular attention to. Those would include these: This committee has always been very much interested in the research and development aspects of this program, and one other thing or several of them that are important, having as their common denominator the enlargement of this program.

The Government as a whole is spending about 15 percent of its whole budget on research and development. That has seemed very easy when it is a matter of exploring the physical sciences. We have great difficulty in advancing in our exploration of the human sciences or the humanities and they become sciences as they are applied to programs of this kind. I urge very strongly the support of the enlarged research and development programs which we have here.

You may want to talk further about those.

Another of the suggestions in title I is a suggestion which will be part of the basis for what we have identified as a job development program and this relates back specifically to some of the things that have been said here earlier today.

We are increasingly aware of the fact that there are in various parts of the economy, and particularly in the service parts of the economy,

and especially among smaller employers, jobs which have not yet been developed in one way or another. That involves two things: It involves difficulties on the management side because it is hard to develop jobs in this kind of situation, and on the other side it is hard to prepare the training or prepare the individual for these jobs. Take the case of domestic service. Although the case is not the most important one, it is best from an illustrative standpoint.

Frankly, it has been difficult for me sometimes in the past year to make speeches about unemployment because we could not get our own screens taken down. That was not all of it. The trouble was most of the people in the audience had had the trouble getting the kind of service attention they needed of one kind or another, and they began to wonder just why this unemployment exists. Well, we are beginning to find out a good deal more about why it exists.

Take the domestic service situation itself. Very frequently some housewife wants a half day or perhaps 3 half days a week. She would like very much to have that much help. She has great difficulty in getting it. Part of the problem is that help now, especially in the large urban communities, has to come clear from the other side of the town. The transportation factor itself is a very serious one. The training factor itself is very difficult because a good many of these people who could do that service just have not had experience, they do not know what a garbage disposal will take or what it will not take, because they have not been exposed to that kind of kitchen problem. And then furthermore, the rates are low. We have a very special situation in this country as far as the development of service occupations are concerned. They are matters of great dignity in Europe, they are not matters of dignity here. The working out of service jobs is a matter of comparative convenience in small towns, it is a hard situation as far as larger cities are concerned.

I make the point with respect to domestic service but it is a much stronger point with respect to other service jobs. We are finding that there are job potential possibilities, and especially among smaller employers in the service occupations throughout the country. The President has announced the establishment of a job program.

We include in this legislation a provision which would also be part of the basis for that program. We say to you right candidly that we do not conceive of this provision as establishing authority which is lacking in the present situation. We say to you equally candidly that we think it is a matter of great importance which we ought to be talking with you about and with respect to which an expression of congressional view would be very important, and you may very well have in your deliberations thoughts along this line which are important to us.

I emphasize the inclusion of this new provision as the basis for manpower development programs which I think will help exploit the possibilities which lies so far undeveloped, especially in the service fields.

We would expect to do this, and I note this particularly in connection with our earlier discussion, Senator Prouty, in close working cooperation with the employers who are involved and with the labor organizations which are also affected. There is a good deal of this training which can be done by the larger companies and some of it can be done by the smaller companies if we use our own on-the-job

training authority to supplement their efforts. So, frankly, some of the things we are talking about now are working with trade associations, smaller employers, under the on-the-job training authority, and we will supplement their training with what we are authorized to do here, which we think open up a number of new job opportunities along that line.

Senator PROUTY. I would like to just get back for a minute to the question of domestic employees.

How long does it take to train a woman, for example, to do house cleaning?

Secretary WIRTZ. I am convinced that in our experience so far in training programs, 10, 12, or 15 weeks have been found most effective for the homemaking services.

Senator CLARK. That would be a lot more than just cleaning the house; would it not? That would be cooking?

Secretary WIRTZ. That is correct. And it may stretch longer than that in some places because frankly we are finding that one of the difficulties is that when a woman is hired in for day service, homemaking service, and a telephone call comes in and she cannot write down the telephone message which was received, it is a block to continued employment.

Senator PROUTY. Is it not true that there are a great many people who are qualified for that type of work but who do not desire it? There are a great many women who have been working in a factory, for example, who temporarily are unemployed who refuse to take jobs of that nature. I do not know that I blame them, but I think you will find that they run up into the hundreds of thousands. And people all over this country, in large as well as small communities, need help of this kind.

Secretary WIRTZ. I am going to inject the chairman's injunction—that involves, Senator, almost basically a philosophical thought, and just state my complete disagreement.

Senator PROUTY. There are many jobs and many women to fill those jobs, are there not?

Secretary WIRTZ. I think those jobs will not be filled without the development of programs of the kind we are suggesting here because I think they involve matters of training, transportation. If you extend it beyond domestic service to some of the closer related services of management development of one kind or another, the exploitation or the development of that situation does require further probative action on our part.

Senator JAVITS. Mr. Chairman, may I ask two questions precisely on this point?

Senator CLARK. Go ahead.

Senator JAVITS. Mr. Secretary, why do you not recommend the inclusion of houseworkers in the minimum wage law in order to give them the dignity of so many hours a day, so much fundamental compensation, so much overtime, and the other protections which they would get if they were included?

Secretary WIRTZ. You mean within the authority of the Constitution?

Senator JAVITS. Yes.

Secretary WIRTZ. And to the extent that it is interstate commerce involved?

Senator JAVITS. That is right, to the extent it could qualify.

Secretary WIRTZ. I should first make clear that the domestic service would probably usually not be included, I think, under the constitutional point, but do not mean to duck the question.

I think very serious consideration should be given to the broadest possible application of the minimum wage law to include particularly the service industries with respect to which there has previously been dispute.

Senator JAVITS. Would you make us some recommendations on that score and do the necessary staff work on the law?

Secretary WIRTZ. We will be glad to.

(The information referred to follow:)

COVERAGE OF DOMESTIC WORKERS UNDER THE FAIR LABOR STANDARDS ACT

The administration's recommendation regarding the extension of the Fair Labor Standards Act, including its application to employees providing services, is still under consideration but will be submitted to the Congress in the near future.

The act does not apply to houseworkers and its application to this type of employee would involve novel and difficult questions under the commerce clause.

Senator JAVITS. I agree that it is a very grave national problem. There is a tremendous opportunity in this work and it needs to be upgraded in morale.

I could not agree with you more; to say it and to do it are two different things. The Federal minimum wage law is one avenue. The State minimum wage laws would cover the bulk of the people entering domestic service. We would recommend that that be done if we could not do it ourselves.

Finally, just the general pronouncement of policy on the part of a senatorial committee, backed by the administration, that regular terms and wages and hours should be extended to those who render domestic service would also be very effective.

I had one other inquiry. You furnish a list, do you not, of the skills in short supply which are permitted to be filled by preferred immigration, is that not correct?

Secretary WIRTZ. I would have to check, Senator. I am not familiar with that particular list. I would have to supply that.

(The list referred to previously will be found on p. 33.)

Senator JAVITS. There is a preference that goes to immigration to supply needed skills, and I have always been puzzled about why you do not include domestic service of the kind that we are discussing today among those shortage skills, so that they would qualify for a high priority in immigration.

Many people want to find out how they can bring in people from other countries who would like to engage in domestic service.

Secretary WIRTZ. I should supply a fuller answer for the record, but I should say, Senator Javits, that with respect to two or three of these problems which have recently received the largest attention, particularly the agricultural labor problem, I am not persuaded at this point that there is a shortage of available manpower supply in this country and am persuaded to the contrary; that given the proper management, public and private, of that situation, it can be met with domestic workers.

Senator JAVITS. You will give us the information on both these subjects; that is, the upgrading of domestic workers in terms of wages and hours, and the question of immigration?

(The information on the question of immigration follows:)

INFORMATION ON OCCUPATIONS FOR WHICH THE DEPARTMENT IS NOW PERMITTING IMMIGRATION

Under the present immigration law, first preference is given to immigrants coming in to accept a job for which qualified domestic workers are not available. The three attached lists contain some information on the occupations represented by first-preference immigrants for whom a job offer is a prerequisite.

Attachment I, "Occupations and groups of occupations for which nationally the supply of available workers is inadequate to meet all demands," is a list which the Department of Labor furnished to the Immigration Service and State Department. For occupations on this list, the Immigration Service can process first-preference applications without additional checking with the Labor Department.

Attachment II lists some examples of nonagricultural occupations for which the Department of Labor has certified to admit aliens under the first-preference provisions. Some of the occupations on attachment I also appear on attachment II. This is because Immigration Service checked on the skill level of the alien.

Attachment III lists the agricultural occupations, and the number of workers involved, in Department of Labor certifications to admit first-preference aliens in fiscal year 1964.

Occupations and groups of occupations for which nationally the supply of available workers is inadequate to meet all demands:¹

Chemists.

College presidents, deans, professors, and instructors for junior colleges, colleges, universities, and professional schools licensed by the State to give academic degrees.

Dentists.

Metallurgists.

Engineers:

Chemical.

Civil.

Electrical.

Industrial.

Mechanical.

Mining.

Librarians.

Physicians and surgeons.

Social and welfare workers.

¹This list is prepared and used for only one purpose. It is provided to Immigration and Naturalization Service and the Department of State officials for use in screening, overseas at consulates, aliens who apply for first preference under the present immigration law.

Superintendents, principals, teachers, and instructors for all elementary, secondary, and preparatory schools whether public schools, parochial schools, denominational and sectarian schools, or other general curriculum elementary, secondary, or preparatory schools.

Nurses (trained).

Veterinarians.

Agricultural, biological, and physical scientists.

Draftsmen:

Aeronautical.

Electrical.

Marine.

Mechanical.

Tool designer.

Die designer.

Medical technicians (medical service).

Dental technicians (medical service).

ATTACHMENT II

Examples of nonagricultural occupations for which the Department of Labor has certified to admit aliens under first-preference provisions of section 204(b) of Public Law 414.

Librarians

Dieticians

Laboratory technicians

Physical therapists

Systems engineers

Cabinetmakers

Machinists

Draftsmen

ATTACHMENT III

Agricultural occupations for which the Department of Labor certified to admit aliens under first-preference provisions of section 204(b) of Public Law 414 during the fiscal year 1964, and the number of aliens so admitted.

Occupation	Number of aliens admitted	Occupation	Number of aliens admitted
Tree grafter	2	Cattle breeder	2
Farmhand, livestock	1	Horticulturist	3
Farm manager	3	Landscape gardener	1
Tree surgeon	2	Horsebreaker	1
Nurseryman	1	Dairy farm hand	1
Dairyman	1		
Agronomist	1	Total	19

Secretary WIRTZ. Yes. I take it your question goes beyond the agricultural workers.

Senator JAVITS. I am not talking about agricultural workers at all.

Senator MURPHY. Mr. Chairman, may I ask a question?

Senator CLARK. Yes, indeed, Senator Murphy.

Senator MURPHY. Mr. Secretary, I believe you mentioned 500 vocation training programs, is that correct, sir?

Secretary WIRTZ. 500 different occupational training objectives under the Manpower Development and Training Act.

Senator MURPHY. Could we possibly get a list of the programs?

Secretary WIRTZ. We would be glad to supply that. I guess we have it here, but we will supply it in detail.

Senator MURPHY. One more thing; the latest developments on the manpower problem in California indicate that you and I better have longer talks. The problem is getting more difficult out there.

(The programs requested follow:)

OCCUPATIONS FOR WHICH TRAINING HAS BEEN PROVIDED

These occupations are listed in the tables below:

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Total.....	2,880	119,335	Professional etc.—Continued		
Professional and managerial ²	315	9,148	Manager, department (retail trade).....	2	40
Editor, trade or technical	1	5	Custodian.....	2	63
Occupational therapy assistant.....	1	30	Chief clerk.....	1	20
Nurse, head (refresher).....	1	13	Sugarcane farm administrator.....	1	10
Nurse, staff (refresher).....	3	240	Printed circuit board technician.....	1	30
Ballooning (hot-air balloon).....	1	10	Clerical and sales.....	543	22,117
Floral designer.....	3	100	Bookkeeper.....	4	80
Illustrator.....	2	9	Accounting clerk.....	6	112
Clay modeler.....	2	30	Cashier.....	2	58
Draftsman.....	4	177	Bookkeeping machine operator.....	5	176
Draftsman, detailer.....	5	110	Grocery checker.....	1	20
Detailman, furniture.....	1	1	Clerk, general office.....	38	1,383
Draftsman, aeronautical.....	1	360	Insurance specialist.....	1	60
Draftsman, architectural.....	1	30	Ward clerk.....	4	85
Draftsman, commercial.....	5	113	Teller (banking).....	1	32
Draftsman, construction.....	1	10	Room clerk.....	2	45
Draftsman, electrical.....	2	50	Insurance rate clerk.....	1	24
Draftsman, mechanical.....	32	726	Medical clerk.....	2	62
Draftsman, tool design.....	2	42	Followup man.....	4	29
Draftsman, industrial.....	1	15	Traffic rate clerk.....	2	32
Draftsman, structural.....	1	5	Office machine operator.....	1	20
Tracer.....	1	40	Calculating machine operator.....	3	111
Production illustrator.....	2	25	Duplicating machine operator IV.....	5	112
Tool designer.....	1	50	Key-punch operator.....	11	342
Medical technician.....	2	29	Tabulating machine operator.....	3	65
Surgical technician.....	2	19	Dental assistant.....	8	162
X-ray technician.....	2	19	Secretary.....	28	992
Laboratory technician.....	2	140	Receiving clerk II.....	1	12
Hematologist technician.....	1	4	Shipping clerk I.....	2	8
Operating room technician.....	5	102	Shipping clerk II.....	3	6
Occupational therapy assistant.....	1	20	Platform checker.....	1	3
Laboratory assistant, chemist.....	5	113	Assistant medical records librarian.....	1	32
Laboratory technician.....	2	2	Stenographer.....	221	7,842
Medical laboratory assistant.....	1	15	Stenotypist.....	1	60
Treatment plant maintenance and management trainee.....	1	50	Typist.....	30	2,083
Water and sewage plant laboratory technician.....	3	8	Teletype operator.....	1	10
Physical therapy aid.....	1	2	Clerk-typist.....	108	5,623
Nurse, practical, licensed.....	147	4,777	Transcribing machine operator.....	2	120
Surveyor.....	1	24	Stock clerk.....	3	14
Engineering aid II.....	1	30	Inventory controller.....	1	1
Instrumentman (entry).....	1	20	Teacher aid.....	1	40
Transmission (entry).....	3	62	Station house clerk (police precinct).....	1	30
Taxidermist.....	1	12	Salesperson, women's garments.....	1	20
Electronic technician.....	2	98	Sales clerk (retail trade).....	1	40
Systems testing laboratory technician (entry).....	2	74	Salesperson, automobile parts.....	9	214
Statistical quality control assistant.....	1	15	Salesperson, general.....	16	1,565
Recreational aid.....	2	100	Salesperson, photo supplies and equipment.....	1	32
Forester aid (entry).....	20	437	Salesman, general.....	4	324
Time-study man.....	1	10	Salesman, motor vehicles and supplies.....	1	21
Radio-TV announcer.....	1	18	Salesman, building and construction equipment and supplies.....	1	15
Programmer (entry).....	15	408			
Engineering aid, civil.....	5	108			
Data processing technician.....	1	32			
Service station manager.....	1	2			
Manager, retail food (legally blind).....	1	44			

See footnotes at end of table, p. 40.

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963—Continued

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Service.....	224	12,708	Skilled—Continued		
Homemaker.....	1	48	Garment inspector.....	1	15
Home attendant.....	2	69	Lumber grader.....	6	70
Chambermaid.....	6	289	Head sawyer.....	1	60
Ward maid.....	2	92	Operation inspector.....	1	1
House cleaner (medical service).....	2	173	Cabinetmaker.....	12	256
Housekeeper (hotel and restaurant).....	3	315	Woodworking machine operator.....	6	165
Housekeeper (medical service).....	3	340	Router operator.....	1	4
Roundsman.....	2	81	Planer operator.....	2	8
Cook, combination.....	1	20	Kiln operator.....	1	2
Cook, fry.....	2	68	Millman.....	14	496
Chef (hotel and restaurant).....	2	52	Upholsterer.....	11	283
Cook (hotel and restaurant).....	47	1,398	Platemaker.....	1	4
Cook, short order.....	6	96	Printer-slotter operator.....	1	6
Waiter, formal.....	7	412	Corrugator operator, head printer.....	1	48
Waiter, informal.....	4	134	Linotype operator.....	1	80
Waitress.....	19	1,263	Camerman, roll and sheet.....	1	8
Cook helper.....	2	140	Camera plate maker and stripper.....	1	10
Pantryman.....	2	130	Stripper and printer.....	1	4
Food service restaurant worker.....	2	30	Dot-etch journeyman.....	1	4
Beauty operator.....	4	49	Offset pressman.....	8	191
Orderly.....	9	1,035	Plate maker assistant.....	1	8
Nurse aid.....	66	4,568	Photographic worker.....	1	1
Psychiatric aid.....	9	980	Shoe repairman.....	7	181
Ward attendant.....	6	380	Sewer, hand (boot and shoe).....	8	445
Kindergartner.....	1	20	Binding stitcher.....	2	48
Cook apprentice.....	2	7	Goodyear stitcher (boot and shoe).....	1	10
Guard, institution.....	1	10	Stitcher, utility (boot and shoe).....	1	25
Janitor I.....	8	407	Top stitcher (boot and shoe).....	5	90
Porter I.....	2	52	Vamper II (boot and shoe).....	1	84
Service worker.....	1	50	Side laster, hand (boot and shoe).....	1	10
Agricultural.....	76	2,509	Bed laster.....	4	69
Dairyman II.....	2	140	Puller-over, machine (boot and shoe).....	1	10
Farmer, general.....	4	115	Inspector (boot and shoe).....	2	16
Truck farmer.....	2	95	Finisher-foot caster-bit gatherer, glass.....	1	20
Farmhand, dairy.....	11	246	Gatherer-blower (glass manufacturing).....	1	20
Farmhand, fruit.....	2	70	Watchmaker.....	1	12
Farmhand, general.....	10	385	Electroplater.....	1	1
All-round farm-machinery operator.....	7	214	Machinist (entry).....	21	536
Tractor operator I.....	3	71	Lathe operator.....	1	3
Tractor operator II.....	3	90	Machinist, outside (ship and boat building and repair).....	2	180
Farm mechanic.....	5	110	Tool setter.....	1	8
Farm couple.....	1	10	Job setter (machine shop) (entry).....	1	20
Fruit farm technician.....	1	25	Screw-machine-set-up man, automatic.....	5	103
Nurseryman II.....	2	55	Turret-lathe set-up man.....	2	47
Groundskeeper.....	5	175	Tool and die maker.....	1	18
Landscape gardener.....	1	20	Toolmaker, eylet (entry).....	1	30
Tree and vine pruner.....	10	539	Engine lathe operator I.....	7	114
Arborist.....	4	67	Machine shop and related occupations, (entry).....	3	634
Fisherman, otter trawl.....	1	50	Screw-machine operator.....	1	20
Fish filleter.....	2	32	Turret lathe operator.....	15	499
Skilled.....	1,056	29,414	Milling machine operator.....	10	149
Baker.....	5	74	Surface-grinder operator.....	1	8
Butcher.....	1	20	Inspector (machine shop).....	4	82
Knitting-machine operator.....	4	134	Sheetmetal worker.....	18	592
Knitting-machine operator, hand.....	1	6	Sheetmetal worker, aircraft.....	2	92
Garment mender.....	1	10	Structural steel worker.....	1	20
Weaver.....	5	107			
Loom fixer.....	1	12			
Mender (textile).....	1	12			
Seamstress.....	1	20			
Tailor.....	5	72			
Alterer (garment).....	1	17			
Garment cutter.....	1	25			

See footnotes at end of table, p. 40.

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963—Continued

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Skilled—Continued			Skilled—Continued		
Shipfitter.....	1	100	Tractor mechanic.....	2	45
Ornamental ironworker.....	2	27	Wheel alignment mechanic.....	2	35
Ironworker, shop.....	1	25	Ignition and carburation mechanic.....	3	60
Structural steel fitter.....	1	20	Automobile body repairman.....	105	2,410
Template maker, structural steel.....	2	50	Truck body builder.....	1	4
Welder (construction} trades).....	3	105	Air conditioning mechanic (auto service).....	1	15
Welder, arc.....	32	1,560	Motor analyst.....	5	134
Welder, inert gas.....	18	497	Automatic transmission repairman.....	9	182
Welder, ship.....	1	7	Automobile mechanic tune-up specialist.....	1	15
Welder, combination.....	84	2,945	Appliance serviceman.....	1	18
Cold header (set-up).....	1	9	Oil-burner installation and serviceman.....	7	330
Scarfer and chipper.....	1	3	Heating and air conditioning mechanic.....	1	24
Casting machine operator.....	2	12	Gas appliance serviceman.....	1	20
Electrician (entry).....	13	322	Electrical appliance serviceman.....	23	513
Electrician, ship (entry).....	3	152	Household appliance serviceman and installer.....	2	38
Electrical repairman.....	1	2	Household appliance repairman.....	9	246
Electronic component assembler and inspector.....	2	80	Office machine serviceman.....	8	165
Quality control inspector.....	1	1	Typewriter serviceman.....	1	20
Firesetter (electrical equipment).....	1	6	Machine setup man (woodworking).....	6	14
Tester, systems (entry).....	3	175	Machine fixer.....	2	8
Metal fabricator I.....	1	16	Television service and repair.....	12	349
Fitting man.....	1	15	Electric motor repair.....	1	20
Precision lens grinder.....	1	20	Electronics mechanic (entry).....	50	1,584
Ophthalmic surfacer.....	1	1	Radio mechanic.....	2	75
Piano tuner and repairman.....	2	24	Maintenance man, building.....	6	214
Stringing inspector.....	1	9	Maintenance man, mill.....	2	13
Broommaker.....	1	10	Construction equipment mechanic.....	2	35
Finisher (planing mill).....	4	3	Engineering equipment mechanic.....	1	30
Painter, automobile.....	3	95	Maintenance mechanic.....	10	146
Patternmaker, furniture.....	1	1	Molding machine mechanic.....	3	48
Samplemaker, furniture.....	1	2	Sewing machine repairman.....	9	151
Loftsmen (entry).....	1	125	Outboard motor repairman.....	1	15
Template maker (entry).....	1	80	Gas engine repairman.....	3	45
Operating engineer II (entry).....	3	69	Diesel mechanic.....	11	179
Bricklayer.....	8	281	Farm equipment mechanic.....	4	67
Tile setter.....	3	41	Mechanical equipment repairman.....	1	15
Carpenter, bench (entry).....	2	35	Air conditioning and refrigeration mechanic.....	15	271
Carpenter (entry).....	17	395	Instrument man.....	3	98
Carpenter, finish.....	5	134	Vending machine repairman.....	1	24
Carpenter, rough.....	3	95	Tool grinder operator.....	1	4
Boatbuilder, wooden.....	1	16	Knife grinder (woodworking).....	1	1
Joiner (ship and boat building and repair).....	1	40	Photographic technician.....	1	1
Cement finisher.....	7	181	Contact printer assistant.....	1	4
Painter, interior finish.....	4	174	Crane operator.....	1	12
Painter, boat, finish.....	1	8			
Pipefitter (entry).....	1	100			
Pipefitter (ship and boat building and repair).....	6	396			
Plumber.....	6	104			
Asbestos worker, pipe coverer.....	1	36			
School bus driver.....	2	915			
Telegraphic typewriter repairman.....	1	12			
Lineman.....	1	60			
Meat cutter.....	5	313			
Stationary engineer.....	1	25			
Rotary driller.....	1	180			
Well-drill operator.....	1	1			
Millwright.....	3	63			
Airplane mechanic.....	1	12			
Aircraft engine mechanic.....	2	33			
Automobile mechanic.....	205	4,915			
Truck mechanic.....	2	40			
Transmission and differential repairman.....	2	80			

See footnotes at end of table, p. 40.

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963—Continued

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Semiskilled.....	561	22,191	Semiskilled—Continued		
Meat processing worker.....	1	44	Boring machine operator (horizontal and vertical).....	1	4
Separator man (grain cleaner).....	1	5	Boring machine operator, multiple spindle.....	1	4
Meat production operator.....	1	60	Molder operator.....	2	10
Cigar machine operator.....	1	18	Woodworker, general.....	8	183
Transfer knitter.....	1	15	Glue clamp operator (woodwork).....	1	12
Seamless hosiery knitter.....	1	36	Fabricator, metal winder.....	1	10
Garment looper.....	1	35	Cushion maker (furniture).....	1	1
Looper (hosiery).....	1	15	Spring cushion filler (furniture).....	1	1
Topper (hosiery).....	1	7	Cushion man.....	1	1
Gill-box tender.....	2	11	Variety saw operator (entry).....	1	30
Comber tender.....	2	6	Upholsterer (furniture) II.....	4	74
Card tender.....	2	10	Upholster helper (entry).....	1	20
Quiller operator.....	1	2	Case framer.....	1	8
Production inspector.....	1	2	Furniture assembler.....	1	4
Twister-in (textile).....	1	1	Stock-parts inspector (furniture).....	1	7
Upholstery cutter.....	2	5	Spring assembler.....	1	1
Embroidery machine operator.....	2	95	Springer, hand-tie (furniture).....	1	4
Sewer, machine (upholstery).....	1	5	Tape-edge-machine operator.....	1	10
Sewing machine operator (furniture).....	5	43	Veneer mill worker.....	1	120
Glove sewer, leather products.....	1	12	Slitter and rewinder machine operator.....	1	8
Sewing machine operator (house furnishings).....	2	15	Splitting machine operator.....	1	2
Sewing machine operator (knit goods).....	2	152	Slotter operator.....	1	5
Upholstery seamstress (retail trade).....	1	2	Die moulder.....	1	1
Sewing machine operator (textile).....	1	60	Taping machine operator.....	1	3
Sewing machine operator (garment).....	25	2,253	Folder-gluer operator.....	1	3
Sewing machine operator (shirts).....	5	338	Corrugated-combining machine operator.....	1	2
Sewing machine operator (lingerie).....	4	201	Slitter-scorer-cutoff operator.....	1	2
Carpet tufting machine operator.....	1	60	Stripper, assistant.....	1	8
Pulpwood cutter.....	1	25	Mixing-machine operator.....	1	2
Dragsaw operator.....	1	2	Chemical operator II (entry).....	1	20
Barking machine operator.....	1	2	Glue mixer (adhesive man).....	1	1
Edger man.....	2	12	Rubber pressman.....	1	103
Gang sawyer (sawmill).....	1	2	Cutter, hand (boot and shoe).....	3	90
Band resaw operator (sawmill).....	1	2	Skiver, machine (boot and shoe).....	3	85
Trimmer man (sawmill).....	2	6	Cutter, machine (entry).....	1	120
Sawmill worker.....	2	58	Edge trimmer (boot and shoe).....	4	59
Action moulder.....	1	14	Groover and turner.....	1	16
Mold sander operator, automatic.....	1	4	Stitcher, machine (boot and shoe).....	12	684
Belt sander, edger-polisher.....	1	6	Heel-seam closer (boot and shoe).....	2	81
Drum sander I (furniture).....	1	3	Fancer stitcher (boot and shoe).....	1	48
Circular-ripsaw operator (woodworking).....	1	21	Heel coverer (boot and shoe).....	1	16
Band-scroll-saw operator (woodworking).....	1	2	Sole layer, hand (boot and shoe).....	1	10
Swinging-cut-off-saw operator (woodworking).....	1	5	Rougher for cement.....	1	10
Scrap sawyer (sawmill).....	1	15	Heel builder machine man (boot and shoe).....	1	24
Variety-saw operator.....	2	11	Top lift nailer (boot and shoe).....	1	24
Chisel-mortiser operator (furniture planing mill).....	1	2	Blemish remover (boot and shoe).....	1	10
Dovetail machine operator (furniture).....	1	4			
Temoner operator (furniture).....	2	8			
Shaper operator.....	2	10			
Machine operator, general (shaped wood art).....	1	20			

See footnotes at end of table, p. 40.

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963—Continued

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Semiskilled—Continued			Semiskilled—Continued		
Heel emery man (boot and shoe).....	2	34	Sphere assembler.....	1	4
Shoe manufacturing, general.....	1	180	Balloon assembler.....	1	18
Case coverer.....	3	60	Fiberglass lay up man.....	2	10
Pantograph operator.....	1	4	Calibrator (instrument).....	1	80
Engine lathe operator, II.....	1	50	Instrument assembler.....	2	155
Turret lathe operator, automatic (entry).....	1	18	Press operator.....	1	1
Screw machine operator.....	11	377	Pill machine operator.....	1	1
Lapping machine operator.....	1	5	Machine operator, plastic.....	1	12
External grinder operator.....	1	7	Oven attendant.....	1	18
Grinder.....	1	30	Action regulator.....	1	9
Floor assembler.....	3	54	Action inspector.....	1	24
Assembler (machine shop).....	2	45	Fur dresser.....	1	6
Machine operator, general.....	169	6,383	Inside sorter (broom).....	1	8
Steel-plate-caliker (ship and boat building and repair).....	1	6	Broom stitcher.....	1	8
Welder, arc II (production).....	1	42	Painter, spray.....	3	50
Welder, spot.....	1	2	Glass applicator.....	1	10
Welder, tack.....	1	160	Plastic decorator.....	1	6
Furnace operator, heat treating.....	1	5	Assistant yarn dyer.....	2	15
Intermediate level man.....	1	3	Bulldozer operator.....	2	48
Straighten and cutoff man.....	1	6	Ladle liner.....	1	6
Punch press operator and set-up man.....	1	10	Salesman, route.....	5	110
Punch press operator.....	1	7	Tractor operator.....	3	85
Foot press operator.....	1	20	Sewage plant operator.....	2	86
Inspector (iron and steel).....	1	3	Frameman (telephone and telegraph).....	1	30
Ladle tilt operator.....	1	3	Presser, machine.....	3	90
Electric furnace, first helper.....	1	6	Shirt presser.....	4	326
Electric furnace, second helper.....	1	6	Carpetlayer.....	1	25
Ladle man.....	1	3	Gold leaf stamper.....	1	6
Stopperman.....	1	6	Automobile service station attendant.....	20	595
Machine operator (roller coater).....	1	3	Automobile service station mechanic.....	18	548
Sheet metal fabricating machine operator.....	6	224	Packer (furniture).....	1	2
Slitter operator.....	1	3	Fireman, stationary boiler.....	1	5
Electronics assembler.....	2	134	Well-drill operator helper.....	1	1
Solderer.....	2	160	Automobile mechanic helper.....	7	140
Welder.....	1	80	Auto body repairman helper.....	1	15
Chassis assembler.....	3	578	Auto body repairman helper, metal.....	2	88
Electronic assembler.....	20	1,751	Washing machine serviceman.....	1	40
Module assembler.....	2	255	Electrical appliance repairman.....	2	40
Testing machine operator.....	1	2	Stitcher setup man.....	1	5
Ordnance material assembler.....	1	123	Plastic mold tryout man.....	1	4
Armature winder.....	1	5	Coin machine serviceman.....	5	125
Coll winder.....	1	15	Small-engine mechanic.....	2	32
Electric motor assembler.....	1	25	Saw filer machine.....	1	2
Inspector and tester, motors, generators, and parts.....	1	90	Greaser (automotive service).....	1	25
Cable maker, electrical equipment.....	1	12	Blueprinting machine operator.....	1	2
Control assembler, electrical accessories.....	3	103	Tier-lift truck operator.....	1	5
Inspector (electrical equipment) I.....	1	7	Gasoline truck operator.....	2	2
Production worker.....	1	75	Cable splicer.....	1	15
Motor adjuster.....	4	68	Saw filer.....	1	2
Subassembler (aircraft).....	1	1,300	Apprentices.....	51	458
Assembler IV (aircraft).....	1	1,000	Carpenter.....	3	50
Tank assembler.....	1	3	Machinist.....	13	16
			Tool-and-die maker.....	5	154
			Toolmaker.....	1	1
			Electrician.....	1	20
			Bricklayer.....	2	36
			Transferer I.....	1	3
			Lithographic artist.....	1	7
			Offset pressman.....	1	9
			Maintenance mechanic.....	2	8
			Millwright.....	1	2

See footnotes at end of table, p. 40.

TABLE 4.—Occupations for which Manpower Development and Training Act institutional and on-the-job training projects were approved, August 1962 through December 1963—Continued

Major occupational group and occupation ¹	Number		Major occupational group and occupation ¹	Number	
	Projects	Trainees		Projects	Trainees
Automobile mechanic.....	4	68	Stripper junior helper.....	1	4
Automobile body repairman, metal.....	1	2	Book-sewing machine operator I.....	1	6
Meatcutter.....	4	20	Springer.....	1	10
Cabinetmaker.....	4	41	Pickler.....	1	1
Furniture finisher.....	2	9	Slag pit man.....	1	6
Upholsterer.....	5	12	Assistant ladle man.....	1	3
Other.....	26	234	Wheelabrator and tumbling barrel operator.....	1	1
Crab picker.....	1	100	Stocker.....	1	3
Slaughterhouse worker.....	1	16	Billet handler.....	1	6
Warper.....	1	2	Scrap weighman.....	1	3
Head-saw off-bearer.....	1	2	Action assembler.....	1	12
Trimmer, taller.....	1	2	Action fabricator.....	1	13
Lumber handler.....	1	6	Eyelet operator.....	1	6
Woodenware assembler.....	1	2	Moving man.....	1	15
Chipperman.....	1	2	Packer and inspector.....	1	1
Pressman attendant.....	1	4	Warehouseman.....	1	4
Platemaker junior helper.....	1	4	Multioccupation projects.....	28	20,556

¹ Arranged in order of Dictionary of Occupational Titles code numbers.

² Training occupations in this group are all at the subprofessional or technical level.

Senator CLARK. Please proceed, Mr. Secretary.

Secretary WIRTZ. With regard to title I, the only other point which under the exigencies of time warrants attention is the research program, not only with respect to its quality, but with respect to its administrative form. We propose to encourage the establishment of regional manpower research centers by placing research contracts in regionally located universities or related institutions. We have already started along that line. We think that this is important, because it will permit our further recognition of the fact that this program must eventually be worked out on a local and regional, as well as a national basis.

Senator CLARK. Mr. Secretary, you speak of research. Are these in the words of the act, these experimental, development, demonstration, and pilot projects? Or is there a separate section on research?

Secretary WIRTZ. There are two sections here that reflect that. The numbers are specifically—they would be amendments of section 102(5) of the old act and the addition of sections 102(6) and 102(7). This is in addition to a further provision in section 103 with respect to the labor mobility projects, and the remaining point I was coming to. We propose also experimental projects with respect to bonding of trainees.

Senator CLARK. I was interested in the fact that you used the word "research," and I think correctly. But in the language of the act, it is "demonstration," is it not?

Secretary WIRTZ. There are provisions for both research and demonstration projects in the act. Among other things, Mr. Chairman and members of the committee, what this bill does is to move the labor mobility demonstration projects from title II to title I. I think perhaps the most serious difficulties we have had with them have arisen from the fact that there has been some question on the part of the local authorities as to whether they should be charged under the

allocation formula with the expense of these experimental and development projects, and we felt that point was well taken. This would expand the amount of the allocation and move it to title I. Just a word about this proposal for a bonding program for graduates of these training programs. We are running increasingly into the situation that as we take the harder cases, we find included among them some—especially juveniles—boys and girls with juvenile delinquency records. We find after we train them, they have trouble getting a job, because an employer looks at that record and feels it is a risk he cannot take.

So this bill does provide for the setting up of an experimental program to try to meet that situation. It is in general terms. We will have to feel our way along this line. But there is a crime salvage potential here which cannot be overlooked.

The provision for research and development, experimental development work in connection with labor mobility projects is also covered here, and I have noted it.

Then, very quickly, Mr. Chairman and members of the committee, with respect to title II, we are suggesting a number of changes particularly with respect to allowances. We are realizing increasingly that the training allowances are so low that they are denying training opportunity perhaps to that group which needs it the most. The regular allowances today run from about \$24 to \$44 a month, with some of the trainees receiving an additional \$10. In round figures, that means that these people during the training period are getting allowances in the neighborhood of \$1,500 a year, plus or minus. That is not enough to keep themselves and their families together.

Senator CLARK. You said a month. You meant a month and not a week?

Secretary WIRTZ. The earlier figure that I gave, if I said a month, I said it inaccurately. It is a week. And the figure for the year would be roughly \$1,500 to \$2,000. In a good many of these situations, the trainees are members or the heads of large families. So we are proposing several changes, one of which would be to permit the addition of another \$5 per week for each dependent over two. That is to meet part of that problem. We are suggesting, and there is reflected in this bill the suggestion that there be extension of the training period, because in some of these cases there is not, under the present bill, authority to carry the training allowances as long as they should go. So that the proposal is that that period be extended up to 2 years.

Senator PROUTY. What is the average training period now?

Secretary WIRTZ. The present average is 26 weeks.

Senator CLARK. Mr. Secretary, could you give us a few examples of the kind of program which might take as long as 2 years?

Secretary WIRTZ. Mr. Ruttenberg's advice on that would be better, and if you would like it more directly—

Senator CLARK. All right, Mr. Ruttenberg.

Mr. RUTTENBERG. There are areas like electronic technicians, mechanical technicians, air conditioning and heating employment repair people. In these general areas that are nonapprenticeable trades, a training period of longer than 1 year is frequently necessary.

As a matter of fact, an attempt to try to compress the teaching of an electronic technician program in less than a year's time has led to the

type of training that produces dropouts, because the individuals cannot keep up with the pace of the training.

Secretary CLARK. Starting with high school graduates?

Mr. RUTTENBERG. In the main, with those who have had high school training, not necessarily all high school graduates, but with 10 years or more educational attainment in the main; although there will be, if we had the authority to go to 104 weeks in training, there would be a substantial number of training courses that now are not given under the Manpower Development and Training Act that would be made available to more than high school graduates.

Senator CLARK. Do you find you can get a significant number of individuals to stick with it at the very low training allowances they are getting for as long as 2 years in order to acquire the skill?

Mr. RUTTENBERG. Well, I think that goes to the heart of the question the Secretary was just talking about in terms of having the dependents' allowances and increasing the amount of income which the individual can receive as a training allowance if he is going to continue through the duration of the course.

The one thing we have found that the longer the training the individual receives, the greater is his chance of not only securing employment, but of retaining the employment once he secures it at the completion of the course. I think the experience under the GI bill of rights indicates that individuals who had an average of 18 months of training tended to have a more stable and steady employment experience than those who had less than that amount of training under the GI bill.

Senator CLARK. Go ahead, Mr. Secretary.

Secretary WIRTZ. The other specifics with respect to the training allowances, I should run through quickly and then return to them if you have questions about them.

As it is now, only one person in a particular family is entitled to receive training allowances. We propose an amendment which would provide that if the head of the family is unemployed, that limitation will not be in effect—that limitation will be taken off. Specifically, right now you may have a situation in which there will be the head of the family and then perhaps two or three others of working age, and we feel that the training allowances should be extended to more than the one situation.

There is presently a prohibition on training allowances for single persons without dependents. We are finding that is particularly unfortunate in its application when you come to the situation of a woman who may very possibly have finished raising her family, a single woman or a widowed woman who now wants to get into the work force. She is denied any training allowance. She would be one illustration of a situation which we think has no basis and which experience suggests we think be changed.

We are finding that with respect to a number of people, especially in large cities, the fact of transportation across town eats up a very substantial part of the training allowance, and we are, therefore, proposing an amendment to the act which is reflected in this bill which would mean that there can be included in the allowances the costs of commuting for the training.

There is a provision in the present bill which prohibits on-the-job trainees from taking outside employment, or rather provides that if they do, their allowances are cut down by that amount. We think that should be changed.

There is another—moving on from the training allowances—there is a provision in the bill which provides that not more than 25 percent of the total trainees drawing training allowances can be youngsters under the age of 22. We are proposing, or the bill proposes, that that figure remain as it is, but that there be a degree of administrative discretion in its administration.

Finally, Mr. Chairman, and members of the committee, the provisions for training under what has been the Area Redevelopment Act—we have had these separate training programs under the Area Redevelopment Act, and under the Manpower Development and Training Act, and it is the consensus of the administration, as reflected in this bill, that these programs should be brought together as far as the statutory authorization is concerned.

I think there is comparatively little dispute or question about that, but I note it here. There have been different training provisions, and they would become part of the same act. However, the provision of training in Area Redevelopment Act areas would not be subject to the matching provision, because by its very philosophy and nature it was directed at those areas which would be less able to match it, so that provision would not apply there.

And neither would the provision for the application of an allocation formula.

Senator PROUTY. Does this mean that the Area Redevelopment Act training program will be eliminated now—no longer in effect?

Secretary WIRTZ. No, it will still be in existence but there will not be separate statutory authorization for it. As it works, Senator Prouty, both Commerce administering the Area Redevelopment Act, and Labor administering the Manpower Development and Training Act work through the Department of Health, Education, and Welfare, as far as the training programs themselves are concerned.

Senator CLARK. Mr. Secretary, Mr. Batt will be here later this morning, and will go into that more fully.

Secretary WIRTZ. I have taken longer than I meant to, Mr. Chairman, and I will merely say that I think this act is essential to the establishment of the goal of full employment opportunity in this country. I think it is the difference between employment and unemployment for hundreds of thousands of people. I urge its adoption.

Senator CLARK. Thank you, Mr. Secretary. I assume, as we proceed in the consideration of this act, that your staff will be available for more extensive discussion on the amendments.

Senator Randolph.

Senator RANDOLPH. Mr. Chairman, it is my recollection that following the passage of the Manpower Development and Training Act in 1962 that we actually began this program in October of that year; am I correct?

Secretary WIRTZ. The appropriation came in August of 1962.

Senator RANDOLPH. We started in October, as I recall, actively placing the program into effect. I mention this because as far back

as 1961, in the State of West Virginia, we have realized the importance of this type of program. We began it at the State level and during this period of time there have been conflicting reports of the effectiveness, partial effectiveness, or noneffectiveness of the program. The West Virginia program and then the program supplemented by the act—

Secretary WIRTZ. ARA first.

Senator RANDOLPH (continuing). That became law. This causes me to have the record reflect today that the Governor of West Virginia, Hulett Smith, has reported to the Senate Committee on Labor and Public Welfare, through the Senate Subcommittee on Education, while testifying here, that these retraining programs are effective in West Virginia. Governor Smith indicates that the achievement is relatively high from the efforts which have been carried forward.

I ask, Mr. Chairman, consent to place in the record at this point portions of an article which was carried in the Charleston, W. Va., Gazette-Mail of Sunday, February 7, which indicates the type of training and the projects on which the workers have been employed under these programs, including the program which was initiated in West Virginia beginning in 1961.

Senator CLARK. Without objection, that will be done.

[From the Sunday Gazette-Mail, Charleston, W. Va., Feb. 7, 1965]

DIGNITY: STATE WORK FORCE ACHIEVEMENT HIGH

(By John G. Morgan)

Under the West Virginia work and training program, men have dug graves in Charleston, recovered Indian relics at Buffalo, and cleaned the banks of Paw Paw Creek at Grant Town.

They have painted city halls at Belle and Alderson, applied rock, gravel, and red dog to the streets of Anawalt and War, planted pine trees at Cameron.

They have cleaned manholes at Nitro, cleaned the Cherry River channel at Richwood, and renovated nature trails and bridal paths at Wheeling.

Still numbering about 10,000 strong, the men in this program continue to work on a wide variety of public projects throughout the State.

It is a unique program, the first on a statewide basis in the Nation. It is built on the simple belief that men prefer to keep their dignity and their work habits and to get some training if they can. They prefer this to the straight public assistance grant, the handout, the dole.

Unemployed, able-bodied heads of families qualify for participation. They make \$1 an hour, up to a maximum of \$165 per month.

Since the program was started in August of 1961, more than \$57 million in Federal and State money has been paid the workers. The Federal Government carries about 78 percent of the load.

The initial contingent of workers was made up of 2,100 men. More and more were added until March of 1963 when the number on the program rolls reached a peak of 13,951.

The average caseload in the fiscal year ended last June 30 ran 11,342 a month, with total payments for that year amounting to \$17,202,752.

In the first 6 months of the fiscal year 1964-65, or through last December, the grants totaled \$7,837,067.

In December, the caseload was 10,334. This caseload included 20,048 parents or caretakers, along with 36,604 children.

From an overall standpoint, State Welfare Commissioner W. Bernard Smith has called the work and training program "an invaluable means of aid, not only to those given work assignments, but to the communities in which they live. * * * Children who have never seen their fathers going to work are now beginning to realize the benefits one can receive from striving to better his skills and training."

The State department of welfare determines the eligibility of applicants, certifies the projects proposed by the many State and local governmental units, and assigns personnel to those projects.

Project sponsors (State, county, and municipal) are responsible for supervision of the workers on various jobs and for the tools and equipment used. Workers are paid only with Federal and State money, however.

One of the best-known projects in the Charleston area has been the improvement of Little Creek Park at South Charleston.

This project, to which 43 men were assigned, has been under supervision of the South Charleston Park and Planning Commission.

The work has included the building of a picnic pavilion, a ball park, stone culverts, and a storm drainage system. The men planted grass and shrubbery, cut trees, and burned underbrush.

Other work in the Charleston area has included the digging of graves and general maintenance at Spring Hill Cemetery. Considerable work has been done at Coonskin Park and Shawnee Reservation.

At Oglebay Park in Wheeling, in addition to renovation of nature trails and bridle paths, the workers were employed on construction of a golf course and ski slope.

As direct results of the work of some of the men, the welfare department has received numerous complimentary letters. Many of these were sent to Frederick D. Ehle, program supervisor. Here are some quotes from Ehle's mail:

"We in Kimball, as well as the people of McDowell County and the State of West Virginia, are very grateful for the many improvements that have been made under your capable leadership * * *"—J. V. Larkin, mayor of Kimball.

"Just a line to let you know that the Webster County 4-H camp (Camp Caesar) has been able to make many improvements with the help of the * * * labor which your department has furnished us."—H. A. Burton, camp director.

"All in all, I would like to say that we are very much appreciative of the * * * program and that with it we have performed the useful and needed work that we could not complete without it."—Jess B. Hughes, mayor of Keystone.

"We are proud of the condition of our town and give almost all the credit to the work and training program. It would be impossible to give an estimate of the savings this program has accomplished."—L. E. Bowen, mayor of Gassaway.

"These men have been instrumental in building a very fine park in the city of South Charleston. This park has fine recreational facilities that were supplied by labor furnished by your men. The park is really a showplace for the Kanawha Valley."—Dr. C. Carl Tully, vice president of the South Charleston Park and Recreation Commission.

The number of projects to which program participants are assigned stands at about 500. More than half of the men work on State projects.

By the latest counts, 4,913 men were assigned to the State road commission, 922 to the natural resources department, and 240 to the welfare department. County boards of education employ 707.

The major weakness in the program is that, because of lack of funds for supervision and for tools and equipment, not enough opportunities have been provided for training.

State officials hope that additional Federal funds will become available under the Economic Opportunity Act for more training that would be directly related to current and anticipated labor market needs.

Since August of 1961, an estimated 1,000 persons have been assigned to retraining programs. A factor reflected by this relatively low number is the basic educational attainment level of many in the program.

More than 30 percent of those in the program have completed less than the fifth grade, and their actual educational attainment levels probably would average somewhat below that point.

One of the brighter spots in the retraining area has been a bulldozer-roadgrader operator training course provided at Bluefield State College under the Manpower Development and Training Act, with a concurrent grant from the State-financed area vocational program.

The most recent class began on November 2, 1964, to continue for 16 weeks or through February 19, 1965, at 40 hours per week. Of 15 trainees, 9 were screened from program workers in the Bluefield area.

Actual work experience includes the operation of a bulldozer and roadgrader in the construction of roads in Bluefield City Park. Instruction includes arc and gas welding, hydraulics, and minor skills.

Senator RANDOLPH. I wish to call particular attention to the comment by John G. Morgan, who wrote the article which will be made a part of this record. He said:

More than 30 percent of those in the program have completed less than fifth grade and their actual attainment levels probably would average somewhat below that point.

One of the brighter spots in the retaining area has been a bulldozer-roadgrader operator training course provided at Bluefield State College under the Manpower Development and Training Act, with a concurrent grant from the State-financed area vocational program.

The most recent class began on November 2, 1964, to continue for 16 weeks or through February 19, 1965, at a 40-hour per week. Of 15 trainees, 9 were screened from program workers in the Bluefield area.

Actual work experience includes the operation of a bulldozer and roadgrader in the construction of roads in Bluefield City Park. Instruction includes arc and gas welding, hydraulics, and minor skills.

At this point I wish to emphasize that in a State like West Virginia where we are constructing roads, that such a training course has significant and immediate application on the job that we are attempting to do.

I think this is very important, that skills which we are developing will be used in the State of West Virginia in the construction of all our highways, including the developmental and access roads which are contemplated under the Appalachian Regional Development Act.

So when the program is brought down to the needs of an area and to the development of the skills within the workers who are available for training, I think we begin to come close to the—let us say—purpose which was envisaged in the act of 1962, and which seems now to be in need of amending.

Thank you, Senator.

Senator CLARK. Senator Prouty.

Senator PROUTY. I have already asked some questions.

Senator CLARK. Senator Kennedy of Massachusetts.

Senator KENNEDY of Massachusetts. No, thank you.

Senator CLARK. Senator Murphy.

Senator MURPHY. One thing with regard to the listing of vocational training and the approximate time period for each training.

Secretary WIRTZ. Yes, sir; we are submitting a list of 500 occupations for which training has been approved. (See p. 35.)

(The information requested follows:)

Distribution of Manpower Development and Training Act institutional projects approved in calendar years 1963-64, by weeks of duration

Length of project in weeks	Percent of projects	
	1963	1964
Based on.....	2,019	2,321
Total.....	100	100
Under 11.....	21	16
11 to 15.....	7	8
16 to 20.....	13	14
21 to 25.....	9	11
26 to 30.....	12	11
31 to 35.....	3	6
36 to 43.....	11	11
44 to 52.....	23	22
Over 52.....	1	1

Distribution of trainees approved for Manpower Development and Training Act institutional projects in calendar years 1963-64, by weeks of duration

Length of projects in weeks	Percent of trainees	
	1963	1964
Based on.....	80,830	107,774
Total.....	100	100
Under 11.....	34	27
11 to 15.....	8	9
16 to 20.....	12	13
21 to 25.....	8	9
26 to 30.....	9	9
31 to 35.....	2	4
36 to 43.....	8	11
44 to 52.....	18	17
Over 52.....	1	1

Senator CLARK. Senator Nelson.

Senator NELSON. Early in your testimony, Mr. Secretary, you said that in looking at some of the provisions that were in S. 2958 that you contemplated making administrative use of them. For example there is a provision in that bill for providing employment for hard-core unemployed in conservation projects.

Do you have any elaboration on that?

Secretary WIRTZ. Yes, Senator Nelson, particularly in connection with the administration of the provisions of the Economic Opportunity Act. I refer specifically to title I as for as youths are concerned, and to title V.

There will be, under the neighborhood youth corps program, under title I-B, the Job Corps program under title I-A, and the work experience program under title V of the act, opportunity to go into some of these conservation projects.

Now, as far as the Manpower Development and Training Act itself is concerned, there is comparatively little opportunity for the development of conservation jobs. It does, however, have a quite close parallel, not overlap but parallel, with this job development program.

Although it will not involve the conservation projects as such, it will involve the development of some of these job opportunities which have been identified, especially in a number of those letters which were included in that committee report. There were some 467 letters, as I remember it, from various people, and we have gone through that list of letters and found that quite a number of those included in that report referred not only to conservation work opportunities but to other undeveloped job opportunities and so there is a parallel between what we hoped to be able to do under this job development program and what was referred to in H.R. 2958, although I do not mean to exaggerate the parallel.

Senator NELSON. Thank you.

Senator CLARK. I am particularly happy to welcome Senator Kennedy of New York, here. He has expressed a keen interest in the work of this subcommittee and I have asked him to feel free to sit with us.

Do you have any questions or comments?

Senator KENNEDY of New York. Could I ask some questions?

Senator CLARK. Please do.

Senator KENNEDY of New York. What is the dropout rate, Mr. Secretary, of those who begin this course?

Secretary WIRTZ. In round figures, the dropout rate would be about 30 percent.

Senator KENNEDY of New York. Now?

Secretary WIRTZ. I should add only that that varies, so that what I have given you is an average that has a very, very broad range, but an average would be about 30 percent.

Senator KENNEDY of New York. Do you have a breakdown of those figures for the various States?

Secretary WIRTZ. We could supply it. It would depend very largely on the nature of the programs involved and there has emerged a quite interesting geographical difference, but we will give it to you in broken-down form.

Senator KENNEDY of New York. I think that will be helpful.

Secretary WIRTZ. If I may supply it for the subcommittee, Mr. Chairman.

Senator CLARK. I will be happy to have you supply that.

(The information requested follows:)

DROPOUT EXPERIENCE UNDER MANPOWER DEVELOPMENT AND TRAINING ACT PROGRAMS

Data cumulative to June 30, 1964, show an overall dropout rate of 27 percent. State-by-State rates are given in table 1. They range from a high of 40 percent in Maryland, and 39 percent in Pennsylvania, to a low of 10 percent in Montana, and no dropouts in the Virgin Islands. Thirty-eight States had dropout rates of 30 percent or under; 14 States had dropout rates of over 30 percent.

Men had higher dropout rates than women—the rate for men being 29 percent while that for women was 22 percent.

Younger male trainees had somewhat higher dropout rates than older male trainees. Female trainees have smaller rates, regardless of age. See below:

[In percent]

Age	Dropout rates by age		
	All trainees	Male	Female
Under 19.....	27	30	22
19 to 21.....	28	31	23
23 to 34.....	28	30	22
35 to 44.....	26	28	21
45 and over.....	23	25	22

TABLE 1.—Enrollees and dropouts to June 30, 1964, by State

State	Number enrolled	Dropouts (percent)	State	Number enrolled	Dropouts (percent)
Total.....	70,427	26.9	Missouri.....	2,566	25.6
Alabama.....	881	27.4	Montana.....	267	9.7
Alaska.....	197	19.8	Nebraska.....	269	28.6
Arizona.....	496	24.0	Nevada.....	515	29.3
Arkansas.....	622	36.5	New Hampshire.....	757	20.2
California.....	6,551	23.6	New Jersey.....	2,290	27.2
Colorado.....	232	25.0	New Mexico.....	507	20.1
Connecticut.....	2,851	24.7	New York.....	6,753	27.4
Delaware.....	107	18.7	North Carolina.....	248	21.6
District of Columbia.....	740	25.9	North Dakota.....	2,983	18.1
Florida.....	1,065	23.5	Ohio.....	1,387	22.6
Georgia.....	368	37.5	Oklahoma.....	1,357	33.0
Guam.....	—	—	Oregon.....	790	21.3
Hawaii.....	297	15.2	Pennsylvania.....	5,081	39.4
Idaho.....	90	34.4	Puerto Rico.....	1,906	20.1
Illinois.....	5,572	34.1	Rhode Island.....	410	33.4
Indiana.....	1,441	33.4	South Carolina.....	493	26.2
Iowa.....	584	19.2	South Dakota.....	48	25.0
Kansas.....	648	24.7	Tennessee.....	1,029	30.8
Kentucky.....	1,486	28.5	Texas.....	2,612	24.2
Louisiana.....	—	—	Utah.....	947	17.8
Maine.....	1,251	17.2	Vermont.....	293	26.6
Maryland.....	429	40.3	Virginia.....	1,170	23.2
Massachusetts.....	2,265	32.3	Virgin Islands.....	17	0
Michigan.....	3,254	17.2	Washington.....	2,166	20.3
Minnesota.....	833	31.0	West Virginia.....	606	29.0
Mississippi.....	75	30.7	Wisconsin.....	1,213	31.2
			Wyoming.....	144	23.6

Senator KENNEDY of New York. You say:

Over 300,000 unemployed men and women will have been trained under MDTA programs already completed, now in course, or presently approved.

Are those 300,000 who have completed their course?

Secretary WIRTZ. No. The number of those who have already completed the course is much smaller than that, there have been 175,000 already enrolled in programs, and the number who have completed them is roughly 80,000.

Senator KENNEDY of New York. 80,000 completed, and what is the average length of training for the 80,000?

Secretary WIRTZ. Twenty-six weeks.

Senator KENNEDY of New York. Do you know, of the 80,000, how many have received employment in the areas in which they underwent training?

Secretary WIRTZ. Of those graduates placed in employment, 87 percent were placed in training related jobs.

Senator KENNEDY of New York. How many of them were working prior to the time they began this?

Secretary WIRTZ. That I would have to check. A very small number.

Senator KENNEDY of New York. I was just noticing—

Secretary WIRTZ. In fact, none of them would have been employed immediately prior to the training, so the employment would have to go back to an earlier time.

(A table indicating the period of unemployment of trainees appears on p. 55.)

Senator KENNEDY of New York. Your statement says that 40 percent earned more than they did in the pretraining; 34 percent earned the same; and 26 percent earned less, which would indicate that maybe some of these people were already at work.

Secretary WIRTZ. No; not at the time they took the training, but at an earlier period. As a matter of fact, under present authority, we can take only those who are unemployed at the time of the training.

Senator KENNEDY of New York. It says 18 percent have received promotions. How would they get a promotion if they were not working?

Secretary WIRTZ. That statistic focuses on the employment after training. As yet, most graduates of training programs have been employed only brief periods, but already almost a fifth have been promoted to a higher level job than the one they were hired for after graduating from training.

Senator KENNEDY of New York. What percentage of the unemployed would you say could be really affected by this program?

Secretary WIRTZ. That is a terribly hard figure. I can suggest my own thinking about it.

If your question refers to the monthly average with which the country has become familiar of roughly 5 percent, then my answer would be that probably at least one point of that five is potentially subject to elimination through a structural unemployment program, active manpower policies—that there is a potential of cutting that down about one of those five points.

Senator KENNEDY of New York. Would that include the fact that there are jobs available plus the fact that these individuals have the basic knowledge and background that would make them available for that kind of training?

Secretary WIRTZ. Yes, it would.

Senator KENNEDY of New York. Both categories?

Secretary WIRTZ. That is right, and what makes my answer slow to your question is that we have to recognize that the more employment opportunity we develop, the more people enter the work force who are presently not listed as being in the work force. We know that we fight an almost inevitable losing battle, because as soon as we enlarge the job opportunities, more people who are outside the work force come in. So it is going to be very hard ever to get a very close answer to your question, and what I say would be particularly true with respect to the group which you are talking about. There is a considerable group today right outside the present work force. They are not looking for work right now, because they do not have the training to undertake the available jobs; so when we ask them each month, are you looking for work? they say, no, they are not in the work force. The minute we expand both our job opportunities and our training programs, those people around that edge come into the work force, ask for jobs, get the training program, so it is hard to be very statistical in the answer to your question.

But I do not mean to duck it and I would think, risking the danger of using specific numbers where there is not the statistical basis for it,

that at least one point out of those five we are still working on is subject to substantial improvement, if not elimination through an active manpower program, and that in terms of absolute numbers, what we are talking about is a potential which is in the magnitude of roughly a million workers.

Now, that may be high or low, by a very substantial margin, but there are 4 million out of work today. Incidentally, I am talking about this in terms of the monthly average which again is a deceptive figure, because the 14 million people in this country were unemployed at one time or another last year. But I am talking about only that monthly average figure.

Senator KENNEDY of New York. What are the numbers of individuals in this country which, as a practical matter, cannot be trained for positions, as a practical matter, that would be open to them.

Secretary WIRTZ. When you say as a practical matter, you take into account the difficulties of motivation which may have developed from the experience of the past, because that would be a substantial factor in the answer to your question.

I think that over the—

Senator KENNEDY of New York. Plus the fact that we just have not provided the education for them.

Secretary WIRTZ. That is what I meant. Over the long range, my answer to your question is something like less than one-half of 1 percent. That is a figure that has no present statistical basis in this country. But it is a figure that was suggested by experience during the war when we had a completely tight manpower situation, and it is the experience which is suggested by the Western European and the other democratic capitalistic countries which today have full employment. I suspect that it is down around one-half of 1 percent. I mean by my answer to include those people who just from the most extreme mental misfortunes of birth just do not have what it takes to be independent. It is a very low figure.

Now, I think that that figure probably has to be expanded somewhat today in candor because of the inheritance of noneducation and nonmotivation in some families, but I think that is the basic figure.

Senator KENNEDY of New York. We have what? Ten million people in the United States who do not have a fifth grade education?

Secretary WIRTZ. Today that would be about right. You mean adults who do not have it?

Senator KENNEDY of New York. Yes.

Secretary WIRTZ. That is correct.

Senator KENNEDY of New York. Do you have—I do not want to take the subcommittee's time—but if you have some figures breaking that down on how you arrive at your figure—

Secretary WIRTZ. It has very little statistical basis. But it is based roughly on our wartime experience and on the experience in other countries which have a full employment situation today.

Senator KENNEDY of New York. The only reason I raise that is the question of whether our concentration over the period of the next decade must as a practical matter be on the very young people in doing what we could and can.

Secretary WIRTZ. I think we will just do all we can about unemployment among adult workers today, and will know, because of the factor you mentioned, there are limits what we can do about it. The other part is that there is no earthly excuse for anything short of the elimination of unemployment as far as the next generation is concerned. If we will give them the education they need, every other factor will point toward full employment opportunity for the next generation.

Senator CLARK. Off the record a minute.

(Discussion off the record.)

Senator CLARK. On the record.

Senator PROUTY.

Senator PROUTY. Thank you, Mr. Chairman.

Mr. Secretary, I would like to get back to your statement again. You mentioned that 80,000 of the 300,000 have completed a training program.

Secretary WIRTZ. That is correct, Senator.

Senator PROUTY. What was the average age of the 80,000?

Secretary WIRTZ. The average age—that I would have to supply. Excuse me just one second. I might have it.

I can give you that, Senator, in terms of those who have been enrolled in the course. I am not sure we would have it with respect to those who have completed it, because we make a study of that group at the point at which they are enrolled, and I rather suspect that is the only figure we have. And on that, there is this breakdown:

Of all those trainees who have been enrolled in these programs, 11 percent of them are under the age of 19; 22 percent, 19 to 21; 38 percent, 22 to 34; 18 percent, 35 to 44; 11 percent, 45 and over.

Senator PROUTY. This is basically or has been up to now a program for the relatively young people?

Secretary WIRTZ. That, of course, depends on where we start from. I guess I would answer that to the contrary. The largest single concentration is between 22 and 34, and that is 38 percent.

Taking 22 or 21 and 22 as the dividing line, the total for over 21 has been 67 percent.

Senator PROUTY. I would think that if you use the figure 34 on down, that you are dealing primarily with young people. At least, I think in that general category.

Secretary WIRTZ. Perhaps from 34 on down. I would like to take an even higher one. Those figures probably take their meaning, Senator Prouty, from another comparison, which is the distribution of all unemployed. We have tried to line them up in that same connection. Our concentration of trainees among those over 22 is almost exactly the same as the number of unemployed over that age. If you take it over that whole period, about two-thirds of the unemployed are over that age, and about two-thirds of the trainees are over that age.

Senator PROUTY. Now, of this 80,000 who have completed the course, how many have received jobs?

Secretary WIRTZ. About 73 percent of them.

Senator PROUTY. Seventy-three percent?

Secretary WIRTZ. Yes.

Senator PROUTY. What is the problem with the other 27 percent?

Secretary WIRTZ. I do not know how much of a breakdown we have. We will find that. I can tell you the largest answer and that is lack

of jobs. A good many of these are in areas which have been worse hit by developing economy and the single largest answer to your question is just plain lack of jobs.

(The information requested follows:)

TRAINEE GRADUATES WHO ARE NOT PLACED INTO EMPLOYMENT

The 73-percent placement record is based on data available from statistical reports on the number of trainees who enter employment shortly after completing Manpower Development and Training Act projects. Followup on the status of graduates is not always possible because of their failure to report to the employment office for placement.

Unavailability of employment opportunities because of business failures, leaving the labor force, and unacceptability of the trainee by the employer are relevant considerations as to why all trainees are not placed.

Our reporting system now includes procedures for periodic followup of this group of trainee graduates on a 3-, 6-, and 12-month basis. We expect to obtain more precise information on posttraining employment experience through this procedure.

Senator PROUTY. Now, you say in the third paragraph:

Another 60,000 have been reached through special projects tailored to the needs of the disadvantaged, the alienated, the bypassed.

Is that in addition to the 300,000?

Secretary WIRTZ. That is correct.

Senator PROUTY. Nearly half of these trainees have been out of work 15 weeks or longer when they entered the training course? What about the others? How long have they been unemployed? Do you have any figures on that?

Secretary WIRTZ. We have all of those figures. On the length of unemployment, the figure is this, as far as all trainees so far enrolled are concerned: 28 percent of them have been unemployed less than 5 weeks when they started the course; 24 percent of them had been unemployed 5 to 14 weeks when they started the training; 15 percent of them had been unemployed 15 to 26 weeks; 12 percent of them had been unemployed 27 to 52 weeks; and 21 percent of them had been unemployed over 52 weeks.

Now, I should like to add to that so that the significance of those figures can be appreciated the fact that we have concentrated much more on the long-term unemployed. To illustrate, let me give you just one figure. Only 4.8 percent of the unemployed in this country have been unemployed more than 52 weeks, but 21 percent of our trainees, our enrollees in the training program, have been unemployed more than 52 weeks.

Senator PROUTY. Will you submit all of those figures for the record, please, so that we will have them?

Secretary WIRTZ. Surely. In fact, I have, Mr. Chairman and Senator Prouty, a table which gives the various characteristics of those who have been enrolled in this program, and I think it might be of interest to the subcommittee. It indicates their sex, their color, their age, whether they are handicapped, their education, the length of their employment, their family status, the length of their work experience, and the training allowances which they have received. I suspect all of that would be of interest to the members of the committee. We will submit that.

Senator PROUTY. I think it will be very helpful.
 (The tables referred to previously follow:)

CHARACTERISTICS OF ENROLLED TRAINEES

I. All Manpower Development and Training Act (title II) activity—Cumulative, August 1962 through December 1964 (unless otherwise noted)

Number of projects approved:	Number
Total-----	6,667
Institutional-----	4,985
On-the-job training-----	1,571
Experimental and demonstration-----	111
<hr/>	
Number of trainees and individuals to be served and/or trained in approved projects:	
Total-----	370,021
Trainees-----	312,803
In institutional projects-----	284,449
In on-the-job training-----	28,354
<hr/>	
Individuals served and/or trained in experimental and demonstration projects-----	57,218
Geographic dispersion of approved Manpower Development and Training Act projects and trainees:	
Number of jurisdictions eligible under the Manpower Development and Training Act-----	54
Number of jurisdictions with Manpower Development and Training Act projects-----	54
Institutional projects-----	54
On-the-job training projects-----	52
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States which have approved institutional and on-the-job projects to train 9,000 or more persons: California, New York, Illinois, Pennsylvania, Michigan, Ohio, Massachusetts, and Connecticut.

Costs of approved projects:	
Total funds committed-----	\$417,616,000
<hr/>	
By function:	
Funds committed for training allowances-----	190,081,000
Funds committed for training costs-----	191,464,000
Funds committed for on-the-job training contract costs-----	18,104,000
Funds committed for E. & D. contract costs-----	17,967,000
<hr/>	
Funds committed for institutional projects-----	378,001,000
Training costs-----	190,993,000
Training allowances-----	187,008,000
<hr/>	
By program:	
Funds committed for on-the-job training-----	21,648,000
Training allowances-----	2,842,000
Contract costs-----	13,258,000
Supplementary training (institutional)-----	471,000
E. & D. allowances-----	231,000
E. & D. contract costs-----	4,846,000
<hr/>	
Funds committed for nontraining E. & D. services (contract costs)-----	17,967,000

II. Manpower Development and Training Act institutional

	Percent	
	Trainees	All unem- ployed (1964)
Characteristics of trainees who have been enrolled:		
Total (127,816).....	100	-----
Sex:		
Male.....	60	59.6
Female.....	40	41.4
Color:		
White.....	73	79.1
Nonwhite.....	27	20.9
Age:		
Under 19.....	11	19.9
19 to 21.....	22	13.8
22 to 34.....	38	23.9
35 to 44.....	18	15.6
45 and over.....	11	26.9
Handicapped.....	17	-----
Veterans.....	17	-----
Education:		
Completed less than 8th grade.....	5	18.5
8th grade.....	8	15.4
9th to 11th.....	31	25.1
12th.....	48	29.7
More than 12th.....	8	11.3
Length of unemployment: ¹		
Less than 5 weeks.....	28	46.1
5 to 14 weeks.....	24	28.8
15 to 26 weeks.....	15	12.6
27 to 52 weeks.....	12	7.6
Over 52 weeks.....	21	4.8
Family status:		
Head of family or household.....	56	-----
Nonhead.....	44	-----
Length of work experience:		
Less than 3 years.....	30	-----
3 to 9 years.....	42	-----
10 years or more.....	28	-----
Training allowances:		
Eligible for "regular" allowances.....	53	-----
Eligible for youth allowances.....	8	-----
Not eligible for allowances.....	39	-----

¹ For the 96,583 persons who were unemployed prior to enrollment in Manpower Development and Training Act training; 8 percent of the total (127,816) were underemployed and 2 percent were low-income family workers.

Senator PROUTY. Mr. Secretary, have you submitted your report to the President which you are required to do?

Secretary WIRTZ. There is a report to the Congress which is due as of March 4.

Senator PROUTY. Where did I get the idea it was 60 days—

Secretary WIRTZ. Sixty days after the convening; that is correct, sir.

Senator PROUTY. It would not be possible to have that earlier for the subcommittee; would it?

Secretary WIRTZ. I will inquire.

Senator CLARK. I think, Mr. Secretary, there is a certain amount of mild executive privilege involved here. After all, the President has to make his manpower report, does he not, and to a large extent that relies on the manpower report you give.

Secretary WIRTZ. There is a large body of statistical data that is attached to that report on which we are working. In fact, it is the President's report, and I would not have, Senator Prouty, any authority with respect to it, but if there is any basic statistical information on which that is based, we would be glad to make it available.

Senator PROUTY. It would seem to me it would be most helpful to this subcommittee if we could have this information before we are called to act upon the bill. We are moving along in the dark, many of us here.

Secretary WIRTZ. Any information you would like, we will immediately supply.

Senator CLARK. I would make the comment, Mr. Secretary, it seems to me you are giving us all the basic material we need in order to give intelligent consideration to the bill which you are recommending, and I think this other material would be useful, and it certainly will be available before we get the bill passed on the floor. We are going to have hearings after Lincoln's Birthday recess.

Senator PROUTY. With all due deference to the Secretary, Mr. Chairman, speaking again only for myself, I do not feel that we have sufficient information, and I can understand it is not possible for the Secretary to present this in a statement—

Secretary WIRTZ. What would you like, Senator Prouty? I think we do have complete information.

Senator PROUTY. I will have a great many questions that I shall send down.

Senator CLARK. I think that is a useful procedure.

Secretary WIRTZ. Surely.

(The questions submitted by Senator Prouty and the Secretary's answers follow:)

Question 1. During the testimony of Dr. Shoemaker, Ohio's director of vocational education, it became evident that some clarification was necessary with respect to the practical application of the 90-to-10 matching provision. Is the 90-to-10 ratio to be applied to the total cost of the program in question, or is the ratio to be applied to training costs and training allowances separately?

Answer. The proposed new section 241 of Manpower Development and Training Act providing for 90-to-10 matching would permit the costs for training allowances and the costs for institutional training to be totaled so that the non-Federal contribution could be 10 percent of the total.

As an example, assume that in a given situation \$50,000 was paid in training allowances, and a total of \$50,000 was also spent on institutional training programs. With respect to the institutional training program, the State contributed services fairly evaluated at \$10,000. The contribution would satisfy the State's obligation under the proposed amendment; that is, the total program cost is \$100,000, and the 90-to-10 matching requires a \$10,000 contribution by the State.

Question 2. How many individual enrollments for training have there been, ever, training has been approved for a total of some 315,000 persons as of February 3, 1965.

Answer. An estimated 200,000 persons have been enrolled in Manpower Development and Training Act training programs through February 3, 1965. However, training has been approved for a total of some 315,000 persons as of February 3, 1965. In addition, experimental and demonstration programs have been approved providing a broad array of services for some 60,000 disadvantaged persons.

Question 3. What percentage of the long-term unemployed constitutes individuals over 35 years of age? How many individuals in this age group have received or are receiving training under the Manpower Development and Training Act and what breakdown do you have with respect to the educational levels of such trainees?

Answer. (a) Persons 35 years of age and over comprised 56 percent of all long-term jobless (unemployed 15 weeks or more) in 1964. The long-term jobless numbered 973,000 in 1964, or 25 percent of all the unemployed.

(b) Through the end of 1964, 36,650 persons age 35 or over were enrolled in Manpower Development and Training Act institutional training programs, and 1,800 were in on-the-job training. Of the 315,000 persons approved for training as of February 3, 1965, roughly 30 percent will be in this age category of 35 years and over.

(c) Precise data on the educational attainment of these trainees are not readily available. However, such data as are available indicate the following approximate proportions:

	Percent
Those with less than 8th-grade education.....	8
Those with an 8th-grade education.....	11
Those with a 9th- to 11th-grade education.....	29
Those with a 12th-grade education.....	42
Those with over 12th-grade education.....	10

Question 4. For employment statistics purposes, how do you treat: (a) Individuals receiving training under the Manpower Development and Training Act; (b) individuals participating in Neighborhood Youth Corps projects; and how will you treat, for statistical purposes, individuals who enroll in the Youth Conservation Corps?

Answer. (a) Individuals receiving training under the Manpower Development and Training Act are classified as unemployed unless they do some work for pay or profit during the survey week. Those working and receiving training under the on-the-job training program are classified as employed.

(b) Decisions on the treatment in the employment statistics of enrollees in the Neighborhood Youth Corps and the Job Corps have not yet been made. The Office of Statistical Standards of the Budget Bureau has held discussions with the interested agencies and will shortly make a recommendation.

Question 5. (a) How many individuals age 65 and over are carried on the statistical roles as unemployed?

(b) Has any survey been made to determine whether a majority of these would retire voluntarily if social security benefits were increased substantially or made available to those over 65 who are not now eligible?

Answer. (a) In 1964, 118,000, or 3 percent of the unemployed, were 65 and over. At the same time, 1,973,000 workers 65 and over were employed.

(b) So far as we know, no such survey has been made. There is some evidence that social security and private pensions do influence the rate at which elderly men leave the labor force. The proportion of men 65 and over who are working or seeking work has declined from 46 percent in 1950 to 28 percent in 1964. This decline is due partly to the increased availability and higher level of OASI benefits, but it is influenced also by such other factors as limited job opportunities, the impact of technological changes and the involuntary retirement provisions of private pension plans.

In a 1951 survey, only 3 percent of recently retired men 65 and over gave a preference for leisure time as the reason for retiring; in 1963, the ratio was 19 percent.

Question 6. What percentage of those who completed training or are now in the process of training are handicapped persons?

Answer. Handicapped persons accounted for 5.4 percent of all those who completed Manpower Development and Training Act institutional training through June 30, 1964.

Question 7. How many enrollees have dropped out of the Manpower Development and Training Act courses before completion of the same, and what were the chief causes for the dropping out?

Answer. During the calendar years 1963 and 1964, a total of about 28,000 persons terminated their institutional training before completion. Chief causes for early termination were lack of progress and/or motivation, and financial pressures.

Question 8. What followup studies have been made in an effort to determine whether those who obtain jobs after training actually retain the jobs?

Answer. As a part of the reporting system established under the Manpower Development and Training Act, form MT-103, followup report on Manpower Development and Training Act graduates is completed for each trainee 3 months, 6 months, and 1 year after graduation. This form became operative only July 1, 1964, and the first tabulations indicate that 76 percent of those for whom followup reports were made were employed. This breaks down to 82 percent of the males and 70 percent of the females. Also a special evaluation followup study has just been completed. About 1,000 Manpower Development and Training Act graduates were interviewed by professional interviewers and it was found that 73 percent of the graduates were at work.

Question 9. Would you favor enactment of a standby program designed to supplement the regular unemployment insurance program at any time in the future when unemployment nationally increases beyond the level for which the regular program would be responsible?

Answer. The whole subject of what changes are needed in the unemployment insurance program is now under consideration. It would, therefore, be premature for the Department of Labor to take a stand on this point. It might be pointed out, however, that the administration's unemployment insurance recommendations to the 88th Congress called for a system of Federal unemployment adjustment benefits for the long-term unemployed with substantial past attachment to the labor force, to be payable at all times. Under that proposal, responsibility for the first 26 weeks of unemployment would be left with the regular program. Benefits under that Federal program would be payable when the individual's unemployment lasted beyond that period, regardless of how many other workers were experiencing long-term unemployment. Such a program not only helps the individual and the community experiencing long-term unemployment in a period of general prosperity, but it also responds to a general downturn more rapidly than a standby program which goes into operation only when the overall level of long-term unemployment reaches a predetermined danger point.

Question 10. Do you feel that Congress should enact legislation which would allow employers a tax credit for training or retraining workers about to be displaced by automation or mechanization or for training prospective employees who are among the long-term unemployed?

Answer. In the course of our discussions of recommended provisions of the Manpower Act of 1965, proposals such as this suggested tax credit were considered. These proposals are still under study and the Department is not prepared to make a specific recommendation at this time.

Question 11. In the report called *Toward Full Employment*, Senator Jordan and I recommended as follows:

Under our plan, the individual would be allowed a deduction for any loss of income he may experience because of unemployment, provided he registers with the USES and actively seeks work. If the taxpayer, in the year of unemployment, does not have enough taxable income against which he can offset the full loss, he could carry over any unused part of the deduction to another income year.

Would you comment on this proposal?

Answer. We would not recommend such a proposal. The problems of administering and policing it would be extremely difficult. For example, how would an individual's income loss be determined? For how long could he continue to claim that he is unemployed? What evidence of an active search for work would be required?

More importantly, however, such a plan would seem to give financial aid in inverse relation to the need for such aid. Those unemployed with the most taxable income would get the most credit. Half of those unemployed 5 weeks or more in 1962 had an annual income of less than \$2,300 from all sources, including such untaxed income as unemployment compensation and social security. Almost one-third of those unemployed 5 weeks or more who were heads of families had a total family income below \$3,000, and only 13 percent had family incomes of \$7,500 or more. The cost of such a tax credit proposal in lost tax revenue would do more good, both for the economy as a whole and for the individuals who receive it, if it were spent in job development or in some form of income maintenance for the unemployed during their period of unemployment. Use of the income tax deduction technique has the further limitation that it would fail to provide the worker with income during the period he needs it. There would be a lag, of possibly a year or more, between the time the individual was unemployed and the time when he received the credit.

Question 12. Would it be desirable to amend the Social Security Act and use it as a vehicle for encouraging the transferability of pension rights? For example, agreements could be reached through collective bargaining which would require employers to deposit set sums above the normal social security payments with the social security system, and the individual worker in whose name the deposit was made would accumulate a specific number of pension points which would be or could be increased by his next employer. The pension points would have some dollar or cents value for benefit purposes.

Would you comment on such a plan and any other plans which have been advanced for the consideration of the Department of Labor?

Answer. This proposal is one of several which have been advanced to develop so-called portable pensions under which an individual worker could transfer to a new employer his accumulated pension credits whenever he changes jobs. The President's Committee on Corporate Pension Funds and Other Private Retirement and Welfare Programs discussed this issue and while the Committee's report does not endorse any specific proposal, it does indicate that "the possibility of developing an institutional arrangement for transferring and accumulating private pension credits deserves serious study."

Question 13. What was the unemployment rate among teenagers in January of 1961? What is that rate at the present time?

Answer. The unemployment rate (seasonally adjusted) among teenagers was 15.8 percent in January 1961 and 15.2 percent in January 1965.

Senator PROUTY. Again, getting back to the statement, referring to the preliminary findings of a Department of Labor study, you point out that 40 percent of Manpower Development and Training Act trainees earn more than they did in their pretraining jobs; 34 percent earned the same; and this figure, I cannot understand, 26 percent earned less. How do you account for that?

Secretary WIRTZ. Because most of the casualties in the economy, Senator Prouty, come because people lose jobs which were attractive to them. Our typical situation, or one of our typical situations, is that of a man who has done quite well and then, because of the evolving economy is thrown on unemployment without any skills he can use some place else. Let me take the situation in the railroad industry. There were 2 million people in the railroad industry as of 1924. Today there are 665,000. If you go back over a much shorter period, employment in the railroad industry has been going down about 2½ percent a year for the last, oh, number of years, so we would have typically a situation in which a man might have done quite well, building up a lifetime of experience in a job, and is then, because of the advent of technology of one sort or another, is thrown on the unemployed list.

The answer to your question would be that this comparison can only be between what he was doing before and what he now does after this training, and that is a product of the economy; not of the training.

Senator CLARK. Senator Murphy points out that he is a classic example himself.

I was going to say—

Senator MURPHY. The chairman said the classic example was the Pennsylvania coal miner. I said look what I had to do to get a job.

Senator CLARK. I guess that is enough of that.

Secretary WIRTZ. If I may add, Senator Prouty, my own experience brings me into that 26 percent who are earning considerably less than what we were 4 years ago.

Senator CLARK. You did not have to take a training course.

Senator PROUTY. Can an analysis be made on the basis of this report to show just what has happened? We have had it in general terms. Can you find out where these people were working?

Secretary WIRTZ. These are preliminary and we will see whether there is a breakdown of the previous occupations, but I hope the record does not leave any confusion about the implications of these figures. This is an extraordinary record of accomplishment when despite the facts of people losing jobs, often skilled jobs, these trainees were able to repair their situation so that 40 percent of them come out even better than they did before.

(The information referred to follows:)

INFORMATION ON MANPOWER DEVELOPMENT AND TRAINING ACT TRAINEES WHO
EARN LESS AFTER COMPLETION OF TRAINING THAN BEFORE

In general, those who earned less after training than in the jobs they previously held are employees whose high-skill, high-paid jobs have been eliminated. Coal miners are one example of high-pay workers who have not been able to move into equally high-paying jobs after training. The record pressers at a large record plant who were in the highest wage bracket at the plant after 20 years' service provide another specific example. Upon shutdown of the plant, they were retrained as machine operators and employed at entry rates which are much lower than the rates they had once been paid, although they are due to progress up the wage ladder toward pay close to their old levels.

Senator PROUTY. Mr. Secretary, section 102, paragraph 5, of the existing law reads as follows:

The Secretary shall arrange for the conduct of such research and investigation as give promise of furthering the objectives of this act.

It is proposed to amend that paragraph by adding after the word "arrange," the words "through grants or contracts."

Just what is the difference between existing law and your proposal here?

Secretary WIRTZ. It permits the working out of grant programs where there is some question about that under the present law.

Senator PROUTY. How have you been doing it recently?

Secretary WIRTZ. By contract, and we have been very reluctant about developing or using any grant authority, because we thought there was some question about that.

Senator PROUTY. Is there any limitation as to the amount of grants or money value of contracts in which you can participate?

Secretary WIRTZ. It is not spelled out in here. I would be glad to state for the record that our experience would indicate that we would probably not use more than 10 percent on a grant basis, and that few, if any of the grants, would be more than about \$10,000.

Senator PROUTY. But would it be 100-percent federally financed?

Secretary WIRTZ. Yes.

Senator PROUTY. And under your experimental and demonstration programs or with reference to them, is there any financial limitation on the amount a Secretary can expend for such grants or contracts?

Secretary WIRTZ. No.

I beg your pardon. There is none in this statute, the authorization. Now, there is appropriation action which has been initiated in prospect of the enactment of such a program.

Senator PROUTY. Now, turning to the labor mobility demonstration projects, will the Secretary of Labor be able to use all the loans or grants in one or two particular sections of the country?

Secretary WIRTZ. Theoretically, yes. And practically the situation there would be that we would make those studies in whatever place the economy presented the largest opportunity for experience, Senator Prouty.

In my judgment, this is an exceedingly important point. We have to find out a lot more than we know now about mobility, as far as labor is concerned.

It would be our inclination to take those situations in which there has been a serious disruption of employment requiring some people

to move and to study particularly those situations, as, for example, the situation in South Bend, when one of the automobile plants closed there. The situation in various parts of the country where shipyards may close. We would expect to distribute that experience in terms of the availability of good case studies.

Senator PROUTY. If you so desired, all of this money could be spent in one major metropolitan area?

Secretary WIRTZ. If I so desired?

Senator PROUTY. Yes.

Secretary WIRTZ. I desired as a matter of what, Senator Prouty, desired as a matter of personal preference for one part of the country?

Senator PROUTY. If you felt it could be justified, you could spend all of the funds in New York City, could you not?

Secretary WIRTZ. No, I could not.

Senator PROUTY. Why not?

Secretary WIRTZ. Because I have to live with myself, and this administration.

Senator PROUTY. There is nothing in the bill that would prevent it.

Secretary WIRTZ. No, that is correct.

Senator PROUTY. And you could finance such a program completely through grants, if you so desire? In other words, there would be no loan?

Secretary WIRTZ. If the question, Senator, is in terms of whether there is a specific restriction, prohibition on the statute upon that, I have no difficulty with the answer, and the answer is that there is none.

If the question is as it seems to be from the form in which it is put, as to whether that is a conceivable result, my answer is exactly to the contrary.

Senator PROUTY. There is nothing in the bill for that.

Secretary WIRTZ. That is clear.

Senator PROUTY. What success have you had with the projects thus far under existing law?

Secretary WIRTZ. As far as which group is concerned?

Senator PROUTY. The labor mobility.

Secretary WIRTZ. Labor mobility we have not found out nearly as much about that as we should. The others have accomplished a good deal more.

The four on which we are working now—this is partly in answer to your previous question—the South Bend project, to which I referred, another in Minnesota, where 400 workers apparently have to be moved from certain counties in the north if they are to find other jobs. Then there is a project in the Appalachian area of southwest Virginia. There is another, a New York project involving Nassau and Suffolk Counties. Those are the four in which so far there has seemed to us that we have a basis for learning something about the situation. But the whole problem of mobility of labor is brand new to us.

Senator PROUTY. To what extent has small business been involved in this program?

Secretary WIRTZ. To a very large extent, so there is very active exploration with the Small Business Administration about what can be done in rehabilitation projects of one kind or another.

Senator PROUTY. Turning to training allowances. If you permit training allowances for 2 years, would it not be possible for an individual to draw unemployment compensation for a half year or more, then take training, getting 2 years of training allowances, and as a consequence, manage to get himself supported by the public funds for 2½ years?

Secretary WIRTZ. In terms of the question, the answer is, "No," it would be possible for an individual who, in the exercise of responsible judgment, would become a self-supporting, taxpaying, skilled worker to take the training program which is necessary to accomplish that purpose, and to save the Government as a consequence of that at least \$2,500 a year the rest of his life.

Senator PROUTY. Is it not possible, under the provisions of the bill as proposed to enable a person to be supported by public funds for up to, roughly, 2½ years?

Secretary WIRTZ. Again, Senator, out of due respect, I do not mean to spar about the matter, if the question is whether there is a specific prohibition on anybody's taking a 2-year training program, the answer is "No." But if the question is, as it seems to me, it must necessarily be, in terms which include the factors of the exercise of administrative responsibility, then the test of whether that would be done would be whether he would profit from that training or not.

Senator PROUTY. Is there any provision of the bill which would prevent a person being supported by the public funds for up to 2½ years?

Secretary WIRTZ. I can answer again the question in terms of whether there is a specific prohibition on 2-year training programs; there is not. There is a specific provision for them.

Senator CLARK. I might point out the support you might get would be very minimum. You cannot live very high on the hog on these training allowances.

Senator PROUTY. Perhaps you do not have the figures in answer to this question, but I will ask it, and perhaps you can supply it for the record.

What is the possible maximum amount it would cost to train a man with four children for 2 years in the State with the highest rate of unemployment compensation?

Secretary WIRTZ. Yes, the range, the top of the range is \$44 a week, as of last month. That changes from month to month, Senator. The highest figure was \$44 a week, and then you had the provision there could be added to that \$5 for each supportable dependent. It would be possible to carry that to \$64, multiplied by the period of time involved, \$64 would put him at, roughly, the \$3,000 a year figure.

Senator PROUTY. When Governor Smith—

Secretary WIRTZ. I should like to add to my answer that is the top of the range, the bottom of the range is \$15. In other States, it would be \$15, so your answer would come out about a third of the other, with the range being as indicated.

Senator PROUTY. When Governor Smith of West Virginia was before the Education Subcommittee last week, I believe, he pointed out that Manpower Development and Training Act has not been of significant help to those over the age of 35 in his State, generally speaking. And I think he said the average age of trainees there was 28.

Secretary WIRTZ. I will be glad to get that figure, but Governor Smith's figure was that the average age of the trainees in West Virginia was 28. I should not be surprised.

Senator PROUTY. Very few over the age of 35 were helped by the Manpower Development and Training Act funds.

Secretary WIRTZ. We will supply the records on that, but I would have no reason to challenge those figures.

(The figures referred to follow:)

Age of trainees in West Virginia as of Dec. 31, 1964

[100 percent = 1,724 trainees]

Age spread of such trainees is:	Percent
Under 19-----	11.2
19 to 21-----	18.1
22 to 34-----	41.1
35 to 44-----	18.9
45 and over-----	10.7

Senator PROUTY. So we get back to the point that this is primarily a program which is of advantage to relatively young people.

Secretary WIRTZ. Senator, in due respect, but with a certain pride in the figures I gave you before, I can tell you precisely the age groups in which the trainees have fallen, and I think I should apparently repeat those.

The truth of the matter is that the number of trainees, 45 years of age and over, has been 11 percent. The truth of the matter is that the number of trainees, ages 35 to 44 has been 18 percent of the whole group, and the truth of the matter is that those between 22 and 34 have been 38 percent; and the truth of the matter is that two-thirds of all of the trainees have been over 21 years of age.

Senator PROUTY. I am referring to Governor Smith's statement.

Secretary WIRTZ. I do not question the specifics at all. But I am worried about the generalization.

Senator PROUTY. I assume it may well be true in other States. Under existing law the Federal Government pays 100 percent of the cost of training and training allowances. You propose to change this to 90 to 10.

Secretary WIRTZ. That is correct.

Senator PROUTY. The State could match in kind.

Now, when a State matches in kind, may it do so by providing simply classroom space or workshop space? In other words, no money would be involved?

Secretary WIRTZ. The in-kind would permit situations in which the bulk of the 10 percent would be satisfied by services which would include space and that kind of thing. The answer is "Yes."

Senator PROUTY. My understanding is that fiscal 1966 money may be used to pay the cost of programs approved but not funded before June 30, 1965, and there would be no State matching in this type of situation; is that correct?

Secretary WIRTZ. The bill would, Senator, establish a new policy which would permit the funding within the year of the approval of the program.

Senator PROUTY. Can you suggest what percentage of the fiscal 1966 money will be devoted to these programs which were approved

or are approved before June 30, 1965, and for which no matching would be required?

Secretary WIRTZ. That will depend upon what action is taken on supplemental appropriation requests which are presently before the Congress, and I cannot answer the question short of that, but my answer would be that I would hope that that action would bring that answer down to a very low figure, but we have not completed the expenditure programs this year, or the approval of programs this year.

Senator PROUTY. Thank you.

Secretary WIRTZ. I can give you the figure for last year. [Reading:]

As of today, the charge against the 1965 appropriation for allowance payments resulting from projects approved in April 1964 is approximately \$49 million.

Senator CLARK. Senator Pell.

Senator PELL. Mr. Wirtz, I was struck with one statement you made and that was that there were more people between 18 and 19 who entered our work force in the last 12-month period than in the whole decade of the fifties. Does that figure really hold up?

Secretary WIRTZ. Yes.

Senator PELL. In other words, on an annual basis, it would be 10 times the number who entered the work force in that period?

Secretary WIRTZ. This is that postwar baby group which is just now hitting the college entrance and the work force entrance days. And there is nothing gimmicky or phony about the figure. That is the impact of that wave on the work market right now.

Senator PELL. It seems an astounding figure.

Secretary WIRTZ. That is why, Senator Pell, unemployment among persons under 19 is today 15 percent; which is, three times—three to four times—what it is among others and that is the reason that figure is the one on which we show no improvement over the last 12 months.

Senator PELL. From the viewpoint of public acceptance or politics, would you hazard a guess as to how many of the Governors support this program—this bill?

Secretary WIRTZ. I would have to check to find whether there are any who would oppose it, and I mean the answer meaningfully; so far as I know, this attitude has been one of complete support but I would not take the risk of suggesting that it is unanimous. I do not know. I will be glad to supply, for the record, a summary and, in specific terms, the answers which Secretary Celebrezze and I have gotten to the letters in which we were urging the 2 and 1 matching figures, and I think it would be helpful, Mr. Chairman.

Senator CLARK. We would, too, Mr. Secretary. We would be happy to have that for the record.

(The information requested follows:)

ACTION TAKEN BY STATES TO MEET ONE-THIRD MATCHING

On September 17, 1964, a letter issued jointly by the Secretaries of Labor and HEW was sent to the Governors of the various States: Puerto Rico, Guam, the Virgin Islands, and to the government of the District of Columbia. The letter pointed out that one-third matching by the States would be required for the fiscal year beginning July 1, 1965, and asked for State cooperation in carrying out the matching program. To assist the Departments of Labor and Health,

Education, and Welfare in their planning, the States were specifically asked whether—

(1) Funds had been appropriated or authorized in sufficient amount to cover the estimated State matching costs for the conduct of training, training allowances, and administration and supervision costs related to institutional training; and

(2) Provision had been made or will be made in the State budget for fiscal year 1966 to cover estimated State matching costs, and favorable action by the State legislature is anticipated.

In reply to question (1), one State said that it had enacted legislation authorizing the appropriation of necessary funds to meet the matching requirements of the act. A second State answered "Yes" to this question, but its answer appeared to be limited to using funds from present budgets for present programs that will extend into fiscal 1966. A third State also indicated that it had authorized the approval from available State moneys of an amount necessary to assure continuation of programs initiated prior to July 1, 1965.

We received 16 "yes" answers in reply to question (2). Several of these were qualified, however, in that, while they indicated that provision would be made in the State budget for necessary funds, it was not possible to determine what action the legislature would take.

Not a single State said that they favored the termination of the Manpower Development and Training Act program. Although our letter to the States did not request an evaluation of the program, several States volunteered comments paying tribute to the importance of training under the program and urged that the matching requirements be reduced. Our conclusion, which is based not only on these letters but on other contacts with the States, is that the States desire the continuation of the Manpower Development and Training Act program, but that the majority of the States will not be in a position to meet the present matching requirements by July 1, 1965.

Senator PELL. I was struck by the fact that, in my own State, our Governor, who was opposing the health programs, firmly supported this program. There is some questions of funding, inasmuch as the States presently have to contribute a third. Under this new legislation proposed by Senator Clark and myself, that would still have to be a tenth. Is that correct?

Secretary WIRTZ. That is correct.

Senator PELL. There would be a degree of self-help.

Secretary WIRTZ. The Governor of Rhode Island has asked the employment and service director there to include matching funds in his recommendations for this program.

Senator PELL. Matching funds or complete extension of the present program?

Secretary WIRTZ. I do not know what the details of that are.

Senator PELL. There is another figure you have here: 300,000 trainees have been approved and 85,000 trainees have graduated. Why is there only a fifth of the people being approved who have graduated?

Secretary WIRTZ. The 300,000 figure is the figure which is presently or will be included in programs which have already been approved but some of those are programs which have been approved comparatively recently and, in some of those, there might not even have been enrollment yet. There is a very sharp curve on the number of projects and people under this program; it is going up very rapidly. That figure would be the total for trainees in projects including those which have been approved but not yet started.

Senator PELL. Thank you very much, indeed, Mr. Secretary.

Senator CLARK. Thank you, Mr. Secretary.

Mr. Keppel, would you come forward, and we will get started with your testimony.

I want to apologize for keeping you and Mr. Batt waiting so long. It is just the normal congressional interest in this subject.

Senator PROUTY. Before the Secretary leaves, may I just call attention to a public policy entitled "Pension Programs," which is a report to the President on private employee retirement plans.

I have not read it, but I understand there are no specific recommendations relating to mobility in the entire report. I have not seen it myself. There is no specific recommendations on the transferability of pension funds.

Senator CLARK. Now, Commissioner Keppel, if you would please be seated and perhaps you would like to introduce the gentlemen who are with you.

**STATEMENT OF FRANCIS KEPPEL, COMMISSIONER OF EDUCATION;
ACCOMPANIED BY JAMES CLARKE, ASSISTANT TO THE UNDER
SECRETARY FOR MANPOWER TRAINING, DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE; AND DR. ROY W. DUGGER,
DEPUTY DIRECTOR, DIVISION OF VOCATIONAL AND TECHNICAL
EDUCATION, OFFICE OF EDUCATION**

Mr. KEPPEL. Thank you, Mr. Chairman.

I am afraid I cannot provide associates who have had the post-graduate training on the staff of this committee, but if I may introduce Mr. Clarke, who has had at least some training which might be related on the staff of the National Association of Bridge & Structural Iron Workers, it suggests some relation to the administrative program involved here.

Senator CLARK. I hope he does not have the same view about the prior testimony of building a bridge as compared to training a worker, which the Secretary referred to in his testimony.

Mr. KEPPEL. On my left is Mr. Dugger, who was the director of the School of Industrial Education at Oklahoma State University, and while in that position also served as State supervisor of technical training services in Oklahoma. He is now Deputy Director of the program in the Office of Education.

Senator CLARK. Thank you, sir.

Commissioner Keppel, let me welcome you on behalf of the subcommittee to another go-around on this matter which we have been in communication with each other for several years now.

I have had an opportunity to read very quickly your 23-page statement. It is full of basic and needed information, and I am going to have it printed in full in the record at this point.

(The prepared statement of Commissioner Keppel follows:)

**PREPARED STATEMENT OF FRANCIS KEPPEL, COMMISSIONER OF EDUCATION,
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE**

Mr. Chairman and members of the subcommittee, I welcome the opportunity to appear before this subcommittee on behalf of Secretary Anthony J. Celebrezze, and to discuss with you amendments which the President has proposed to the Manpower Development and Training Act.

First, I want to give a brief summary of the progress of the manpower training program. The annual reports on the administration of the Manpower Development and Training Act are required by law of the Secretaries of Labor and Health, Education, and Welfare by April 1 of each year. While these reports will, therefore, appear soon, it is nevertheless in order here to suggest the conclusions of experience before discussing the proposed amendments which that experience urges.

The Manpower Development and Training Act of 1962 was enacted in a belief in its need and in a hope for its success. Since there were no real precedents for it, however, it was necessary to wait and see if the act would serve its intentions well. Now after 2½ years of experience, and with the original act adjusted by the amendments of 1963, we have a confidence that this legislation is sound. The Manpower Development and Training Act is serving well. With this legislation we are providing thousands of unemployed American citizens with the means to obtain employment. A job is a citizen's passport to self-respect and dignity. An employed citizenry is vital to our national economic strength and freedom.

SUBSTANTIAL PROGRESS

The Manpower Development and Training Act has achieved a substantial degree of progress. The cumulative statistics, as of January 26, 1965, reveal that 305,000 trainees had been approved for institutional training projects.

By the end of January 1965, approximately 85,000 trainees had been graduated from manpower development and training programs. The placement rate has been 73 percent, and 90 percent of placements were made in jobs for which the individual was trained. We believe this is a commendable record.

In the earlier stages of the program we "skimmed the cream," as it were—training some individuals who were easier to serve. But now as we are plunging into the harder-core cases of the unemployed and underemployed, we may have to accept for a time a lower rate of placement success. By harder core I mean persons not only without a job, but whose lives have been so lacking in advantages that they are poorly prepared to train for one. We must assume this risk and cope with it.

TYPICAL TRAINEES

Gross statistics, however useful, do not convey any sense of the human dimension of the program, or its variety and drama. It is difficult in figures to extract a picture of a typical trainee.

A bare majority of those enrolled in institutional training during 1964 were white, male, high school graduates. In this group the average trainee was the head of a household who was between 25 and 34 years of age, and had at least one person dependent on him for support. He had been unemployed for more than 5 weeks. The training he received prepared him for a job for which he could not otherwise qualify.

There is probably no typical trainee. Forty-one percent of those who have been enrolled under the Manpower Development and Training Act were women. Twenty-nine percent have been nonwhite, and of those more than 90 percent were Negro. Forty-five percent had not graduated from high school. This includes 5 percent who had not finished grade school. More than one-third of the enrollees had been unemployed for more than 6 months—three times as many as in the labor force as a whole. Many enrollees had been receiving benefits from other public agencies. Approximately 20 percent had claimed unemployment insurance and 9 percent had received public assistance prior to their entry into training.

It is immediately apparent that when these persons are removed from welfare rolls and trained for paid employment, they represent a direct saving to the taxpayer. This is important, but at least equally so are the human values which are concerned. Without the Manpower Development and Training Act most trainees would undoubtedly be subject to continued unemployment, and the human despair and defeat which come from this. Most would have little, if any, opportunity to acquire the new skills necessary to obtain and hold a job.

As a supplementary program, the Congress directed that the work experience programs in title V of the Economic Opportunity Act make maximum use of the training programs offered under the Manpower Development and Training Act.

SERVICE TO YOUTH

The Manpower Development and Training Act has steadily increased its service to youth of age 21 and under. In calendar 1962, 25 percent of the enrollees in institutional projects were in this age category. By the end of 1964, the percentage of youth enrollees 21 years of age or under increased to 33 percent. In the experimental and demonstration projects, 9 out of 10 persons served were 21 years of age or younger.

We know that youth make up by far the largest percentage of our unemployed. Unless they can be absorbed gainfully into our economic life, they constitute, as Dr. James Bryant Conant has observed, an explosive force in our society.

ADULTS STILL PRIME TARGET

We are mindful that the primary intent of the Manpower Development and Training Act is to serve unemployed heads of families or households. We have been consistent with this intent. For that reason, it is worth noting here that the majority of the trainees in the manpower training programs cannot be served by the Vocational Education Act of 1963, because students in training under the Vocational Education Act receive no training allowances. This is a formidable barrier for the average manpower trainee. Few unemployed heads of household can afford to forgo all actual or potential income for the extended period necessary to obtain training. They have urgent responsibilities to their families. The critical factors in dropouts from training are reasons of personal and family finance. Only the manpower training program meets this situation.

MULTIOCCUPATIONAL PROJECTS

In fiscal 1964, 40 percent of all trainees approved were in multioccupational projects. Such a project is simply the gathering of a group of single projects into one coordinated program. A multioccupational project makes it possible to evaluate the potential of each trainee for several occupations in which training is to be given. Multioccupational programs enable us to deal with the problems and the needs of the jobseeker, instead of only with the need for workers. They make a variety of pretraining services available; aptitude tests of the trainee's skills; assessment of his potential and interests; work tryouts; literacy training; and continuing guidance—in addition to his occupational training.

Such a program may be statewide, as in South Carolina, where more than 30 different courses are dispersed throughout the State and have served more than 5,000 individuals. In eastern Kentucky, a particularly hard-pressed area wherein unemployment is more than double the national average, a wide variety of courses have been conducted by the vocational schools.

A special kind of multioccupational project was carried out in South Bend, Ind., immediately after the closing of the Studebaker plant there. The special character of the project was its emergency nature and the capacity of the manpower development and training administrators to act quickly and effectively. The community of South Bend had been hard hit, and hundreds of people were in a state of some anxiety about their economic future. Two weeks after the assembly line closed down, representatives of the Departments of Labor and Health, Education, and Welfare had their first planning conference with State and community education and employment service officials. Within 90 days more than 400 former Studebaker employees were enrolled in 3 types of training courses.

To date, approximately 1,500 trainees have been enrolled in courses in the South Bend project. Dramatic evidence has come to demonstrate demand for newer occupational skills. Several dozen members of a course in computer programming were hired before completing their courses. These placements have occurred in Detroit, Chicago, Gary, and other towns in a tristate area. Starting salaries have ranged from \$5,000 to \$7,200. Ford Motor Co. is going to interview the entire balance of the class.

This experience may be called upon more frequently. The overall leveling off of defense expenditures, shifts in defense procurement due to changes in weapons requirement, and the closing of obsolete military installations can cause more situations similar to South Bend. Defense industry is highly concentrated geographically. Even slight dips in the procurement program may cause severe hardship to workers in some communities where the majority of

the labor force has been employed in defense industry. The manpower training program can play a vital role in emergency and sometimes near-disaster situations of worker displacements.

WIDESPREAD ACCEPTANCE

There has been enthusiastic response to the Manpower Development and Training Act. Today there are State agreements with all 50 States and territories of the Union. Nationwide, as of December 31, 1964, more than 5,000 training projects have been approved, and more than 3,000 of them are in operation. The major occupations involved include stenographer-secretary, machine operator, typist, clerk-typist, nurse's aid, automobile mechanic, welder, licensed practical nurse, automobile body repairman, sewing machine operator, and electronics assembler. Striking breakthroughs have been made in training for new kinds of job openings. In some instances displaced auto workers and textile workers have been trained for subprofessional jobs in the field of mental health. Rapidly developing fields such as health services in general, and opportunities in State, local, and municipal government, are leading to training programs for older workers, youth, and minority groups. Altogether, more than 500 different occupational titles have been approved for training.

But I only mean to suggest the scope, not to exhaust the detail of our progress to date in administering the Manpower Development and Training Act. The point to be stressed is that we have a body of experience and the accumulation of verified data that assures us we are on the right road, traveling in the right direction. Manpower development and training works. The programs are helping people in the most self-respecting way people can be helped: by giving them the means to help themselves.

The Manpower Development and Training Act is proving itself. However, in times such as ours—of such rapid and massive changes in the economic order—the act should be modified to keep pace.

The Congress has recognized the need of adjustment before. After little more than a year of experience with the Manpower Development and Training Act of 1962, the Congress enacted amendments in 1963 to the original legislation and wisely extracted the lessons from experience at that time. These included permitting programs for the development of basic education and basic work skills, lowering the minimum age requirements for training from 19 to 17 years; making adjustments in the subsistence and training allowances, and other modifications.

Experience since that time has caused those of us charged with administering the Manpower Development and Training Act to recommend further amendments to carry out its intent and spirit.

It is these proposed amendments that I would like to discuss with you at this time.

It is recommended by the Department of Health, Education, and Welfare that the Manpower Development and Training Act be made permanent.

In considering an amendment to the Manpower Development and Training Act to make the legislation permanent, it is well to recall section 101 in title I of the original legislation. This is an admirable statement of the reasons for the employment problems of many of our fellow citizens. Section 101 recognizes the dislocations in our economy due to automation, technological development, foreign competition, changes in the structure of the economy, and shifts in market demands. It takes cognizance of the fact that even in periods of high unemployment, many jobs are unfilled because of a shortage of qualified personnel. This section recognizes likewise the entrance into the labor market of many new young people, the tidal wave as it has been called, of the post-war birth expansion. There was envisioned an extraordinarily rapid growth of the labor force in the next decade.

It was only prudent of the Congress, however, to enact its first legislation in the area of manpower development and training for a limited time, and later to give it a 2-year extension until July 1966. The beginning necessarily had to be experimental. The experience on which to base evaluation in 1963 was sufficiently short to make the first extension of the legislation limited.

Meanwhile what we expected has been confirmed; namely, that the basic economic situation as it affects manpower is not of momentary duration. By the end of 1964, we had already sustained the longest period of economic growth in the history of our Republic. In the last 4 years the gross national product

had climbed more than \$100 billion. Every economic forecast gives us reason to believe that the surge of productivity and economic growth will continue through 1965. Yet stubbornly persisting along with this economic growth is a factor of unemployment which remains too high. The unemployment factor has come down slowly. Four years ago it was nearly 7 percent of the labor force. It was approximately 4.8 percent as of January 1965. This is progress, but to bring this rate down further into tolerable confines will take strenuous effort. The fact is that it is economically possible to have a high rate of productivity, a growing economy, and indeed an affluent society without using all of our manpower. But although this is economically possible, it is morally and humanly repugnant. And in the long run we know that unless our human capital is conserved and used, the economy and strength of the Nation will be weakened. It would be unrealistic to claim that the Manpower Development and Training Act has been solely or even mainly responsible for the progress we have made in combating our high rate of unemployment. It is only one of the tools which the Congress has provided. It has, however, become a necessary and valuable tool.

The most expert opinion does not care to predict what the net result of automation and technology will be on the structure of our economy, our way of life, our habits of work, or our requirements for work. One hears both dire predictions and Utopian descriptions but both are speculative. We can only be sure that we cannot turn our backs on the radical demand for greater job skills, nor can we harden our hearts to the needs of people for gainful employment.

Millions of our fellow citizens have never been educated or trained for the kinds of jobs a new economic order can provide. Other millions have had once useful jobs that the economy no longer needs. The fact now emerges that in the future the average person may have to be prepared to change his economic career several times in a lifetime. In any case, it is mandatory now and for the foreseeable future that we give people the equipment through training, to permit them to contribute to society and to themselves. The manpower training program is a challenge to the American ideal of equal opportunity. It is a challenge to our goals of individual independence and self-reliance.

The basic problems we must meet are not short range, and therefore the solutions to them cannot be short range either. At an immediately practical level the impermanence of the manpower development and training legislation has made it difficult for the States to plan their roles in implementing it. With present authority terminating in 1966, the States are understandably reluctant to appropriate the funds to match the Federal share of training costs and allowances.

The financial barrier to planning might be moderated somewhat if another proposed amendment to reduce the amount of the State contribution is enacted. Even so, however, there are sound practical and psychological reasons for a permanent commitment in the law to meet the long-term problems.

The manpower training program fills a void in the total vocational education structure. The Vocational Education Act of 1963 is a permanent piece of legislation. The manpower training program should match it if an old vacuum is not to reemerge.

After 2½ years of experience under the Manpower Development and Training Act, strong relationships have been developed between vocational educators and employment service representatives. Teachers have been hired and trained. These teachers are now quite expert in the complex business of training adults, and in the equally complex business of training undereducated youth with special problems. The labor-force orientation of the act—the insistence that training be related to actual job openings in the community—has had noticeable effect on regular vocational education programs. Dozens of new programs have been added to their regular offerings and they are kept alert to continuing developments in new job categories. All these gains would be lost if the manpower training program were allowed to terminate or if it were given any suggestion of less than the firmest support.

Our main emphasis, however, is that the problems which the Manpower Development and Training Act was designed to solve are not temporary problems. The act indeed was not conceived as a crash program. The act should be made permanent as an evidence of our commitment to the maximum development of the manpower of the Nation.

It is recommended by the Department of Health, Education, and Welfare that the maximum training period be increased to 104 weeks.

The present statutory limitation on the maximum duration of services in a manpower training program is 52 weeks for the occupational training part of the program. Where basic education and basic work skills must also be provided, the law permits another 20 weeks of training for a maximum of 72 weeks of training. The average planned length of current projects is 36 weeks. This is an increase of 4 weeks over the 1963 average but we are remaining well within the statutory limitations. However, there are some programs for the extremely disadvantaged which we should be doing, but are not, because they cannot be carried out in a 72-week program. We do not desire to lengthen all programs. We are requesting a flexibility to extend some programs up to 104 weeks.

There are two principal reasons for seeking this flexibility: Persons with little education require more time in training. Secondly, some of the new kinds of job opportunities opening up require more extensive training.

Nearly 20 percent of all unemployed persons have less than 8 years of schooling. However, only 5 percent of the manpower training enrollees have less than an 8th grade education. An increase in the number of training weeks would permit an increase in the number of persons with additional educational deficiencies who could be referred to training.

Just as some individuals present special problems in training, some new kinds of job opportunities demand special skill requirements. Our placement data tell us that graduates of the more highly skilled occupational training programs are readily placed in employment. Manpower projection indicate that this trend is going to increase. Even now we can anticipate the time when there will be few places in the world of work open to unskilled persons. New jobs are being created, but only those calling for skills of an increasingly high order. Many job opportunities of this character are now automatically barred from inclusion in training programs by the fact that successful preparation is not possible in 52 weeks. We are particularly aware that the manpower development and training program is not yielding enough workers who are prepared for jobs in scientific and technical fields that are vital to our continued economic growth. Training in many of the electronic, mechanical, and health fields must extend beyond the present 1-year allowance limit. As we face up to labor-force requirements and to demands of employers, we must give more training in certain fields.

It is not anticipated that the length of the average training program will increase sharply with an extension of the statutory limitation on training time. Greater flexibility is needed in order to accommodate the development of services and programs necessary for the most disadvantaged of our fellow citizens. Such flexibility would also enable us to meet the new possibilities for higher skill employment which our rapidly developing technology is creating.

An amendment to permit a training program to carry on for 104 weeks necessarily entails an amendment in the provision for those eligible for training allowances to accommodate this extension. Our third proposal is as follows:

It is recommended by the Department of Health, Education, and Welfare that matching for training allowances and institutional training programs provided by the Department be continued on a 90/10 basis after July 1, 1965, and that non-Federal contributions be in cash or kind.

Under the current Manpower Development and Training Act legislation, the States, beginning with fiscal year 1965, are to pay for one-third of the cost of the programs, and following that year are to pay one-half. There is impressive evidence however, that a number of State legislatures will not authorize matching funds at these ratios beginning July 1965.

A resolution adopted unanimously during an October 1964 conference of Southern Governors calls for continued 100 percent financing by the Federal Government of manpower training projects. A similar resolution was also adopted in October 1964 at a meeting of the senior officials of all State employment security agencies.

It is a fact that the States have exerted strenuous effort in recent years to meet the needs of their people. The States and municipalities have had to bear the brunt to date of coping with the knowledge explosion and the population explosion in our Nation. Sixty-nine million persons have been born in the United States since 1949. We have had a net increase in population equal to the present population of Great Britain. The States and municipalities have stretched themselves to the utmost to provide the new facilities and public services that this population growth has required. Since most of this population is still in school, State and local governments have expended large resources for

new schools, teachers, and educational equipment. Their gross effort in the last 19 years is startling: State-local bonded indebtedness since 1946 has increased more than 400 percent. Per capita State-local taxes have jumped more than 213 percent. This is many times the expansion of the Federal Government in these categories during the same period. This great effort has been made in spite of the inherent limitations in the taxing ability of the States and local units of government and in their sources of revenue.

States that have been hardest hit with problems of economic dislocation of workers, and who suffer a high unemployment rate or who have a greater problem with basic poverty, are caught in a vicious circle. They need more assistance than do other States. Yet their very condition reduces their financial resources with which to buy that help.

The Economic Opportunity Act of 1964 and the Area Redevelopment Act provide Federal training funds on a 90:10 and a 100 percent basis respectively. It seems unrealistic to expect the States to provide a higher ratio of matching funds under the Manpower Development and Training Act, to continue the essential training needed for thousands of unemployed workers. Our next proposal is as follows:

It is recommended by the Department of Health, Education, and Welfare that the occupational training provisions of the Area Redevelopment Act be carried out by the Secretaries of Labor and of Health, Education, and Welfare according to the Manpower Development and Training Act in cooperation with the Secretary of Commerce. Training programs carried out in areas designated as redevelopment areas under the Area Redevelopment Act will carry full Federal financing.

The Manpower Development and Training Act provides more diversified opportunities in occupational training than the provisions of the Area Redevelopment Act. The authorizations of the latter are more limited in nature and in scope.

It is becoming increasingly important also to incorporate the area redevelopment training projects into comprehensive State planning for manpower development. The recommendation that the Manpower Development and Training Act absorb the training provisions of the Area Redevelopment Act would facilitate the accomplishment of this planning. We further propose the following:

It is recommended by the Department of Health, Education, and Welfare that the Manpower Development and Training Act be amended to include a more significant role for experiment and demonstration and that the Secretary of Health, Education, and Welfare be involved in research projects in institutional training and the institutional training aspect, itself, of this important activity as set out in the proposed section 102(6).

The Department of Health, Education, and Welfare is prepared to assume the administration of expanded and more flexible activity in research and in experimental and demonstration projects. The Department is in accord with the statement in House Report 861 of October 19, 1963, of the House Committee on Education and Labor (sec. H., p. 20) that there are "unique and critically important contributions made to the program by these projects" and that the Department of Health, Education, and Welfare should seek to "develop more fully than it has, its participation in this research."

Research, experiment, and demonstration are indispensable adjuncts to an effective program of manpower training. The resources of all public and private agencies able to contribute innovations to the total training effort must be sought out and used on a broad and continuing basis. The Department of Health, Education, and Welfare is vitally interested in new and different approaches to institutional occupational training.

New training methods have already been developed as a result of imagination and ingenuity. For example, here in the District of Columbia, private business has developed unique training methods by which even those persons lacking a high school education can be trained for certain data processing jobs in a relatively short time. The Bedford-Stuyvesant project in New York is achieving significant success in using programmed instruction. Other projects have made notable progress in teaching techniques and curriculum development to communicate basic education to culturally deprived individuals, and thus have broken through barriers that deplete motivation to learn new skills. This breakthrough is highly important, for more than 90 percent of the persons being served in experimental and demonstration projects are youth. These include a large number of school dropouts and other alienated or socially maladjusted persons.

Despite the inventiveness and promise of these projects and others which have developed elsewhere, they are limited in scope. With the appropriate authority, the Department of Health, Education, and Welfare could take greater initiative and could more successfully pioneer in the areas of experiment and demonstration. To this end the appropriations should be increased so that greater effort can in fact be applied.

Experiment is vitally needed to provide special training programs for those workers who are now being displaced by automation and technological change.

It is important likewise to put continuing research into the training effectiveness of programs we have instituted. We should know why some individuals drop out of our programs. We should be able to measure their level of skill achievement by acceptable standards, and be kept alert to all the problems of adjusting training programs to the shifting job requirements in the rapidly changing work patterns of our economy.

The Institute for Social Research of the University of Michigan is conducting a national "Attitude Survey of Manpower Development and Training Act Trainees" for the Department of Health, Education, and Welfare. The institute is also conducting another study, an outgrowth of the attitude survey, on the Chicago JOBS project. Partial results of the attitude survey will be available in time for the Secretary's manpower training report to the Congress. Meanwhile, statistical analyses also are being made on the Chicago JOBS project.

Chicago JOBS was designed to take unemployed and selected "unemployable" youth and transform them into productive, working young men and women. These young people come from deprived environments. Of the approximately 1,500 enrolled in the 1st year and more than 1,800 in the 2d, the average trainee had dropped out of school in the 10th grade, had a 6th-grade reading level, and had a 5th-grade arithmetic level. In 6 months of training the first trainees made a 2-year grade level advance in reading and mathematical skills. These people had been severely disadvantaged. By a combination of basic education, vocational education, and counseling, Chicago JOBS has had marked success in moving these youths from apathy and alienation to an atmosphere of opportunity and freedom.

Chicago JOBS is a particularly valuable project, and the kind of continuous program evaluation research being done there is necessary in other projects if we are to achieve and maintain a high degree of efficiency in serving the needs of manpower training in the most difficult cases.

The Department of Health, Education, and Welfare concurs in the other amendments to the Manpower Development and Training Act now pending before the subcommittee and as recommended by the administration. They are not discussed in this statement because they were fully covered in testimony by the Secretary of Labor. It seems sufficient to say that we are in agreement that these amendments are necessary if the intent of the act is to be fully carried out.

Senator CLARK. You have given us a very helpful summary of the experience that HEW and the Office of Education in general has had under the act, but I am going to ask you subject to other members of the subcommittee calling you back and discussing the earlier part of your statement, if you would start with your specific recommendations, the idea being in mind that all members of the subcommittee and staff will read your statement and give us your specific reasoning in support of each of your specific recommendations.

Mr. KEPPEL. Thank you, Mr. Chairman. I would be glad to do this.

The first recommendation is that the Manpower Development and Training Act program be made permanent.

The lines of reasoning expressed by the Secretary of Labor are fundamental, of course, to this whole program.

I might add to it, and in order to avoid any duplication of statement before the subcommittee, that from the point of view of quality of training and of consistency of operation it is going to be of great

benefit if the vocational technical program that we so often associate with the secondary schools in the Vocational Technical Education Act of 1963, and the Manpower Development and Training Act, had this permanent character, so that their interrelation can be continued on a basis which does not have the temporary feel to it.

I can speak to this perhaps a little better than the Secretary would want to himself.

Senator CLARK. I think it would be useful if you said a word or two about why you feel we need both the vocational programs in the public schools and the community colleges and the Manpower Development and Training Act.

Superficially, it looks as if there is some overlap, but what can you tell us about that?

Mr. KEPPEL. I think the basis of my response, Senator, would be that the fact now emerges that in the future the average person may have to be prepared to change his economic career several times in a lifetime.

Clearly, the secondary school program is devised for a different purpose. It is a starting point.

Senator CLARK. Once a man gets out in the labor force, we cannot abandon it enabling him to change and all that is involved to make it possible to get him employed.

I gather you would concur in what the Secretary said a few moments ago, that perhaps the most single important type of individual you are training is the individual who is beyond the school age, or more additional emphasis on the school dropout.

Mr. KEPPEL. As the Secretary pointed out, two out of three of those presently in training are well past school age.

Senator CLARK. The suggestion has been made that we might consider them a lost generation, forget about them, and just concentrating on the training of the next generation.

What do you have to say to that?

Mr. KEPPEL. I am part of the generation that would be lost. I am not for that at all. [Laughter.]

Senator CLARK. Do you want to say anything more—

Mr. KEPPEL. May I add one point, sir, with regard to the first recommendation, as to making it a permanent program.

The sentence that I ventured to bring to your attention that fellows have to change their economic careers presents a special problem, obviously for those who are heads of families, and the kind of training that is provided in the Vocational and Technical Training Act, which does not provide the living costs and the like, clearly cannot do this. It is simply unreasonable and unfair to suggest it.

One of the good things that has happened, is the developing cooperation between what one might call the school vocational and technical education program and the manpower development and training program. My testimony this year on this part is different from what it was a year ago. There are now many experiences which remove most of our earlier worries about whether the two programs could be handled cooperatively. This is in my judgment a better situation than we thought it might be a year ago.

The second recommendation, Mr. Chairman, is recommended by HEW, that the maximum training period be increased to 104 weeks.

As I understood the Secretary's testimony, and let me oversimplify it, there are in effect two major categories in which length of training would be advantageous, the first for the highly skilled occupations where the present limitation keeps a man from going to the full length of training necessary for that kind of employment.

The second, sir, is the exact opposite, the man of woman whose grasp of language or the essential arithmetical processes is inadequate to go anywhere.

Educators are not proud of their record in handling literacy training. My own office is conducting research to find better methods.

The fact that we do not have instant literacy—perhaps we should be criticized for it—is no reason for not providing the length of time necessary at this other end of the scale, the length of time necessary to assure that that training can be accomplished.

Senator CLARK. As a man who has spent most of his life in education, you have no doubt that you can usefully give courses as long as 104 weeks for the training or retraining of adult individuals for employable skills?

Mr. KEPPEL. I have no doubt about that, sir, none whatever. I think the record of the psychologists, as well as the experience of the educators, is clear on that point.

Senator CLARK. Does that pretty well clean up your comments on those?

Mr. KEPPEL. Yes, sir.

Senator CLARK. Senator Javits, Secretary Wirtz has very kindly agreed to wait until you get here.

Senator JAVITS. I just have a couple of questions. I will just keep you very briefly, and I am grateful to my colleague, Senator Prouty, and the chairman for getting me this opportunity.

I am very interested in training allowances, Mr. Secretary. I notice with great satisfaction that you are revising the amounts of the training allowances. This is a subject that I raised particularly in 1963, and I am very pleased to see that a good deal is now being done. I still think we ought to provide some relationship to the average manufacturing wage, but we are doing better.

What about placing relocation assistance on a broader basis than the experimental projects only? Is there any thinking in the Department on that score?

Secretary WIRTZ. I can give you pieces of an answer, Senator, which might appear to you encouraging, but I think the fairer statement to you is that we recognize this relocation matter as still just almost unplowed territory. It would be a mistake to convey any different impression. We started as recently as 3 years ago, you will recall, and I think it was with great timidity or temerity that anybody even came up here to talk about the possibility of relocation. It was considered a politically untouchable kind of subject. In the Trade Expansion Act, there was the first marking out of the necessity of facing up to that fact. That was in 1962, and in the period of the last 2 years there has been a square, I think, facing of these facts. We now have these experimental projects, and we now have the attention to this matter, too, in this report which has been prepared on pension and welfare funds, so that there are these now from which I can construct

an affirmative answer to your question. But the truth is, we are just still barely nipping that problem.

Senator JAVITS. I would like to endorse Senator Prouty's view on the question of the transferability of pension plans. I would like to ask you if your Department will consider, with the Treasury Department, one, the possibility of requiring that pension plans, to be eligible for tax treatment as pension plans, meet certain standards with respect to vesting, and so forth, because that would then immediately produce the making—

Senator CLARK. While you were out of the room, Senator Javits, I pointed out this was one of the recommendations of the majority report last year based on some pretty good testimony we got from the Swedish experts, and I am happy to see the minority shares our views about that.

Senator PROUTY. I think it also was the recommendation of the minority report.

Secretary WIRTZ. On this, may I make sure this includes my report that I issued 2 weeks ago as a Cabinet member, which I understand the subcommittee has before it.

Senator JAVITS. Another question I have is, whether the Treasury and Labor Departments might not come up with some Government way in which we could finance a payment from old employer A to new employer B of the funded value of the pension plan of a transferred employee even though the pension had not yet ripened and matured, so that the amount would be repaid over, when it did ripen and mature, whether by the death of the man in question or whatever was the situation, so that the employee would be covered promptly because he was able to make the transition through funds supplied by the Federal Government. This is a bank or credit idea. I think a number of such proposals might well be considered.

Senator CLARK. You would also include an expiration of tax situation; would you not? There might be some tax situation worked out which would make this more palatable to private industry.

Senator JAVITS. Quite definitely.

I have two other points I wanted to cover with you. Could you tell us how we could better attack the tremendous disproportion which faces youth in the minority groups, Negro and other nonwhite youth, in relation to its unemployment ratio and job opportunity lack as compared with the normal white American youth? It seems to me that those are the most shocking figures which are before us in the whole manpower field. Sometimes in my native city, for example, this disproportion is as high as 4 to 1; in other words, four times as much unemployment among Negro youths, especially girls, and boys as well, as among white youth of the same age, same talent, same training, and so forth.

Now, could you give us some way in which we might move more decidedly into that area?

Senator CLARK. I think one way would have been to enact as part of the Civil Rights Act of 1964 the title VII which was prepared in this subcommittee, helped by the Senator from New York, which I think was a much more incisive bite, but the Senator from New York knows the problems we had in that regard on the floor.

Senator JAVITS. I know the Secretary feels about it as I do. No one wants to give the Negro a job preference. You cannot do that, and it is not right to do it. But we do realize that there must be some area of greater accessibility of training, because these people are really so far behind, and it shows up so very markedly in all the figures—the unemployment figures, which lead right into the juvenile delinquency figures, and so on. And somehow or other some special program is necessary to bring us abreast to some extent in a progressive way of that awful problem.

Secretary WIRTZ. I would have these general comments, Senator.

First, appreciation of the identification of my position on this with yourselves, as far as what we are trying to get is concerned.

Second, in the administration of the various programs, I think this factor is being considerably taken into account; for example, among our trainees the percentage of nonwhite trainees is 27 percent. That compares with about an 11-percent figure as far as population as a whole is concerned. And it also compares with a figure of 21 percent as far as unemployment is concerned. So there is a substantial recognition of that.

As part of my second point, there is in the administration of the Economic Opportunity Act programs and including the Neighborhood Youth Corps, the Job Corps, the community-action programs, a substantial recognition of this factor.

Also as a part of the second point, there is, and Commissioner Keppel could speak better to this than I, in the education proposal which is presently before the Congress, I think a considerable recognition, in terms of the concentration of this problem in particular areas. But my third point is this: I think that we will move at this point most effectively if we recognize the problem to which you refer is not entirely a racial minority problem, but is a problem which identifies the minority in terms of disadvantage in one way or another. Most of these figures will show that although the problem is worse in the nonwhite group, if you start making the comparison as among the disadvantaged as a whole, then some of those lines disappear. I have gone over the census tracts in one city after another in this country, and I find that the closest correlation between unemployment, which is our particular interest, the closest correlation is not between unemployment and race, it is between unemployment and lack of education of the parents. And in most of these cases what we will find is a group of disadvantaged people of among whom every four out of five are white and one is nonwhite.

That is the typical pattern, and I think that more and more there emerges the necessity or the desirability of viewing this problem in terms of a minority which we call the disadvantaged, and which includes a disproportionate percentage of Negroes compared with the rest of the population, but I think we are going to get further now concentrating on the factor of disadvantage, the factor of ignorance, the factor of unemployment.

Senator JAVITS. May I say, too, that I believe very much in Senator Prouty's legislation which I noticed in his statement he is going to put in again, and I certainly hope to join with him, for tax exemption for training on the part of private business. And I would hope that your Department, along with both labor unions and employers, would

stimulate a very great interest in this field, because it is a fact that though you are training 300,000 people in your program, that probably is something in the order of magnitude of 5 to 10 percent of what needs to be done. We all understand that. But I do think that you can have a great effect in your Department and in the Commerce Department in proselyting American business into this field. I know of many banks, for example, which are taking Negro boys just out of high school, who look as though they might have something on the ball, and starting them in their training a year or two before they give them a job in the bank, and paying the bills.

Now, that is a most extraordinary thing, and I wish it were happening more often. I commend to you that kind of stimulation. There is nothing like the Secretary of Labor or the Secretary of Commerce or the President giving an E award to the First National City Bank of New York, or the Chase, or whichever happens to be doing it, because they are rendering such an enormous national service in a manpower training program, and that kind of technique I do not think we use enough, except in wartime. And I commend that to you, because I think that in this particular field that kind of thing is extremely essential.

Secretary WIRTZ. May I say only this, Senator, that this thinking enters very substantially into the proposed job development program which the President announced as of last week, and which we bring to this committee as what we think is part of an important program.

With respect to the tax incentive problem as such, it has received very extensive consideration, and the principal difficulty it encounters is the one Senator Prouty referred to in another connection, the danger of the public undertaking paying the bill for training that ought to be done privately.

I think there is still an area of development along the lines you indicate. We have to be careful we do not give tax incentives for what would have been or ought to have been done independently.

I think there is a necessity for the emphasis you have placed on it here.

Senator JAVITS. Finally, Mr. Secretary, I would like to report from you on the experiences of these relocation allowances you talked about before, even the experimental ones, and I would also like a report for the record of the experience of the National Manpower Advisory Committee established under the Manpower Development Act.

(The reports requested previously follow:)

NATIONAL MANPOWER ADVISORY COMMITTEE

The National Manpower Advisory Committee was appointed by the Secretary of Labor in September 1962 pursuant to the Manpower Development and Training Act of 1962. The committee consists of 10 members and is composed of representatives of labor, management, agriculture, education, training, and the public in general. The major function of the committee is to advise the Secretary on the carrying out of his duties under the Manpower Act. Eli Ginzberg of Columbia University is chairman of the committee. Three subcommittees and a panel have been appointed. Richard A. Lester, of Princeton University, is chairman of the subcommittee on research; William G. Caples of the Inland Steel Co., Chicago, is chairman of the subcommittee on training; and Felix E. Larkin of W. R. Grace & Co., New York, is chairman of the subcommittee on community relations. C. Gilbert Wrenn, of Arizona State University, is chairman of the panel on counseling and selection.

The National Manpower Advisory Committee has had six meetings. Its subcommittees and panel together have had 14 meetings. Individual members of the groups have frequently been consulted on special matters in the interim between regular meetings. The views of the advisory groups have been especially helpful in drafting the manpower report of the President, as required by section 104 of the act, and the accompanying report on manpower requirements, resources, utilization, and training by the Department of Labor. The subcommittee on research has made a number of suggestions for the development of a comprehensive program for manpower planning, research, and evaluation pursuant to title I of the act, and for strengthening the Department's research potential. The panel on counseling and selection has been most helpful in identifying areas in counseling and selection in which research might usefully be undertaken. At its last meeting this panel submitted a proposal, which was subsequently accepted, calling for a conference to be held next spring to explore the supply and demand for counselors in public agencies.

U.S. DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE—NATIONAL
MANPOWER ADVISORY COMMITTEE, WASHINGTON, D.C.

MEMBERSHIP OF COMMITTEE

Labor:

Joseph A. Beirne, president, Communications Workers of America, AFL-CIO, Washington, D.C.

Peter T. Schoemann, general president, United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry, AFL-CIO, Washington, D.C.

Management:

William G. Caples, vice president, Inland Steel Co., Chicago, Ill.

Felix E. Larkin, executive vice president, W. R. Grace & Co., New York, N.Y.

Agriculture: Varden Fuller, professor of agricultural economics, University of California, Berkeley, Calif.

Education: (Mrs.) Louise G. Daugherty, district superintendent of schools, District No. 11, Chicago Public Schools, Chicago, Ill.

Training: M. D. Mobley, executive secretary, American Vocational Association, Inc., Washington, D.C.

Public:

Ivan Allen, Jr., mayor of Atlanta, Ga.

Upshur Evans, president, the Cleveland Development Foundation, Cleveland, Ohio.

Eli Ginzberg, chairman, Director of Conservation of Human Resources, Columbia University, New York, N.Y.

LABOR MOBILITY DEMONSTRATION PROJECTS

PREPARATION

This demonstration program is being developed to gain experience in a variety of geographic areas with varying groups of unemployed workers. The intent is not simply to move a number of unemployed workers but rather to develop information and experience on unemployed workers' interest in relocation, the problems encountered by individual workers in relocation, organizational difficulties in developing successful relocations, and useful means of overcoming obstacles to desirable relocation.

Public and private agencies potentially interested in conducting such projects have been widely consulted on the means of setting up such efforts and on situations which would be suitable for pilot projects.

A series of standardized definitions, procedures, and instructions were developed to provide a minimum common base for each of the separate projects to meet the many operational questions and problems which have been raised, although it is recognized that each project will in addition have some distinctive features.

Some projects will operate through facilities of the Federal-State employment security system, while others will be conducted by private nonprofit organizations.

Each project involves selection of specific unemployed groups, counseling as necessary, development of suitable jobs in other areas, arranging for the moves, and subsequent supporting service and follow up.

SPECIFIC PROJECTS

At this time, five projects have been formally agreed to, while eight others are in late stages of development. Four or five others are being considered. Additional agencies, public and private, have expressed interest in running such projects, but are not ready to do so this fiscal year.

The range and types of projects being undertaken in the initial group are indicated by the brief descriptions below:

(1) In Virginia, unemployed workers from the high-unemployment areas of the southwestern part of the State (basically rural) are to be moved through the State employment security system to jobs in low-unemployment areas in the more industrialized sectors of the State. The project is planned in terms of 200 relocations.

(2) In North Carolina, a private organization (the North Carolina Fund) which is conducting an experimental retraining project, will work with unemployed and underemployed rural workers in the eastern part of the State on relocation to the industrialized Piedmont region and to other Eastern States. The maximum number to be relocated by this project is 200.

(3) In Indiana, unemployed workers in South Bend who have gone through Manpower Development and Training Act training programs to equip them with new skills in demand elsewhere will be aided by the State employment security agency in relocating to other areas, in and out of the State. This trainee group to be worked with is relatively small; about 25 relocations are aimed for.

(4) In Minnesota, a cross section of unemployed from several high-unemployment parts of the State are to be relocated by the State employment security agency to high-demand areas of the State. About 400 relocations are planned.

(5) In New York, unemployed workers laid off from defense industry in the Nassau-Suffolk County area who have come to the local employment service offices for assistance will be considered for job openings, mostly outside the State. About 200 relocations are planned.

Among other likely projects are ones focusing on skilled and technical workers in California, unemployed workers over age 50 in South Bend with whom the National Council on the Aging has been working, long-term unemployed in West Virginia and unemployed persons being given Manpower Development and Training Act training by Tuskegee Institute in Alabama.

In some of the projects, distinctive research efforts will be undertaken by separate research organizations to develop information in depth on the reasons for unemployed workers' interest or disinterest in relocation and on the comparative long-term experience of those who relocate as against those who do not.

Each of the projects differ in many other respects not noted above. We will be glad to provide additional information on more specific aspects of any of these projects.

Overall, it is expected that the first relocations will be in March. The bulk of the relocations will occur in May and June.

Precise costs cannot be determined in advance, but if the projects already largely developed (roughly 15), and the number of workers for whom relocation will be sought in each, materialize as planned, it is anticipated that from \$3.5 to \$4 million will be required to implement the pilot program. The projects are being held down so that the maximum \$4 million authorized will not be exceeded.

NEED FOR FURTHER EXPERIMENTATION

In developing the projects being undertaken this fiscal year, we have repeatedly been struck by the wide variety of situations in which it would be desirable to develop pilot efforts but in which it is not possible to do so within the time and funding limitations of the original provision authorizing such experimentation.

We have found, too, from the reactions of the local officials who will actually conduct the projects, that the limitations on the financial assistance available to individual workers for relocation may not adequately meet the financial barriers to mobility of unemployed workers.

It is therefore apparent that this year's pilot projects will not provide as wide a base of experimentation and experience as desirable for determining the nature and scope of any broad-scale relocation program.

This is why we have recommended extension of the pilot program, with additional flexibility in the financial aid for the workers to be relocated.

The extensive planning and other work in getting the initial projects underway, plus the first experience to flow from them, provide a solid base for carrying forward additional experimentation. With the basic planning done, it will also be possible to devote full attention to developing the additional projects which have been proposed but which the agencies involved have been reluctant to undertake in the absence of more specific guidance than has been feasible until now.

My last question is this: You can answer this or not, as you choose. I hope you will make a bid for at least coordinating and managing all the manpower activities, no matter who runs them, the Office of Economic Opportunity, or somebody else. I think it is very important. I see these programs getting into bits and pieces all over the lot. It is very important that whatever agency puts up the money, the fundamental manpower policy and expertise and relations of one program to another head into one office in the Federal Establishment instead of being scattered all over.

Senator CLARK. Before the Secretary answers, I would like to point out this is the major concern of recommendation No. 2 of the manpower report of last year. I discussed it at some length with the Secretary. We hope to be able to move forward, certainly on the administrative and possibly on the legislative end before we get much further along.

Senator JAVITS. As Senator Prouty has pointed out in another connection, this is also part of the minority report. I hope, Mr. Secretary, you will take us very, very seriously on that score. I really can see a lot of that famous gesture in a Department like you own: you say "Here is something the antipoverty people are doing, it seems to be duplicating what we are doing," and somebody in the Department will say, "We are sorry, 'it is not our pigeon.'"

That is the thing I think we want to get on top of in our manpower and training programs.

Secretary WIRTZ. I think I would like to only say thank you, with respect to that.

(Senator Javits requested answers to several additional written questions. Senator Javits' questions and Secretary Wirtz' answers follow:)

Question 1. In view of your Department's regulations applying the \$10 additional training allowance provided by the 1963 amendments on the basis of dependency and duration of training, how does the Department propose to administer the additional \$5 per dependent (above two and up to six) provided for by section 5(a) (1) of the pending bill, S. 974. Will the \$10 be used regardless of dependency; or, if it remains tied to dependency, will it be in lieu of the \$5 or in addition to it?

Answer. The Secretary has exercised his discretion under the act to authorize payment of the \$10 extra weekly training allowance on the basis of the number of persons in a trainee's household and the length of time the trainee has been in training. Under the present regulations, if the trainee is a member of a household with three or more members, he is eligible to receive an extra \$5 per week at the outset of training and an additional \$5 per week after the first 4 weeks of training. If a trainee lives in a household with fewer than three members, he may receive no extra allowance during the first 10 weeks of training but, thereafter, he may receive an extra \$10 a week.

The purpose of the proposed amendments is to permit persons with more than two dependents to receive additional financial assistance during the period of training. In general, it is contemplated that the extra \$5 per dependent for each dependent over two would be in addition to the extra \$10 presently permitted under the act. Thus, a trainee with three dependents could have his basic allowance increased by \$15 per week. A trainee with six or more dependents could have his basic allowance increased by \$30 per week, which would be the maximum increase permitted under the proposed amendment.

Question 2. There has been testimony that in some States, notably New York, an initial allocation of funds under the act has been made and then, very shortly thereafter, some part or all of the allocation has, without notice or consultation with the State, been reallocated from the State and placed into the national pool. Why has this occurred and is it the Department's intention to continue to use the reallocation authority in the act in this way in the future? Should there be a limitation on the date for reallocation of the allocated funds, such as, not before March 1 or April 1 of the fiscal year in question?

Answer. The same question was directed by Senator Clark to the Department during the course of testimony by New York State representatives. A copy of the Department's reply, as forwarded to Senator Clark, is attached and may be found at page 122 below.

Question 3. (a) Is it the normal practice for the Department and the States to give approval to projects simultaneously?

Answer. The present procedures provide for clearance of a project in the State before it is presented to a regional Federal review team. The interested parties within the State will prepare the necessary parts of the project which will be signed by the chief administrative officer of the appropriate State agency or agencies. This usually involves the State vocational education agency and State employment security agency. This material is then presented to a Federal review team consisting of a regional representative of the Bureau of Employment Security and of the Office of Education. These two individuals have approval authority for all projects and funding authority during periods when State allocations are operative. At certain times during the fiscal year when the program is operating from a national pool, the approval is handled by the regional review team and the funding takes place in the national office.

Question 3. (b) In order to expedite programs, would it be feasible to allow the States to approve the smaller and more routine projects (for example, under \$100,000) in advance of future approval, with some reimbursement device if Federal approval is not subsequently given?

Answer. During the past year there have been no delays in the approval of projects as a result of the present procedures. There have been delays caused by uncertainties of funding. At the beginning of the fiscal year, there was a considerable delay in the appropriation action which caused many programs to be delayed in starting for as much as 2 months. Shortly after the appropriation by the Congress, a State allocation system went into effect and all single occupation programs were approved and funded in the field by a Federal review team. In the larger States this review process may take place as frequently as once a week or more often if the State requests it. Some delays were experienced in larger projects for disadvantaged youth and involving multiple occupations. Because of the very considerable amounts of money involved in such projects, funding action on these projects remained in the national office during the entire fiscal year.

We are very sensitive to the need for approval and funding as close to the source of the program as possible in order to cut down on timelag between program development and starting of the classes. We are presently developing procedures for management of the program in fiscal year 1966. Our overall objective is to further decentralize the approval and funding action within the program to the maximum extent possible and still assure a program which is consistent with the national objectives. We feel it may be quite possible to delegate approval and funding authority to the States in certain types of projects which do not involve large sums of money or unusual occupations.

Question 4. Why has there been a trend away from on-the-job training, which the Secretary has testified was expected to be the main focus of the act? How can this be remedied? What efforts has the Department made to make the business community aware of the on-the-job training program? Please attach copies of any printed material used specifically for this purpose.

Answer. Program emphasis is more and more toward on-the-job training rather than away from it. The results verify this focus. During fiscal year 1963, 107 Manpower Development and Training Act and on-the-job training projects were approved for 1,535 trainees; during fiscal year 1964, this increased to 723 projects for 10,137 trainees; so far this fiscal year until February 3, 1965, the number increased to 1,548 projects and 17,788 trainees. We have made significant gains during each year and we anticipate a continued and even greater increase during the next year. Our people who are developing the projects are now fully trained; we are using national organizations such as trade associations, State apprenticeship agencies, and others to help promote and develop on-the-job projects; we are getting increased support from the 1,900 State employment service offices throughout the country; and the employers, public and private organizations, unions, etc., have accepted the program and are giving support to it.

Furthermore, the Department of Labor is shifting its training emphasis from individual projects at the local level, to national projects training large numbers of people, particularly in the service industries. Specific examples of this type of training announced in the past 3 weeks by the President includes: (1) a contract with the American Hospital Association to train 4,000 jobless persons in non-licensed subprofessional jobs in 300 hospitals, (2) 19 Manpower Development and Training Act projects to train 1,000 jobless persons in such occupations as nurse's aid, auto mechanic, appliance servicing, and drycleaning, and (3) a contract for on-the-job training of cash register servicemen in 15 cities.

Question 5. How can individuals be brought into the program more readily? Can the USES be encouraged to make more individual references to on-going training programs, with institutional or on-the-job, rather than relying solely upon group arrangements? What further legislation or regulation is necessary to bring this about? Would it be feasible to make a lump-sum allocation of funds to each State to permit such individual training?

Answer. The need for and desirability of individual referrals to existing public or private training was recognized early in the Manpower Development and Training Act program. The USES, in cooperation with the Division of Vocational Education, Department of Health, Education, and Welfare, developed a procedure for making individual referrals, under Manpower Development and Training Act auspices, to on-going training. The procedure was distributed to the States in February 1964. The States have been encouraged to make extensive use of this procedure, and so far, 29 States have received approval of applications for funds for individual referrals. Lump-sum allocation is the method used. In the original procedures, States were advised to estimate the funds they would need for individual referrals on a quarterly basis. This sum was to be requested in the same manner as funds for other Manpower Development and Training Act project proposals. Upon approval of the request, the State made individual referrals as needed without further Federal review. Later, the procedure was amended to permit States to request a lump-sum allocation for referral of individuals for an entire fiscal year. No further legislation appears necessary with respect to this activity.

Question 6. What is the Department's view of the Federal responsibility to retrain professional workers in scientific and engineering fields who are displaced as a result of defense cutbacks? Would it be appropriate to pay under the act the tuition, fees, books, and other college or university costs of the training of such displaced workers?

Answer. The act does not contemplate training individuals for fully professional degrees such as doctors and lawyers. However, where training is directly related to occupational needs or employment opportunities, particularly for bringing an already acquired professional skill in line with changing technology, or the needs of a particular employer, the law does not offer any difficulty since anything under the words "occupational training" as used in section 202(a) would be appropriate. Examples would be courses for teachers licensed in one State to qualify for teaching in another State, or updating or redirecting the skill of an engineer with a specialty which has become obsolete because of technological changes. Costs of training permissible under the act include such items as tuition, fees, books, and related expenses.

Question 7. To what extent are private training facilities used for institutional training programs? Has the Department found any obstacles to the use

of such facilities, particularly where private institutions are in a position to provide better training and without increased cost?

Answer. We have asked the Department of Health, Education, and Welfare for information on this subject and understand that over 8,000 trainees have or are now receiving training in 27 States through some 80 private schools. According to Health, Education, and Welfare the major factor limiting greater involvement of private schools and institutions is the absence in many States of a duly authorized accrediting agency to evaluate and accredit such schools. The Manpower Development and Training Act regulations of the Secretary of Health, Education, and Welfare stipulate that the institution designated by the State vocational agency must meet certain adequacy standards. Since recognized standards are not available to be applied to such schools and institutions by recognized accrediting agencies, the State boards in some States have difficulty certifying the adequacy of such schools.

Question 8. What amount and percentage of funds are being devoted in each fiscal year to experimental training programs and what are the existing plans for such programs for the future?

Answer. The contract obligation for experimental and demonstration projects was \$2,922,778 in fiscal year 1963; \$6,150,741 in fiscal year 1964; and \$9,212,007 in fiscal year 1965 through the end of January 1965. These contract obligations amount to about 3.5 percent of the total Manpower Development and Training Act appropriations since the beginning of the program. We can foresee obligations of between 5 and 10 percent of the Manpower Development and Training Act appropriation on this experimental and demonstration activity in the next fiscal year. It is proposed that a new provision, section 2(b) of S. 974, be enacted to authorize these undertakings under title I of the Manpower Development and Training Act as a part of the manpower research function.

Up to the present time, these experimental training projects have been directly related to training individuals for specific occupations. Future experimental and demonstration projects will explore the interrelationship of training and job development, job placement, and job counseling services as provided by the State employment security system and other organizations interested in the development of job opportunities.

Senator CLARK. Thank you, Mr. Secretary. We have given you quite a grilling, it seems to me.

Secretary WIRTZ. Could I add one word, Mr. Chairman?

Senator Prouty did mention the pension funds and their relationship to mobility. I would like to call attention to the fact there has been a Cabinet report prepared on that.

Senator CLARK. Not only that. I hope before the end of the session to introduce some legislation in that regard. You may remember that last year we took a good deal of testimony from the people who were competent in the area from Sweden who explained to us how they handled that problem of pensions and labor mobility there. I think there are some lessons we could learn from the Scandinavian experience.

Secretary WIRTZ. Your appreciation of my comment is not in opposition to Senator Prouty's expressed opposition to this, but in support of it.

Senator CLARK. I would like to place in the record at this point a telegram received yesterday directed to me as chairman of the subcommittee from the Governor of South Carolina, Donald Russell, urging the committee to act favorably on the amendments to the Manpower Act, pointing out how valuable it had been in the State of South Carolina, to what a very extensive extent they have been utilizing it, and pointing out the inability of the State to continue to find the matching grants for the program.

(Telegram referred to follows:)

COLUMBIA, S.C., February 8, 1965.

Senator JOSEPH CLARK,
Subcommittee on Employment and Manpower,
Senate Labor Committee,
Washington, D.C.

DEAR SENATOR: Understand hearings on amendments to Manpower Development and Training Act will be held on February 9 and 10. Respectfully request the following statement be made a part of official public record:

South Carolina has made remarkable progress under the federally financed Manpower Development and Training Act in training that segment of our population who, through lack of education or opportunity, finds it impossible to earn a substantial livelihood.

Our State is in particular need of this program, because of its high birth rate, youthful population, unusually large farm population, and low per capita income. The programs initiated in South Carolina are training thousands of underprivileged citizens and have resulted in profound improvement in employability.

The program, which is proving highly valuable to our people, is an extremely useful tool in fighting poverty. It is meeting with proven success in our State and I trust, throughout the rest of the country. We would not like to see the program curtailed in any fashion in South Carolina. Yet, at the same time, we do not anticipate that we will have the significant sums of money necessary to meet matching funds requirements, scheduled to go into effect July 1, 1965, and continue the program full scale.

I believe it will be very helpful in the overall antipoverty efforts currently being fashioned, to have the Manpower Development and Training Act program continued in all States of the Union. Therefore, I respectfully urge that the Congress pass appropriate amendments, which will postpone the effective date of the matching funds provision of the Manpower Development and Training Act program.

The States are already having difficulty funding conventional educational programs and must have this extraordinary assistance in meeting the needs of our adult population until we cut down the reservoir of untrained and ill-educated people inherited from past generations.

Thank you for your consideration.

Sincerely,

DONALD RUSSELL,
Governor of South Carolina.

Senator CLARK. Now, Commissioner Keppel, if you would come back, and thank you for waiting.

I would ask you to comment on your recommendation for changing the matching basis to a 90-to-10 ratio.

Mr. KEPPEL. Once again, sir, the information that I have was in the large and in the main the same as the Secretary of Labor presented to you.

You will recall that Mr. Wirtz said that he and Secretary Celebrezze had joined in getting in touch with the Governors through a variety of means, and we therefore have what amounts to the same reports.

One fact I may have missed in the Secretary's remarks—it was not on the record, it might be emphasized. It is on page 18 of the prepared testimony, referring to the increase in State and local bonded indebtedness, and the increase in per capita State-local taxes during a period of time in contrast to the Federal record in that regard, I think is an additional reason to the reasons already given by the Secretary.

Senator CLARK. I think it is not without significance that the conference of southern Governors has called for a continued 100-percent funding by the Federal Government. That is the area of the country where States rights have been very much in the foreground, and to me it is quite encouraging that they are making substantial use of this program, as the telegram from the Governor of South Carolina just introduced for the record would indicate, and I would suspect when we come to get the opinions of the Governors, we will find substantial unanimity with the view that the program must be continued, but that they cannot finance it to a very substantial extent from their own resources.

I, for one, am very strong for a 10-percent contribution. I do not think a total giveaway program would work.

Mr. KEPPEL. Sir, HEW associates itself with the recommendations made by the Secretary with regard to the occupational training provisions under the Area Redevelopment Act.

Mr. Batt I believe will follow me, sir.

Senator CLARK. Yes; he will.

Mr. KEPPEL. He is better qualified than I to speak to that.

Senator CLARK. You think administratively this will work?

Mr. KEPPEL. Definitely, sir; I think it would simplify matters.

Senator CLARK. It is obviously better to have the training program under one agency than two.

Mr. KEPPEL. We believe it would.

Mr. Chairman, HEW associates itself with the change in the language of the act that is on page 2, if my memory serves me, section 102.6, in which I think the most relevant lines are lines 10 through 18, in which the Secretary of Labor shall, where appropriate, consult with the Secretaries of HEW and Commerce, and the Director of the Office of Economic Opportunity with regard to training programs that would come under the experimental development demonstration and project.

This I think would lend strength to the machinery for undertaking these training and experimental research programs which the Secretary of Labor pointed out were so necessary. We heartily agree with his position on that.

Senator CLARK. I note your comment that research experiment or demonstrations are indispensable adjuncts to an effective program of manpower training, which I imagine springs from the conviction that we do not have all the answers in this area yet at all.

Mr. KEPPEL. Very far from it, sir. In the Congress, making the major amendment that it did to the Vocational and Technical Act of a year and a half or 2 years ago, it reserved, you may recall, 10 percent of the funds of the States on a formula basis for R. & D. and experimental programs aimed particularly at that group.

I think the combined power of these two research development and experimental programs, when linked as suggested in the language proposed before you, sir, will make one of the major advances in a field which has been notably underresearched.

Senator CLARK. I am interested in the specific evidence of the demonstration programs which you have stated in your testimony, which indicated to me you are already on your way on this and you need more encouragement to continue it.

Mr. KEPPEL. In my testimony we brought particular attention to the survey from the University of Michigan, and second, the so-called jobs program in Chicago. There are, of course, others.

The Departments of Labor and HEW collaborated on what I think was a most interesting program in Norfolk—which I visited—which attempted to train men whose language abilities were almost non-existent.

There are other examples we could give.

Senator CLARK. Thank you, sir.

I do not want to cut you off. Is there anything further you would like to say?

Mr. KEPPEL. No, sir.

Senator CLARK. Senator Prouty.

Senator PROUTY. Thank you, Mr. Chairman.

I think Mr. Keppel's statement is similar in comment to that made by the Secretary. I do note you state that the average planned length of current projects is 36 weeks.

Then there is support of the proposal to lengthen the program to 2 years, and you state that you are aware that the manpower development and training program is not yielding enough workers who are prepared for jobs in scientific and technical fields, and that are vital to our continued economic growth.

Can you give an estimate as to it, or a percentage basis of the number of people who would be involved in these programs, that is, those that would run for a duration of 2 years?

Mr. KEPPEL. I do not have that with me.

Senator PROUTY. Could you get that and supply it?

Mr. KEPPEL. Yes, sir, we will.

(The information requested follows:)

Estimate of the percent of trainees who would participate in Manpower Development and Training Act programs of 104 weeks duration:

Extending training allowances to 104 weeks would permit the inclusion of highly skilled and technical jobs in manpower training and also would allow persons with lower academic achievement to participate in skilled occupations training programs to a greater degree than is now possible.

It is estimated that 15 to 20 percent of the trainees will participate in the full 104 weeks of training.

Mr. KEPPEL. I think it might be useful for the sake of the record, Mr. Chairman, if you would permit one refinement on the statement made by the Secretary of Labor.

As I recall it, in his testimony he said that the average length of training was 26 weeks. I believe he was referring to the average number of weeks for which training allowances are paid. The 36-week figure which is used in my testimony refers to the average weeks of training provided in institutional training projects. Not all trainees receive allowances. Institutional programs have lengthened in design as new authority has been granted to provide more time for trainees who need a combination of basic education and occupational training.

Senator PROUTY. It should have been 32 weeks, I understand. The average is 32 now.

Mr. KEPPEL. It is my understanding, sir, that our estimate is 36 weeks.

Senator PROUTY. Could you give a list of the training programs which would be used in the scientific and technical fields? You men-

tioned electronics, mechanics, and the health field. Could you give the breakdown as to the specific programs you think would be included?

Mr. KEPPEL. Yes, sir. I gave an example or two, and we will provide a list. The list is perhaps longer. For example, engineering technician, photolithographer cameraman, computer programmer, and similar technical or highly skilled jobs. We will provide a list for the committee.

Senator PROUTY. If you would supply the list for the record, that would be helpful. Thank you.

(The list requested follows:)

LIST OF TRAINING PROGRAMS

Examples of highly skilled and technical jobs for which Manpower Development Training Act training could be made available if training allowances could be paid for up to 104 weeks:

Data processing technician	Dental hygienist
Computer programmer	Agricultural engineering assistant
Junior systems analyst	Nursery manager
Engineering technician	Landscape designer
Research and development technician	Forestry technician
Architectural draftsman	Irrigation technician
Chemical technician	Commercial artist
Metallurgical technician	Industrial designer
Radiation and nuclear technician	Technical illustrator
Electronic technician	Technical writer
Broadcast technician	Photolab technician
Radio communications technician	Photo-lithographer cameraman
Instrumentation technician	Business manager trainee
Engineering systems technician	Office manager
Structural draftsman	Industrial relations trainee
Civil draftsman	Junior accountant
Air-conditioning technician	Industrial supervisor
X-ray technician	Traffic manager
Junior tax examiner	Purchasing agent
Medical secretary	Manufacturer's agent
Legal secretary	Insurance claims adjuster
Technical secretary	Real estate broker
Drafting technician	Internal auditor
Surveyor	Petroleum technician

Senator CLARK. Thank you very much, Mr. Keppel. We appreciate having you with us.

Senator CLARK. Our last witness this morning is Mr. William L. Batt, Jr., the Administrator of the Area Redevelopment Administration.

Mr. Batt, will you come forward, please?

Senator PROUTY. Mr. Chairman, it is necessary for me to leave at this time. I have a luncheon engagement at 12:30. But I would like to have the privilege if I so desire to submit some questions to Mr. Batt.

Senator CLARK. Certainly.

Mr. Batt, we are happy to have you here.

I will ask that your prepared statement be printed in full in the record at this point, and then ask you to state for the record the points you would like to have emphasized, particularly your views about the consolidation of the retraining program of ARA with that of the Manpower Development and Training Act.

(The prepared statement of Mr. Batt follows:)

PREPARED STATEMENT OF WILLIAM L. BATT, JR., ADMINISTRATOR, AREA
REDEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE

Mr. Chairman and members of the committee, I am glad to be here to testify on behalf of the Manpower Development and Training Act, and particularly that portion of it which deals with training in ARA areas.

The Nation's first direct and concerted attack on the problem of chronic unemployment and underemployment in economically-distressed areas was initiated through the Area Redevelopment Act in 1961. The act is designed to stimulate the expansion of job opportunities in designated areas through a program of financial and technical assistance and to directly assist the unemployed through training programs to overcome skill deficiencies which act as barriers to employment.

In the past 3½ years of Area Redevelopment Administration, the inclusion of training as part of the Area Redevelopment Administration operation has repeatedly demonstrated its usefulness in assisting communities attain economic recovery as my later fact and figure will indicate.

Very early in our operations we found that one of the important bottlenecks to economic recovery in the redevelopment areas was the absence of skills needed by many of the industries who would otherwise find these regions suitable for expansion. The problem is particularly severe where the remaining workers, often older than average, are principally agricultural workers, miners, or similar victims of displacement by industrial decline or automation.

A profile of the approximately 1 million of our unemployed, who reside in the 1,100 areas which have been designated during these years, indicate that among them are to be found: Large groups of older workers displaced by automation or other industrial change; long-term unemployed; the totally unskilled or those who possess only limited agricultural skills; the minority groups; the reservation Indians; some of the Nation's most economically and educationally deprived. These factors, and the isolation of these groups from the main stream of American economic and industrial life, made the correction problem of preparing these unemployed or underemployed to reenter the labor force a particularly severe one.

As I have already stated, the inclusion of training as a redevelopment tool was of great importance in the total economic redevelopment program. While the area Redevelopment Administration was developing and investigating the many proposals which lead to over 500 industrial loans and community loans and grants and over 400 technical assistance projects, the training programs approved approximately 890 projects covering about 40,000 trainees. Men and women were trained in approximately 200 skills with more than 70 percent of those completing training placed in gainful employment. Training programs were available to fill immediate skill shortages and to train for the new jobs being developed. Training programs produced concrete examples to communities that the hard-core, long-term unemployed could be successfully retrained for employment; their gainful employment added income to economically depressed areas; their transfer from welfare rolls to payrolls lifted burdens from communities, enabling them to participate in economic improvement. Equally important, these training programs gave the necessary assurances to prospective business firms that essential labor force could be produced in these areas coinciding with industry's needs.

The fact that 37 percent of the ARA trainees were from long-term unemployed; that 19 percent were of elementary school education or less; that 13 percent were older workers, is indicative of some of the special measures that were taken in the ARA program to benefit those particularly in need of training—the long-term unemployed, the undereducated, the totally unskilled, the migratory worker, the reservation Indian, agricultural workers, minority groups. While the administration of the training programs has been the primary responsibility of the Department of Labor and Health, Education, and Welfare, the Area Redevelopment Administration legitimately concerned with the economic improvement of the designated areas, played an active role cooperating with agencies of the Federal, State, and community levels and with business and civic groups to help produce the results described.

As yet only a beginning has been made. A great deal more obviously needs to be done if the long-deprived residents of the hard-core areas of our country are to be given the assistance they require to reenter the labor force and become

self-supporting citizens. An analysis of both the achievements and limitations of the ARA training program leads us to the following recommendations:

First: One of the important aspects of ARA training was its availability and flexibility so that it was a useful economic redevelopment tool: training could be planned, tailored, and timed in concert with measures undertaken to promote a community's economic growth. Training was, therefore, an important asset to communities working toward economic betterment as well as to some of the employers to whom the assurance of a trained labor force when needed was as, or more, important than loan benefits. While we have joined with the Department of Labor in the inclusion of ARA training in the general manpower act, we yet urge the identification of ARA training as a separate unit with a special appropriation so as to insure that these areas will get the extra assistance which they need to achieve economic health. A dynamic redevelopment program requires prior use of training funds in connection with new employment, new and expanding firms, those being assisted by ARA as well as those whose special need may lie in an improved labor force. We also urge that the provisions of this section be given consideration and retention; namely:

(a) One hundred percent financing, since these areas, nonproductive at present, require special assistance.

(b) Retention of the previous eligibility provisions so that all unemployed in designated areas are eligible for training and subsistence.

(c) That no allocation of the funds appropriated for this section be made to States in order to preserve the availability which has been proved an asset to economic redevelopment programs.

Second: The previous appropriation of \$4½ million for instruction and 16 weeks limitation for subsistence have proved far too limiting in the quantity and quality of training which the designated areas require. Giving due consideration on the one hand to the needs of the unemployed or underemployed for greater skill training and basic education, and on the other hand to the necessity for placing people into jobs as soon as can efficiently be accomplished, we recommend that the section of the Manpower Development and Training Act which deals with the ARA training program, be enlarged to 36 weeks for skill training including basic education where needed.

Third: In order to develop the many special programs needed in the designated areas and to remove the handicaps under which the unemployed or underemployed suffer, we recommend an appropriation adequate to accommodate the longer training time and a substantial increase in the numbers to be trained.

Conclusion: ARA can, in all modesty, lay claim to its role as forerunner on the war on poverty, generating new jobs in the lagging areas of our economy. Occupational training under ARA, limited though it has been, has yet demonstrated that our hard-core unemployed, all too frequently abandoned as unemployables, can become productive workers, or as President Johnson so aptly put it, "taxpayers instead of tax eaters." With the usefulness of occupational training proven, the amendments, particularly as they refer to ARA, will enable ARA in close cooperation with the Departments of Labor and Health, Education, and Welfare, to integrate training into the larger economic redevelopment programs presently under consideration.

Senator CLARK. Perhaps you would like to introduce your associate, Mr. Batt.

STATEMENT OF WILLIAM L. BATT, ARA, ACCOMPANIED BY MILTON P. SHORE, OFFICE OF CHIEF COUNSEL, ARA

Mr. BATT. Yes, Mr. Milton Shore of our General Counsel's office, of ARA.

I would also like to suggest that some of the figures on the performance of ARA retraining, Mr. Chairman, be made available for the record.

Senator CLARK. Do you have them with you?

Mr. BATT. Yes; I will now submit them to you.

Senator CLARK. They will be placed in the record at this point.

(The figures referred to follow:)

FIGURES ON PERFORMANCE OF AREA REDEVELOPMENT ACT RETRAINING

FACT SHEET—AREA REDEVELOPMENT ACT TRAINING

	Number
Number of projects approved: ¹	
Total.....	892
Institutional.....	883
On-the-job training.....	8
Coupled ²	1
Number of trainees in approved projects:	
Total.....	1 39, 578
Institutional.....	39, 366
On-the-job training.....	196
Coupled.....	16
Geographic dispersion of approved Area Redevelopment Act projects:	
Number of jurisdictions eligible under the Area Redevelopment Act.....	1, 053
5(a) areas.....	145
5(b) areas.....	908
Number of jurisdictions with Area Redevelopment Act projects.....	³ 180
5(a) areas.....	71
5(b) areas.....	109
6 States with the greatest number of authorized Area Redevelopment Act trainees: ³ Arkansas, Michigan, Ohio, Oklahoma, Pennsylvania, and West Virginia.	

¹ As of Dec. 31, 1964.

² Combined on-the-job training and institutional.

³ From July 1963 to June 30, 1964.

Distribution of trainees in approved projects by major occupational group

Occupational groups in which training was approved:	Percent
Total.....	100
Professional, semiprofessional, and technical.....	2
Clerical and sales.....	11
Service and trade.....	22
Agricultural and related activities.....	12
Production jobs.....	37
Construction, transportation, mining, and related activities.....	7
Mechanics and repairman.....	6
Miscellaneous activities.....	3

Costs of approved projects:

Total funds committed for fiscal years 1962-65 (through December 1964).....	¹ \$23, 372, 673
Funds committed for training allowances.....	\$11, 940, 957
Funds committed for training costs.....	² \$10, 654, 942

Enrollments, completions, placements: ³	Number	Percent
Enrolled.....	⁴ 27, 455	100
Dropouts.....	4, 226	⁴ 15
Completions.....	21, 053	⁴ 77
"Graduates".....	21, 053	100
"Graduates" awaiting placement.....	5, 161	25
"Graduates" who were placed.....	15, 892	75
"Graduates" placed.....	15, 892	100
"Graduates" placed in training-related jobs.....	14, 321	90
"Graduates" placed in nontraining-related jobs.....	1, 571	10

See footnotes at end of table.

Characteristics of trainees enrolled in Area Redevelopment Act training:		Percent
Total	-----	100
Sex:		
Male	-----	45
Female	-----	55
Age:		
21 years and under	-----	34
22 to 44	-----	53
45 and over	-----	13
Education:		
Completed 8th grade or less	-----	19
9th to 11th	-----	32
12th	-----	44
More than 12th	-----	5
Length of unemployment: ⁵		
14 weeks or less	-----	46
15 to 26 weeks	-----	12
27 weeks or more	-----	42

¹ Includes \$776,774 for administrative cost.

² Covers instruction, building, purchase or rental of supplies and equipment, etc.

³ As of June 30, 1964.

⁴ Includes 2,176 still enrolled in training on June 30, 1964. Because of this, cumulative percentages for completions and dropouts will not equal 100 percent.

⁵ Prior to enrollment in Area Redevelopment training.

Mr. BATT. The statement makes essentially these points: That the Area Redevelopment Act training has proved enormously successful, that it has helped encourage industry in the depressed areas. It is faster to start the employment process through training than anything else in the Area Redevelopment Act program, and we have been able to train in places where we are developing other programs more slowly, and even where nothing immediate could be undertaken.

There are some places where we have not yet succeeded in getting industry in, but we can train for service jobs, and we can train for jobs outside the immediate area.

Incidentally, there was reference made earlier to the testimony of the Governor of West Virginia. We have had more Area Redevelopment Act training in West Virginia than Manpower Development and Training Act, due, of course, in part, to the fact that the entire State of West Virginia is eligible under our act, and we had a year's head start, I suppose, on the Manpower Development Training Act.

Mr. Chairman, one other point that was perhaps not made perfectly clear, in this question of putting the Area Redevelopment Act training in with the Manpower Development and Training Act, it is now administered by the Labor Department and by HEW, just as the Manpower Development and Training Act is, as you know, but many of the members may not, and the Labor Department goes up for the appropriations and administers the training. We have had a consultative relationship, and worked very closely with them.

Senator CLARK. That you would retain?

Mr. BATT. That we would retain under the proposals, and would now participate jointly in formulating the regulations for carrying out the training programs.

The primary purpose is to carry out, as I can see it, listening to the testimony this morning, the desire of the committee that the responsibility of the Department of Labor be made even more explicit, and that the whole thing come before your committee, rather than before the Banking and Currency Committee.

Senator CLARK. Actually, what we are doing is putting through a technical and legal consolidation, rather than changing any particular operating procedures, are we not?

Mr. BATT. That is right.

There have been some delimiting factors which have made it difficult to make the Area Redevelopment Act retraining as effective as we want to. Again, it was passed by Congress in 1961, and you were one of the cosponsors of it, and it was a very modest beginning effort, but I would like to point out for the record that we have had nearly 900 projects, and that we have had nearly 40,000 trainees, who have either completed their training or are in training, or are in approved projects ready to begin training.

They are in some 200 skills, and their placement records have been running better than 70 percent, with a pretty fair distribution up among the older workers, the coal miners you spoke of in Pennsylvania, and the iron miners of the Upper Peninsula of Michigan.

Senator CLARK. Maybe you better give to us for the record a few of the categories in which you have done this training, the kinds of jobs you trained for.

Mr. BATT. Fine. We will provide that for the record.

(The information referred to follows:)

AREA REDEVELOPMENT ACT

TRAINING

As I stated previously, the Area Redevelopment Act training has been conducted in over 200 skills.

In the agricultural field, for example, training has developed farm-machinery operators, arborists, irrigators, and nurserymen.

In the clerical field, there has been training in accounting clerks, clerk-typists, key-punch operators, sales people, tabulating-machine operators; refresher courses for stenographers have also been held.

In the construction field, painters, plasterers, and heavy-equipment operators are among a few which have been trained.

We have also had training of electronic assemblers, solderers, cablemakers, and coil assemblers.

In the lumber industry and related manufacturing, which have taken place in some of our most distressed areas, training has enabled many long-term unemployed to get jobs as lumber graders, woodworking millmen, logging equipment repairmen, sawmill operators, and particleboard men.

In the health field, there has been Area Redevelopment Act training programs for psychiatric aids, nurses aids, orderlies, and home attendants.

As we had previously mentioned, about 21 percent of our training has been in the service field. We have trained cooks, drycleaners, service-station attendants, waiters, waitresses, food-service workers, appliance repairmen, maintenancemen, refrigeration mechanics, TV and radio servicemen, and typewriter servicemen.

There has been considerable training for industrial work, many for the plants which the Area Redevelopment Act helped finance. For example, aluminum sash-and-door maker, tool-and-gage inspector, machine operators, riveter, sheetmetal fabricating machine operator, welders, mechanical assembler, chemical operator, forklift operator, and job setters-coiling machines.

While these are only a few of the many occupations, they do give an indication of the extent of these Area Redevelopment Act training programs.

Mr. BATT. I would like to point out not just the quantitative figures which I will provide for the record but some feeling of the qualitative content of this training, Mr. Chairman.

I have added up this morning the number of training programs I have visited and it comes to about 15 from New Bedford, Mass., to Laredo, Tex., and the types of the training is variegated.

We are retraining, in New Bedford, for machinists; in Laredo, we are retraining former migrant workers.

In West Virginia, we are retraining former coal miners to be workers in the FMC Corp. plant there, making personnel transporters for the Army, and doing skilled work in all of the metalworking trades in connection with that. In fact, that is the biggest training program in West Virginia.

These have been universally successful every place they have been tried and it is one of the most exciting kinds of programs I think the Federal Government has, with universal enthusiasm on the part of the trainees all the way up to the Governors of the States involved.

I do want to emphasize the point on pages 4 and 5 of my testimony that while a case can be made, and a good one, to include Area Redevelopment Act training in the Manpower Development and Training Act bill, we feel an equally good case can be made to maintain a separate identity, Mr. Chairman.

Senator CLARK. I see you want a hundred percent financing as opposed to 90:10, is that correct?

Mr. BATT. Yes; this is one of the things we are most anxious to try to maintain separate identity for, because these areas of these States are the hardest-hit areas, and there is a national tendency, due to pressure to get high placements, to concentrate training in the big cities and in the prosperous areas. In our State of Pennsylvania, for example, there is a tendency to do most of the training in Lancaster or Philadelphia, or some sections of the State where you can make a better placement record, and a tendency to avoid doing the training in Johnstown or in the areas of the State where placement is most difficult.

The beauty of the separate identity is that these Area Redevelopment Act funds can only be used in the areas eligible under the act and, it is my feeling, having worked with all the States, and it is most important that we maintain this identity for this purpose.

Then, too, we are interested in keeping the connection between this Area Redevelopment Act training and plants which we are trying to locate or expand in these depressed areas.

We would also like to be able to call on Area Redevelopment Act training funds to train 500 workers for a plant in east Kentucky, let us say, even though the allocations otherwise made to the State may have been used up, and that is why we ask for this independence from the Manpower Development and Training Act allocation formula.

Senator CLARK. You want to knock the 16-week limitation out; do you not?

Mr. BATT. Yes, sir, and we also want to knock out—although we should make the point on time that we will not go, we do not feel, to the very long training in the Area Redevelopment Act training programs.

In the Area Redevelopment Act areas, we are concerned primarily with a shorter length of training so that people can get to work more quickly. The men we are training, by and large, are training while the plant is being built. So we are not looking so much for the very long-term training.

Senator CLARK. Generally speaking, your retraining under the Area Redevelopment Act is intended to provide skilled employees for plants you have been able to bring into the area?

Mr. BATT. That is right; or for plants we have been able to encourage to expand within the area.

Senator CLARK. If it should develop in the committee, and I do not know whether it will or not, that they are willing to raise the 16 weeks, but not to give you unlimited ceiling, how low could it go and be satisfactory to you?

Mr. BATT. We think 36 weeks, including, Mr. Chairman, the basic half a year, 26 weeks, with a potential of 10 weeks additional for literacy training, so the maximum of 36 weeks, we think, would be perfectly adequate for our purposes.

The only other thing we would want to remove is the present \$4½ million limitation on the funds that can be used for the training costs themselves and the \$10 million ceiling on the funds that can be used for benefits for training allowances, which are not in balance.

We have always run out of the \$4½ million and have never been able to use the \$10 million, so we want to be able to "take down that fence."

Senator CLARK. Would \$14½ million be enough, in a lump?

Mr. BATT. No, in the President's budget this year, there was a figure of \$20 million. We are afraid to limit it to \$14 million because we are extending the duration. If you extend the duration and not the amount, you are going to be able to reach the same number of people. We want to be able to reach, hopefully, more people than we have been able to reach so far.

Senator CLARK. But you are content with the budget figure?

Mr. BATT. We would like to see it higher but we think it is a good place to start from and we are living with it.

Senator CLARK. But your lips are sealed.

Mr. BATT. The other point is that we think——

Senator CLARK. How much money could you use effectively, Mr. Batt?

Mr. BATT. We estimate we could use effectively \$50 million.

Senator CLARK. That is combined training allowance and expenses of setting up the courses?

Mr. BATT. Yes, everything.

Senator CLARK. Did you have to curtail your training programs during the last fiscal year because of the limitation of funds?

Mr. BATT. Yes, certainly we could have reached substantially more people. Where possible, we attempted to switch the training to Manpower Development and Training Act, but then Manpower Development and Training Act ran out of funds.

Senator CLARK. In other words, the demand for this training service is substantially in excess of your ability to take care of it?

Mr. BATT. I do not think we have begun to reach, that the Federal Government has begun to reach, either the supply or the demand for training services, particularly in view of the fact that the primary mission is left up to the local office of the employment service, and the vocational people, and in many areas they have not done an effective job of generating the programs that could be used by the chronically unemployed in that area.

Senator CLARK. Is there not still a feeling among many of the States, the bureaus of employment security—that their job is to sit and wait until somebody comes in and asks them to find a job, rather than to take the initiative and go out and do something about the unemployment in their area?

Mr. BATT. I am a great admirer of the bureau of employment security but I think it is safe to say the promotion of a novel idea is not their soup.

Senator CLARK. You administered the employment security in Pennsylvania?

Mr. BATT. Yes, sir.

Senator CLARK. This was your experience in our Commonwealth?

Mr. BATT. In our Commonwealth, and I suppose when you give any group of human beings the job of promotion of a new and novel program through untried channels, some of them will pick it up, and some be dead set against it, even though the need among their people may be very acute.

Then, too, very often even in your city of Philadelphia, Mr. Chairman, there were initially problems in getting the vocational education people who felt that their primary mission in life was providing vocational skills to young people, and it was necessary to persuade them to convert a substantial amount of effort and facilities to the retraining of older workers whom they felt were no part of their responsibility.

These attitudes, as Mr. Keppel pointed out in his testimony, I think, are changing, but this is a slow process.

Senator CLARK. Are you familiar with the record made by this subcommittee last year entitled "Toward Full Employment"?

Mr. BATT. I am familiar with it.

Senator CLARK. I am going to call your attention to Recommendations 18 through 21, inclusive, which deal with the Employment Service, and ask you to supply this subcommittee with your views on any of those recommendations, and any others you may care to make.

Mr. BATT. I will be happy to do so, Mr. Chairman.

(The information requested follows:)

MR. BATT'S COMMENTS ON THE RECOMMENDATIONS NO. 18 THROUGH NO. 21

Mr. Chairman, on rereading sections 18 through 21, I am glad to give you my views as you requested on the recommendations of the Subcommittee on Employment and Manpower. In general, I find myself in accord with all four recommendations.

Point 18 is a constructive suggestion. Well-trained employment counselors assigned to help motivate and guide the unemployed to training and employment would enable many cities to more effectively cope with the problems of the hard-core unemployed. In Detroit, for example, where the need for such counselors became evident, Area Redevelopment Act training programs have helped to fill the immediate gap by training subprofessionals in a category called counselor aids; they work under supervision, to guide and counsel the hard-core unemployed. By all reports they have been extremely helpful and this has been a very successful program. Accordingly, development of some program designed to provide additional counselors in all areas would be helpful.

Point 19 would help expand training and placements. With more listings coming in to the employment service offices, these agencies would be able to initiate the training programs more readily, thus leading to more placements of these unemployed who need help to reenter the labor force.

Point 20. During the last decade and particularly the last few years, this country has seen a very considerable increase in labor mobility. Many arguments have been advanced that mobility needs to be encouraged. Others have voiced objections pointing to many problems that large-scale mobility engenders. Certainly a full discussion of this question is essential and a report such as you request from the Secretary of Labor could serve the constructive purpose of gathering together in one document the pertinent data needed to help direct discussion and consideration of the complex issues involved. As you know, extension of the pilot labor mobility program has been proposed in the amendments to the Manpower Development and Training Act, now pending in Congress; we would support a broad-scale program along these lines should the results of this pilot indicate this to be feasible.

Point 21. I believe the establishment of such a center to be most worthwhile; I can see many uses that such a central data processing would have and I endorse it.

Mr. BATT. Just before closing, I would like to point out that the new section that the President has announced recently on job opportunities for the employment for the unemployed in service industries is something where Area Redevelopment Act has been quite active, and the Department of Commerce has responsibility in these provisions.

We find that 21 percent of all Area Redevelopment Act training to date has been in the service occupations, and we have some rather exciting technical assistance projects now underway in Philadelphia, and about 20 other cities, and regions, helping small businesses develop job openings and job opportunities.

Senator CLARK. Have you made any dent at all in the subject which came up earlier this morning, the domestic service job opportunity?

Mr. BATT. I did not hear the discussion this morning, but I would say no.

Senator CLARK. Well, Senator Prouty in particular took the position, I think I am correctly stating his position, that there were literally tens of thousands of individuals in lower income groups who were perfectly competent to fill tens of thousands of vacancies in domestic service who would not take the job. Senator Prouty felt they were too lazy and just disinterested.

Secretary Wirtz had a somewhat different point of view. He felt there were two problems. First, you have to train many of these relatively uneducated people into the niceties of going into somebody's home and keeping it neat and clean, and even, as he said, what you can put in a disposal, what you cannot, learning how to cook.

And he thought it would take a training period of perhaps up to 12 weeks to qualify an individual for domestic service, but more than that, there was a psychological barrier in that this is considered a demeaning occupation, and even the unemployed are not interested in filling this kind of job opportunity.

I wonder what your experience with this problem is.

Mr. BATT. I think that virtually no training has been done under the Area Redevelopment Act, or to my knowledge under the Manpower Development and Training Act, for domestic service. The only experience I am familiar with is the rather ambitious program the State employment service in Michigan got underway. Mr. Horton, who organized that, ought to be heard from.

In Detroit, they did a very ambitious job for training for domestic service under a training program.

Senator CLARK. Do you have any information whether that program has met with success?

Mr. BATT. They had great success.

Senator CLARK. Do you have anything else you wish to add?

Mr. BATT. No, sir.

Senator CLARK. Thank you very much, Mr. Batt. We appreciate your coming up here.

The hearings of the subcommittee will be in recess until tomorrow morning at 10 o'clock.

(Whereupon, the subcommittee recessed, to reconvene at 10 a.m., Wednesday, February 10, 1965.)

AMENDING THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

WEDNESDAY, FEBRUARY 10, 1965

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER OF THE
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to recess, in room 4200, New Senate Office Building, Senator Joseph S. Clark (chairman of the subcommittee) presiding.

Present: Senators Clark and Nelson.

Committee staff members present: Stewart E. McClure, chief clerk; William C. Smith, counsel to the subcommittee; and Stephen Kurzman, minority counsel.

Senator CLARK. The subcommittee will be in session.

Our first witnesses this morning are a panel consisting of Dr. M. D. Moble, executive secretary of the American Vocational Association; Dr. Byrl R. Shoemaker, State director of vocational education, Columbus, Ohio; and Philip W. Seagren, director of vocational and adult education, Miami, Fla.

On behalf of the subcommittee, gentlemen, I am most happy to welcome you here this morning, because I am sure you represent a combination of expertise on these amendments to the Manpower Act which will be of great help to the subcommittee.

I notice that Dr. Shoemaker and Mr. Seagren have statements of varying lengths, and I will ask that they both be printed in full in the record, Dr. Shoemaker's, at this point.

(The prepared statement of Dr. Shoemaker follows:)

PREPARED STATEMENT BY BYRL R. SHOEMAKER

Mr. Chairman and members of the subcommittee, I am Byrl R. Shoemaker, president of the American Vocational Association and director of vocational education in Ohio. I am pleased to appear before your subcommittee in support of S. 974.

The vocational programs established in the various States as a result of the Smith-Hughes Act and subsequent Federal vocational education acts have always been concerned with the upgrading training of employed workers and retraining of the unemployed. The war production training program during World War II and the veterans training program after the war are two of the outstanding efforts made by vocational educators in the retraining of adult workers during periods of national emergency.

The American Vocational Association, representing the 35,000 vocational educators throughout the Nation, has always supported legislation providing for vocational training or retraining programs to serve the youth and adults in our

Nation. The first legislation introduced into Congress calling for increased funds for retraining of the unemployed was written, in part, in the AVA office.

While vocational educators have protested some of the administrative regulations that were established after the passage of the Manpower Development and Training Act, Public Law 87-415, they worked for the passage of the act and believe the major provisions of the act as passed by Congress are sound. Since the passage of the act, vocational educators throughout the Nation have worked diligently to implement the sections of the act providing for institutional training of the unemployed and have steadily increased the numbers served, the scope of the program offered, and the different types of people served. It is significant that the institutional training phase of the program has proven to be the most productive part of the act in terms of service to people, accounting for about 85 percent of all persons authorized to receive training.

A study of reports by the Departments of Labor and Health, Education, and Welfare indicate the following trends in enrollment in the institutional phases of the act: ¹

	1963	1964
Enrolled.....	32,500	65,400
Completed.....	9,118	35,507

A more detailed analysis of the progress of the manpower development and training programs in my own State of Ohio is as follows:

Ohio—Manpower development and training program development

	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965 ¹
1. Number of projects.....	81	96	84
2. Number of trainees approved.....	2,232	4,919	5,092
3. Instructional costs.....	\$890,245.00	\$3,390,952.00	\$2,876,351.00
4. State educational administration.....	\$33,864.00	\$40,303.00	² \$54,724.00
5. Total costs (including BUC Administration and allowances).....	\$2,735,801.00	\$5,771,975.00	\$7,174,721.00
6. Average instructional cost per student hour.....	\$.67	\$.86	\$.78

¹ As of Jan. 31, 1965.

² Budget for fiscal year.

Ohio's position nationwide:

1. Fiscal year 1963:

- First in communities served, 37.
- Third in number of approved projects.
- Eighth in number of trainees.
- Tenth in amount of training funds committed.

2. Fiscal year 1964:

- First in communities served, 35.
- Fourth in number of approved projects.
- Sixth in number of trainees.
- Seventh in amount of training funds committed.

The States have begun to show creative ability in providing programs under the Manpower Development and Training Act. Using Ohio as an example, let me illustrate some of the rather unique programs developed under the act. As programs developed in the State we found that none could be provided in southeastern Ohio due to the lack of vocational education facilities in that section of the State. With the assistance of a local board of education an available State building, a benevolent industry, a cooperative community and funds under the Manpower Development and Training Act, a center was established to provide retraining to adults and to disadvantaged youth. Facilities were established for training 420 at one time and housing was identified in the community. The following program was the result, enrolling youth and adults from all parts of southern Ohio.

¹ "Manpower Evaluation Report No. 4: Comparison of 1963 and 1964," U.S. Department of Labor, Office of Manpower, Automation, and Training.

Southern Ohio Manpower Training Center, Jackson, Ohio

<i>Project No.</i>	<i>Occupations</i>
238-1-----	Clerk-steno.
238-2-----	Clerk-typist.
238-3-----	Bookkeeper II.
238-4-----	Routeman.
238-5-----	Machine tool operator.
238-6-----	Auto mechanic.
238-7-----	Auto service station mechanic.
238-8-----	Draftsman.
238-9-----	Welder, combination.
238-10-----	Auto body repairman.
238-11-----	Custodian.
238-12-----	Cook, combination.
238-13-----	Nurse aid.
238-14-----	Groundskeeper.
238-15-----	Farm mechanic.
251-----	Clerk-steno.
252-----	Clerk-typist.
253-----	Bookkeeper II.
254-----	Routeman.
255-----	Machine tool operator.
256-----	Draftsman.
257-----	Welder, combination.
258-----	Auto body repairman.
259-----	Custodian.
260-----	Cook, combination.
261-----	Groundskeeper.
262-----	Farm mechanic.
263-----	Home assistant.
(R) 5002-----	Farm business management and analysis.
(R) 5034-----	Maintenance man, building.
(R) 5049-----	Welder, combination.
(R) 5051-----	Electrical appliance serviceman.
(R) 5052-----	Machine tool operator.
(R) 5057-----	Clerk-typist.
(R) 5058-----	Bookkeeper II.
(R) 5059-----	Clerk-steno.
(R) 5060-----	Groundskeeper.
(R) 5067-----	Welder, combination.
(R) 5068-----	Auto service station mechanic.
(R) 5069-----	Salesman, general. ¹
(R) 5081-----	Cook, combination.
(R) 5088-----	Auto body and fender repairman.
(R) 5089-----	Auto mechanic.
(R) 5090-----	Draftsman, mechanical.
(R) 5091-----	Farm mechanic.
(R) 5112-----	Electrical appliance repairman. ¹
(R) 5113-----	Cook, combination.
(R) 5114-----	Maintenance man, building.
Total number of projects-----	33 (includes 1 15 occupational youth project).
Total number of different occupations--	20.
Total number of trainees approved-----	1,466.
Total educational funds committed-----	\$442,419.

¹ Proposed programs not developed.

A number of the projects are providing remedial or basic education in addition to the vocational training. However, the majority of the projects are designed to provide only vocational training with related classroom instruction.

On the basis of the number of disadvantaged youth, particularly in the larger urban areas, who were out of work, out of school, and in need of remedial education, social development and job skills, a residential center has been established in Ohio at the Vienna Air Force Base. This center was established through the cooperation of the Ohio Youth Commission, the Ohio State Employment Service, the Division of Vocational Education of the State Department of Education, and a nonprofit educational organization (Mahoning Valley Vocational School), and with funds from the Manpower Development and Training Act (remodeling, instructional equipment, and instruction subsistence) and a private donor (\$250,000 for the equipment, remodeling, and staffing of the residence halls). The program for this center with facilities established for 445 youth between the ages of 17 and 22, is as follows:

Manpower Development and Training Project (Ohio—286-1 through 19)—Occupational Training for Disadvantaged Youth, Mahoning Valley Vocational School, Box 728, Vienna, Ohio

Course information: On July 29, 1964, 445 trainees entered training at the site of the Youngstown Air Force Base. The first phase of the training project for all trainees was to be a period of 250 hours, at 40 hours per week, which would include testing, counseling, orientation, and vocational exploratory experiences.

Upon completion of the first phase the trainees are scheduled into 1 of the 18 different vocational training offerings. The school's selection of the training area for each student will be based upon an extensive testing program; interest and aptitudes of the student; and the expected level of achievement by each student. Each student will receive daily, a combination of vocational training and remedial (basic) education totaling 8 hours except the 20 students being trained as automobile mechanics which will receive 8 hours of vocational training. Additional sections of 8 areas (totaling 195 trainees) are to be conducted when the first sections are completed.

2.1 Phase I—Orientation, testing, counseling, and vocational exploratory experiences (as originally proposed):

250 hours per trainee, 445 trainees.

100 hours per trainee (exploratory not included), 195 trainees.

Hours of instruction were revised (as indicated on attachment A) when a more realistic determination could be made by the staff.

2.2 Phase II—Remedial (basic) education (as originally proposed):

640 trainees.

210 trainees, at 750 hours of instruction.

150 trainees, at 500 hours of instruction.

260 trainees, at 250 hours of instruction.

20 trainees with no remedial education beyond phase I.

Hours of instruction were revised (as indicated on attachment A) when a more realistic determination could be made by the staff.

Trainees in the remedial (basic) education classes will receive instruction in the following areas:

1. Reading.

2. English.

3. Spelling.

4. Writing.

5. Arithmetic.

The progress made by each individual will depend to a great extent on his present level of education, his aptitudes, and his personal motivation.

2.3 Supplemental materials—Course outlines and equipment lists enclosed with individual projects.

2.4 Form OE-4000—"Budget requested form."

Guidance salaries are included in category 1-A "Instructional salaries" because they were originally approved in that category and accounting procedures have been set up at both the State and local level according to the original pro-

posal. However, on the justification sheet for each project the instructional salaries and guidance salaries are broken down to indicate estimated costs.

[Attachment A]

Project No.	Occupation	Number of trainees	Number of trainee sections	Training cost hours	C.H. bk. dn. phase I	Phase vocation 2	Approximate length of course (in weeks)
286-1	Electrical appliance repairman	20	1	1,144	184	480 480	28
286-1A	do	25	1	824	(1) 184	309 515	21
286-2	Auto body repair	20	1	1,944	184	220 1540	48
286-3	Auto mechanic	20	1	1,944	184	0 1760	48
286-4	Auto service station mechanic	20	1	1,239	184	648 407	31
286-4A	do	25	1	704	(1) 184	264 440	18
286-5	Baker	20	1	1,154	184	575 395	29
286-5A	do	20	1	664	(1) 184	332 332	17
286-6	Accounting clerk	20	1	1,164	184	250 730	29
286-7	General office clerk	25	1	1,164	184	230 630	26
286-8	Cook, combination	20	1	1,044	184	405 675	27
286-8A	do	25	1	1,080	(1) 184	750 250	29
286-9	Custodian	20	1	1,184	(1) 184	296 296	15
286-9A	do	25	1	592	(1) 184	448 690	32
286-10	Draftsman	25	1	1,322	184	252 1386	46
286-11	Tabulating machine operator	20	1	1,822	184	667 230	27
286-12	Food service worker	20	1	1,081	184	296 296	15
286-12A	do	25	1	592	(1) 184	748 612	33
286-13	Groundskeeper	20	1	1,544	184	510 900	39
286-14	Building maintenance man	45	2	1,594	184	256 1024	36
286-15	Machine operator	40	2	1,464	184	252 210	16
286-16	Routeman	25	1	646	184	252 210	12
286-16A	do	25	1	482	20	756 297	31
286-18	Stock clerk	25	1	1,237	184	288 288	15
286-18A	do	25	1	576	(1) 184	700 665	39
286-19	Welder, combination	40	2	1,549	184		
	Total	640	29				

¹ Phase I included in phase II.

Also, recognizing the quantity of the youth problem in the large cities, large youth projects have been established in three cities as indicated below.

OTHER MANPOWER DEVELOPMENT AND TRAINING ACT YOUTH PROJECTS

1. Cincinnati—Project No. (YM) 5025-001-015:

15 occupational areas.
600 trainees approved.
\$370,393, estimated training costs.
\$763,713, estimated total cost.

Offering a three-phase program:

1. Orientation and counseling.
2. Remedial or basic education.
3. Vocational training.

Programs to start on staggered schedule as soon as facilities, equipment, and trainees are available.

2. Cleveland—Project No. (YM) 5093-001-010:

10 occupational areas.
490 trainees approved.
\$211,999, estimated training costs.
\$623,099, estimated total costs.

Offering a three-phase program:

1. Orientation and counseling.
2. Remedial or basic education.
3. Vocational training.

Programs to start on staggered schedule as soon as facilities, equipment, and trainees are available.

3. Toledo—Project No. (YM) 5024-001-014:

14 occupational areas.

576 trainees approved.

\$360,888, estimated training costs.

\$787,283, estimated total costs.

Offering a three-phase program:

1. Orientation and counseling.
2. Remedial or basic education.
3. Vocational training.

Programs to start on staggered schedule as soon as facilities, equipment, and trainees are available.

It is important for the committee to know, however, that more unemployed out-of-school youth and adults still are served by the training programs assisted by Federal funds under the Smith-Hughes and George-Barden Acts than by the Manpower Development and Training Act. The enrollment of out-of-school youth and adults in practical nursing (George-Barden II), technical education (George-Barden III), and type C preparatory (George-Barden I) for the 2 years reported previously for the manpower program areas follows:

	1963	1964
Practical nursing.....	53,957	60,626
Post-high-school technical education.....	63,184,595	221,363
Type C (preparatory).....	53,386	155
Total.....	291,938	336,989

¹ Preliminary estimate.

The people in public vocational education throughout the Nation have proven that they can, through existing State, Federal, and local relationships in vocational education, organize and administer a sound retraining program (as evidenced by the percentage of successful placements by the State employment services). They have shown the ability to work cooperatively with the State employment services and other units of State and local government and to work creatively to establish new methods of the procedures. An examination of the Manpower Development and Training program development to date would indicate that its future success would be dependent upon the further development and improvement of the institutional plan of the program, which is the responsibility of public vocational education on the State and local level.

The States face some problems in the further expansion of Manpower Development and Training programs to serve youth and adults. Some of the major problems are as follows:

1. At the present time the law plans a limit on the percentage of the persons under 22 years of age enrolled in the program that may receive subsistence. As the programs progress an increasing percentage of the students will be in the 17 through 21 category.

2. The Manpower Development and Training Act has been a temporary act, which discourages long-range planning for staff, curriculum, equipment, and facilities. It is becoming obvious that well-equipped Manpower Development and Training centers are needed in our larger cities, in addition to existing vocational facilities, if the act is going to be continued. Also Manpower Development and Training centers are needed for several purposes (i.e., parolees from institutions) and for sparsely populated areas.

3. Matching provisions of the act provide for State or local matching of one-third of the cost of Manpower Development and Training programs after July 1, 1965. The Finance Department of the State of Ohio indicates that the required one-third matching money is not included in the Governor's budget because of the Federal nature and controls of the Manpower Development and Training Act, and the fact that payment of additional State moneys for subsistence to the unemployed would be a major departure from State policies. At the recent American Vocational Association convention in December 1964, the State directors of vocational education were asked how many of their States had voted

money to match the Manpower Development and Training Act money, starting July 1965. Only two or three States indicated they had already voted money. The State directors then were asked for an opinion as to how many States would be able to vote the matching money. Only six or seven States indicated that they thought their State would vote the necessary matching money.

Recognizing the importance of the continuance of the Manpower Development and Training programs to serve unemployed youth and adults the house of delegates of American Vocational Association passed without a dissenting vote, the following resolution:

Policy Resolution To Continue Nonmatching Provisions of the Manpower Development and Training Act

"Whereas the overall contributions made to date by the training and retraining provisions of the Manpower Development and Training Act have been measurably significant; and

"Whereas the purposes of the Manpower Development and Training Act continue to be of crucial importance in the maintenance of stability in the total work force and the total economy; and

"Whereas the possibility and appropriateness of Federal financing of training and retraining for the hard-core unemployed have been fully demonstrated; and

"Whereas any requirement for invoking one-third matching by the States after June 30, 1965, is certain to seriously curtail such training and retraining; and

"Whereas because of the mobility of labor and the movement of the unemployed among the States, the matter of training and retraining is a national responsibility requiring 100 percent Federal financing; and

"Whereas several parts of the Manpower Development and Training Act automatically provide for the continuation of 100 percent Federal funding; and

"Whereas requiring State matching for institutional-type training and retraining alone would comprise a gross inequity; and

"Whereas the States are already making a significant financial contribution, in kind, through facilities, personnel, and other resources; and

"Whereas there is an inherent and exceedingly dangerous element that re-statement funds accruing from unmatched allotments can be returned to the States for purposes which can bypass recognized State education authority: Therefore be it

"Resolved, That the house of delegates of the American Vocational Association respectfully urges the Congress to continue all the nonmatching provisions of the Manpower Development and Training Act."

This resolution enables the American Vocational Association to lend full support for all but one of the provisions of the bill under consideration effecting the institutional training and to ask for a modification of one of the provisions, the matching provision.

The American Vocational Association supports without reservation the following features of the bill:

1. The removal of the June 30, 1966, termination date.
2. The extension of the period of training allowance support from 1 to 2 years.
3. The change which permits single persons without dependents to receive training allowances.
4. The increased training allowance for dependents.
5. The revision of the limitation on the number of youth who may receive training allowances, which will enable the Secretary of Labor to make such adjustments as administrative necessity may require.
6. The payment of transportation allowances for daily commuting.
7. The provision that costs of training allowances as well as institutional costs approved in any fiscal year may be paid out of funds appropriated for that fiscal year. Also the provision which permits the non-Federal contribution to be based upon the matching requirements in existence at the time the training program is approved.
8. The changes which authorize special funds for training programs in areas designated as redevelopment areas under the Area Redevelopment Act and the elimination of separate funds for training in the Area Redevelopment Act.

The American Vocational Association would agree that the provision for matching on a 90-10 basis included in the bill is much more possible of attainment than the requirement of one-third State or local matching but request that full funding of all manpower programs be continued for the following reasons:

1. For a period of time when a Federal education measure is pending based upon the needs to improve educational programs in the States it does not seem reasonable to change from full funding of the manpower development and training programs since such a change will draw money away from the present educational programs in the States.

2. The States look upon the manpower development and training programs as federally controlled, due to the requirement of direct Federal approval of each manpower development and training project rather than State-controlled programs as established under the Vocational Education Act of 1963 and other vocational acts.

3. States are being asked to provide matching money for the Vocational Education Act of 1963.

4. The act makes no provisions for requiring matching on any part of the manpower development and training programs except the institutional programs operated in cooperation with public vocational education. No matching is required for the on-the-job phase of the training. The continuance of the no matching provision for on-the-job training and insistence upon matching of the institutional training could lead to the direct operation of vocational education programs in the States by the Federal Government.

5. Since there is almost no chance for in-kind matching of subsistence, this would throw an in-kind matching on the educational phase of 25 to 30 percent, since the subsistence costs are $1\frac{1}{2}$ to twice as great as the educational costs. There would not likely be enough in-kind matching money available in the educational phases in each project to cover such a percentage. Each State, therefore, would have to provide money by budget allotment or require the local area to provide the cash dollars needed.

6. In most instances, students are enrolled without regard for residence. School districts, therefore, are not likely to put up money for a program which is not limited to students from their own school district.

7. Under a 90-10 matching provision there would be few if any contracts with private educational organizations since States are not likely to spend taxpayers money for private school gain.

It is very possible that in Ohio provisions would be made to provide matching money on an in-kind and cash basis if the matching were established at a 90-10 ratio. I question, however, the advisability of placing the most successful phase of the Manpower Development and Training Act in danger when only a relatively small amount of money can assure its continued success. The public schools of this country have been providing in-kind matching over the life of the act through the use of their facilities and equipment.

The American Vocational Association supports S. 974 but requests that the section of the bill dealing with matching of Federal with State dollars be revised to continue the present full reimbursement to States and local communities for costs of Manpower Development and training programs.

Senator CLARK. Have you come to any agreement among yourselves as to how you would like to proceed?

Dr. MOBLEY. Mr. Chairman, first of all we appreciate very much this opportunity of appearing before your committee and we would like first of all for Dr. Shoemaker, who is president of the American Vocational Association to proceed, and we would like, if it is agreeable with you, sir, for Mr. Seagren to follow him. I have no formal paper that I will present. After the two have finished, then we will be ready for questions, and I will participate in that, if that is agreeable.

Senator CLARK. That will be fine, Dr. Mobley.

Will you go right ahead, please, Mr. Shoemaker. Do you want to read your statement or summarize it?

STATEMENT OF DR. BYRL R. SHOEMAKER, STATE DIRECTOR OF VOCATIONAL EDUCATION, COLUMBUS, OHIO

Dr. SHOEMAKER. I will summarize it.

For the record, my name is Byrl R. Shoemaker. I am president of the American Vocational Association and director of vocational education in Ohio.

I am pleased to appear in support of S. 974.

The American Vocational Association, with a membership of about 35,000 people, has always supported legislation for training and retraining of both youth and adults.

As a matter of interest, the American Vocational Association proudly helped prepare the first manpower bill concerned with this issue which you introduced into the Congress.

Senator CLARK. We are well aware of the help you gave us at that time.

Dr. SHOEMAKER. Thank you, sir.

Since the passage of this act, the educators have worked diligently to try to make it a success. I think the indication of this effort is in a report recently put out by the Departments of Health, Education, and Welfare, and Labor, which indicated that 85 percent of the program was in the institutional phase under the direction of the public school vocational education personnel.

We have begun to show some creativity in the States under the Manpower Act. I will use Ohio as an example, although there are many other States in which illustrations could be given. In southeastern Ohio, we have very few facilities for vocational education. We have people, however, who need the training. In order to meet this problem, with the help of a State building, a benevolent nearby industry, and money under the Manpower Act, we established a center which provided for the enrollment of about 420 persons at one time with 20 different occupational training areas available to both youth and adults.

Senator CLARK. Where is this?

Dr. SHOEMAKER. At Jackson, Ohio.

Senator CLARK. Where is Jackson?

Dr. SHOEMAKER. Southeastern Ohio in Jackson County, in the hilly area of our State.

Senator CLARK. Near the Ohio River?

Dr. SHOEMAKER. Yes, sir. We have now had a total approved enrollees of 1,440 in this manpower center. People from all over southern Ohio have been able to make use of this training center.

Senator CLARK. What sort of shape are you in for the kind of equipment you need and the kind of instructors you need to train these people in jobs which they might expect to get once the courses are over?

Dr. SHOEMAKER. All the vocational areas established in Jackson were identified by the employment service as areas in which training is needed.

Senator CLARK. How good a job do you think they did?

Dr. SHOEMAKER. We have had excellent placement of these people out of this Jackson center. As a matter of fact, sometimes a whole class will go to one industry away from the Jackson area.

Senator CLARK. How many of the 1,400 completed their courses?

Dr. SHOEMAKER. I would say about 800, sir.

Senator CLARK. What percentage of them have been placed?

Dr. SHOEMAKER. About 70 to 75 percent have been placed from that area, and in some classes a higher percentage. In a recent one, I know the whole class went to work.

Senator CLARK. Could you give us a few of the categories in which training is given?

Dr. SHOEMAKER. Yes, sir. It is on page 3 of the testimony. Such areas as clerk-stenographer, bookkeeper, routeman, machine tool operator, auto mechanic, auto service station mechanic, draftsman, welder, auto body repairman, custodian, combination cook, nurse aid, groundskeeper, farm mechanic, and then we begin to get some additional courses of the same type.

Senator CLARK. These are all adults?

Dr. SHOEMAKER. No. Some are youth and some adults.

Senator CLARK. All out of school, though?

Dr. SHOEMAKER. All out of school.

Senator CLARK. Where did you get the instructors? From the public school system?

Dr. SHOEMAKER. A few from the public school systems, and other we have secured from industry.

Senator CLARK. Was there any on-the-job training?

Dr. SHOEMAKER. No on-the-job training for the enrollees.

Senator CLARK. All right.

Dr. SHOEMAKER. Another center in which we have had a very interesting experiment is the Mahoning Valley Vocational School, at Vienna Air Force Base. Knowing that we have a larger number of disadvantaged youth in our larger cities, we established a residential center there with the help of a \$250,000 grant from a donor, manpower funds, and the cooperation of the Air Force and a number of other people.

Senator CLARK. What part of the State is that?

Dr. SHOEMAKER. Near Youngstown. This is the northeastern area.

Senator CLARK. Did anybody cross the line from Pennsylvania to take those courses?

Dr. SHOEMAKER. We will not admit it if they are. This center can enroll 445 students at one time, with 18 different occupational areas represented in this center.

Senator CLARK. Did you have about the same results as at the Jackson center?

Dr. SHOEMAKER. We just started this center last July, so we have not had the graduates out of this one yet. We have added to this educational center a very heavy program of remedial education, since the center is pointed more toward disadvantaged youth. We have placed emphasis on remedial education, along with the social development and job training.

Senator CLARK. I meant to ask you, what is the range and duration of time of the courses given?

Dr. SHOEMAKER. Any place from around 12 weeks to 52, depending upon the nature of the occupation and upon the amount of remedial education that will have to be given to the people involved.

Senator CLARK. Do you see any need to lengthen the permissive length of the course?

Dr. SHOEMAKER. Yes, sir; if we wish to go into some of the more highly skilled and technical areas. We have not been able to go into the semiprofessional areas under the present act.

Senator CLARK. Because the time of the course is too short?

Dr. SHOEMAKER. That is correct. One year will not do the semiprofessional areas.

In addition to these two centers, with which we are very pleased, we have also gone into some multioccupational programs, specifically in Cleveland, Cincinnati, Toledo, and I am talking about five to six hundred people involved to get school programs.

One of the problems to serve people is that you have to have enough school programs to meet their different interests and abilities. I think it is important to also point out that we are not neglecting the emphasis upon the total vocational program and are not substituting manpower courses for what we would normally do in vocational education.

An indication of this: in 1963, the enrollment in manpower courses throughout the Nation was about 32,500; in 1963, we enrolled in preparatory courses for out-of-school youth and adults (not in school, but out of school) through our "regular" vocational education programs over 291,000 youth and adults; in 1964, in manpower there was a total enrollment of 65,400. In "regular" vocational programs for out-of-school youth and adults—practical nursing, post-high-school technical education, and other courses for unemployed adults—we enrolled over 336,000. So we are not substituting the manpower courses for efforts in the total vocational education program.

Senator CLARK. Does your program cover the whole State of Ohio?

Dr. SHOEMAKER. You mean our manpower program?

Senator CLARK. Under the training act. In other words, you have told me about a center in Youngstown. You have told me about another in Jackson County. Are you drawing into those two centers or other centers you set up in Ohio, potential trainees from all over the State?

Dr. SHOEMAKER. Yes, sir. Ohio was No. 1 in the number of different communities in which we offered manpower courses in the Nation.

In addition to this center approach, we also have spread manpower courses into more communities than any other State.

Senator CLARK. Largely in connection with the public school system.

Dr. SHOEMAKER. Almost exclusively in connection with the public school system.

Senator CLARK. Go ahead.

Dr. SHOEMAKER. The States do face some problems in the further expansion of this program. One is the limitation on the percentage of people in the program under 22 years of age. We have an administrative problem in how you phase this out over the total year to keep at the 25-percent level. Then, too, our experience in vocational

education over the years has indicated the longer your program goes, you will be taking care of the higher age group and you will be moving to a lower age group in terms of the larger numbers.

Senator CLARK. Do you think that 25-percent limitation should be removed?

Dr. SHOEMAKER. I would hope it would, sir.

Senator CLARK. What would be the result in Ohio if we did remove it? Would you forget about the present generation and concentrate on the young people?

Dr. SHOEMAKER. No, sir; and we have ample evidence to indicate they are not doing this in our regular vocational programs in any great number.

Another problem we face is that the Manpower Development and Training Act has been a temporary act. I have been criticized in Ohio for not adding enough staff, that I have not had enough staff in manpower. One reason why I do not feel free to staff adequately is because I am dealing with people's lives and the professional type of people I want will not take a 1-year job.

Senator CLARK. You know why it is temporary, and let me ask you why the State of Ohio would not put up its share of the tab.

Dr. SHOEMAKER. That is a good question, sir, and I will get to that in just a few minutes. It is a problem of matching. The reasons Ohio will not put up its share goes along these lines.

One, we are increasing our costs of education. Ohio is going to invest more in education, likely about \$100 million more from the State level each year in the next biennium. The cost of education is going up. The cost of the State's investment in education is going up.

Senator CLARK. How am I going to meet the argument I am sure I will find in the committee and on the floor that the people who are closest to this program at the grassroots are represented in the State government by the legislators and the Governor, their vast disinterest in the program and the possibility that this is just a big Federal bureaucratic boondoggle as indicated by the fact that practically no State over a 3-year period has been willing to put up its matching share of grants of 50 percent. If the people really wanted this program, they will find the money somehow.

How am I going to meet that argument?

Dr. SHOEMAKER. Let me suggest three points. One is the matter of emphasis on increased cost of education.

Secondly, they have tended to look upon this as a Federal program, because of the Federal approval required on each and every individual project.

Senator CLARK. They knew under the law if they didn't put up their 50 percent, the program would come to an end. Or don't they care? You know a lot of people say they do not care.

Dr. SHOEMAKER. I cannot speak for all States on this issue; but I have talked with our finance department in our State government. There is a concern, an interest in seeing the program continued. But it is just a matter of what dollars you have and where you put the dollars you are spending.

They are going to have to put more money into the Vocational Education Act of 1963. There is going to be a requirement of

matching dollars there. They are going to have to increase the dollar volume of moneys going to a local community. A third point is the issue that they have never put money into subsidies of the training allowances. They have put money into education, but they have never put dollars into subsidy of training allowances for persons enrolled in programs, vocational or otherwise.

Senator CLARK. How important in your opinion are the subsidies or training allowances?

Dr. SHOEMAKER. For the type of people we are working with, sir, I think they are very important.

I never received a nickel for going to school in my life, and I paid my way up through everything I have ever done, beyond the high school level.

At the same time, while I have been personally willing and able to do this, I do not want to ascribe the same drive and understanding of the educational process need to everyone else. As I study the type of people we have enrolled, I have had to answer this same question in my own State.

Senator CLARK. If we were to eliminate allowances, that would pretty well wreck the program, would it not?

Dr. SHOEMAKER. Yes, sir; the types of persons who need this most would perhaps be the least willing to participate without some dollar assistance to keep them going.

Senator CLARK. They probably could not do it.

Dr. SHOEMAKER. They cannot afford to in the first place.

Senator CLARK. Are these all unemployed?

Dr. SHOEMAKER. They are all unemployed, sir. I am not particularly interested in the provision in law allowing people to work 20 hours a week and draw all that money and also draw training allowances. This does not interest me at all. Almost none of our people, however, are working, and at the same time going into training and getting training allowances. I could not name a single case in which this is a practice.

Senator CLARK. What can you tell us about the potential number of trainees who would be available if this act is made permanent and if we are able to fund it at a higher rate?

Dr. SHOEMAKER. Well, this program has been growing each year. One is a matter of developing of an attitude toward retraining. We have not even begun to scratch—let us say, in Cleveland—the potential of the people to be served, even with all we are doing in vocational education, all we are doing under manpower. We are still not touching even a fraction of the percentage of people. Part of this is an educational process to get people to even want to move into a training program.

Some people think if you offer potential students some dollars to enroll in training and offer to train them, they ought to flock toward the educational program. Well, they just are not educated in this direction, and it takes a period of time as growth has indicated from enrollments of 32,000 to 65,000 from 1963 to 1964.

Senator CLARK. Do you think, if we were able to step up through additional funding and the hiring of additional teachers, the level of training that that would have an adverse effect on the percentage of trainees who could be placed?

Dr. SHOEMAKER. An illustration of this. If this becomes a permanent act I will provide a continuing teacher education program for these teachers we are having to pull in from industry. At the present time, I cannot afford to. We are trying to do what we can to use our existing staff of teacher education, but we are not doing a full, adequate teacher education job and we know it.

Senator CLARK. Do you see a potential shortage of teachers for this program if we were to step it up?

Dr. SHOEMAKER. No, sir; we have learned through vocational education how to get people who know their field of work and prepare them to teach their field of work. We have had adequate experience in this and adequate evidence that it can be done.

Senator CLARK. Have you done any training for the area redevelopment authority?

Dr. SHOEMAKER. We have a section in Ohio, southeastern, which is part of the Area Development Act, and Cleveland, and Toledo have become a part of this act. The act is outmoded. The 16-week limitation on ARA training programs has led us to work more in the manpower area of operation.

Frankly, we see little need, and I speak personally here, because we have nothing on the AVA record from the standpoint of the Area Redevelopment Act to support these two separate training programs.

Senator CLARK. You would support the consolidation?

Dr. SHOEMAKER. Yes, sir, very definitely, and we have worked with both of them.

Senator CLARK. So, generally speaking, you would support and are in accord with the amendments to the Manpower Development and Training Act which have been suggested by the administration?

Dr. SHOEMAKER. Yes, sir, except we would, on the matching provision, ask that it become 100 percent instead of the 90-10, and on the principal basis that there is little chance to match in kind under the subsistence and training allowance end of the program. This fact would throw about 20 to 30 percent of any "in kind" matching costs over onto the educational end. This cannot be done honestly and budgetarywise by in-kind matching, and would therefore require dollar budget money for the MDT program from the State budget.

Senator CLARK. I do not see why you say 20 percent instead of 10.

Dr. SHOEMAKER. I said 20 percent on the educational facets. Let me illustrate. In Ohio this year we have obligated about \$7 million; about \$4½ million of that is for subsistence and training allowances; the rest of it is for education. There would be no way to get any in-kind matching for that \$4½ million. This would throw all of the responsibility for any in-kind matching over onto the educational phase, and there just is not that much in-kind matching available for an MDT project. This would mean cash dollars from a local community serving people from a whole area, not from their own school district or from the State.

Senator CLARK. Do you not think there is some advantage in having at least a small part of the cost met at the local and State level instead of throwing it all on the Federal Government? It seems to me that you could make an awful good case in terms of alert accounting, elimination of waste, and general efficiency of the program if you do have some contribution at the local and State level.

Dr. SHOEMAKER. We have been making a contribution, sir. Cleveland, Ohio, I use this as an example—has not received one nickel for the use of their buildings, for the use of their equipment. They have been making a contribution. I have not received a nickel on the time I spent on this, or most of my staff.

Senator CLARK. Why cannot that be counted as a contribution in kind if we make it 90-10?

Dr. SHOEMAKER. It could, sir, but it would not count up to 20 percent of the cost of the education projects. We have been doing this and not even mentioning it or concerned about it. We have told our cities, this is your contribution to this program, and they have not quarreled. We have not had any city refuse to participate in the program.

Senator CLARK. Generally speaking, it has been my experience—and I suppose this is a self-interest statement having been a mayor—that the cities are a good deal more alert to these problems than the States. Why can you not jimmy something out of the State of Ohio?

Dr. SHOEMAKER. I would say honestly and report to you that in terms of Ohio, it has been indicated if it went 90-10 our State would likely go with it. I would say honestly that our State has indicated that they would likely do it, but I do not think that nationwide the dollars necessary to continue the program will be voted. Yet one facet of this program does not require any matching. The on-the-job training phase of it will require no matching.

Senator CLARK. We have a pragmatic, political problem in the Senate and the House, you know, with respect to this. Does that pretty well cover what you wanted to say?

Dr. SHOEMAKER. Yes, sir.

Senator CLARK. Thank you very much, Dr. Shoemaker, for a very helpful development of our problems here.

Would you take over, Mr. Seagren?

STATEMENT OF PHILIP W. SEAGREN, DIRECTOR OF VOCATIONAL AND ADULT EDUCATION, MIAMI, FLA.

Mr. SEAGREN. Senator Clark, with your permission, I would like to read my statement.

Senator CLARK. Do you mind if I interrupt you?

Mr. SEAGREN. Not at all.

My name is Philip W. Seagren. I am the director of vocational and adult education for the Dade County public school system, which includes the Greater Miami area, and I have served in this school system for the past 36 years.

I have served as chairman of the steering advisory committee for the State director of vocational and technical education of Florida and for the past 7 years I have served as his special consultant. Also, it has been my privilege for the past 3 years to be the chairman of the Legislative Committee for our National Council of Local Administrators which is an affiliate of the American Vocational Association and involves approximately 1,600 local directors throughout the Nation. I am also the chairman of the Policy and Planning Committee for the Trade and Industrial Division of the American Vocational Association.

In serving on these last two committees for the past 3 years, I have had the opportunity to obtain information concerning problems with finance as they pertain to our public school systems, both at the local and State levels.

Before going into detail on problems at State and local levels concerning budgets, I would like to comment on the value received thus far from manpower training in the Greater Miami area. As legislative chairman I spent considerable time in Washington in our AVA office working for the Manpower Training Act (Public Law 87-415) as enacted in 1962. The law, as it is written, is good and should remain in effect as long as a critical unemployment problem exists throughout the country.

In addition to my regular duties as local director for vocational and adult education, I also serve as the director of manpower training for our county. As a result of the Manpower Act, I have seen hundreds of men and women of all races lift themselves from the doldrums caused by long periods of unemployment to become self-respecting citizens who are now earning good salaries. I have received tremendous satisfaction by talking with these former manpower trainees when they come back and relate to me with great enthusiasm not only what they are earning per month, but also how happy they are in their work.

Permit me to cite a few instances which will indicate not only the enthusiastic response on the part of the trainees, but also the enthusiasm manifested by the employers—the taxpayers in our community.

In vocational education we have always worked with advisory and craft committees. We have approximately 50 such committees in our county which meet twice, and in some instances three times a year with members of our Lindsey Hopkins Vocational and Adult Education Staff. These persons from business and industry who are specialists in their fields help us to keep our courses up to date.

For example, through the effort of the chairman of the automotive committee we received an invitation from the Greater Miami Auto Dealers Association to invite all our manpower trainees enrolled in automotive and auto body repair courses to a dinner meeting in order to encourage these trainees to remain in the course for the full 48-week period. The president of the association promised each trainee a job if he satisfactorily completed the course. They lived up to their promise and placed every graduate.

One young man came by my office a few months ago beaming and said: "I am employed in a large auto body repair shop in Miami. I am paid on the basis of the number of jobs I do each day. Since being employed I have earned a minimum of \$165 a week and some weeks I have made as high as \$240." I checked with his employer to verify these statements and his reply was, "It is not only true, but I'll take 10 more just like him."

I wish it were possible for you to see our auto body shop which was made possible through Manpower Development and Training Act funds. It certainly is paying great dividends through the rehabilitation of unemployed persons who are now employed and will become taxpaying citizens in our community. The automotive

and the auto body shops are just two of the many courses offered under our manpower training.

I would like also to comment briefly on another phase of the manpower training program which in my opinion is a very important part of it; namely, the youth program. The youth project in Dade County has involved approximately 600 youth, ages 16 to 21. They were enrolled in refresher courses such as communications, applied mathematics, applied science, and employer-employee relations, plus another 1-hour period where the trainee receives individual assignments and was permitted to make field trips to business and industry.

These refresher courses cover a period of 10 weeks. We knew if we put these "dropouts" back into the classroom, we would have to make these subjects interesting and practical or they would be "dropouts" again. We accomplished our objective by making a direct application of the above subjects to the five major occupational areas consisting of (1) basic electricity and electronics; (2) internal combustion engines; (3) machine fabrication of metal and wood; (4) aviation; and (5) business and service trades, all of which were taught on an orientation basis in 3-hour blocks in the afternoon.

We felt it was important for the youth to go through these refresher courses and make up for their deficiencies. Tests were administered at the beginning of the refresher courses and then again at their completion.

As a result of this training, many of the youth jumped two and three grade levels when again tested. We did not have the first complaint from these youth because they had to go back to the classroom. Mainly because the subjects—communications, applied mathematics, applied science, and employer-employee relations became a tool that they could use in their occupational training being given them in the afternoon. The courses were no longer merely a textbook subject when handled in the above manner.

Because of this preparation, these youth were eager to get into occupational training and the end results were most gratifying. All during the 10-week period the youth had an opportunity to visit our vocational counselors, from our adult division, which was most helpful. This technique motivated the youth and gave them for the first time a sense of well-being and the feeling that someone cared for them. A goodly portion of the trainees in this project have completed their occupational courses; and even though many of them were high school graduates, they are now entering employment for the first time; the reason being that they now have an employable skill.

Unfortunately, our youth project reached its completion date in January 1965. We were unable to start another youth project because the length of the courses would extend beyond June 30, 1965. I look forward and most sincerely hope for a continuance of this youth project in July 1965. I also hope that it will be possible to plan projects for youth which will extend beyond June 1966. This will enable us to do a little more in the way of long-range planning.

I have tried to give you a thumbnail sketch of what manpower training has done for our community. It is for this reason that I am appealing to this committee that Senate bill 974, which will amend the Manpower Development and Training Act of 1962, be retained,

thus enabling us to continue this most important phase of occupational training throughout the country.

If possible, we would prefer having 100 percent Federal funds to carry on this program for 1965-66 for the following reasons:

1. According to Population Profile, published by Population Reference Bureau, Inc., Washington, and I quote,

The 3,700,000 young Americans celebrating their 17th birthday in 1964 number nearly 1 million more than the 1963 crop of 17-year-olds. Teenage population growth is going to continue. After 1966, each succeeding year's crop of 17-year-olds will be bigger than the ones before, reaching 4 million or more by 1975.

The report continues:

This phenomenon of massive teenage population growth presents social, moral, educational, juvenile delinquency, and employment problems which will increase each year.

2. What is the population explosion doing to our educational budget for the State of Florida? It is estimated that the expenditures for the biennium 1963-65 for education at all levels will be \$486.5 million. Requests for the biennium 1965-67 which will be presented to our State legislature this year total \$623.8 million; an increase of \$137.3 million over the previous biennium, or 28.2 percent.

Indicated previously that this demand on educational facilities and staff will continue to grow for another decade. We also know that the same problems will exist in similar proportion throughout these United States.

I would like to read to you a resolution taken from page 42 of the minutes of the Southern Governors' Conference, 13th Annual Meeting, St. Anthony Hotel, San Antonio, Tex., October 14, 1964. This resolution carried the signatures of the 17 Governors; therefore, it had the unanimous approval of the entire southern region. The resolution reads as follows:

RESOLUTION XI—MANPOWER DEVELOPMENT AND TRAINING ACT

Whereas the Manpower Development and Training Act has been widely implemented in the several States of the Southern Governors Conference; and

Whereas the type of basic and vocational training made possible by that act is extremely helpful to the economic and educational progress among the several States; and

Whereas State revenues for educational purposes are at a premium in all the Southern States: Now, therefore, be it

Resolved, That the Southern Governors Conference, meeting in San Antonio, Tex., October 14, 1964, respectfully petitions Congress and the President that the matching funds provisions of the Manpower Development and Training Act, presently due to become effective July 1, 1965, be postponed until substantial progress has been made in the States of the region in reducing the vast reservoir of uneducated and untrained persons inherited from past generations; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States and to each Member of Congress.

In conclusion, it is my earnest hope that Federal funds will be made available which will enable us to continue manpower training without placing an added burden on the several States.

Senator CLARK. Mr. Seagren, can I interrupt you a minute off the record?

(Discussion off the record.)

Senator CLARK. On the record.

Thank you very much, Mr. Seagren, for your very helpful statement; I was very much interested in your really quite heartening experiences in Miami, particularly in the automotive field and with the younger people.

You heard Dr. Shoemaker testify a few minutes ago; would your answers to the questions I asked him insofar as they are general and applicable to Florida instead of Ohio be approximately the same as his?

Mr. SEAGREN. I would say so; yes.

Senator CLARK. Thank you, sir. We appreciate your being with us.

Mr. SEAGREN. May I make one observation with reference to finance?

Senator CLARK. Yes, sir, I wish you would.

Mr. SEAGREN. The Florida picture, which is another reason why we feel we are not in a position to match funds at the present time, is that our budget for the biennium 1963 to 1965 was \$486.5 million, and the request for the biennium 1965-67 will total \$623.8 million, or an increase of \$137.3 million, or 28 percent.

Now, that the increase in our State and I am sure that will parallel pretty much for all the States the added burden.

Senator CLARK. You, of course, have that Florida problem which is somewhat like California's. There is an enormous immigration which raises your education costs very strongly.

Dr. Mobley, do you want to take over this morning?

Dr. MOBLEY. Senator, I think our witnesses have covered the ground quite well. I want you to know the American Vocational Association which we all represent, is very much interested in these amendments, and we certainly hope that they will become law.

Senator CLARK. Thank you, sir. Do you take the same position on 90-10 as the other two witnesses?

Dr. MOBLEY. Yes, we do.

Senator CLARK. Senator Nelson?

Senator NELSON. No questions.

Senator CLARK. Thank you very much, gentlemen. I appreciate your coming here. You have been a great help to us as you always are.

Our next witness is the Honorable Robert D. Helsby, deputy secretary of labor for the State of New York.

STATEMENT OF HON. ROBERT D. HELSBY, DEPUTY SECRETARY OF LABOR, STATE OF NEW YORK; ACCOMPANIED BY NELSON F. HOPPER, DIRECTOR, OFFICE OF MANPOWER DEVELOPMENT, NEW YORK STATE DEPARTMENT OF LABOR

Senator CLARK. Mr. Helsby, we are very happy to have you with us. It is my understanding that Senator Javits asked you to come here today and that you are going to tell us some of the New York experiences and hopefully give us some guidance as to the desirability of reporting this bill out favorably.

I see that your statement is some eight pages long. If you want to read it, go ahead. If not, I would appreciate it if you would sum-

marize your views and give us an opportunity for colloquy as everybody on the staff and the committee will read it in due course, anyway.

Perhaps you would like to introduce your associate.

Mr. HELSBY. I am Robert D. Helsby, executive deputy industrial commissioner and I am here representing Industrial Commissioner Martin P. Catherwood of the State of New York. We are appearing at the request of Senator Javits.

As you understand, our legislature is in session, and we have our complications in New York.

Senator CLARK. That is the understatement of the year.

Mr. HELSBY. Commissioner Catherwood felt it necessary for him to remain in Albany. With me is Mr. Nelson Hopper, the director of our office of manpower development.

If there are specific technical questions, I am sure he will glad to answer them.

Senator CLARK. We are happy to have you with us, sir.

Mr. HELSBY. I would like to read part of my statement, Senator, if I may, if you would like to break in at any time, feel free to do so. I will probably omit the latter part of it, but I would like to read the first three or four pages if I may.

On behalf of Industrial Commissioner M. P. Catherwood, I wish to express our appreciation for this opportunity to appear and to testify in connection with this important program. Training programs conducted under the auspices of the Manpower Development and Training Act have been of substantial benefit to the citizens of New York State.

New York State has pioneered in making possible the training of unemployed workers. In 1960 section 599 of the unemployment insurance law was enacted which provides that unemployed workers drawing unemployment insurance benefits may enroll in approved training courses.

In 1962 a division of manpower was created within the department of labor at the direction of Governor Rockefeller. Later that same year, the Governor created an interdepartmental committee on manpower to coordinate the work of the departments of labor and education and other affected State agencies with respect to the Manpower Development and Training Act and related programs.

In the period from September 1962 to December 31, 1964, an estimated \$34 million—\$24.5 million for training and about \$9.5 million for allowances—has been approved in New York State for manpower training programs. Potential job opportunities totaling 51,000 have been identified in more than 150 occupations; training has been approved for 28,791 persons; and training courses have been completed by 6,327 trainees, of whom 4,685 have obtained employment. The scope of the program in New York State has been continually expanding in both institutional and on-the-job training.

In the fiscal year 1963-64, training projects were approved for 7,640 persons. In the first half of fiscal 1964-65, training projects for more than 15,750 trainees have been approved. With this expansion, however, the number of unemployed persons requiring occupational and preoccupational training or retraining has barely begun.

Governor Rockefeller recommended to the legislature in his executive budget on January 28, 1965, that \$8.8 million be appropriated for the Manpower Development and Training Act matching purposes. Since there is an overlap between the State fiscal year of April 1 and the Federal fiscal year July 1, it was visualized that this recommended State appropriation, together with Federal funds, would support an overall program of some \$40 million in New York State for our forthcoming fiscal year, under the present one-third matching requirement.

POINT 1—MATCHING

The proposed amendment will require the States to contribute 10 percent of the cost rather than one-third for 1965-66 and 50 percent thereafter. This will make the matching requirements consistent with most of the matching requirements contained in both the Economic Opportunity Act and the Vocational Education Act.

While there have been a number of inevitable weaknesses under the Manpower Development and Training Act, this is a constructive program which helps to fill an existing gap. On a long-range basis, it is to be hoped that this gap will be filled largely, if not entirely, through the public school system with improved education and vocational training for both youth and adults.

In the meantime, however, I cannot escape the conclusion that the Manpower Development and Training Act should be continued on a substantial basis. Although I am convinced that funds for matching on a substantial basis would be provided by New York State under the present matching formula, it is clear from discussions with officials of other States that comparatively few can be expected to move substantially under the present formula.

POINT 2—ALLOCATION AMONG THE STATES

As Secretary of Labor Wirtz is aware, we in New York State are unhappy with the procedures used for the allocation of available funds to the States. These procedures have not carried out what we thought was the intent of Congress.

In our view, the practice of reallocation has been carried to the point where the allocation formula in the law has been made almost meaningless. For example, for the fiscal year 1963-64 we were informed in November that the New York State allocation under the Manpower Development and Training Act was \$9.8 million. This was the percentage allocation pursuant to legislation after reservation of funds for Federal purposes. At the same time, however, we were informed that \$2 million had been withdrawn from this allocation and placed in a national pool. In January 1964, only 2 months later, we were informed that all funds had been placed in a national pool.

In the current fiscal year, 1964-65, we did not learn the size of the actual New York State allocation until late September 1964. At this time we were informed that \$11 million of our \$28 million allocation had been diverted to the national pool, and by November 30 our remaining allocation had been exhausted. We may receive additional funds, but we know not how much and when.

The net result of these procedures is that neither the New York State Department of Labor nor the Department of Education can provide needed assurance to local school boards that any specific amount of funds will be forthcoming.

I might add parenthetically that this is almost like trying to plan a budget for the year when you do not know what your income will be.

This lack of assurance impedes program development of the school systems and makes it impossible to use effectively the results of training needs surveys.

This allocation practice materially reduced the overall level of program development and effectiveness in New York State.

In my opinion, the proposed amendment to section 305 should constitute a substantial step forward. It would permit the cost of training programs approved in a fiscal year, including the cost of training allowances, to be paid from funds appropriated for such purposes during that fiscal year. Different practices seem to have been followed by the U.S. Labor Department and by HEW, and from our standpoint, there has been tremendous confusion and uncertainty as to which year's appropriation would be charged for project expenditures. Such a change will go far in permitting the States to develop more stable and economical programs, particularly if coupled with a bona fide allocation as among States for a larger portion of the fiscal year than has been the case heretofore.

Now, the rest of the statement comments specifically on the individual amendments.

Senator CLARK. I have read it with interest, and we will include it in the record at this point.

(The balance of Mr. Helsby's prepared statement follows:)

BALANCE OF MR. HELSBY'S STATEMENT

3. COMMENT ON AMENDMENTS

With respect to the amendments other than the matching amendment, we have the following comments:

(a) *Program extension.*—In view of the continuing need, we welcome the amendment of title II which removes the terminal date of June 30, 1966.

(b) *Experimental projects.*—We favor the shift of experimental and demonstration projects from title II to title I. We hope that this proposal can be helpful in eliminating some of the existing confusion concerning responsibility in this area. In connection with such a change, we hope that appropriate guidelines and procedures will be developed which will clarify the role of nonprofit agencies and that of the employment service with respect to such experimental projects. At present there is considerable confusion and uncertainty as to the appropriate role of nonprofit agencies and the employment service, particularly in a situation in which the experimental and demonstration projects conducted by nonprofit agencies are charged against State allocations under title II.

(c) *Labor mobility demonstration projects.*—We welcome the inclusion of the authorization of "Labor mobility demonstration projects," in title I, together with the elimination of the 50-percent limit on the relocation grants. The relocation costs per case may well prove higher than may have been expected. We are now conducting a relocation research project on Long Island in which this issue may be far from academic.

(d) *Extension of duration.*—We favor the extension of the maximum potential duration of training allowances from 52 to 104 weeks. For the small proportion of trainees for whom such a proposal is desirable, this should permit us to expand the coverage of the training program in line with the requirements for an increasing number of highly skilled technicians. The 52-week limitation on the duration of training courses has resulted, in New York, in a concentra-

tion of projects in occupations not requiring intensive technical training; the proposed extension to 104 weeks will make it possible to help professional and semiprofessional workers affected by automation and technological change, as contemplated by section 101 of the act, "Statement of findings and purpose."

(e) *Dependency benefits.*—The amendment proposing payment of dependency allowances in the amount of \$5 a week for each dependent in excess of two up to a maximum of \$20 raises several basic issues. This proposal appears to mean that in New York State the maximum training allowance could be as high as \$70 per week with our present \$50 maximum for unemployment insurance benefits.

This proposal would affect the problem of trainees being forced to drop out of training programs, particularly those of long duration, because training allowances have, in some instances, not been adequate enough to support a large family.

(f) *Transportation expenses.*—We believe that the proposed amendment to section 103 (b) needs to be clarified. The amendment would apparently permit the payment of transportation expenses between the trainee's home to and from the training center regardless of the distance.

Most workers in New York State "commute" to work when employed, and to places of employment, in search of work, when unemployed. Under the varied conditions which exist in New York State, this proposed amendment presents a host of administrative and policy problems. Subway fare in New York City presents one range of problems. Conditions upstate in remote areas without public transportation represent another.

(g) *Contributions in cash or kind.*—This amendment proposes that: "Expenditures from non-Federal sources may be made in cash or kind, fairly evaluated, including but not limited to plant equipment and services."

With State's mounting burdens in so many essential fields, the interpretation of the word "kind" in the proposed amendment may be of real significance to many States and to their ability to participate in the program. The broader the interpretation, the larger the program that can be supported in many States.

(h) *Redevelopment areas.*—We support the elimination of differing provisions for training in redevelopment areas, and the continuation of 100-percent Federal financing of the Manpower Development and Training Act training conducted in such areas. This might well provide incentives for further development of training programs in these areas and also would eliminate the disparity in the training provisions of the Area Redevelopment Act and the Manpower Development and Training Act.

4. ADDITIONAL RECOMMENDATIONS

There are two additional proposals which we would like to see added to the Manpower Act of 1965:

(a) Even though section 101 notes "that there is critical need for more and better trained personnel in many vital occupational categories, including professional, scientific, technical, and apprenticeable categories," the act has not been utilized to train or retrain scientists, engineers, and other professional workers, even under conditions where such retraining is needed because of changes in production due to defense cutbacks. We believe that provisions should be made in the act at least authorizing the payment of tuition, fees, and allowances to professional, scientific, and technical personnel who become unemployed because of defense cutbacks.

(b) After nearly 3 years of experience with this program, States such as New York are familiar with the standards and procedures under the Manpower Development and Training Act. The multiplicity of agencies involved under the statute, coupled with the various procedures and reviews, however, result in much unfortunate delay and expense. It is not argued that the States should be permitted to violate Federal standards. If, however, by statute and regulation and within specified limits the States were given somewhat more authority than at present to proceed with projects rather than waiting for final Federal approval, the whole process would be speeded up and made more effective.

Senator CLARK. I think you have made some very useful suggestions, Mr. Helsby, and with respect to the comment on the administrative difficulty with respect to allocation, we will certainly ask the Department of Labor for an explanation of that.

I see Mr. Merrick in the audience. I would ask him if he would be prepared to give us in writing some comments on this.

(The material requested follows:)

DEPARTMENT OF LABOR STATEMENT ON APPOINTMENT AND USE OF MANPOWER DEVELOPMENT AND TRAINING ACT FUNDS FOR OCCUPATIONAL TRAINING

Section 301 of the Manpower Development and Training Act provides the basis for the administration of the distribution among the States of funds appropriated for occupational training programs under the act.

APPOINTMENT OF BENEFITS

"SEC. 301. For the purpose of effecting an equitable apportionment of Federal expenditures among the States in carrying out the programs authorized under title II of this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare shall make such apportionment in accordance with uniform standards and in arriving at such standards shall consider only the following factors: (1) the proportion which the labor force of a State bears to the total labor force of the United States, (2) the proportion which the unemployed in a State during the preceding calendar year bears to the total number of unemployed in the United States in the preceding calendar year, (3) the lack of appropriate full-time employment in the State, (4) the proportion which the insured unemployed within a State bears to the total number of insured employed within such State, and (5) the average weekly unemployment compensation benefits paid by the State. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to make reapportionments from time to time where the total amounts apportioned under this section have not been fully obligated in a particular State, or where the State or appropriate agencies in the State or appropriate agencies in the State have not entered into the necessary agreements, and the Secretaries find that any other State is in need of additional funds to carry out the programs authorized by this Act."

The Departments of Labor and Health, Education, and Welfare have carried out the provisions of section 301 with two primary objectives: (1) to assure that the initial apportionment of funds available under each year's appropriation was equitably identified for each State and made available for the maximum practical period of time; (2) that unobligated funds in any State were not allowed to remain unused when other States, having fully obligated their apportionments, had further training programs developed and could proceed with training additional unemployed workers if funds could be made available. In December 1963, in amending the original act of March 15, 1962, the Congress particularly emphasized the sense of urgency with which it believed the Departments should push forward with the program at the greatest practicable speed in order to hasten the training and return to useful work of as many unemployed persons as possible.

The Manpower Development and Training Act was enacted March 15, 1962, but appropriations first became available August 14, 1962. The appropriation was \$70 million, of which \$57.5 million was identified for training activities under title II. This amount was apportioned among the States in accordance with the factors identified in section 301 and 90 percent of the amount was immediately allocated to each State. By February 1963, several States had fully utilized their allocation and had developed additional training projects which could not proceed without additional funds. The remaining 10 percent of their apportionment was made available and as this proved insufficient added funds were made available by withdrawing portions of the original allocations to States which had not developed programs. All States were urged to continue to develop projects as rapidly as possible with the assurance that funds would be made available so long as any appropriated funds remained. By June 30, 1963, a total of \$44.7 million or 77 percent of the \$57.5 million appropriated had been obligated for fiscal 1963 expenses. Eighteen States had obligated their full apportionment and had made available additional funds reassigned from those States who had not used their funds. For New York, 87 percent of the 1963 appropriation was obligated.

At the beginning of fiscal 1964, there were trainee allowance payments remaining to be made to trainees enrolled in programs approved during fiscal year 1963 amounting to \$24.9 million, for which \$12.8 million was available from the 1963 appropriation.

Continuing to consider the fiscal 1963 State apportionments for the \$12.8 million available from the 1963 appropriation, each State's requirements were met from their apportionments where possible. In all, 17 States finally did not require their fiscal 1963 apportionment to pay the full costs of all training projects approved in their States during fiscal 1963. Their unused funds were allocated among all other States to reduce the amount of training allowance payments to be paid from the 1964 appropriation. New York required more than its 13 percent unobligated balance to pay allowances to its trainees still enrolled in courses after June 30, 1963, and thus was one of the States that benefited from the assignment of unused funds from the 17 States.

The fiscal 1964 appropriation was not enacted until October 11, 1963, so that for nearly 3½ months from July 1, 1963, the program operated under continuing resolutions. During this period State apportionments were not operable, but all States were urged to develop and submit training projects, to be funded so long as moneys were available under provision of the continuing resolutions. The fiscal 1964 appropriation was \$110 million, of which \$90 million was for training projects under title II. State apportionments were again determined, using updated factors as provided in section 301 of the act and obligations incurred by the States from July 1 forward were assigned against the State apportionments. Several States had proceeded with their program development so rapidly that they had fully utilized their 1964 apportionments, while others had obligated relatively little of their 1964 apportionment. New York had obligated 37 percent of its apportionment.

The Department had requested, for fiscal 1964, \$165 million, the amount authorized for that year by the act. In appropriating the considerably lesser amount of \$110 million, the Congress instructed the Department to proceed with the program as rapidly as possible and to return with a request for added funds if it found they could be effectively used due to increased pace of the program. In order, therefore, not to interrupt the program and to make it possible for all States to continue their program development as rapidly as they were able, in States where the obligations were very low, the immediate allocations were less than the full State apportionment. In the case of New York, the fiscal 1964 apportionment was \$9.8 million and the initial allocation was \$7.8 million.

The fiscal 1964 program did develop rapidly during the period following enactment of the appropriation in mid-October and by mid-December it was apparent all funds would be exhausted shortly after the first of the year.

By December 31, 1963, \$77.6 million of the \$90 million or 86 percent had been obligated. For New York, however, only 52 percent of its full apportionment had been obligated, and only 66 percent of its reduced allocation.

In January 1964, the Department submitted a request for a supplemental appropriation of \$55 million, the full amount authorized for the fiscal year. With the available appropriation virtually exhausted, on January 1, 1964, all unobligated balances among the States were withdrawn and assigned to a national account in order to assure complete utilization of funds. The request for supplemental funds was not finally enacted until June 9, 1964, and then in the amount of \$20 million, so that there was virtually no approval of new training programs for 5 months. A very large backlog of projects built up, awaiting the availability of funds. The fiscal 1964 supplemental appropriation brought the total fiscal 1964 appropriation for training program activities under title II to \$109 million, of which 98 percent was obligated. Although 28 States during fiscal year 1964 fully used their apportionment and more, New York used 86 percent. On July 1, 1964, allowance payments remaining to be made to trainees enrolled in projects already approved amounted to \$70.4 million, of which \$2.1 million was provided for from the unobligated balance of the fiscal 1964 appropriation and \$68.3 million was needed from the fiscal 1965 appropriation. The New York apportionment factor of 11.44 percent would indicate that its required allowance payments from the fiscal 1965 appropriation might be approximately \$7 million, whereas they amounted to \$1.1 million because of its relatively small program development throughout the fiscal year 1964.

For fiscal 1965 the program has operated in the same manner as during fiscal 1964. The appropriation was enacted September 18, 1964, in the amount of \$307.9 million, of which \$245 million was for training programs under title II. Sixty percent of the appropriation had been obligated during the period from July while operating under continuing resolutions and many States had obligated the full amount of their fiscal 1965 apportionment. New York had obligated only 25 percent of its apportionment. Again, in order to maximize the oppor-

tunity for all States to continue their program development and to assure the full use of available moneys, allocations were made to all States, with a small national reserve being maintained for use by any State if needed. It was possible to continue the program on this basis through the end of 1964. As of December 31, 1964, every training project in the United States for which a State had requested approval and funds, had been funded, including New York. On January 1, 1965, as a year earlier, it was necessary to establish a single national account because less than 10 percent of appropriated funds remained available. The Department is again submitting a request for a supplemental appropriation in the amount of \$103 million, the full amount authorized under the act, and hopes that the request will receive early and favorable consideration in the Congress so that the approval of training programs will not have to be discontinued as they were a year ago.

The record of the Manpower Development and Training Act program in the 2½ years of its operation has clearly demonstrated the interest and ability of the great majority of States in developing training programs to provide opportunities for its unemployed citizens to gain a new skill or improve a present one in order to return to useful employment. The program has developed faster than the financial resources available, making it all the more urgent, as the Congress intended through section 301 of the act, that available funds not be permitted to remain unused in one State when another State has need for them. The Congress was careful to assure each State equal opportunity to participate in the program each year with the enactment of the appropriation. The Departments of Labor and Health, Education, and Welfare have made every effort to provide each State with the fullest opportunity to participate in the program without indefinitely restricting any State whose program capability exceeded its originally determined share of the program.

Senator CLARK. For the rest, I think your recommendations are very interesting and very constructive, and we will look into them quite carefully.

I want to thank you for coming down, sir.

Senator NELSON, do you have some comments, some questions?

Senator NELSON. I have not read the whole statement so he may very well have covered what I want to ask you about.

How many people did you train last year? Are those figures on the front page?

Mr. HELSBY. Yes, they are, the last paragraph on the front page, in the fiscal year—well, in the first half of fiscal year 1964–65, 15,750; for the fiscal year 1963–64, 7,640. During calendar year 1964, 4,318 persons completed institutional Manpower Development and Training Act training.

Senator NELSON. Who were these men? Were these people who had been employed and became unemployed?

Mr. HELSBY. Yes, by and large, this is true.

Senator NELSON. You are not including any statistics on people who have been injured on the job and a retraining program for them, that sort of thing?

Mr. HELSBY. The only thing that would come close to what I think you are referring to are the 2,200 trainees in on-the-job training; these people are not employed. On-the-job training indicates, as you know, a man is trained on the job. Some of the programs were for unemployed people who were committed to take jobs but these would be the only people, and this figure would relate to the figure up in the above paragraph where we had 28,791 persons, about 2,200 of those were on-the-job training trainees.

Senator NELSON. I just wanted to be sure. You are not including what you call vocational rehabilitation types?

Mr. HELSBY. No, sir; these are strictly under the Manpower Development and Training Act.

Senator NELSON. Under what circumstances are most of these people trained? Is this all in technical vocational schools?

Mr. HELSBY. Not all. It is largely institutional, except for the 2,200 on-the-job trainees. We use public school facilities, vocational and technical schools, and some private training facilities.

We have utilized some of our 2-year technical institutes, the State University of New York has about 28 community colleges and technical institutes. We have utilized these to some degree, but by and large the vocational and technical education facilities of the public school system have provided the training.

In some cases, we have set up special facilities for the training program.

Senator NELSON. Do you have any followup statistics on the percentage of these retrained men or women who subsequently became employed?

Mr. HELSBY. Yes, we do. Our figure here in the next to the last paragraph, this indicates about 75 percent, if you will notice the figure 6,327, of whom 4,685 have obtained employment.

This is about 75 percent, and this is about what we are running—70 to 75 percent of people who complete their training become employed.

Senator NELSON. Do you have a breakdown of statistics on the number of these people who were unskilled when they started? Are you retraining some people with skills?

Mr. HELSBY. Yes, we are doing some of that. I would say, however, that by and large the program has tended toward the unskilled segment of the labor force.

Senator CLARK. Perhaps you could give us, if Senator Nelson would permit the interruption, some guidance as to the categories of jobs in which your major training efforts have been concentrated.

Mr. HELSBY. Yes. As a matter of fact, we have a listing with us, if you are interested in having it for the record.

Senator CLARK. I would like to have it.

Mr. HELSBY. We have a complete listing of the current occupations for which training is being given or planned. We have listed here about 150 various occupations. I will be glad to supply it for the record.

Senator CLARK. Thank you. What are the major ones?

Mr. HELSBY. I think those have gone pretty well along with the ones Secretary Wirtz described in his testimony yesterday, and the ones testified to earlier. Clerical occupations, machine operators, practical nurses, and some semiskilled, if you call auto mechanics, for instance, semiskilled people.

(The listing referred to will be found on pp. 133-136.)

Senator CLARK. I notice that you make a recommendation that we extend the program to unemployed engineers and other professional people.

Is there a real need for that? I would think most of those people would be able to get whatever retraining they needed without getting into the type of training allowance and so forth that is called for by this act. Generally speaking, they tend to be in a higher income group with some savings, do they not?

Mr. HELSBY. I am glad you mentioned this. It is one of the key factors; this is point A. You will notice we have restricted this in our recommendation, in the last sentence of that statement, to those who become unemployed because of defense cutbacks.

We feel that the Federal Government in cutting back employment in some of these key areas must accept some measure of responsibility for professional and highly skilled people who need retraining, who need additional training to get jobs, and this is one of the key areas of need.

Senator CLARK. It is interesting. I would hope that we would not have to put this relatively highly skilled and trained professional man into the manpower retraining pool. Maybe it is necessary. That is an interesting suggestion.

I interrupted you, Senator. I am sorry.

Senator NELSON. That is all right.

What is the length of training you have been giving to these persons?

Mr. HELSBY. At the present time, the average length is 34 weeks.

Senator NELSON. What is the average cost, total cost, per trainee?

Mr. HELSBY. Institutional training has been running about \$1,200 per trainee; I might add, however, that in the multioccupational programs where we give basic training, the three R's and then we go into training for broad family groups of occupations, and then into specific occupational skill training. The cost will run much higher than this. As a matter of fact, it may run double this; it may run as high as \$2,200 to \$2,400 per trainee. We are just getting into these programs. At the present time, it is roughly \$1,200 a year.

Senator NELSON. Does your presentation include any statistics on the length of time these people were unemployed prior to coming into the program?

Mr. HELSBY. No; it does not. We have not included this in our presentation. I would say, however, on facts like this, and I read Secretary Wirtz' testimony of yesterday, in a comparison of these figures, our figures, because of the size of our State, and the cross-section that we represent, our figures would run very closely parallel to the Federal figures.

Senator NELSON. I was not able to be here through the whole presentation yesterday, so I might be repetitious. What I was really getting at is, Are we getting to some of the long-term, hard-core unemployed, or is this—

Mr. HELSBY. Yes; we are. As I recall from his testimony, he quoted the figure, I think, of the average of 15 weeks, was it not, that these people had been unemployed. I believe that is right. We are, depending on what you characterize as "long-term," certainly I think most of us would figure that a man who is unemployed for 15 weeks is a pretty long time.

Senator CLARK. I would like to comment when the act first got underway they tended to skim off the cream from the top of the bottle, take those who were most likely to find jobs, a rather natural human reaction, because they wanted to make a good showing as to the number of people they could place in jobs, but by now they are down pretty well to the hard core, and the drop of the reemployment figures down to around 70 to 75 percent indicates to me that they are really getting

down to the hard core, and this, I think, is good. I would rather see a lower ratio of people placed than just to take the easy cases and get them a job.

Mr. HELSBY. Right. Senator, you raise a point which I think may be of interest to you.

We have recognized that in many of our more remote areas it is difficult to get a class size, to run into a regular kind of institutional Manpower Development and Training Act program. What we have done, with entirely State money, is to set up a pilot program, where we are taking a group of people, one man from this town, one man from that town, and sending them to school, most of them to New York City, because this is where the majority of these schools exist. By paying tuition, fees, allowances, and so on, doing this entirely with State funds, from the standpoint that you mentioned, as you get down the line here and get down off the top, you run into the problem where there are not large groups, where there are the ones, the twos, the threes, that also need this kind of a program. I think this is one of the considerations that has to be made.

Senator CLARK. We have had to do the same thing in Pennsylvania; in fact, we are shipping a lot of people up to Williamsport, because we happen to have a good school up there.

This runs up the expense, but in the end, it is probably better than trying to extend a lot of little training courses around the rural counties.

Mr. HELSBY. That is right.

Senator NELSON. Do you have any people in your program in New York who have never had any work experience?

Mr. HELSBY. Do we have many people in New York without work experience?

Senator NELSON. Do you have any of them?

Mr. HELSBY. Yes, mainly under the youth program. As you know, the amendments were changed a couple of years ago to provide training to youth from 16 to 21 years, with youth allowances; some of these have no work experience, but they are out of school.

Senator NELSON. Do you have a breakdown in your statistics? As I recall, you were saying about 75 percent of those you trained got jobs.

Mr. HELSBY. Yes.

Senator NELSON. Within what length of period?

Mr. HELSBY. Here is what we have done on that. We have felt the importance of followup and of evaluation of the program. We have a continuing program whereby we evaluate what has happened to this man at periodic intervals after completion of training. Because of the newness of the program, we most recently studied those who have been out of training programs for 6 months' time and this, as I say, we are continuing to follow up. In this most recent study, we found that 66 percent of those who completed their training were still employed after 6 months.

Senator NELSON. Seventy-five percent of those who started got jobs, then 66 percent of that 75 percent were still working?

Mr. HELSBY. Of those who completed, 75 percent got jobs immediately, as soon as they had finished training. The study I am referring to is a study of a group 6 months after they had completed training,

and we found that 66 percent as compared to the 75 were still at work. Some reduction, but still hovering around the 70 percent mark.

Senator NELSON. This is the figure that is confusing me momentarily; 75 percent of the original 100 percent got jobs, and 66 percent of the original 100 percent were still in jobs 6 months later?

Mr. HELSBY. That is right. I can see your confusion.

Senator NELSON. Did you have a breakdown of the training background of each trainee so that we could get an idea of how employable and how long each group stayed employed? For example, the youth with no work experience at all versus the man who has a long work experience and just became unemployed, and so forth? Do you have that kind of a thing?

Mr. HELSBY. I think this would be a good point to get the fellow who really knows the score; Mr. Hopper can respond to that.

Senator NELSON. I am interested to see whether your experience with the youth, for example—

Mr. HOPPER. We have not conducted studies in this area in terms of youth employment versus the adult phase of the employment, but basically, I think our position would have to be, and is, that youth finds it more difficult to get jobs. We find it more difficult to develop jobs for youth, as opposed to the adult group where they fit into the industrial structure of the local area more effectively.

Mr. HELSBY. I think this is a good generalization.

Senator NELSON. Do your statistics show figures—I will hold for the moment.

Senator CLARK. Thank you, sir.

Mr. HELSBY, would you refer to your statement, please?

Mr. HELSBY. Yes, sir.

Senator CLARK. Under subsection (b) there, experimental projects, you raise the question of the appropriate relationship between non-profit agencies and the employment service, particularly in connection with the experimental and demonstration projects.

Could you give us a recommendation as to what you think that relationship should be? You do not seem to be satisfied with the way it is now, and you may well be right, but I would like to know what your thinking is as to how that should be remedied, and whether this is merely an administrative problem or whether it requires some reference to legislation.

Mr. HELSBY. First of all, I think that the amendment which would take these E. & D. projects, as we call them, out of title II and put them into title I, would be helpful in this respect, because this would now no longer take moneys away from our conventional title II programs. This has been a source of friction.

Senator CLARK. I agree with you on that.

Mr. HELSBY. But there is no sense of evading the issue and the problems of the employment service and the Manpower Development and Training Act programs, and I would say even more so, with the antipoverty act as well, which is not a subject here this morning.

But it seems to me, when the Federal Government works directly with nonprofit agencies, as they do in many cases, that there has to be a very carefully worked out, inclusion of the Employment Service in the negotiations. We do not feel that we can simply walk off from our responsibilities—the responsibilities given to us in the Employ-

ment Service. These are such responsibilities as recruiting of candidates, testing, guidance, counseling, referring, placement, and so forth. When we see programs coming which overlap or in many cases duplicate these services, this causes problems.

I am sure I do not have to spell out for you the problems it causes with our staff, and this, I think, must be more carefully dealt with so that the Employment Service people, particularly those at the State level, are party to the negotiations, so that this does not become a de facto issue without State involvement.

Senator CLARK. Of course, you can recognize the problem we must deal with in 50 States, this is an admission I hate to make but yours is a rather enlightened State.

Mr. HELSBY. Thank you, sir.

Senator CLARK. New York, Wisconsin, California, and some of the others have been well ahead of many of the other States; unfortunately, if you do not have Federal leadership and Federal guidance, you do not get anything done. You would not go so far as to eliminate the nonprofit agencies in this program?

Mr. HELSBY. I do not think I would. This is my personal comment, obviously. My own personal feeling is I would not eliminate the nonprofit agencies because there is a role, and a legitimate and logical role for them. But I think that there must be more consideration for the State's role here and our responsibilities under the law.

Senator CLARK. I think you are right. Actually, this is an administrative rather than legislative problem.

Mr. HELSBY. It is legislative to the extent of the amendment. I think this is one of the ways the act can be strengthened; take the funds out of the title II and put them in title I.

Senator CLARK. Other than that, you would not recommend, would you, any legislative change in the act?

Mr. HELSBY. I do not have any specific recommendation on that.

Senator CLARK. If you want to think it over some more and think you would have one, please do not hesitate to send it down.

Mr. HELSBY. I appreciate it. This is my off-the-cuff opinion. I will be glad to give it some mature exploration.

Senator CLARK. You make reference to a research and relocation project on Long Island and rather put up a warning flag about it. Can you fill us in on that?

Mr. HELSBY. We have a research project going on in Nassau-Suffolk. There are three basic phases to this project. The first is made from Department of Defense moneys, which is actually a study of what has happened, what is happening, what will happen to the displaced workers from Republic Aviation on Long Island. This is where a defense cutback has taken place and continues to take place. Therefore, it is a key concern. You have many highly skilled people concerned.

Senator CLARK. You are going to have to get them out of Long Island in all probability, are you not?

Mr. HELSBY. We are not sure of that, Senator. It depends on what happens on Long Island, whether other industries come in and take their place and so on. At the moment, we cannot be sure of that.

The second phase is the actual study of mobility, and there have been 200 people, the goal is to move or at least pay moving expenses

for some 200 people. It is anticipated that the average cost there may run as high as \$900 for moving and relocation expenses, and this is roughly what they have used in budgeting the money.

The third phase of that problem—

Senator CLARK. That does not mean taking somebody from Long Island to an aircraft factory in California, does it, or might it?

Mr. HELSBY. Possibly. At this stage, however, the program has just gotten under way. We have just appointed our manpower panel, advisory panel, of some 30 people and we have hired some people. I think frankly it is too early to tell what impact the Secretary's regulations will have.

Senator CLARK. Thank you, Mr. Helsby.

Senator Nelson has more questions, and I will ask him to preside and close up the hearing.

(At this point, 11 a.m., Senator Nelson assumed the chair and presided.)

Senator NELSON (presiding pro tempore). A few moments ago we were talking about comparing the various categories of trainees. Once the youth with no job experience does finish his training and does become employed do your statistics show that he is as likely to remain employed and hold on to his job as the trainee with previous work experience?

Mr. HELSBY. In our present study of 6 months' followup, that is shown.

Now, as I mentioned, this is a continuing study and will be with us, so that we can later on, I think more definitively answer the questions that you are asking. These are logical questions, because everybody wants to know what the effectiveness of any given program is, or what happens to people, and we have recognized this and this is why we are continuing to study these people.

Senator NELSON. But in this group of 66 percent, as I understand it, a smaller percentage of the youth with no job experience got into that—first 75 percent.

Mr. HELSBY. Senator, I do not know the answer to that.

Do you know the answer to this at all, Mr. Hopper?

Mr. HOPPER. I would say there were less youth in this 66-percent figure, because of the timing of training completions and because of the then existing regulations in terms of developing youth programs. As we have more experience in terms of our own on going and future programs, our youth will represent a greater percentage of the total sample.

Senator NELSON. In that 66 percent, however, did the youth who did get jobs in the original 75 percent figure, retain their positions, jobs, in as high a percentage as trainees who had work experience before?

Mr. HOPPER. I can only give you an opinion, that I would say that their rate of holding onto jobs was satisfactory and probably equivalent to the adult placements for the kinds of occupations in which they were placed. We know in some instances and in some occupations that they have had opportunities for promotion, they have had opportunities for further inservice training.

Senator NELSON. I do not know what the law provides, but is there a limitation on the kind of training you can give, the nature of the

job? Are you supposed to give training in jobs that are in short supply of employees in the country?

Mr. HELSBY. Before we put any program into the mill, so to speak, before any program is approved, a labor economist in our Division of Employment has to first of all establish the fact that there is a need for people in this particular occupation. So this at least in broad terms has been reasonably established at the outset.

Senator NELSON. Do the statistics that you have submitted for the record have a breakdown by type of job and the number of trainees in each type?

Mr. HELSBY. Yes, sir; number of trainees, the date started, the date concluded, initial enrollment, and so forth. This is quite an extensive document, but I think you will find it interesting.

(See pp. 133-136.)

Senator NELSON. In your testimony you say:

If, however, by statute and regulation and within specified limits the States were given somewhat more authority than at present to proceed with projects rather than waiting for final Federal approval, the whole process would be speeded up and made more effective.

I do not understand that. What do you mean by that?

Mr. HELSBY. I am glad you raised it, it gives me an opportunity to tell you about something that is very close to our hearts.

To secure approval of a program our Division of Employment has to first prove with reasonable assurance that there is a need for such occupational training and then route this through the Department of Education. It then has to come to the Federal Government and receive final approval. Before receiving Federal approval the local school boards have to go to work in terms of getting a facility to conduct the training, teachers, equipment, budgeting, and so on. I would say a bare minimum here, and this is really pushing it through rapidly, is from 2 to 3 months of time. Many things can happen in that time.

Senator NELSON. From the inception of the program?

Mr. HELSBY. From the inception of the program until final Federal approval. Now, some of the larger ones, the multioccupational ones, that I referred to earlier, may run as long as 9 months or a year, because you are involving millions of dollars. The New York City multioccupational program, for example, may run anywhere from \$6 to \$10 million, depending on how it will take shape.

Therefore, long project development time is needed. Our point is now that we have these years behind us, some of these programs and particularly the smaller programs, fall into a somewhat routine fashion. We know what the Federal standards are, and as we emphasize this here, we are not urging by any stretch of the imagination that we would be allowed to ignore or violate Federal standards. But we know what the standards are from the hundreds of programs we have run through and we know what we can do and what we cannot do.

What we are suggesting is that in some programs, particularly the smaller ones (and you may be interested in a guess at the size; if I had to pull a figure out of the hat, possibly involving less than \$100,000), that we in the States would have the prerogatives to push ahead with those programs as though we had Federal approval, because we know from our past experience that they will be approved.

Therefore, earlier commitments could be made to the school boards, machinery could be set up, teachers recruited, material and equipment obtained, and it would expedite this program a great deal.

Senator NELSON. Do you have any suggestions as to how we could implement this idea? Would it require changing the act?

Mr. HELSBY. Frankly, I do not think so. Frankly, I think this could be done administratively through the Department of Labor. I have not explored it in any great detail, but it is my feeling this could be done administratively.

Senator NELSON. Do you see any risks at all in this kind of thing?

Mr. HELSBY. There are, and I think when you are dealing with 50 States, you have to look at the risks.

I would say, let us just explore for a minute. Suppose that we were allowed this privilege, and suppose that we were allowed to go ahead with programs under \$100,000. Let us say that we made commitments, and the Federal Government subsequently found that it violated Federal standards. Then I think that the State would have to be prepared to terminate the program at that date, or to look for some other form of financing, but I think that this could be worked out administratively. I think it is worth a risk in answer to your specific question.

Senator NELSON. Based on your experience, you would like to see this flexibility and you would have confidence that you would have no problem with it at all?

Mr. HELSBY. That is right, sir.

Senator NELSON. I appreciate very much that suggestion.

At this point in the record, we will include the list of projects in progress that was referred to earlier.

Projects in progress, Dec. 31, 1964, New York State Department of Labor, Office of Manpower Development

MT-1 No.	OMAT project No.	Control office	Title	Number workers to be trained	Training duration (weeks)	Initial enrollment current sections	Date started	Remarks
105	NY-232	New York City	Machine operator, general	150	30	104	June 29, 1964	3d to 6th of 6 sections.
115	NY-231	do	Bookkeeping machine operator I	105	30	46	do	4th of 4 sections.
118	NY-200	do	Electric machine computer	80	25	26	Oct. 5, 1964	5th of 5 sections.
142	NY-252	do	Stenographer	125	27	25	Oct. 27, 1964	10th to 12th of 15 sections.
145	NY-220	do	Offset pressman	90	17	20	Oct. 19, 1964	3d of 3 sections.
146	NY-279	do	Meat cutter (youth)	60	16	21	Nov. 2, 1964	3d of 3 sections.
150	NY (R)5-078	do	Preparation man (printing and publishing) II upgrading	73	16	24	Nov. 16, 1964	1st of 3 sections.
154	NY-281	do	Electronics mechanic (youth)	75	35	50	June 29, 1964	1st to 3d of 3 sections.
156	NY-277	do	Machine operator, general	45	16	15	Sept. 28, 1964	5th and 6th of 6 sections.
157	NY-278	do	Auto service station mechanic	45	16	15	do	Do.
182	NY-316	do	Office machine operating (orientation) (youth)	30	18	15	Oct. 19, 1964	1st of 2 sections.
191	NY (R)5-064	do	Meatcutter	60	16	19	Nov. 2, 1964	1st of 3 sections.
192	NY (R)5-001	do	Optometrist	20	100	10	July 6, 1964	2d of 4 sections.
195	NY-301	do	Teacher, education	100	9	173	(1)	1st to 8th of 20 sections.
196	NY (R)5-031	do	Typist	700	16	50	Sept. 21, 1964	1st to 2d of 3 sections.
012	NY (R)5-072	do	Office machines serviceman	75	42	6	Nov. 2, 1964	11th to 16th of 42 sections.
021	NY (R)5-049	do	Orderly (medical service)	500	6	72	Nov. 23, 1964	2d section.
029	NY (Y)5-019	do	Mobilization for youth	2,000	26	438	(1)	1st to 36th of 50 sections.
034	NY (R)5-018	do	Nurse, practical, licensed	600	43	125	Sept. 28, 1964	1st to 5th of 7 sections.
042	NY (R)5-065	do	Stenographer	175	30	23	Nov. 2, 1964	2d section, pending cancellation.
203	NY-4	Troy	do	40	23	12	do	Do.
213	NY-26	Albany	Typist	100	12	15	Sept. 14, 1964	2d of 2 sections.
217	NY-268	do	Cook	30	24	48	Aug. 17, 1964	1st and 2d sections.
223	NY (R)5-009	Poughkeepsie	Nurse, practical, licensed	48	20	20	Sept. 21, 1964	1st of 2 sections.
230	NY-248	do	Stenographer	20	25	24	July 27, 1964	Do.
231	NY-305	Hudson	Nurse, practical, licensed	24	49	15	Sept. 21, 1964	Do.
232	NY-284	Schenectady	Auto mechanic	30	21	32	do	Do.
233	NY (R)5-024	Hudson	do	40	23	16	do	Do.
234	NY-310	Troy	Oil burner installation and serviceman	30	12	13	Oct. 13, 1964	2d of 2 sections.
237	NY-286	Glen Falls	Electric appliance serviceman	24	15	14	Oct. 19, 1964	1st of 2 sections.
238	NY (R)5-027	Kingston	Auto body repairman, metal	40	21	40	Sept. 28, 1964	1st to 2d of 2 sections.
239	NY (R)5-030	Piatsburgh	Stenographer	40	33	42	do	Do.
240	NY-302	Glen Falls	Auto mechanic	15	32	15	July 27, 1964	1st of 2 sections.
241	NY (R)5-059	Schenectady	Meat cutter	30	18	14	Oct. 20, 1964	Do.
243	NY-324	Albany	Auto body repairman, metal	30	32	14	July 27, 1964	1st to 2d of 2 sections.
249	NY (R)5-041	Piatsburgh	Nurse, practical, licensed	24	43	30	Sept. 28, 1964	Do.
251	NY (R)5-013	Albany	Auto mechanic	40	32	24	July 27, 1964	1st of 3 sections.
256	NY (R)5-088	Poughkeepsie	Key punch operator	45	10	15	Nov. 30, 1964	Do.
258	NY (R)5-087	Glen Falls	Cook	12	27	12	do	Do.

See footnotes at end of table.

Projects in progress, Dec. 31, 1964, New York State Department of Labor, Office of Manpower Development—Continued

MT-1 No.	OMAT project No.	Control office	Title	Number workers to be trained	Training duration (weeks)	Initial enrollment current sections	Date started	Remarks
305	NY-50	Utica	Sewing machine operator	180	4			
306	NY-280	do	Cashier II	105	3			10th to 12th sections, pending cancellation.
311	NY-221	Rome	Auto mechanic	30	40	15	July 20, 1964	7th section to start Jan. 4, 1965.
315	NY-203	do	Nurse, practical, licensed	48	48	25	July 27, 1964	2d of 2 sections.
316	NY-227	Herkimer	do	48	43	24	Aug. 24, 1964	3d to 4th of 4 sections.
325	NY(R)5-054	Amsterdam	Auto mechanic	18	30	18	Nov. 16, 1964	Do.
328	NY(R)5-057	Herkimer	Farm equipment mechanic	15	40	15	Oct. 19, 1964	
329	NY-298	Massena	do	41	31	40	Aug. 10, 1964	1st to 2d of 2 sections.
330	NY-288	do	Auto mechanic	51	32	35	July 27, 1964	1st to 2d of 3 sections.
331	NY-306	do	Oil burner installation and service man.	26	26	13	Sept. 14, 1964	1st of 2 sections.
333	NY-292	do	Auto body repairman, metal	34	33	17	Sept. 8, 1964	Do.
335	NY-307	do	Stenographer	45	34	45	July 13, 1964	1st to 2d of 2 sections.
338	NY-314	Malone	Nurse, practical, licensed	36	43	40	Aug. 3, 1964	1st to 3d of 3 sections.
339	NY(R)5-010	Ogdensburg	Auto mechanic	16	43	40	Sept. 28, 1964	
340	NY(R)5-004	Amsterdam	Nurse, practical, licensed	24	43	26	Aug. 3, 1964	1st to 2d of 2 sections.
342	NY(R)5-054	Utica	do	26	48	24	do	Do.
344	NY(R)5-044	do	Auto service station attendant	48	12	15	Oct. 19, 1964	1st of 3 sections.
346	NY(R)5-085	do	Cook	17	30	17	Sept. 21, 1964	1st of 2 sections.
416	NY-242	Cortland	Machine operator, general	40	16	16	Nov. 16, 1964	6th of 8 sections.
423	NY-286	Syracuse	Machine operator, general (orientation)	120	8	7	Nov. 23, 1964	2d of 3 sections.
426	NY-270	Watertown	Stenographer	75	33	27	Oct. 19, 1964	2d of 3 sections.
428	NY-271	Watertown	Nurse, practical, licensed	48	46	24	July 27, 1964	1st to 3d of 4 sections.
429	NY-290	Watertown	do	33	46	31	July 27, 1964	1st to 3d of 3 sections.
430	NY-287	Watertown	Tailor II	10	17	8	Sept. 28, 1964	
431	NY-259	Lowville	Nurse, practical, licensed	24	48	24	Aug. 3, 1964	2d of 2 sections.
432	NY(R)5-062	Watertown	do	30	40	16	May 4, 1964	
433	NY(R)5-012	Syracuse	Auto mechanic	24	30	17	Dec. 7, 1964	
438	NY(R)5-055	Cortland	Policy rater, insurance	24	16	24	Oct. 25, 64	
441	NY(R)5-020	Oneida	Auto mechanic	30	30	12	Nov. 30, 1964	1st of 2 sections.
443	NY(R)5-050	Watertown	Woodworking machine operator	15	27	13	Sept. 28, 1964	
444	NY(R)5-036	Syracuse	Machine operator, general	20	33	22	Oct. 5, 1964	
445	NY(R)5-073	Albany	Baker	21	37	21	Oct. 10, 1964	
446	NY(R)5-063	Syracuse	Nurse, practical, licensed	45	43	15	Oct. 19, 1964	1st of 3 sections.
452	NY(R)5-074	do	Nurse aide	120	4	19	Nov. 16, 1964	1st to 2d of 10 sections.
515	NY-300	do	Electrical appliances serviceman	1,000	26	28	Oct. 26, 1964	See individual projects.
517	NY-300-02	do	Multioccupations (youth)	(375)	13	91	Oct. 8, 1964	3d to 6th of 13 sections.
* 518	NY-300-17	do	Clerical and public contact	(88)	10	38	Dec. 14, 1964	1st to 2d of 4 sections.
			Service—Broad training, including basics.					

NY-300-14	do	(200)	13	56	Oct. 29, 1964	3d to 4th of 8 sections.
519	do	(100)	13	22	8, 1964	2d of 4 sections.
520	do	(48)	48	48	July 13, 1964	1st to 4th of 4 sections.
521	do	(80)	18	37	Oct. 27, 1964	2d to 3d of 4 sections.
524	do	(30)	6	12	Nov. 27, 1964	2d of 2 sections.
525	do	(175)	20	44	Nov. 10, 1964	1st to 3d of 7 sections.
526	do	(30)	25	15	Aug. 3, 1964	1st of 2 sections.
540	do	(45)	13	12	Aug. 3, 1964	2d of 4 sections to start Jan. 4, 1965
542	do	(120)	25	30	Aug. 3, 1964	2d of 4 sections.
549	do	(20)	60	15	Aug. 10, 1964	1st of 2 sections.
550	do	(32)	41	16	Sept. 14, 1964	1st to 2d of 2 sections.
530	Geneva	25	42	25	Aug. 10, 1964	2d of 4 sections.
531	do	60	12	12	Oct. 1, 1964	1st of 5 sections.
534	do	50	18	17	Nov. 3, 1964	1st of 3 sections.
536	do	50	20	22	Nov. 30, 1964	1st of 3 sections.
609	Dansville	90	20	22	Oct. 5, 1964	3d section, pending cancellation.
613	Buffalo	90	12	24	July 7, 1964	3d to 4th of 4 sections.
614	do	48	46	16	Dec. 7, 1964	2d of 8 sections.
617	do	45	70	11	Nov. 9, 1964	3d of 5 sections.
620	Jamestown	30	8	24	Aug. 3, 1964	2d of 3 sections.
622	Buffalo	30	46	18	Oct. 13, 1964	2d of 5 sections.
626	Dunkirk	24	13	6	Nov. 2, 1964	2d of 5 sections.
628	Buffalo	45	10	47	Sept. 28, 1964	1st to 2d of 2 sections.
631	do	48	43	60	do	1st to 2d of 2 sections.
636	Tonawanda	60	43	12	Oct. 5, 1964	3d of 3 sections.
715	Buffalo	13	24	15	Oct. 26, 1964	1st of 2 sections.
719	Binghamton	45	12	15	Nov. 9, 1964	Do.
720	Wellsville	20	7	16	Nov. 2, 1964	1st to 2d of 2 sections.
722	do	40	20	30	July 27, 1964	Do.
723	do	30	49	18	Oct. 5, 1964	1st to 2d of 2 sections.
732	Hornell	30	43	20	Sept. 9, 1964	1st of 2 sections.
733	do	18	43	20	do	1st of 2 sections.
784	Ithaca	20	33	21	Oct. 5, 1964	8th of 10 sections to start Jan. 18, 1965.
785	do	20	33	22	do	5th to 14th of 14 sections.
788	Binghamton	18	24	21	do	1st of 2 sections.
790	do	36	23	22	do	1st to 2d of 2 sections.
811	Freeport	150	20	89	July 6, 1964	1st to 2d of 2 sections.
813	Bayshore	174	46	89	Feb. 4, 1964	1st to 2d of 2 sections.
814	NY-218	40	40	11	do	1st to 2d of 2 sections.
815	NY-297	28	68	8	do	1st to 2d of 2 sections.
818	do	20	28	13	do	1st to 2d of 2 sections.
819	Hicksville	30	20	16	Oct. 19, 1964	1st to 2d of 2 sections.
821	Freeport	145	15	35	Nov. 2, 1964	1st to 2d of 2 sections.
823	NY(R)5-035	75	33	58	Sept. 28, 1964	1st to 3d of 3 sections.
824	Hempstead	120	16	51	Nov. 16, 1964	1st to 2d of 4 sections.
825	do	54	12	18	Oct. 13, 1964	1st to 2d of 3 sections.

See footnotes at end of table.

Projects in progress, Dec. 31, 1964, New York State Department of Labor, Office of Manpower Development—Continued

MT-1 No.	OMA-T project No.	Control office	Title	Number workers to be trained	Training duration (weeks)	Initial enrollment current sections	Date started	Remarks
826	NY (R) 5-083	Hempstead	Litho-duplicator operator	100	16	29	Dec. 14, 1964	1st to 2d of 5 sections.
827	NY (R) 5-096	Patchogue	Nurse aid	150	5	11	do	
887	NY (R) 5-075	Statewide	Various	200	35		(3)	4th section, pending cancellation.
902	NY-8	Yonkers	Auto mechanic	60	25			5th to 8th sections, pending cancellation.
910	NY-46	Middletown	Sewing machine operator	160	4			7th to 13th sections, pending cancellation.
912	NY-39	Yonkers	do	260	4			7th to 14th sections, pending cancellation.
913	NY-52	do	Clerk-typist	350	12			3d to 5th sections, pending cancellation.
914	NY-51	do	Stenographer	125	26			5th to 6th sections, pending cancellation.
916	NY-38	Port Jervis	Sewing machine operator	120	4			3d to 4th of 4 sections.
917	NY-226	Spring Valley	Nurse, practical, licensed	48	39	23	Aug. 3, 1964	Do.
919	NY-205	Peekskill	do	49	48	20	July 27, 1964	Do.
925	NY-304	Newburgh	do	36	50	27	do	1st to 3d or 3 sections.
926	NY (R) 5-005	Middletown	do	26	46	24	do	Do.
929	NY (R) 5-091	White Plains	Stenographer	100	30	20	Nov. 18, 1964	1st of 4 sections.
932	NY (R) 5-043	Middletown	Auto mechanic	30	27	11	Oct. 5, 1964	1st of 2 sections.
933	NY (R) 5-076	New Rochelle	Nurse aid-orderly	100	5	21	Nov. 30, 1964	1st of 5 sections.
			Total, 126 projects	12,168		3,663		
	ARA-037	Malone	Stitcher	84	8	14	Nov. 30, 1964	31 of 6 sections.
	ARA-535	Gloversville	Pique sewing machine operator	48	12			3d section to start in March.
			Total, 128 projects	12,300		3,677		

¹ Information not available.
² Denotes change from previous roster.
³ Varies.

Approved projects not started

MT-1 No.	OMAT project No.	Control office	Title	Number workers to be trained	Training duration (weeks)	Approval date	Expected starting date
112	NY (R) 5-028	New York City	Auto radiator man	48	6	Aug. 12, 1964	Indefinite.
129	NY (R) 5-007	do	Cashier, front office; night auditor and room clerk	176	8	Dec. 2, 1964	Jan. 18, 1965.
149	NY (R) 5-023	do	Key punch operator	85	8	Oct. 15, 1964	Information not available.
151	NY (R) 5-008	do	Maintenance man, building	60	20	July 8, 1964	Indefinite.
152	NY (R) 5-014	do	Housekeeper	60	20	do	Do.
167	NY (R) 5-053	do	Auto service station attendant	60	32	Oct. 15, 1964	Do.
186	NY (R) 5-102	do	Camera repairman	25	17	Dec. 2, 1964	Jan. 8, 1965.
001	NY (R) 5-071	do	Auto mechanic	30	34	Oct. 15, 1964	Information not available.
022	NY (E) 5-037	do	Various occupations—Federation of the Handicapped	200	10	Aug. 13, 1964	Do.
028	NY (E) 5-026	do	Youth case aid	2,855	13	Sept. 24, 1964	Indefinite.
7000	NY (M) 5-067	do	Multioccupations (youth)	(255)	20	do	Do.
7001	NY (M) 5-067-001	do	Auto service station attendant	(185)	20	Dec. 16, 1964	Jan. 30, 1965.
7002	NY (M) 5-067-002	do	Building service (broad training)	(1,000)	20	Nov. 16, 1964	Information not available.
7003	NY (M) 5-067-003	do	Commercial (basic training)	(675)	20	do	Do.
7006	NY (M) 5-067-005	do	Distributive (broad training)	(30)	20	do	Do.
7007	NY (M) 5-067-006	do	Electronics (broad training)	(330)	20	do	Do.
7008	NY (M) 5-067-007	do	Food preparation—service (broad training)	(75)	20	Nov. 10, 1964	Do.
7009	NY (M) 5-067-008	do	Orderly (medical service)	(420)	20	Nov. 16, 1964	Do.
7010	NY (M) 5-067-009	do	Machine shop (broad training)	(375)	20	do	Do.
7011	NY (M) 5-067-010	do	Merchandising (broad training)	(75)	20	do	Do.
7013	NY (M) 5-067-011	do	Metal fabrication (broad training)	(30)	20	do	Do.
7060	NY (M) 5-068-013	do	Silk screen printer	1500	20	Sept. 24, 1964	Do.
7061	NY (M) 5-068-001	do	Multioccupations (adult)	(105)	20	Nov. 10, 1964	Do.
7062	NY (M) 5-068-001	do	Auto service station attendant	(225)	20	do	Do.
1 7063	NY (M) 5-068-002	do	Building service (broad training)	(425)	20	Dec. 16, 1964	Jan. 8, 1965.
7065	NY (M) 5-068-003	do	Commercial (basic training)	(210)	20	Nov. 16, 1964	Information not available.
7066	NY (M) 5-068-006	do	Distributive (broad training)	(30)	20	do	Do.
7067	NY (M) 5-068-007	do	Electronics (broad training)	(180)	20	do	Do.
7068	NY (M) 5-068-008	do	Food preparation—service (broad training)	(225)	20	do	Do.
7069	NY (M) 5-068-009	do	Orderly (medical service)	(60)	20	Nov. 10, 1964	Do.
7070	NY (M) 5-068-010	do	Machine shop (broad training)	(150)	20	Nov. 16, 1964	Do.
7071	NY (M) 5-068-011	do	Merchandising (broad training)	(60)	20	do	Do.
7073	NY (M) 5-068-013	do	Metal fabrication (broad training)	(15)	20	do	Do.
1 235	NY (M) 5-068-014	do	Silkscreen printer (broad training)	(60)	13	Dec. 16, 1964	Jan. 2, 1965.
1 244	NY (R) 5-067	Troy	Woodworking (basic training)	30	12	Sept. 2, 1964	Pending cancellation.
1 244	NY (R) 5-068	Kingston	Electrical appliance repairman	20	12	Dec. 2, 1964	Information not available.
		do	Farm equipment mechanic	30	30	do	do

Footnotes at end of table.

Approved projects not started—Continued

MT-1 No.	OMAT project No.	Control office	Title	Number workers to be trained	Training duration (weeks)	Approval date	Expected starting date
245	NY(R)5-039	do	Stenographer	25	33	Oct. 27, 1964	Jan. 4, 1965.
1 246	NY(R)5-104	Poughkeepsie	Auto mechanic	36	30	Dec. 16, 1964	Jan. 11, 1965.
1 247	NY(R)5-105	do	Machine operator, general	42	22	do	Information not available.
1 250	NY(R)5-106	Albany	Key punch operator	216	8	do	Feb. 8, 1965.
1 260	NY(R)5-098	do	Clerk-typist	25	16	do	Jan. 4, 1965.
1 319	NY(R)5-092	Utica	Upholsterer	12	31	Dec. 2, 1964	Do.
1 334	NY(R)5-080	do	Litho-duplicator operator	20	21	Oct. 27, 1964	Jan. 11, 1965.
1 337	NY(R)5-094	Massena	Household appliance repairman	20	25	Dec. 2, 1964	Feb. 1, 1965.
1 347	NY(R)5-103	do	Cook	15	26	Dec. 16, 1964	Information not available.
1 451	NY(R)5-107	Watertown	Nurse, licensed, practical	35	45	do	Feb. 1, 1965.
545	NY-300-12	Rochester	Cook	(30)	22	Oct. 15, 1964	Mar. 10, 1965.
547	NY-300-13	do	Waiter-waitress	(30)	6	do	Feb. 22, 1965.
548	NY-300-06	do	Auto body repairman	(20)	50	July 15, 1964	Jan. 4, 1965.
551	NY-300-09	do	Electronics mechanic	(15)	10	do	Indefinite.
552	NY(R)5-082	Batavia	Welder, combination	27	10	Oct. 27, 1964	Jan. 4, 1965.
553	NY(R)5-046	Geneva	Sheetmetal worker—all equipment obtained on referrals	30	10	Sept. 8, 1964	Jan. 25, 1965.
1 535	NY(R)5-095	Newark	Auto mechanic	30	31	Dec. 2, 1964	Jan. 4, 1965.
537	NY(R)5-070	Geneva	Carpenter, construction	30	9	Oct. 27, 1964	Do.
621	NY-283	Jamestown	Machine operator, general (youth)	20	7	Mar. 25, 1964	Information not available.
630	NY(R)5-081	do	Draftsman	15	30	Oct. 27, 1964	Jan. 4, 1965.
716	NY(R)5-069	Elmira	Nurse aid-orderly	48	6	Oct. 15, 1964	Information not available.
723	NY-273	Olean	Transformer assembler II, equipped	76	8	Oct. 15, 1964	Information not available.
736	NY-313	Ithaca	Clerk-typist	24	17	June 24, 1964	Pending cellation.
1 739	NY(R)5-086	Corning	Machine operator, general	60	15	June 10, 1964	Jan. 20, 1965.
1 741	NY(R)5-099	Elmira	Stenographer	40	33	Dec. 16, 1964	Jan. 11, 1965.
1 742	NY(R)5-095	do	Welder combination (entry)	24	16	do	Jan. 18, 1965.
1 922	NY(R)5-098	White Plains	Nurse, practical, licensed	24	43	Dec. 2, 1964	Information not available.
1 928	NY(R)5-090	do	Typist	150	16	do	Jan. 18, 1965.
1 931	NY(R)5-100	Yonkers	Auto mechanic	30	26	do	Do.
1 934	NY(R)5-101	do	Oil burner service and installation man	25	30	do	Jan. 11, 1965.
			Total, 41 projects.	6,338			

1 Denotes change from previous roster.
2 Varies.

NOTE.—Offices having potential candidates for listed projects should contact offices listed under location.

Proposals processed to education department

MT-1 No.	Control office	Title	Estimated number of workers needed	Date transmitted to education	Status
113	New York City	Traffic device maintainer.	35	June 29, 1963	
123	do	Engraving press operator.	34	July 18, 1963	
126	do	Diemaker	62	May 2, 1963	
133	do	Auto service station attendant.	75	Oct. 1, 1963	
134	do	Screw machine operator (Brown & Sharpe).	87	Aug. 14, 1964	
135	do	Screw machine operator, automatic (Swiss type).	50	July 18, 1963	
140	do	Welder, combination (orientation).	50	Dec. 12, 1963	
169	do	Auto seat cover installer (auto service).	57	Aug. 19, 1964	
176	do	Sewing machine repairman.	36	Apr. 27, 1964	
179	do	Hellic welder	32	Jan. 29, 1964	
181	do	Office machine operator (orientation) (youth).	40	do	
184	do	Variotypist (clerical)	24	Mar. 11, 1964	
185	do	Plastic bag machine operator.	34	July 2, 1964	
189	do	Siding applicator (entry).	51	Sept. 14, 1964	
1 008	do	Grocery checker	140	Dec. 1, 1964	
017	do	Multioccupational (out-of-school youth).	300+	May 11, 1964	
018	do	Dental assistant	126	Nov. 20, 1964	
020	do	Electronic mechanic, computer.	131	July 23, 1964	
023	do	Stenographer (upgrading).	525	July 2, 1964	
025	do	Optician, dispensing	39	Nov. 19, 1964	
026	do	Benchman, optical goods.	20	Oct. 26, 1964	
027	do	Auto body repairman, metal (painter).	62	July 23, 1964	
036	do	Coin machine serviceman (jukebox).	12	Nov. 6, 1964	
038	do	Oil burner installation and serviceman.	57	Sept. 17, 1964	
040	do	Edge stitchers, fancy, vamping.	50	Oct. 15, 1964	
041	do	Cutter, machine	20	do	
1 048	do	Orthopedic appliance and limb technician (surgical appliance entry).	30	Dec. 1, 1964	
049	do	Locksmith (entry)	22	Nov. 20, 1964	
1 055	do	Washing machine serviceman (entry).	40	Dec. 14, 1964	
226	Albany	Nurse, practical, licensed.	100	Nov. 14, 1963	
248	Kingston	Oil burner service and installation man.	35	June 25, 1964	
253	Albany-Troy-Schenectady-Saratoga.	Multioccupational (youth).	500	Aug. 14, 1964	
1 253-01	Albany	Medical service	(90)	Dec. 10, 1964	Received in Dec. 4, 1964. OMD
1 253-02	do	Office occupations	(100)	do	Do.
1 253-03	do	Public contact	(60)	Dec. 17, 1964	Received in Dec. 9, 1964. OMD

See footnotes at end of table.

Proposals processed to education department—Continued

MT-1 No.	Control office	Title	Estimated number of workers needed	Date transmitted to education	Status
1 253-04	Albany-----	Food preparation, service.	(90)	Dec. 31, 1964	Received in OMD Dec. 11, 1964.
1 253-05	do-----	Auto service-----	(45)	do-----	Received in OMD Dec. 16, 1964.
2 253-06	do-----	Manipulative occupations.	(40)	Nov. 25, 1964	
253-A	do-----	Nurse aid-orderly-----	(40)	Aug. 24, 1964	
253-B	do-----	Clerk-typist-----	(25)	Oct. 6, 1964	
253-C	do-----	Machine operator, general.	(25)	Oct. 30, 1964	
253-D	do-----	Presser, machine-----	(20)	Nov. 25, 1964	
253-E	do-----	Short presser-----	(20)	do-----	
1 253-G	do-----	Nurse, practical, licensed.	(50)	Dec. 10, 1964	Received in OMD Dec. 4, 1964.
1 253-H	do-----	Key punch operator-----	(50)	Dec. 9, 1964	Do.
1 253-I	do-----	Stenographer-----	(25)	Dec. 10, 1964	Do.
1 253-J	do-----	Grocery checker-----	(30)	Dec. 17, 1964	Received in OMD Dec. 9, 1964.
1 253-K	do-----	Sales clerk-----	(30)	do-----	Do.
1 253-L	do-----	Kitchen helper-----	(15)	Dec. 31, 1964	Received in OMD Dec. 11, 1964.
253-M	do-----	Cook-----	(15)	do-----	Do.
1 253-P	do-----	Auto service station attendant.	(30)	do-----	Rec'd in OMD Dec. 16, 1964.
1 253-Q	do-----	Auto service station mechanic.	(15)	do-----	Do.
1 253-R	do-----	Maid, general-----	(30)	Dec. 17, 1964	Rec'd in OMD Dec. 9, 1964.
259	Poughkeepsle	Cablemaker II-----	40	Sept. 30, 1964	
261	Troy-----	Machine operator, general.	30	Oct. 6, 1964	
265	Albany-----	Multioccupational (adult).	250	Nov. 9, 1964	
323	Utica-----	Nurse, practical, licensed.	54	June 24, 1963	
324	do-----	Airplane mechanic-----	57	July 18, 1963	
326	Amsterdam	Oil burner installation and service man.	20	Nov. 14, 1963	
332	Utica-----	Auto body repairman, metal.	58	Jan. 29, 1964	
343	do-----	Sheet metal worker, aircraft II.	20	July 14, 1964	
345	do-----	Multioccupational (youth).	500	Aug. 14, 1964	
348	Amsterdam	Machine operator, general.	36	Oct. 21, 1964	
349	Herkimer-----	Electronic subassembler.	91	do-----	
350	do-----	Electronic final assembler.	115	do-----	
351	Utica-----	Multioccupational (adult).	600	Nov. 17, 1964	
352	do-----	Medical laboratory assistant.	21	Nov. 19, 1964	
1 353	Rome-----	Welder, combination-----	27	Dec. 11, 1964	Received in OMD Dec. 3, 1964.
424	Cortland-----	Auto service station, mechanic.	48	Feb. 25, 1964	
435	Syracuse-----	Auto mechanic-----	43	June 9, 1964	
437	do-----	Nurse, practical, licensed.	102	do-----	
447	do-----	Shirt presser-----	55	Aug. 21, 1964	
448	Watertown-----	Farmhand, dairy-----	46	Nov. 2, 1964	
450	Syracuse-----	Multioccupational (adult).	500	Oct. 30, 1964	
450-01	do-----	Medical service-----	(55)	Nov. 20, 1964	
450-02	do-----	Office occupations-----	(60)	Nov. 25, 1964	
450-03	do-----	Public contact-----	(90)	Nov. 20, 1964	
450-04	do-----	Food service, preparation.	(100)	Dec. 1, 1964	

See footnotes at end of table.

Proposals processed to education department—Continued

MT-1 No.	Control office	Title	Estimated number of workers needed	Date transmitted to education	Status
1 450-05	Syracuse	Auto service	(85)	Dec. 1, 1964	Received in OMD Dec. 3, 1964. Received in OMD Dec. 4, 1964. Received in OMD Dec. 7, 1964. Received in OMD Dec. 8, 1964.
450-06	do	Metal trades	(60)	Nov. 20, 1964	
450-07	do	Electrical repair	(50)	Nov. 24, 1964	
1 450-08	do	Nurse, licensed, practical.	(20)	Dec. 11, 1964	
1 450-09	do	Nurse aid-orderly	(20)	Dec. 17, 1964	
1 450-11	do	Typist	(15)	do	
1 450-13	do	Traffic rate clerk	(10)	Dec. 29, 1964	
511	Dansville	Nurse, practical, licensed.	63	Nov. 13, 1963	
528	Batavia	Machine operator, general (revised).	46	Apr. 8, 1964	
538	do	Nurse, practical, licensed.	61	June 17, 1964	
541	Rochester	Teller (banking)	(30)	June 23, 1964	
552	do	Medical laboratory assistant.	(10)	Aug. 19, 1964	
553	do	Medical technician	(10)	do	
554	do	Chemical assistant	(20)	Oct. 30, 1964	
555	do	Floor layer	40	Nov. 20, 1964	
1 556	Batavia	Auto mechanic	40	Dec. 11, 1964	
632	Buffalo	Medical laboratory assistant.	108	June 9, 1964	
634	do	Multioccupational (youth).	1,000	July 29, 1964	
634-01	do	Medical service	(115)	Oct. 30, 1964	
634-02	do	Office occupations	(120)	do	
634-03	do	Public contact	(180)	do	
634-04	do	Food service preparation.	(210)	do	
634-05	do	Auto service	(165)	do	
634-06	do	Metal trades	(150)	do	
634-07	do	Electrical repair	(60)	do	
634-08	do	Orderly-nurse aid	(25)	do	
634-09	do	Nurse, licensed practical.	(30)	do	
634-10	do	Medical laboratory assistant.	(60)	do	
634-11	do	Stenographer	(30)	do	
634-12	do	Medical secretary	(15)	do	
634-13	do	Clerk-typist	(30)	do	
634-14	do	Ward clerk	(15)	do	
634-15	do	Medical record clerk	(30)	do	
634-16	do	Cashier II	(40)	do	
634-17	do	Grocery checker	(50)	do	
634-18	do	Sales clerk	(50)	do	
634-19	do	Sales (metal trade)	(40)	do	
634-20	do	Waiter, waitress	(90)	do	
634-21	do	Pantryman	(20)	do	
634-22	do	Cook, short order	(35)	do	
634-23	do	Cook	(25)	do	
634-24	do	Auto service station mechanic.	(50)	do	
634-25	do	Auto mechanic (entry).	(50)	do	
634-26	do	Auto body repairman (helper).	(30)	do	
634-27	do	Machine operator, general (entry).	(60)	do	
364-28	do	Welder, combination (entry).	(90)	do	
364-29	do	Electric appliance serviceman.	(20)	do	
634-30	do	Electric motor repairman (entry).	(10)	do	
634-31	do	Electronic mechanic (entry).	(15)	do	
634-32	do	Television service and repairman.	(15)	do	

See footnotes at end of table.

142 MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

Proposals processed to education department—Continued

MT-1 No.	Control office	Title	Estimated number of workers needed	Date transmitted to education	Status	
1 634-33	Puffalo.....	Draftsman, trainee	(25)	Dec. 7, 1964	Combined with 634-34.	
637	do.....	Auto body repairman	48	Aug. 24, 1964		
708	Elmira.....	Medical technologist	11	June 12, 1963		
725	Binghamton.....	Oil burner installation and serviceman.	35	Nov. 15, 1963		
731	Elmira.....	Nurseryman I	51	Feb. 11, 1964		
737	Corning.....	Auto mechanic	17	Aug. 3, 1964		
1 744	Binghamton.....	Multioccupational (youth).	345	Dec. 10, 1964		
1 744-01	do.....	Office occupations	(45)	Dec. 17, 1964		Received in OMD Dec. 8, 1964.
1 744-02	do.....	Public contact	(55)	do.....		Do.
1 744-03	do.....	Food preparation, service.	(50)	Dec. 30, 1964		Received in OMD Dec. 9, 1964.
1 744-04	do.....	Auto service	(45)	do.....	Do.	
1 744-05	do.....	Metal machining and related.	(85)	do.....	Received in OMD Dec. 11, 1964.	
1 744-06	do.....	Nurse aid-orderly	(30)	do.....	Received in OMD Dec. 16, 1964.	
1 744-07	do.....	Machine presser (including basics)	(25)	do.....	Do.	
1 744-08	do.....	Household technician (including basics)	(15)	do.....	Do.	
1 744-09	do.....	Maintenance technician (including basics)	(15)	do.....	Received in OMD Dec. 17, 1964.	
1 744-10	do.....	Stock clerk	(15)	do.....	Received in OMD Dec. 18, 1964.	
1 744-11	do.....	Clerk-typist	(15)	do.....	Do.	
1 744-12	do.....	Stenographer	(15)	do.....	Do.	
1 744-13	do.....	Grocery checker	(55)	do.....	Do.	
1 744-14	do.....	Sales clerk	(55)	do.....	Do.	
1 745	Wellsville.....	Machine operator, general.	40	do.....	Received in OMD Dec. 9, 1964.	
1 746	do.....	Welder, combination (entry).	30	do.....	Do.	
1 747	Ithaca.....	Key punch operator (entry).	40	do.....	Do.	
814	Bayshore.....	Baker	24	Jan. 31, 1964		
820	Hempstead.....	Multioccupational (youth).	700	Nov. 20, 1964		
1 820-1	do.....	Medical service	(100)	Dec. 17, 1964	Received in OMD Dec. 7, 1964.	
828	do.....	Presser, machine	75	Sept. 23, 1964		
829	Freeport.....	Sheetmetal fabrication machine operator.	100	Oct. 6, 1964		
831	Bayshore.....	Presser, machine	75	Oct. 8, 1964		
832	Hempstead.....	Multioccupational (adult).	250	Nov. 20, 1964		
833	Hicksville.....	Dental assistant	100	do.....		
835	do.....	Electric motor repairman.	20	Nov. 25, 1964		
1 836	do.....	Draftsman, mechanic	40	Dec. 17, 1964	Received in OMD Dec. 1, 1964.	
1 837	do.....	Job setter	40	Dec. 10, 1964	Received in OMD Dec. 3, 1964.	
1 927	Yonkers.....	Machine operator, general.	35	June 17, 1964		
930	Westchester.....	Multioccupational (youth).	300	Aug. 21, 1964		
935	White Plains.....	Key punch operator	99	Sept. 30, 1964		
1 938	Westchester.....	Multioccupational (adult).	375	Dec. 11, 1964		
	Total, 83 projects.		9,797			

¹Denotes change from previous roster.
²Formerly MDT-1 253-F.

Proposals pending Office of Manpower Development approval

MT-1 No.	Control office	Title	Estimated number of workers needed	Status
1 009	New York City	Maintenance man, building.	60	Received Dec. 1, 1964.
013	do	Office machine serviceman (youth).	37	
035	do	Library bookbinder.	54	
054	do	Artificial kidney technician (medical service).	3	
1 056	do	Bookkeeping machine operator.	58	Received Dec. 21, 1964.
1 253-0	do	Waiter, waitress.	(30)	Received Dec. 11, 1964.
1 253-S	Albany	Counterwoman, counter girl	(30)	Do.
1 263	Poughkeepsie	Nurse aid-orderly	40	Received Dec. 31, 1964.
1 264	Glens Falls	Auto mechanic	30	Received Dec. 18, 1964.
1 345-A	Utica	Medical services	(100)	Received Dec. 21, 1964.
1 345-A-1	do	Nurse, licensed, practical	(75)	Do.
1 345-A-2	do	Nurse aid-orderly	(25)	Do.
1 345-B	do	Office occupations	(45)	Do.
1 345-B-1	do	Stenographer	(15)	Do.
1 345-B-2	do	Typist	(15)	Do.
1 345-B-3	do	Traffic rate clerk	(15)	Do.
1 345-C	do	Public contract	(100)	Do.
1 345-C-1	do	Grocery clerk	(25)	Do.
1 345-C-2	do	Cashier II	(25)	Do.
1 345-C-3	do	Sales clerk	(25)	Do.
1 345-C-4	do	Sales person, general	(25)	Do.
1 345-D	do	Food service, preparation	(100)	Do.
1 345-D-1	do	Kitchen helper	(10)	Do.
1 345-D-2	do	Cook helper	(10)	Do.
1 345-D-3	do	Meatcutter	(25)	Do.
1 345-D-4	do	Waiter, waitress	(25)	Do.
1 345-D-5	do	Baker	(10)	Do.
1 345-D-6	do	Cook	(20)	Do.
1 345-E	do	Auto services	(40)	Do.
1 345-E-1	do	Auto service station attendant.	(10)	Do.
1 345-E-2	do	Auto service station mechanic.	(10)	Do.
1 345-E-3	do	Auto mechanic	(10)	Do.
1 345-E-4	do	Auto body repairman, metal.	(10)	Do.
1 345-F	do	Metal trades	(45)	Do.
1 345-F-1	do	Machine operator, general	(15)	Do.
1 345-F-2	do	Welder, combination	(20)	Do.
1 345-F-3	do	Sheet metal worker	(10)	Do.
1 345-G	do	Electrical and mechanical repair.	(60)	Do.
1 345-G-1	do	Radio repairman I	(10)	Do.
1 345-G-2	do	Household appliance repairman.	(15)	Do.
1 345-G-3	do	Television service, repairman.	(10)	Do.
1 345-G-4	do	Electrical appliance serviceman.	(10)	Do.
1 345-G-5	do	Farm equipment repairman.	(15)	Do.
1 345-H	do	Litho-duplicator operator (including basics).	(10)	Do.
1 345-I	do	Upholsterer II (including basics).	(15)	Do.
1 345-J	do	Tailor II (including basics)	(10)	Do.
1 354	Amsterdam	Sheet metal worker	30	Received Dec. 29, 1964.
434	Syracuse	Multioccupational (youth)	715	
1 450-12	do	Policy rater	(10)	Received Dec. 7, 1964.
1 450-14	do	Stenographer	(15)	Received Dec. 8, 1964.
1 450-15	do	Medical secretary	(10)	Received Dec. 9, 1964.
1 450-16	do	Cashier	(20)	Do.
1 450-17	do	Grocery checker	(25)	Do.
1 450-18	do	Sales clerk	(25)	Do.
1 450-19	do	Sales person, general	(20)	Do.
1 450-20	do	Kitchen helper	(10)	Received Dec. 11, 1964.
1 450-21	do	Pantryman, pantry girl	(10)	Do.
1 450-22	do	Cook helper	(15)	Do.
1 450-23	do	Cook, short order	(10)	Do.
1 450-24	do	Cook	(15)	Do.
1 450-25	do	Counter girl, counter man, soda dispenser.	(20)	Do.
1 450-26	do	Waiter, waitress	(20)	Do.
1 557	Rochester	Multioccupational (adult)	(500)	Received Dec. 28, 1964.

See footnote at end of table.

Proposals pending Office of Manpower Development approval—Continued

MT-1 No.	Control office	Title	Estimated number of workers needed	Status
¹ 744-15	Binghamton	Waiter, waitress	(20)	Received Dec. 23, 1964.
¹ 744-16	do	Kitchen helper	(30)	Do.
¹ 744-17	do	Pantryman, pantrywoman	(20)	Do.
¹ 744-18	do	Cook, short order	(10)	Do.
¹ 744-19	do	Auto service station attendant	(45)	Do.
¹ 744-20	do	Auto service station mechanic	(25)	Do.
¹ 744-21	do	Auto mechanic (entry)	(15)	Do.
¹ 744-22	do	Auto body repairman helper, metal	(10)	Do.
¹ 744-23	do	Metal polishers and grinders	(30)	Received Dec. 31, 1964.
¹ 744-24	do	Machine operator, general	(35)	Do.
¹ 744-25	do	Welder, combination (entry)	(20)	Do.
834	Hicksville	Electric motor repairman	0	Canceled, duplicate proposal.
838	Freeport	Refrigeration mechanic	40	Received Dec. 10, 1964.
839	Hicksville	Oil burner service and installation man	25	Received Dec. 16, 1964.
840	Freeport	Gas engine repairman	30	Received Dec. 21, 1964.
841	do	Office machine serviceman	41	Do.
842	do	Teller (banking)	35	Received Dec. 31, 1964.
	Total, 15 projects		1,697	

¹ Denotes change from previous roster.

Senator NELSON. You may not have had enough experience with the youth side of it to answer how important job experience is, but this committee conducted some hearings last year on a proposal for hiring unskilled labor across the country in all kinds of conservation work—in the city parks, in the national forests, county parks, State parks, working on rivers, forests, parks, everything else.

Do you have any opinion as to whether or not it would be valuable if youth without work experience had an opportunity in a youth conservation work in parks, etc.? As a matter of fact, I think the mayor of New York said he could use some 10,000 people right now in his parks.

Would this be a valuable precedent to the training program?

Mr. HELSBY. Well, you will be moving into programs of this kind in the antipoverty program. These include programs such as the Job Corps and the Neighborhood Youth Corps. Those two programs, one a residential, and the other nonresidential, are the kind of programs you are talking about. Incidentally, we in the State of New York will undoubtedly be moving into programs of this kind also. I think we will have much better answers to your question when we have had some experience with these programs. But I think these two programs go into the kind of thing that you specifically have in mind.

Senator NELSON. I do not have any additional questions.

I want to thank you very much, sir, for a very fine presentation. We appreciate your being here.

Mr. HELSBY. Senator Nelson, we appreciate the opportunity to come.

Senator NELSON. For those who are interested, there will be further hearings at a subsequent date which has not yet been set.

The subcommittee stands in recess.

(Whereupon, at 11:15 a.m., the subcommittee recessed subject to the call of the Chair.)

AMENDING THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

FRIDAY, FEBRUARY 19, 1965

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER OF THE
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The subcommittee met at 9:50 a.m., pursuant to recess, in room 4200, New Senate Office Building, Senator Jennings Randolph presiding pro tempore.

Present: Senators Randolph and Prouty.

Committee staff members present: Stewart E. McClure, chief clerk; William C. Smith, counsel to the subcommittee; and Stephen Kurzman, minority counsel.

Senator RANDOLPH. Good morning, ladies and gentlemen. Our subcommittee will resume the hearings which have been in progress to amend the Manpower Development and Training Act of 1962.

The subcommittee is considering specifically S. 974, legislation which has been presented to the Senate by the administration through the Secretary of Labor, and actually introduced by the chairman of this subcommittee, Senator Clark of Pennsylvania.

We have had testimony from Federal officials, and we continue today to receive the testimony of other authorities in this field.

We note this morning, the prior testimony of Secretary Wirtz and Senator Clark, which indicates that there are approximately 4 million unemployed persons in the United States, a figure which exists despite the recent years of economic expansion.

This is a situation which continues to plague certain industries, certain sections of the country, and it causes grave concern. We are competing, in fact, in an increasingly complex world and we must develop the skills and the talents of our citizens so that their productivity may be at the highest level.

There have been certain areas of our Nation in which the lack of employment and the underemployment of our people have been very damaging. Nevertheless, Secretary Wirtz told us of the progress which has been made since the enactment of this legislation and certainly we should emphasize these accomplishments.

Under the current training act, it was anticipated that 400,000 persons would be trained. With a year and a half remaining before the existing law expires, programs which meet the needs of 360,000 persons have been completed, are in progress, or have been approved. Seventy to seventy-five percent of those 80,000 individuals completing training have found employment.

This is very satisfying. It does spell out, in great degree, the success with the program, following enactment of the legislation.

Most of these positions or jobs were training related, and thus we can directly attribute the later employment to the benefits of this law.

It has been revealed in our subcommittee that it costs less to rehabilitate an individual than it costs to carry that person on relief. Sometimes we overlook this rather basic fact.

We did not offer the 1962 act as a panacea, as a miracle worker, but we did know that it would help alleviate unemployment, utilize available skills, and carry forward training programs to develop the talents of our citizens.

Now, as we think of the benefits, as we appraise and reappraise what has been done, we see the need to improve the program. This is our reason for the introduction of the amendments and for the current hearings.

Thomas Roumell, director and secretary of the Michigan Employment Security Commission is with us this morning. Mr. Roumell we would ask you to come to the table and proceed as you desire. You may give your statement, as you have prepared it, or you may have it considered as read by our subcommittee and then make comment on certain portions that you might feel desirable to emphasize.

Thank you, sir.

STATEMENT OF THOMAS ROUMELL, DIRECTOR, MICHIGAN EMPLOYMENT SECURITY COOMMISSION

Mr. ROUMELL. Thank you, Senator Randolph. I do prefer to pursue your latter suggestion. You do have my written statement, and it is in some detail. I had hoped that it was found to be of some use and service to the purpose of the subcommittee's hearings.

I wanted to, in my oral presentation, cover a few of the highlights which we consider very important, and which we would want to emphasize to the subcommittee.

I think it goes without the need for much explanation that we in Michigan are delighted to hear of the proposed amendments to the Manpower Development and Training Act, and are especially delighted and happy to know that the continuation of the type of training that has been heretofore conducted under the Area Redevelopment Act will continue as well as under the proposed amendments.

I think to dramatize the reasons for my statement as to our pleasure, I want to just resort to a few figures which I have here and which will indicate to you the type of activity the State of Michigan has conducted under both of these Federal laws.

Since the inception of Area Redevelopment Act and Manpower Development and Training Act, and through fiscal year 1964, in the State of Michigan we conducted 234 programs and trained 9,860 individuals for a total cost of \$14 million. For this current fiscal year, 1965, what with programs already completed, in progress, or projected for the balance of the fiscal year, we will have completed 100 such programs. We will have trained 7,418 individuals and will have spent for training costs and allowances \$15,300,000. By the end of fiscal year 1965, then, the State under both Area Redevelopment Act and

Manpower Development and Training Act will, since the beginning of these programs, have trained over 17,000 needy individuals.

I think one of the very important highlights, Senator Randolph, related to two things that you touched on, sir. One is the fact that the employment placement experience of these people has been highly successful. In Michigan we point with pride to the fact that we are even way above the national average in placements to date. We are placing 82 percent of all the people that we are training.

In addition to that, sir, it is most gratifying to be able to say that of the some 15,000 individuals that we have trained as of now, 1,600 of those had at one time or another been receiving public welfare or public aid and assistance.

Senator RANDOLPH. Mr. Roumell, this is very important and these figures are very impressive. I wonder, do you have information for the subcommittee on the percentage of the trainees placed, who remained employed and how long they remained in these jobs?

Mr. ROUMELL. Those figures are not available at this time, sir. We are aware—

Senator RANDOLPH. You do see the importance of following through on the 82 percent placed.

Mr. ROUMELL. Yes; we are quite aware of this and this is an item we have considered and are now in the process of developing. This is something that came to us lately and we agree wholeheartedly that this is an important thing.

It is an important thing, too, to know what happened to those other 18 percent of the total number we trained. We know that in this area many of them have dropped out of the training classes or courses because they were able to find employment on their own.

This is one explanation of that 18 percent segment, but we are interested to know what happens to the balance of that number, and we will be very happy to furnish this information, when we have it developed.

Senator RANDOLPH. Would you indicate, if you can, when you might be able to supply the subcommittee with this requested information?

Mr. ROUMELL. I could not give you an accurate answer today. I can check it out and inform Mr. Smith at the earliest possible time.

Senator RANDOLPH. I have asked this question because we had hoped to complete the record by next Wednesday. If you could supply even partial figures for inclusion in the record it would be very helpful.

Mr. ROUMELL. I can very well determine and learn what the status of this study is before I leave the city, Senator. I will be very happy to convey the information to Mr. Smith.

Senator RANDOLPH. Thank you.

(The information cannot be furnished at present since the study referred to has not yet commenced. The University of Michigan has been given a grant to make such a study and a compilation of information on the status of persons who have completed Manpower Development and Training Act training will be made every 3 months.)

Mr. ROUMELL. At this time, I would like to urge again the continuation of the concept for training under the Area Redevelopment Act. The primary reason for it is that our experience has shown that it is

training done on an economical basis in terms of cost and allowances to individuals, and it gives us a very quick opportunity to develop and train individuals in the service industry area.

This has been an experience of ours that we are happy to speak of. We have at least three industries in the Metropolitan Detroit area where we can continue training for an indefinite length of time and be able to place almost 100 percent of those trained. This would be in the restaurant and food industry, for example.

Another is the laundry and drycleaning type of industry where the need for workers is just endless. The need for nurse's aids and nurse assistants is another type of service area that we are planning now to continue our training programs and, as a matter of fact, to continue training without interruptions as long as we are able to have funds to do so.

On the two other items in the proposed amendments—

Senator RANDOLPH. Before you leave that point, I have a question. You have indicated there has been a success in the program in Michigan and you have stressed the retraining of older workers and the long-term, hard-core unemployed.

Mr. ROUMELL. Yes.

Senator RANDOLPH. We have had witnesses before our subcommittee who have indicated that our present 16-week limits on the duration of the Area Redevelopment Act training allowances should be eliminated.

One of these persons, as I recall, indicated that because it was necessary to conduct the training programs for unemployed in the Area Redevelopment Act areas for longer periods, that training in the redevelopment areas has been conducted largely under the Manpower Development and Training Act. Do you feel the 16-week limit should be eliminated?

Mr. ROUMELL. Our experience has not indicated any particular need or desire for an extension of the length of training under Area Redevelopment Act. I think it can be justified, and I think there could be good reasons for it. If it were to be extended, let us say, to another 4 weeks to make it a 20-week limit, I can see that that time could in some areas be used in remedial training such as reading and that type of assistance.

But obviously, 4 weeks is not going to make a person who needs remedial training and education an expert. The most it will do is be able to develop some special text and know-how of the individual for the particular trade that he is being trained for.

However, sir, as long as Manpower Development and Training Act is available and the limits there continue, and as I understand are planned to be expanded, I would not argue too strongly for an extension of the number of weeks training under Area Redevelopment Act.

Senator RANDOLPH. You are familiar, Mr. Roumell, with the amendments we are considering?

Mr. ROUMELL. Yes, sir.

Senator RANDOLPH. It would eliminate the 16-week period of Area Redevelopment Act and bring it under the longer flexible training period of Manpower Development and Training Act, which might be as long as 2 years.

Mr. ROUMELL. Two years, 104 weeks. Yes, sir, I understand. This would be very acceptable, but as I say—

Senator RANDOLPH. Considering your experience in Michigan, it is necessarily needed.

Mr. ROUMELL. It is not critical. That is right, sir.

Senator RANDOLPH. Thank you, sir.

Mr. ROUMELL. I wanted to touch on the extension under the proposed amendment 2 that is contemplated to extend training under Manpower Development and Training Act to 104 weeks. I think this is very desirable, and we in Michigan would be very anxious to see this come in because again for this remedial type of training that is required and is so necessary for so many of these individuals that get into these training programs.

I want to touch on finally, sir, the new concept of reducing the matching fund requirements from the one-third to the 90-to-10 basis. We in Michigan cannot urge the committee's favorable consideration of this enough. We think that the one-third matching requirement would have stifled the possibility of programs that we could have involved ourselves in Michigan. It would have reduced the number of trainees, of course, that we could reach, and the one-third requirement was going to be a very important and sizable burden upon the abilities of our State to come up with.

The 90-to-10 basis is most heartily accepted and I think the committee has received a telegram from Governor Romney to the effect that he is wholeheartedly for this as he was for the one-third, but he sees this as a much more favorable approach and a better solution to this problem.

We would like to urge the committee's consideration to a continuation of the 90-to-10 concept for at least 2 years and hopefully for 3 years. The reason for this is again for the opportunity that it will give us to continue our Manpower Development and Training Act training on a greater and wider scope.

It will do so at a time when we are in gear and able to do this with existing facilities for training. I am sure the committee is aware, this is the only area where we are able to help the hard core unemployed, the individual who is 35 years and older, and who is in a transitional state of life because of job dislocation. Manpower Development and Training Act is actually the only real benefit that we could give to the older unemployed employee.

Senator RANDOLPH. We used to use the figure of 60 or 65. Then we used the figure of 45 and now you are using the figure of 35.

Mr. ROUMELL. The difficulties for employment, sir, begin at 35, particularly in the area of unskilled individuals. The difficulty begins at the age 35 and it becomes almost insurmountable at 45, and it continues to plague the individual from there on, only to the hopeful chance that training programs of this kind can help and assist him.

Senator RANDOLPH. At this point, would you be prepared to supply figures on the cutoff point after which, generally, persons are not employed in the automobile industry?

Let us say a man has a skill, or a talent, and the job is there. At what age is the company going to say: We know you have a skill and talent and the job is there; we are not going to hire you; we are going to hire someone else who is 10 years younger.

Mr. ROUMELL. This is, of course, an impression answer, Senator Randolph, but that 45 age group is where they break off in hiring and this is so not only in the automobile industry but in all heavy industry, and the reasons for it—one of the reasons is, of course, the fringe requirements to employment: the age experience becomes a factor for pension plans and insurance plans and the like.

Senator RANDOLPH. In other words, the earlier hiring gives a longer span of productivity to the worker and the company in the manufacture of the product; is that right?

Mr. ROUMELL. This is right, sir. That is quite correct.

I want to conclude my remarks, Senator, with just the observation that—and I am sure the committee has been aware of this—with the President's emphasis on developing as much training opportunities as we can, to expand placements of individuals in the service trades, that we certainly can agree with this program in Michigan and we certainly see it as being a fact of life.

I think the subcommittee is aware of the fact that, in manufacturing and in agriculture, the indications and projections today are that employment opportunities will be on the decrease and are on the decrease now and that the future employment opportunities for the decade of the sixties and the seventies is going to be in the service areas and in the retail- and wholesale-trade areas.

Therefore, it behooves us to do as much as we can to provide the training and the placement opportunities in these areas as the only hopeful area where we can begin to absorb the unemployed and the new entries into the labor market for the future.

Senator RANDOLPH. Have you had any trouble in finding trainees for the so-called domestic service?

Mr. ROUMELL. Mr. Smith brought this to my attention the other day and I had recalled that we have done training of this kind and I think I used the figure then that it was about 300 that we had trained.

This is something that we have done in Detroit for the last 3 years, in cooperation with the public school system in Detroit, and this was not done under either the Area Redevelopment Act or the Manpower Development and Training Act. However, we are presently conducting a course identified as "Homemakers Instructors," and when these individuals are trained, and have graduated our course, they will be available to teach the individuals for actually engaging in employment as homemakers and household help.

We are training 20 such individuals who will be involved in a 20-week course and then, as I indicated, we will embark upon the actual training of individuals for placement as household aids and household individuals.

We have found from the experience that we had with this first program I mentioned, with the Detroit public school system, that the placement of these individuals is almost 100 percent. They are taught the basic needs of an individual who is left at home while the household head is away, or the husband and wife are away, and it becomes, it is a "demand industry," if I may use that term for it.

So, therefore, as soon as we are able to qualify these individuals for the position of instructors, we anticipate we will have another

field where we can continue training without any particular limitation as to the number of individuals that we ought to train.

Senator RANDOLPH. At this point, I wonder if you could tell us just how long you think it might take to do this sort of job. It is not going to be as easy as the other type of training.

Mr. ROUMELL. This household training, sir?

Senator RANDOLPH. Yes.

Mr. ROUMELL. The courses that we had with the public school system—

Senator RANDOLPH. I do not mean the time of training; but the program to find these people; to develop a counseling service; that is the problem, is it not?

Mr. ROUMELL. Yes it is, sir. This is quite right. To be able to find the individuals for this type of training, I think, is not the problem. The problem really is to find the type of individual that will be satisfactory from the point of reliance and ability to absorb instruction and to be efficient and this, of course, is something which no amount of training can guarantee a solution for but, nonetheless, training is the only meaningful way that we can approach the problem and try to overcome it.

Senator RANDOLPH. Mr. Roumell, I go back now to financing, and this is highlighted by the telegram from your distinguished Governor, Governor Romney, and your comment in the subcommittee hearing. The telegram is not long and, because of what he says, I think we should have it on the record.

Governor Romney says:

I strongly favor the continuation of the Manpower Development and Training Act programs. I have requested the Michigan Legislature in my budget message to appropriate \$5 million or approximately one-third the anticipated State expenditure during the next fiscal year in the Manpower Development and Training Act area.

I stop at that point in the telegram to ask: What response has there been from the legislature? Has there been time for crystallization? Have you read or heard or know what the reaction is?

Mr. ROUMELL. Our legislature has just reconvened and has been getting organized.

Senator RANDOLPH. Has the leadership responded?

Mr. ROUMELL. The leadership has indicated, if it was necessary for the \$5 million, it would have been very, very close to that sum. We have a very favorable air in the Michigan Legislature for any type of matching-fund requirements.

Senator RANDOLPH. He closes with this very broad statement, and I do not know many Governors who would make it.

We in Michigan are therefore prepared to support the Manpower Development and Training Act programs on any matching basis that may be required by the Federal Congress.

This is rather broad, is it not?

Mr. ROUMELL. Yes, sir; and it is intended just that way, sir.

Senator RANDOLPH. He certainly has confidence in the Congress. Do you think then Congress should make it about 90-10; that is 90 for the State and 10 for the Federal Government.

Mr. ROUMELL. If they did, I would not want to be around here.

Senator RANDOLPH. You know we have 100 percent financing now. Of course, we propose the 90-10 matching division for MDTA, but Governor Romney's telegram indicates that the experience of those closely associated with the program in Michigan believe the program in its new phases would be more helpful than it has been during the first 2 years of existence. Is that true?

Mr. ROUMELL. This is true, sir. And may I add to that, sir, that Michigan in both fiscal 1963 and 1964 under the Manpower Development and Training Act has doubled the amount of money that it has spent for the Manpower Development and Training Act training over and above the basic allocation that was made to the State. We have done this because we find the need for this type of training so great and the development of trained individuals in these demand industries so vital that we have been able to, in both fiscal years, almost double the amount of expenditures that we made in Michigan over the basic allocations to the State. Fiscal 1965 is going to be a like year; we are going to spend more than our basic allocation. We are able to do this, I think the Senator understands, on the basis that some States do not avail themselves of the allocations so much as others.

Senator RANDOLPH. One question before you leave the stand. Do you believe that even though we have high-level prosperity in the automotive and related industries in Michigan, that we may expect this problem to be as acute in the future as it has in the past? What is your feeling?

Mr. ROUMELL. I think I should put it this way, Senator Randolph. I think it is important that we continue this, because we are now able to really reach in the unemployed the people who need most the help for training and relocation. We now know who the hard core unemployed are, of the 127,000 unemployed in Michigan. We are able to isolate these people as being the ones who are among other reasons, dislocated for technological reasons. It is these people that we can help immediately, and the ones that need it most.

So I would say that the vigor of training under the Manpower Development and Training Act should continue as far into the future as we possibly can.

Senator RANDOLPH. Thank you very much, Mr. Roumell. Again, if you can supply these partial figures, it will be appreciated. You have been very helpful.

Mr. ROUMELL. I will try.

Senator RANDOLPH. Without objection your complete statement will be included in the record at this point.

(The prepared statement of Mr. Roumell follows:)

PREPARED STATEMENT OF THOMAS ROUMELL, DIRECTOR, MICHIGAN EMPLOYMENT SECURITY COMMISSION

I am grateful for the opportunity to appear before this committee to speak on behalf of the training programs under the Area Redevelopment and the Manpower Development and Training Acts. Michigan was one of the first States to undertake training under this legislation on a significant scale. During the first 3 years of operation, 1962 to June 1964, Michigan had Manpower Development and Training Act and Area Redevelopment Act programs under which nearly 10,000 trainees were involved in 234 projects, costing over \$14 million. Since July 1, 1964, an additional 84 Manpower Development and Training Act projects and 16 Area Redevelopment Act projects have been approved to train 7,400 more unemployed workers. In addition to these, 48 projects are currently

being developed which have not yet been submitted for approval. These will provide training for approximately 4,500 additional people.

The significance of these training programs to Michigan may be gaged by the fact that of the more than 7,300 trainees who completed training as of December 31, 1964, over 6,000, or more than 80 percent, have been placed on jobs. Furthermore, of the nearly 9,000 trainees who had been enrolled for training under the Manpower Development and Training Act, nearly 1,700 were people who were currently on public assistance. When we consider that if the 6,000 Manpower Development and Training Act and Area Redevelopment Act trainees who have been placed on jobs subsequent to their training work full time, their annual wages will approximate \$27 million, we realize that the funds that have been expended in training these people have been an exceedingly good investment. This is so not only because of the gain in morale on the part of the unemployed themselves, but because there has been a positive benefit to the Michigan economy as well. The programs under the Area Redevelopment Act and the Manpower Development and Training Act have served to provide trained people in occupations in which there were actual shortages. These occupations included tool and die makers, machine tool operators, electronic and medical technicians, office machine operators, stenographers, and mechanics. There are additional benefits to the State besides the actual filling of shortage occupational needs. The schools which have engaged in these programs have learned a great deal about the employment structure of the State, the unique problems and needs of the socially and economically deprived people of our State, and of minority groups. Our vocational schools have made changes in their curriculums to bring them closer to the actual needs of Michigan industry as a result of what they have learned in the course of operating these programs. Since many of these training programs have never been operated to any extent by Michigan educational institutions, the schools were of necessity required to make closer contact with business and industry to provide the necessary teachers, technicians, equipment, and teaching methods. The consequent spirit of cooperation which has grown up in Michigan, and, I am sure, in other States as well, as a result of these programs, has probably been the greatest benefit which our State has derived from these programs. We made some mistakes in the early days of the Area Redevelopment Act and Manpower Development and Training Act, but we have learned a lot in the process.

I should like to take a few minutes now to give special attention to training in the area of trade and service. The economic history of the United States during the past few decades, although the underlying trend has been obscured by sporadic economic occurrences, such as wars and the explosion in the population and so on, has been that the role of manufacturing and other production industries has been steadily declining, while the economic importance of trade and service has been steadily increasing. Projections which have been made by the Bureau of Labor Statistics and other agencies indicate that this trend will continue and will probably accelerate. For example, our own projections for Michigan indicate that, while manufacturing will increase by about 6 percent in the decade from 1960 to 1970, and construction will rise at a much more rapid rate, about 31 percent, over this period, the really large areas of growth are going to be trade, in which there will be probably about one-third more people working in 1975 than there are today; finance, insurance, real estate, and government, in which there will be perhaps six people working where there were only five before; and other services, such as professional services, business services, and the like, in which the increase may be as much as 40 percent between 1960 and 1970.

There are many reasons for this. Primarily, I believe that the major reasons for the rather explosive growth which we anticipate in trade and service, as compared with production industries such as manufacturing, mining, and agriculture, are the anticipated increase in our population, the change in the age distribution, and the rise in the standard of living. When the population grows at its least productive ends, that is, in the youngest and oldest age groups, there must necessarily be more money expended and more resources allocated to services as compared to the purchase of tangible things. This is so because the older and the younger groups in the population require a great many more services than the people in the intermediate groups. The first thing that comes to mind, of course, is the fact that the growth in the younger age groups in the population means that we will have a great need for educational services. The rapidly increasing numbers of older people require additional health serv-

ices, but it must also be remembered that these will be people who will be living in a much more affluent way, if I can use that expression, by comparison with older people in the past. The existence of social security, early retirement, private pensions, and prepaid medical care and hospital services means that these people will be able to avail themselves more readily of such services than in the past, and this will require an enormous expansion in the number of people engaged in these specific types of activity.

There has already been a substantial expansion in many service occupations. If we look at such a lowly occupation as babysitter, for example, we find that between 1950 and 1960, this occupation grew by 1,000 percent. Of course, the 1950 census undoubtedly understated the number of people who actually did babysitting, but the very fact that nearly 20,000 people told the census taker in 1960 that babysitting was their occupation is highly significant. There is no reason to doubt that growth in the future in this particular type of activity will be high.

I have mentioned babysitting, not because it is a particularly important activity, but as illustrative of the developments which produce this kind of explosive growth. Babysitting has grown in importance, not only because there are many recently established households with young children, but also because of the growth of suburbanization and of leisure-time activities. Perhaps just as important as these reasons is the fact that our society is so affluent that it can maintain as separate households both very young married people and the very old, both of which groups in less affluent times remained as parts of households of a larger size. The old folks are no longer around to "sit" for the young married couple when they want to spend a night out on the town. They are, more than likely, spending a night out on the town themselves, not necessarily the same town.

There are a number of advantages, so far as training is concerned, to the growth of service and trade occupations. They do not normally require any very high level of basic education, and thus older people who do not have much more than a grade-school education (or even less) are eminently suitable for them. As a corollary to this, the actual training required to qualify people for these occupations is also short, and they are therefore suitable for programs of 16 weeks or less duration. In the following table, we have listed a number of these occupations in which there has already been a very rapid rate of growth.

Employment, 1950-60, in selected service occupations, Michigan

Occupation	Number employed at time of census		Percent increase in decade
	1950	1960	
Attendants, hospital and other institutions	10,371	18,395	77
Attendants, professional and personal service	1,296	2,404	86
Charwomen and cleaners	7,178	10,789	50
Cooks, except private household	14,190	20,301	43
Firemen	4,426	5,342	21
Hairdressers	7,979	12,020	51
Housekeepers and stewards	4,024	6,248	55
Kitchen workers	7,379	13,926	89
Police, etc.	8,092	10,351	28
Practical nurses	5,243	11,864	126
Sextons and janitors	25,596	30,965	21

The fact that jobs in these categories can utilize people of little education does not mean that no training is required for these people to work efficiently. Reverting to our original example of the babysitter, even this occupation requires more than merely a few last-minute instructions on the part of the parents as to the location of the refrigerator and how long the baby's bottle should be heated. We have all read of tragic occurrences which might have been averted if the babysitter had been trained to recognize emergencies and to do the right thing when they arise. Practically every occupation, no matter how apparently simple it may appear to the outsider, has its technicalities which must be learned, its special equipment which must be operated, its special rules for safety and efficiency.

In addition to the groups listed above, there are a number of other occupations which are growing rapidly and which require a medium amount of training. These include salesworkers in such lines as wholesale and retail trade, insurance, real estate, and so on. We are all aware of the extent to which retail stores have changed since World War II. The trend, of course, has been away from the small family-operated store to the very large store in which the customer generally makes his own selection; this has, however, not diminished the need for training: it has merely changed the kinds of training which are required. In some cases, it has actually increased the level of training and skill required on the part of the salesperson. The advent of the supermarket has made it possible for individual stores to stock a much larger variety of goods than the small family-operated store could possibly handle. It has increased the need for trained workers in such activities as packaging, meatcutting, and the like. Additional changes are in the offing. It is quite likely that, within a few years, electronic equipment will be used in smaller specialty stores, such as women's shoes, to show the prospective customer all of the products available in her size and desired price range. The salesclerk in such a shop will obviously have to use different selling techniques and will have to have different skills than a clerk in the same kind of shop today.

In the fields of insurance and real estate, most salespeople today are college educated. However, there are many older workers without a college degree who could be trained in a relatively short period of time to work in these extremely rapidly growing fields. The enormous rise in expenditures on travel, recreation, hobbies, and other leisure time activities (including adult education), means that the next decade will see an even more explosive growth in occupations related to these activities than has already occurred. Cooks, housekeepers, janitors, kitchen workers, and many related occupations are suitable for relatively short training programs. Our projections for this decade indicate that, in Michigan alone, many thousands of workers will have to learn a new occupation. Agriculture will continue to decline. We have forecast a 20-percent reduction in the number of farms and farmworkers in Michigan in the decade of the 1960's. We made a similar forecast for the 1950's and the actual rate of reduction was twice as great as we anticipated. The number of unskilled workers will decline by more than one-fourth. Most of the workers displaced as a result of these developments will be in the older age groups, and our training programs should take this into account. I therefore believe that the limitation of 25 percent on the training of youth is reasonable and should be retained.

Your committee has already received a telegram from Governor Romney in which he expresses his strong support of the training programs under the Manpower Development and Area Redevelopment Acts and in which he states that he is requesting the Michigan Legislature to appropriate \$5 million, equal to one-third of the estimated cost of our projected programs for the 1966 fiscal year, to insure the continuance of these programs in Michigan. Michigan is therefore prepared to go along with any matching requirements which may be established. We are heartily in favor of the proposed reduction in the matching requirement to 10 percent, as this will make our continuing participation certain.

Employment in Michigan, 1960, and projected for 1970, by occupational group¹

Occupational group	Employment		Projected percent change in decade
	1960, ² actual number	1970 projection	
Total, all occupations.....	2, 726, 864	3, 175, 000	+16. 4
Professional and technical workers.....	326, 513	511, 000	+56. 5
Proprietors and managers.....	208, 956	241, 000	+15. 3
Clerical and sales.....	607, 884	775, 000	+27. 5
Skilled workers.....	438, 774	489, 000	+11. 4
Semiskilled workers.....	633, 219	608, 000	- 4. 0
Service workers.....	308, 189	397, 000	+28. 2
Unskilled workers.....	114, 143	82, 000	-28. 2
Farmers and farmworkers.....	89, 186	72, 000	-19. 3

¹ Includes self-employed and domestic workers.

² 1960 data from U.S. Census, Michigan, detailed characteristic, PC(1)-24D

In a personal conversation with Governor Romney, he also asked me to convey to this committee his strong desire for the continuance of the types of training conducted under the Area Redevelopment Act. Using these limited duration programs in areas of high unemployment, we have accomplished a great deal in Michigan in the way of providing retraining for older workers and other long-time and hard-core unemployed. I should like to mention a few of these courses to indicate just how successful they have been. We conducted courses for nurse aids and orderlies in the Detroit area which were completed by 297 trainees during the 1964 fiscal year, 246 of whom obtained employment subsequent to completion of the course, all but 9 of them in a training-related position.

We trained 80 women as sewing-machine operators in Detroit of whom 60 obtained employment after completion of the training.

Of 77 women trained as salespersons, 64 obtained jobs; all but 6 in a training-related occupation.

In Petoskey we had 19 who entered a training course for cooks, all of whom completed the training, and all but 1 obtained employment. We enrolled 74 women in waitress courses, and of the 64 women who completed the course, 55 obtained jobs.

We could go on to list many more classes which we have given under ARA, most of which have been conspicuously successful but the ones I have mentioned so far are a sufficient indication of the diversity of these courses and the success which we have had with them. Our current plans include a number of similar courses, some of them in the kinds of activities mentioned by President Johnson in his recent statement of February 1. We have already submitted proposals for a course to train homemaker instructors, counselor aids or vocational advisers, automobile service station mechanics, and so on. There is a great need for trained people in these occupations. I want to associate myself with Governor Romney in his strong recommendation that programs of the ARA type be continued.

I should also like to take this opportunity to go on record in favor of some of the other features of S. 974. The extension to 2 years of the maximum period in which training allowances may be paid widens our horizon in terms of the kinds of projects which we can undertake. The revisions in the eligibility requirements, and the provision for dependency benefits in addition to the basic allowance, will have the effect of bringing into the training programs many people who need such training or retraining but whose family circumstances are such that they simply cannot afford to go into the training programs with the limitations on the allowances currently in effect.

The authorization in the bill providing for training programs in redevelopment areas, with full Federal financing, will simplify the administration of this program, as will the amended provisions dealing with appropriations and the use of authorized funds.

May I again thank the committee for this opportunity to appear before it and to make my views known.

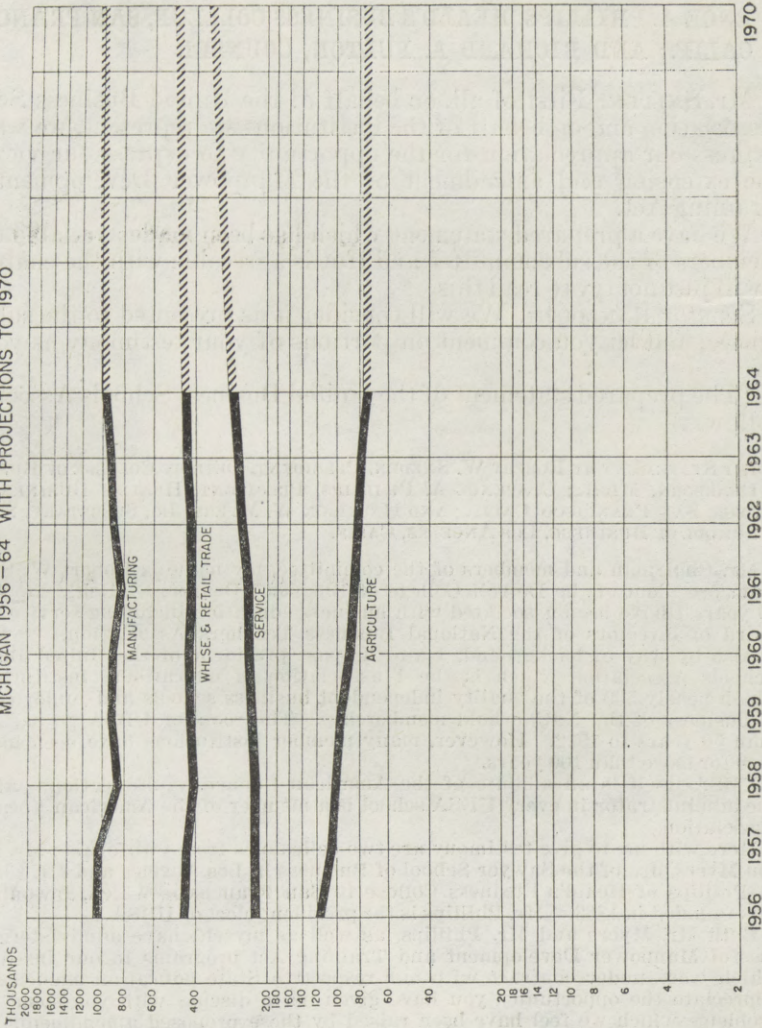
Senator RANDOLPH. We will ask our panel of three gentlemen to come to the table. Mr. Myers, Mr. Phillips, and Mr. Sneden.

It is not necessary for you to identify your organizations. I see there are four in the panel.

Mr. SNEDEN. Yes, we have Mr. Fulton with us, our counsel.

Senator RANDOLPH. I know Mr. Fulton, and we are happy he has joined us. The record will show who all of your are. We will hear from Mr. Robert Sneden, of the Detroit College of Business. We are happy to have you, Mr. Sneden.

EMPLOYMENT IN SELECTED INDUSTRIAL GROUPS
MICHIGAN 1956 - 64 WITH PROJECTIONS TO 1970



STATEMENT OF ROBERT W. SNEDEN, DETROIT COLLEGE OF BUSINESS, DEARBORN, MICH.; ACCOMPANIED BY HARRISON MYERS, JR., SAWYER SCHOOL OF BUSINESS, LOS ANGELES, CALIF.; CLARENCE A. PHILLIPS, HEALD'S BUSINESS COLLEGE, SAN FRANCISCO, CALIF.; AND RICHARD A. FULTON, COUNSEL

Mr. SNEDEN. First of all, on behalf of the United Business Schools Association and on behalf of the institutions we represent, we want to express our appreciation for the opportunity to express our views on the extension and amendment of the Manpower Development and Training Act.

We have a prepared statement which has been made available to the members of the subcommittee and if it is agreeable with the chairman, I will just not try to read this.

Senator RANDOLPH. We will consider it as presented to the subcommittee, and let you comment on portions of your testimony as you see fit.

(The prepared statement of the United Business Schools Association follows:)

JOINT STATEMENT BY ROBERT W. SNEDEN, PRESIDENT, DETROIT COLLEGE OF BUSINESS, DEARBORN, MICH.; CLARENCE A. PHILLIPS, PRESIDENT, HEALD'S BUSINESS COLLEGE, SAN FRANCISCO, CALIF.; AND HARRISON W. MYERS, JR., SECRETARY, SAWYER SCHOOL OF BUSINESS, LOS ANGELES, CALIF.

Mr. Chairman and members of the committee, my name is Robert W. Sneden. I am president of the Detroit College of Business, Dearborn, Mich. For nearly 20 years I have been associated with business education including service on the board of directors of the National Business Teachers Association.

Also by way of background, I am the past president of the United Business Schools Association which is the 1 association of educational institutions in which nearly 500 of the quality independent business schools and junior colleges of business of the Nation hold membership. The roots of UBSA go back more than 50 years to 1912. However, many member institutions have been in existence for more than 100 years.

UBSA itself is an affiliate of the American Council on Education. At least one administrator in every UBSA school is a member of the American Vocational Association.

Here with me to give testimony are two colleagues from California: Mr. Harrison Myers, Jr., of the Sawyer School of Business in Los Angeles and Mr. Clarence A. Phillips of Heald's Business College in San Francisco—which, I would add, was founded in 1863. Mr. Phillips is the president-elect of UBSA.

Both Mr. Myers and Mr. Phillips, as well as myself, have administered successful Manpower Development and Training Act programs in our institutions which were under contract with our respective State education agencies. We appreciate the opportunity you have given us to discuss with you some of the problems which we feel have been raised by these proposed amendments to the Manpower Development and Training Act.

THE 1963 MANPOWER DEVELOPMENT AND TRAINING ACT AMENDMENT TO SECTION 231

The private business schools are very appreciative of the work of this committee in liberalizing section 231 of the present law through the 1963 amendment which so successfully clarified and encouraged the use of private training institutions. We feel that the expanded utilization of private institutions has materially added to the success of the Manpower Development and Training Act.

If 100 percent Federal financing were to be continued, there would be no cause for our testimony today. While we respectfully urge the continuation of 100 percent Federal support, we do not wish to becloud the issue. Therefore we raise our questions in the light of the 90- to 10-percent arrangement set forth in proposed section 241.

For ease of discussion and ready reference we have quoted from page 15 of House Report No. 861 (88th Cong., 1st sess.) on the 1963 Manpower Development and Training Act amendments which discussed the role of private institutions with Manpower Development and Training Act and congressional intent in amending section 231 which some have called the Holland amendment.

"D. Private training institutions

"Section 6(b) of the bill liberalizes the provision relating to the use of private training institutions. It should be noted that there are many private institutions with excellent reputations that have stood the test of time. With facilities in being and trained personnel on hand most are in a position to provide immediate training of the type required by the program. Yet, despite congressional expectations, they have not been used widely. Two factors produced this result. The present language read literally appears to exclude their use except in the extremity of absence or inadequacy of public facilities. Hence, many private institutions have not offered the use of their facilities. Second, many States have reinforced this lateral impression of the language thereby further discouraging the use of private institutions.

"To remedy this situation the bill substitutes for the present language criteria to govern the use of private institutions. Specifically, States are authorized to contract with private institutions whenever 'such institutions can provide substantially equivalent training with reduced Federal expenditures.'

"The Secretary of Health, Education, and Welfare retains overall supervisory responsibilities and can be expected to prevent any abuses in the exercise of this added authority. Thus the present Manpower Development and Training Act provides in section 231 among other things for 'continuous supervision of the training programs conducted under the agreement (with the State) to insure the quality of an adequacy of the training provided, protect the United States against loss, and assure that the functions and duties to be carried out by such State agency are performed in such fashion as will carry out the purposes of this title.' Under this authority the Secretary can develop further the principle of cost competitiveness between public and private institutions provided by the bill and develop the controls required to insure compliance with the criterion of comparable quality."

Because of the 1963 amendment, the second sentence of section 231 now reads:

"Such State agencies shall provide for such training through public education agencies or institutions or through arrangements with private educational or training institutions where such institutions can provide substantially equivalent training with reduced Federal expenditures."

Essentially this provides a workable system of "subcontracting" by the State agencies which has many advantages. In the absence of clarification by the committee or possible amendment to section of 90 to 10 percent proposal could defeat and nullify the 1963 amendment to section 231. We do not believe that such is the intent of the 1965 Manpower Development and Training Act amendments. We hope the committee shares this view with us.

PROGRAM SUCCESS IN A PRIVATE INSTITUTION

Attached as exhibit "A" is a report on a Manpower Development and Training Act program in Michigan carried out by a State agency through an arrangement with a private educational institution. In this case it was the Detroit Institute of Commerce. The results, I submit, are impressive.

This was a 24-week stenographer program for 24 girls. Twenty were Negro and four were Caucasian. A followup survey with 18 replies out of 24 trainees disclosed:

"Employment listed was as follows:

Jones & Laughlin Steel Co.....	1
Ford Motor Co.....	1
University of Michigan.....	4
Prudential Insurance Co.....	1
Wayne State University.....	2
Chrysler Corp.....	2
Attorney offices.....	2
Wayne County Civil Service.....	1
Vickers, Inc.....	1
Burroughs Co.....	1
Sears, Roebuck & Co.....	1
General Motors.....	1

"They are all doing stenographic work. The average earnings are \$323.72 per month or \$74.70 per week. If each girl has one deduction from her annual salary (\$3,884.64) she will pay \$456.80 income tax.

"For this training program the school received 65.859 cents per hour of training or a total of \$474.19 per student. This included all books and supplies. After all taxes are deducted there is left more than \$3,000 from which they can save, and purchase durable and nondurable goods."

TREMENDOUS POTENTIAL OF SECTION 231

Section 231 authorizes a tremendously comprehensive approach for the Secretary of Health, Education, and Welfare to provide a variety of training programs. This, in our opinion, includes the indirect method of contracting with the States on the direct method of section 202(b) or (i) and that of the last sentence. The States in turn can "subcontract" by arrangements with private institutions.

At another point in our testimony we would comment on the relatively undeveloped potentialities of the system of "Individual Referrals" authorized by section 202(b) or (i).

PROPOSED 90 PERCENT LIMITATION RAISES MATCHING PROBLEM

A host of impressive witnesses, already heard by this committee, have consistently affirmed the fact that very few States will appropriate cash outlays to match the 90 percent Federal funding proposed in this measure. The vast majority obviously intend to make up the 10 percent by matching "in kind."

The very real problem over the continued use of private institutions is thus raised in those cases when the State appropriates no cash but wishes to match "in kind" Federal expenditures after July 1, 1965.

How, in the light of the 1963 Holland amendment to section 231, but within the 90 percent Federal limitation proposed through new section 241, can the States continue to carry on successful training program through subcontracts with private institutions when there are no items such as "plant, equipment, and services" to be fairly evaluated so that "expenditures from non-Federal sources" may be matched in kind?

We respectfully urge that the need to match "in kind" where the States have made arrangements with private institutions is inapplicable if such a requirement would defeat the very purpose and success of the 1963 Holland amendment to section 231.

The Deputy Assistant Secretary (for Legislation) of Health, Education, and Welfare, Phillip H. Des Marais, pointed out the expanding role of private schools under the 1963 amendment in his recent article "New Developments in Occupational Training and Vocational Education" in the Balance Sheet, volume XLVI No. 1, September 1964.

At page 22 Des Marais writes:

"Anthony J. Celebrezze, the Secretary of Health, Education, and Welfare, in his annual report to the Congress on training activities under Manpower Development and Training Act made specific mention of the role of the private school, so far, in the program.

"Some facilities have been provided by private training schools. As of December 31, 1963, 104 projects with 4,342 enrolled trainees had been approved in 49 private schools in 18 States. About one-third of the projects and one-half of the trainees are in Chicago. Table A summarizes the projects approved for nonpublic agencies. Many private training schools have equipment not available in public schools, particularly for training in technical and subprofessional occupations. It is expected that use of private schools will be extended. An amendment to the act provides that arrangements may be made with private education or training institutions "where such institutions can provide substantially equivalent training with reduced Federal expenditures." * * *

"The Secretary's report went on to explain that:

"The planned expansion of the manpower program will increase the burden on public vocational education facilities. Greater use of private technical schools and colleges for training purposes will be made in conformity with the amendment to the Manpower Act, which clarifies the opportunity to use such facilities." (Table A omitted.)

As matters stand, despite the 1963 Holland amendment and the realistic evaluation by Secretary Celebrezze of its utility, there is a large cloud hanging over future arrangement by the States with private institutions as a result of the 1965 90 to 10 percent proposals. We submit it is unrealistic to apply the "in kind" matching provision when the States have made arrangements for Manpower Development and Training Act training in private institutions.

Just as the 90 to 10 percent arrangement does not apply to the direct training programs which the Secretary is authorized to carry out under section 202(b) or (i) and the last sentence of section 231, we would hope that the committee might determine that there is authority for the view that the 90 to 10 percent arrangement does not apply to the indirect training which the Secretary carries on through the States when such training is in turn "subcontracted" with a private institution.

We most urgently and respectfully request the committee to look into the ramifications of this problem and provide the necessary guidelines through its report or by a clarifying amendment to the bill. We feel such a determination is vital to the continued use of private institutions by the States.

"MATCHING" FOR TRAINING ALLOWANCES AND COMPUTATION OF TOTAL COSTS

The States continue to be "agents for the United States" for the payment of training allowances authorized under section 203. Whether the trainee is in a public or a private institution, there is no leeway permitted under section 241 to deviate from the 90 to 10 percent arrangement. Yet it seems obvious that the payment must be in cash and cannot be "in kind" to the trainee.

Therefore, the question becomes: At what point in time are the "total of all such costs" (i.e., training allowances, reimbursement for unemployment compensation and institutional costs for training programs) to be properly computed?

Is it to be on a per trainee basis individually broken down by each category of—

(a) Ninety percent to ten percent of the training allowance for each trainee?

(b) Ninety percent to ten percent of the reimbursement for unemployment compensation for each trainee?

(c) Ninety percent to ten percent of the institutional costs for training programs for each trainee?

Is it to be on a per project basis broken down by cost category:

(a) Ninety percent to ten percent of all training allowances for the specific project?

(b) Ninety percent to ten percent of all reimbursements for unemployment compensation for the specific project?

(c) Ninety percent to ten percent of the institutional costs for training for the specific project?

Or, can the "total of all such costs" be considered over an entire fiscal year so that the total contribution of the State truly can be "fairly evaluated" in the light of the total pictures under an across-the-board lump-sum method?

To put it another way, even with the 100 percent payment in cash flowing from Federal payments to finance such items as training allowances or contracts with private institutions, can the contribution of the State through the fair evaluation of its "plant, equipment, and services" be credited against the sum of training allowances, reimbursement for unemployment compensation and institutional costs or, is the 90 to 10 percent applicable by each category?

Assuming a theoretical situation where, for a fiscal year, training allowances total \$100,000 and institutional training costs total \$100,000 and the value of the plant equipment and services totals \$20,000, is this \$20,000 creditable toward the total costs of \$200,000 or merely the total institutional training costs of \$100,000 with no carryover credit against training allowance payments?

Similarly, assuming total annual institutional training costs of \$100,000 which include \$20,000 subcontracted to private institutions and a fair evaluation of State plant, etc., of \$20,000 in carrying out \$80,000 worth of training in public institutions, can the "excess" of \$12,000 be used as a credit against the cost of the training in private institutions as well as a credit against \$100,000 of training allowances?

We hope it is the interpretation of this committee and the intent of Congress that the 90 to 10 percent arrangement is to be most liberally construed to permit utmost flexibility in carrying all sections of the Manpower Development and Training Act program. We respectfully urge that it be clearly established that the 90 to 10 percent ratio is:

- (1) Not per trainee;
- (2) Not per contract;
- (3) Not per project;
- (4) Not per program;
- (5) Not per cost category;

but that it is truly 90 to 10 percent of the "total of all such costs" incurred in a State over an entire fiscal year and that the 10 percent "non-Federal" expenditures are truly creditable across the board to the "total of all such costs."

INDIVIDUAL REFERRALS

In the Congressional Record of February 9, 1965, at page A542 inserted by Congressman James Roosevelt, of California, there appears a very realistic evaluation of future Manpower Development and Training Act problems by an able and experienced State education official, Mr. R. C. Van Wagenen, chief of the Business Education Division, California State Department of Education.

Van Wagenen noted that in California:

"Private business schools offering business training programs under the Manpower Development and Training Act accounted for about 15 percent of the training programs."

He also predicted administrative problems in continuing training programs in private institutions when 100 percent Federal support ceases July 1, 1965.

He then went on to discuss the still developing concept of "individual referrals" which can be carried out pursuant to section 202 (b) or (i).

Van Wagenen said:

"Individual referrals are now coming through, and we find private schools can handle these referrals perhaps better than public schools in the main."

The full potential of the individual referral method for selection and training still has not been fully implemented. In many ways it is one of the most exciting potentialities of the entire Manpower Development and Training Act.

Through an expanded use of the individual referral method, the factor of time-lag can be greatly reduced. Historically, private schools have been known for their special ability to take persons at a known skill level and to integrate them individually into the educational program of the institution. This also affects job placement success.

Far too often, some educators and administrators seem to feel that it is necessary to accumulate 20 or 30 bodies before initiating a class or a program. Tragically, this can lead to such mistakes as a person being enrolled in programs for which he may not really be suited and from which he may drop out.

Further, there is the delay in getting a group started. Finally, the local job placement situation may not be able to absorb 20 to 25 new workers immediately upon graduation of the group but could absorb them at the rate of 2 or 3 a week.

FORTY-FIVE YEARS OF VOCATIONAL REHABILITATION

Private business schools have been successfully training people for jobs on an individual referral basis under the vocational rehabilitation law since its enactment in 1920. They continue to do so under—

- (a) The present law, Public Law 83-565;
- (b) The present regulations, section 401.26;
- (c) The program guidelines, Manual Transmittal Letter No. 43;
- (d) The philosophy of the Commissioner of Vocational Rehabilitation,

"Training Handicapped Students for Office Careers" by Mary E. Switzer, the Balance Sheet, volume XLVI, No. 2, October 1964.

Hopefully, the committee will urge the Secretaries of Labor and of Health, Education, and Welfare to draw upon this wealth of experience in the area of individual referrals as the program in Manpower Development and Training Act develops. In our opinion, such cross-pollenization is highly desirable.

TECHNICAL AMENDMENT TO SECTION 2

We also urge a technical amendment to section 2 of the 1965 bill and suggest that the word "nonprofit" be eliminated from new paragraph (6) so as to read: "(6) establish a program of experimental, developmental, demonstration, and pilot projects, through grants or contracts, with public or private agencies, * * *".

There is ample precedent for this language because the policy was established in section 207 of the Poverty Act which merely refers to "private agencies." It is also consistent with the other sections of the Manpower Development and Training Act which merely refer to private institutions. See Wall Street Journal, February 11, 1965, for article on training contracts with private industry under the poverty program.

SUMMARY

The 1963 Manpower Development and Training Act amendment to section 231 effectively clarified and amplified the important role of the private educational institution. The States, with the encouragement of HEW officials, have increasingly utilized private institutions and wish to continue to do so even after July 1, 1965, when 100 percent Federal support ceases.

It is not the intent of Congress to defeat the provisions of the 1963 amendment to section 231. However, perceptive State officials are looking for legislative guidelines whereby they can continue to use private institutions in those States which intend to comply with the 90- to 10-percent method by matching-in-kind. These necessary guidelines can be supplied by the language of the committee report or through a clarifying amendment.

Similarly, the legislative intent should be clearly established that the matching-in-kind of expenditures from non-Federal sources is creditable across the board to all costs.

The system of selection and training by individual referral should be expanded by the respective Secretaries who can contract directly and are not circumscribed by the proposed 90- to 10-percent matching arrangement. Just as the States are agents of the United States for payment of training allowances, so also might the States be agents for the handling of individual referrals for whose training the Secretary can contract directly. Lessons can be learned from the 45 years of successful individual referral under the Vocational Rehabilitation Act.

The proposed new paragraph (6) of section 102 of the act should be amended to read, "* * * contracts with public or private agencies, * * *" to follow the policy of the 1963 amendment and the language of the poverty program.

CONCLUSION

As administrators of private institutions who are working closely with our respective State agencies and conducting the Manpower Development and Training Act programs for them, we are terribly concerned over the future contributions of private educational institutions in the light of the 1965 proposed amendments and the particular possibility that the operation of the 1963 amendment to section 231 might be nullified by the 90- to 10-percent matching arrangement.

Since the act makes no provision for 90- to 10-percent matching for on-the-job training, we feel the same intent should be expressed concerning arrangements for training in private institutions pursuant to section 231.

We wish to express our sincerest appreciation to the committee for making this time available to us to discuss the problems posed by 1965 proposals, as we see them. We endorse the philosophy of the Manpower Development and Training Act and are proud of our contributions to the program as it is now being carried out.

We hopefully urge the committee to provide, either through its report or by clarifying amendments, for continued training in private institutions in those States which must match in kind and for an expansion of the individual referral system.

Mr. SNEDEN. We have, with the prepared testimony, exhibits A, B, and C, which we would appreciate having introduced, also. Senator RANDOLPH. They will be included, also.
(The exhibits referred to follow:)

EXHIBIT A.—MANPOWER DEVELOPMENT TRAINING CLASS (MT-284) FOR STENOGRAPHERS AT DETROIT INSTITUTE OF COMMERCE, DETROIT, MICH., AS REPORTED TO UNITED BUSINESS SCHOOLS ASSOCIATION, MEETING IN DETROIT, MICH., NOVEMBER 6, 1964

We began the manpower development training program for stenographers (MT-284) on November 18, 1963.

The Michigan Employment Security Commission (MESC) had selected the students on the following basis:

Age, 17 through 21 years; sex, female preferred; education, graduation from high school with course in typing and shorthand; physical attributes, weight in proportion to height; ability to pass prescribed proficiency test in spelling, shorthand, and typing and specific aptitude-test battery for stenographer B-215 norms:

G. Intelligence.....	95
P. Form perception.....	100
Q. Clerical perception.....	100
K. Motor coordination.....	100

Class hours were from 8 a.m. to 3 p.m., 5 days a week, for 24 weeks; or, 720 clock-hours.

These hours were divided as follows:

	<i>Hours</i>
Stenographic and clerical skills.....	375
English and communications.....	125
Computational skills.....	120
Clerical-secretarial procedures.....	80
Transcribing and duplicating machines.....	20

Subjects included in the program were: "Typewriting," "Gregg Shorthand," "Machines" (comptometer, Burroughs calculator, Ditto, mimeograph), "English," "Word Studies," "Mathematics," "Payroll," "Secretarial Procedures," "Charm and Personal Improvement."

At the end of the 11th week, one girl dropped voluntarily. She was to be married. At the end of the 12th week, two were dropped for poor attendance which meant poor grades.

At this point, three more students were entered and they completed the remaining 12 weeks of training. One of these three was put into a clerk-typist program. Two others were changed to clerk-typist because of slow progress in shorthand.

The program ended on May 8, with 24 of the 25 enrolled. Four of these girls were Caucasian, 20 Negro. The one girl dropped at the end of the 17th week because she found employment; a stenographic job.

The attendance and interest in study was excellent. There were absences only when necessary. Five of the students had perfect attendance.

These students had looked for employment and found themselves unable to pass tests, therefore, they were "motivated" to get the most out of the program.

Statistics on the group are interesting:

The average age—18.8 years.

Twenty were graduates of local public high school.

Five were graduates of local parochial schools.

Two were from suburban schools (Ecorse and Hamtramck).

One graduated from a high school outside of Metropolitan Detroit area.

Ten graduated from high school within the last year.

Eight graduated between 1 and 2 years earlier.

Ten had graduated over 2 years earlier.

Ten had office work experience (three full-time jobs, seven part time).

Compensation ranged from \$1 an hour to \$45 a week. Others had little or no work experience, babysitting, store clerks, etc.

Before completing the program, we gave the students the Wonderlic and the general clerical (9 part) tests.

On the Wonderlic (with a highest possible score of 50) only 3 scored below 21, which is the average cutoff score used by most businesses. All of these scores are considered passing by most businesses utilizing Wonderlic for personnel selection. On the general clerical test they ranged from the 94th to 40th percentile group.

Interestingly enough, two persons who were below the 50th percentile on the general clerical had high scores on the Wonderlic test.

Typing skills ranged from 76 to 53 words on 5-minute tests. Everyone passed shorthand at 100 words per minute and 8 passed the 120 words per minute. Even though we had to score in terms of words per minute, these girls would also be rated very high in the neatness of their work, letter arrangement on 8½ by 11 or executive size paper, etc. A properly framed letter became a byword to them.

The class in charm and personal improvement made these students very conscious of their appearance and gave them a feeling of confidence, too.

EMPLOYMENT

Even though the Michigan Employment Security Commission was responsible for the placement of these students, the school assisted. When employment calls were received they were given an opportunity to apply. Placement assistance will continue with this group as with all other students.

A survey of these students was made as of November 1, 1964. Eighteen replies were received.

Employment listed was as follows:

- One at Jones & Laughlin Steel Co.
- One at Ford Motor Co.
- Four at University of Michigan.
- One at Prudential Insurance Co.
- Two at Wayne State University.
- Two at Chrysler Corp.
- Two at attorney offices.
- One at Wayne County Civil Service.
- One at Vickers Inc.
- One at Burroughs Co.
- One at Sears, Roebuck & Co.
- One at General Motors.

They are all doing stenographic work. The average earnings are \$323.72 per month or \$74.70 per week. If each girl has one deduction from her annual salary (\$3,884.64) she will pay \$456.80 income tax.

For this training program the school received 65.859 cents per hour of training or a total of \$474.19 per student. This included all books and supplies. After all taxes are deducted there is left more than \$3,000 from which they can save, and purchase durable and nondurable goods.

We feel that this was a wonderful project. We will like to do more of this type of training, since we have a physical setup that is adequate and an experienced staff. Most of all, we have a desire and a willingness to help students of this type who want to prepare themselves for a better job in business.

As we said earlier, the Michigan Employment Security Commission selected the students after determining the employment need. The State department of public instruction selected the school. Both of these agencies were most cooperative and it was a pleasure to work with them.

EXHIBIT B.—CALIFORNIA STATE DEPARTMENT OF EDUCATION, VOCATIONAL EDUCATION

Manpower Development and Training Act projects approved or under consideration

	Fiscal year			Total through January 31, 1965
	1962-63	1963-64	1964-65 through January 31, 1965	
Agricultural education.....	5	15	20	40
Business education.....	52	57	81	190
Homemaking education.....		1	2	3
Industrial education.....	53	54	83	190
Multioccupation projects.....		3	17	20
Individual referral projects.....			3	3
Total projects approved.....	110	130	206	446
In public schools.....	97	118	180	395
In private schools.....	13	12	26	51
Number of trainees provided for.....	5,581	7,685	15,365	28,631
Amount approved for training.....	\$2,708,354	\$4,471,365	\$9,515,445	\$16,695,164
Average training cost per student.....	\$485	\$582	\$619	\$583
Amount approved for allowances.....	\$3,066,391	\$5,879,315	\$12,087,703	\$21,033,409

EXHIBIT C.—FOLLOWUP SURVEY, AREA REDEVELOPMENT ACT TRAINING PROGRAM CONDUCTED AT DETROIT BUSINESS INSTITUTE, MAY 25 TO OCTOBER 9, 1964

Number of trainees : 120.

Occupational title: Cooperative clerical skills (clerk-stenographer).

Trainee prerequisite: All trainees were high school graduates and had had 1 year of shorthand and/or typing.

Total cost : \$38,220 (65 cents per hour per student). This cost included supervision, counseling, instructors' salaries, books and supplies, equipment, and all consumable materials.

Class information: Classes met 35 hours a week. Total project class hours was 490 hours. The 120 students were pretested at Detroit Business Institute and the results showed approximately three-fourths should be trained as stenographers and one-fourth should be trained as clerk-typists.

Training schedule: All students spent the first 8 weeks in school. At the end of 8 weeks, the group was divided into two sections of 60 students each. One section stayed in school for 2 weeks and the other section was placed in vestibule training stations. At the end of 2 weeks, the groups changed places. The groups were rotated every 2 weeks until each student had had 14 weeks of school and 6 weeks of vestibule training. The whole program took 20 weeks to complete.

Placement information: According to the Michigan Employment Security Commission, 86 of the group were employed and 34 were unemployed as of January 26, 1965.

Mr. SNEDEN. I would first like to comment on the general direction of the Manpower Development and Training Act as it is viewed from the private institutions who have participated in the program under contract provision of this act. I was completely surprised to discover that Mr. Roumell, from Michigan, was testifying here today. He certainly gave us some impressive figures on the results of the Manpower Development and Training Act as it is being administered in our State.

We have participated in it, not to a large extent, but we expect that we will be participating in it more and more as time goes on. And I want to endorse enthusiastically what he has said about the success of the program in our State.

I would like to refer, if I may, to our testimony and comment briefly on that.

Our testimony gives a short summary of a stenographer program that was conducted by the Detroit Institute of Commerce in Detroit. This is further supported by exhibit A, which gives a complete breakdown of the excellent results of this particular project.

Now, I have forgotten just the number of people that Mr. Roumell indicated had been trained in Michigan. Of course, this is a very small percentage of the total group. But this is indicative of what the private institution can do in helping to implement the purpose of this program. This is an impressive record that was developed by the Detroit Institute of Commerce. I think one of the things that is most significant is the fact that out of the 24 women who were trained in this course, in a followup check, we found that 18 responded to the survey and all 18 were employed, at an average salary of \$323.72 a month, or \$74.70 a week.

Mrs. Groom, who is the director of that school, appropriately points out that these people, instead of being on unemployment or on relief, are now productive citizens. Not only are they not a burden on the taxpayers, but they are contributing to the taxes. Each one she indicates here will be paying \$486 a year in income taxes.

I would like also to comment on a program that was conducted in one of the schools which I represent. This was a rather unusual program. It is explained fully in exhibit C. I would like to, however, point out the unusual factor of this program was that it was a kind of work-study project in which all students spent the first 8 weeks in school, and at the end of 8 weeks, the group was divided into 2 sections of 60 students each. One section stayed in school for 2 weeks and the other section was placed in vestibule training stations. At the end of 2 weeks, the groups changed places. The groups were rotated every 2 weeks until each student had had 14 weeks of school and 6 weeks of vestibule training.

The whole program took 20 weeks to complete. And this was under the Area Redevelopment Act program. I think that it is significant to note that at a training cost of \$319 per student, this project produced 86 people who today are fully employed.

I do not want to guild the lily here, but I wish to emphasize how valuable we think this training is and how effective we think that the Manpower Development and Training Act program is. You have heard a very excellent rundown on that from our representative from Michigan, Mr. Roumell.

But we do want it abundantly clear that we think this is an excellent program, and we hope that it will continue.

Now, there is a problem in connection with the amendments that are being proposed in connection with this legislation. This is a problem of the 90-10 matching requirement as it pertains to continuing to utilize private institutions to train people.

It happens this does not present a problem to us in Michigan, because I have talked with our State director of vocational education, Mr. Robert Winger. He has assured me that the matching funds from the State of Michigan for this program will not interfere with the under-contract program that is now going on and it is anticipated that pri-

vate institutions will be able to continue in the State of Michigan to participate in this program even though the 90-10 matching requirement is there.

However, we have been informed that there may be some States, we know at least of one State, where the 90-10 matching provision would prohibit the participation on the part of private institutions in the undercontract provisions of this legislation.

I have with me two colleagues who are from the State of California, and this is the State that I refer to. I would like to have them at this time express themselves on the problem that they face in this State. Also for them to tell the committee the extent to which they have participated in and contributed to the success of the Manpower Development and Training Act. If we may, I would like to introduce at this time Mr. Clarence Phillips, the president of Heald's Business College, who would like to talk for just a few minutes about his impressions on this problem.

Senator PROUTY (presiding pro tempore). Proceed.

Mr. PHILLIPS. We administer four schools in northern California—San Francisco, Sacramento, San Jose, and Oakland. I am a member of the State advisory committee which is in an advisory capacity to the superintendent of public instruction in promulgation of rules and practices under division 21 of the educational code, which pertains to the regulation of private schools.

I want to establish that fact to denote that I have a working knowledge and acquaintance with the officials who are operating this program in the State of California.

I begin with a question: Does this training job under Manpower Development and Training Act need all of the educational facilities of the country?

Now, our people in California, and we have evidence to substantiate that, tell us that they do need us. Then in another voice, they say, "But, as they interpret, as they interpret the act or the proposed 90-10 amendment to the act, they will no longer be able to contract with us under it."

Now, I do not think it wise to go over all of the projects with which we have been associated, but it is important to point out that the small number of contracts in relation to the aggregate is just a drop in the bucket. We have but 12 projects involving 370 students, but in each of those 12, it is what we classify as a crash program. They awarded them to us because there was no other agency in the State to do it. Half of these, half of the 12, are in cities or towns other than in which we operate business schools at the present moment.

So it is evidently obvious that the trainees would be denied our type of training in California as the matter now stands.

Senator PROUTY. That is because of the interpretation—

Mr. PHILLIPS. That is right. And that is what they tell us.

We have on file an exhibit from the California State Department of Education, which is current, exhibit B, February 16, 1965, in which it states:

There are in California since the beginning of the project until January 31, 1965, 190 projects in business education, the area in which we operate, and of those 190 projects, 51 have been awarded to private schools, which is roughly 25 percent.

So, it goes to point up the fact that should their interpretation of the proposed 90-10 maintain itself in the State of California, these people would be denied this service.

Senator PROUTY. Would you like to include that? Is that an exhibit which you wish included in the record?

Mr. PHILLIPS. Yes; it so happens that the previous chairman asked a man from Michigan for some statistics. I do not know how this came about, but I have it for California. The number of persons enrolled, the number of persons completing the course, and the number who obtained jobs related to the training by date of the 3d month, the 6th month, and the 12th month; and also those obtaining nontraining related jobs from July 1962 to July 1964 to date, and for the month of September. If the committee would like that, I would be glad to submit it as exhibit D.

Senator RANDOLPH. Without objection, it will appear at this point in the record.

(Exhibit D follows:)

Year	Enrolled	Completed	Obtained jobs related to training by date of the 3d month	Obtained jobs related to training by date of the 6th month	Obtained jobs related to training by date of the 12th month	Obtained nontraining related jobs from July 1962 to July 1964 to date	Obtained nontraining related jobs for the month of September
1962	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1963	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1964	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1965	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1966	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1967	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1968	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1969	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1970	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1971	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1972	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1973	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1974	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1975	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1976	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1977	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1978	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1979	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1980	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1981	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1982	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1983	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1984	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1985	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1986	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1987	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1988	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1989	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1990	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1991	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1992	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1993	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1994	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1995	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1996	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1997	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1998	1,113	1,071	1,071	1,071	1,071	1,071	1,071
1999	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2000	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2001	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2002	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2003	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2004	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2005	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2006	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2007	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2008	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2009	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2010	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2011	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2012	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2013	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2014	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2015	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2016	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2017	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2018	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2019	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2020	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2021	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2022	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2023	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2024	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2025	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2026	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2027	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2028	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2029	1,113	1,071	1,071	1,071	1,071	1,071	1,071
2030	1,113	1,071	1,071	1,071	1,071	1,071	1,071

EXHIBIT D

EXHIBIT D

TABLE 1.—Employment status¹ of persons trained under Manpower Development and Training Act as of specified followup, July 1962–December 1964

Item	Enrolled	Completing course	Number of trainees																
			Obtaining training related jobs				Obtaining nontraining related jobs												
			By date of 3d month followup	By date of 6th month followup	By date of 12th month followup	By date of 3d month followup	By date of 6th month followup	By date of 12th month followup	By date of 3d month followup	By date of 6th month followup	By date of 12th month followup								
I. Statewide accumulated totals (July 1962 through December 1964): ²																			
Institutional.....	7,879	5,098	3,791	3,843	3,876	382	391	396											
Youth.....	1,700	1,188	804	812	817	74	74	76											
On-the-job-training.....	586	512	295	314	314	4	3 5	3 5											
Youth.....	44	44	9	10	10	1	3 1	3 1											
II. Statewide accumulated totals (January 1964 to date): ³																			
Institutional.....	5,192	3,665	2,400	2,452	2,455	206	215	220											
Youth.....	1,021	662	440	448	453	35	35	36											
On-the-job-training.....	580	506	289	308	308	4	3 5	3 5											
Youth.....	44	44	9	10	10	1	3 1	3 1											
III. Statewide totals, (month of December 1964): ³																			
Institutional.....	1,778	1,277	255	476	903	25	44	76											
Youth.....	371	232	70	107	159	7	10	13											
On-the-job-training.....	63	63	0	50	50	0	2	2											
Youth.....	3	3	0	2	2	0	0	0											

¹ The employment status of each trainee is determined as of a specified reference week during the 3d, 6th, and 12th months following the month in which training was completed. Data for each followup period are cumulative from completion date of training sections.

² If an OJT trainee is not placed by the department of employment but instead is hired directly by an employer or he obtains a job through a union hiring hall or by some other means, no followup contact is made with him. For this reason, the totals for institutional

courses should not be added to the totals for OJT courses in order to compute an "overall" percentage of trainees obtaining training related jobs. Such a computation would result in an understatement of the true proportions.

³ Decrease in number from previous followup is due to trainees who were employed in nontraining related work as of previous followup obtaining training related work as of the most recent followup.

Employment status of persons trained under the Manpower Development and Training Act, 3d month followup information for reference week of Dec. 6-12, 1964, received during January 1965

Project	Section	Title	Local office	Completion date	Number of trainees			
					Enrolled	Completing course	Obtaining training-related jobs	Obtaining nontraining-related jobs
Institutional, statewide total 1.					631	440	255	25
Youth					293	121	70	7
On-the-job-training, statewide total 1.					0	0	0	0
Youth					0	0	0	0
Cal 107	2	Clerk-typist	Van Nuys E.S.	Sept. 11, 1964	33	22	11	8
Cal 117	2	Electronic technician	do.	Sept. 18, 1964	54	30	11	1
Cal 201	1	Licensed vocational nurse	Palo Alto	Sept. 11, 1964	30	16	18	0
Cal 200	1	do.	Marysville	do.	16	10	10	0
Cal 218	2	Secretary	San Mateo	Sept. 4, 1964	25	14	7	1
Cal 222	1	Licensed vocational nurse	Modesto	do.	17	8	7	0
Cal 228	2	Clerk-typist	Culver City	do.	25	21	16	0
Cal 237 A	1	Clerk, general	San Francisco youth opportunities E.S.	Sept. 18, 1964	50	29	13	4
Cal 237 L	1	Blacksmith apprentice	do.	Sept. 30, 1964	12	0	0	0
Cal 271	3	House cleaner (medical service)	San Diego E.S.	Sept. 13, 1964	33	28	8	2
Cal 295	1	Stenographer	Van Nuys E.S.	Sept. 11, 1964	36	24	9	2
Cal 296	1	Grocery checker	Sacramento E.S.	Sept. 4, 1964	44	37	28	2
Cal 297	2	Calculating machine operator	Oakland E.S.	Sept. 2, 1964	16	14	8	0
Cal 300	2	Nurse aid	San Mateo	Sept. 4, 1964	16	14	13	2
Cal 307	2	Groundsman gardener	Richmond	Sept. 18, 1964	11	13	4	3
Cal 318	1	Nurse, staff	Van Nuys E.S.	Sept. 4, 1964	20	10	7	1
Cal 320	1	Clerk-typist	Passadena	Sept. 11, 1964	24	23	14	0
Cal 328	1	Nurse aid	Oceanside	Sept. 25, 1964	18	18	15	0
Cal 330	1	Nurse aid, orderly	Santa Ana E.S.	do.	30	28	23	2
Cal 336	1	Farmhand, poultry	San Marcus farm labor	Sept. 6, 1964	20	14	12	1
Cal (R) 5001	1	Salesperson	Palo Alto	Sept. 4, 1964	35	27	17	0
Cal (M) 5003	2	Farmhand, general	Visalia farm labor	Sept. 1, 1964	25	16	3	3
Cal (R) 5014	001	do.	Bakersfield farm labor	Sept. 25, 1964	9	6	3	0
Cal (R) 5017	1	Service station attendant	do.	Sept. 4, 1964	22	18	9	0
Cal (R) 5022	2	do.	Palo Alto	do.	22	18	9	0

1 If an OJT trainee is not placed by the department of employment but instead is hired directly by an employer or he obtains a job through a union hiring hall or by some other means, no followup contact is made with him. For this reason, the totals for institutional courses should not be added to the totals for OJT courses in order to compute an overall percentage of trainees obtaining training-related jobs. Such a computation would result in an understatement of the true proportion.

Employment status of persons trained under the Manpower Development and Training Act, 6th month followup information for reference week of Dec. 6-12, 1964, received during January 1965

Project	Section	Title	Local office	Completion date	Number of trainees			
					Enrolled	Completing course	Obtaining training related jobs	Obtaining nontraining related jobs
Institutional, statewide total ¹					448	310	221	19
Youth					63	45	37	3
On-the-job training, statewide total ¹					63	63	50	22
Youth					3	3	2	20
CaI-36-37	1	Pressman-cameraman	Oakland E.S.	June 17, 1964	19	19	14	31
CaI-36-37	2	do	do	June 18, 1964	22	22	18	0
CaI-36-37	3	do	do	June 20, 1964	30	22	18	31
CaI-39	1	Licensed vocational nurse	San Francisco Ind'l E.S.	June 2, 1964	14	9	6	0
CaI-79	1	do	Oakland E.S.	June 29, 1964	14	9	6	0
CaI-100	1	Clerk-typist	San Jose E.S.	June 19, 1964	26	21	18	0
CaI-208	8	Nurse aid	Van Nuys E.S.	June 26, 1964	22	18	13	0
CaI-213	1	Stationary engineer	Los Angeles Ind'l E.S.	do	23	18	17	1
CaI-223	1	Welder, combination	Fresno	June 28, 1964	20	7	6	2
CaI-223	1	Farm mechanic	Fresno	June 26, 1964	31	21	16	2
CaI-293	1	Stenographer	El Centro farm labor	June 21, 1964	17	14	6	2
CaI-292	2	Groundskeeper	San Mateo	June 12, 1964	15	12	7	1
CaI-290	1	Secretary	Santa Rosa	do	15	12	9	0
CaI-263	1	Stenographer	San Bernardino	June 3, 1964	26	22	16	3
CaI-266	1	Clerk-stenographer	Santa Barbara	June 19, 1964	25	21	11	1
CaI-271	2	House cleaner (medical service)	San Diego E.S.	do	31	24	13	0
CaI-277	1	Clerk, general office	Sacramento E.S.	do	30	21	13	2
CaI-278	4	Nurse aid	Santa Rosa	June 2, 1964	15	13	12	0
CaI-279	1	Secretary (medical)	San Diego E.S.	June 5, 1964	24	14	11	0
CaI-281	2	Nurse aid, orderly	do	June 19, 1964	23	20	13	0
CaI-285	2	Nurse aid	do	June 5, 1964	12	9	7	2
CaI-300	2	do	San Mateo	June 19, 1964	16	11	8	0
CaI-307	1	Groundsman gardener	Richmond	June 28, 1964	20	16	12	2

¹ If an OJT trainee is not placed by the department of employment but instead is hired directly by an employer or he obtains a job through a union hiring hall or by some other means, no followup contact is made with him. For this reason, the totals for institutional courses should not be added to the totals for OJT courses in order to compute an "overall" percentage of trainees obtaining training related jobs. Such a computation would result in an understatement of the true proportion.

² Decrease in number from previous followup is due to trainees who were employed in nontraining related work as of previous followup obtaining training related work as of the 6th month followup.

Employment status of persons trained under the Manpower Development and Training Act, 12th month followup information for reference week of Dec. 6-12, 1964, received during January 1965

Project	Section	Title	Local office	Completion date	Number of trainees			
					Enrolled	Completing course	Obtaining training-related jobs	Obtaining nontraining-related jobs
Institutional, statewide total 1.					709	527	427	32
Youth					105	66	52	3
On-the-job-training, statewide total 1.					0	0	0	0
Youth					0	0	0	0
Cal-18	1	Licensed vocational nurse	Sonoma	Dec. 27, 1963	12	10	10	0
Cal-24	2	Reproduction typist	San Diego E. S.	Dec. 20, 1963	48	32	24	3
Cal-43	1	Electronic technician	Santa Monica	do.	28	13	9	4
Cal-48	1	Licensed vocational nurse	Hayward	Dec. 27, 1963	26	17	17	0
Cal-82	1	Secretary, insurance	San Francisco Prof. and Comm. E. S.	Dec. 6, 1963	17	8	6	2
Cal-95	5	Nurses aid	Glendale	do.	13	22	9	2
Cal-100	1	Clerk-typist	San Jose E. S.	Dec. 27, 1963	19	10	10	0
Cal-101	1	Stenographer	do.	Dec. 1, 1963	12	10	9	0
Cal-203	4	Nurses aid	do.	Dec. 11, 1963	15	11	8	1
Cal-205	2	do.	Hayward	Dec. 20, 1963	19	14	13	1
Cal-208	3	do.	Van Nuys E. S.	do.	17	13	8	2
Cal-227	2	do.	Modesto	do.	30	27	20	1
Cal-230	1	do.	Ventura	Dec. 18, 1963	62	52	40	0
Cal-238	1	Tree pruner	San Jose farm labor	Dec. 6, 1963	19	18	14	2
Cal-239	1	Nurses aid	Porterville	Dec. 22, 1963	29	26	22	1
Cal-241	1	Tree pruner	Hollister	Dec. 15, 1963	47	42	40	2
Cal-243	1	do.	Gilroy	do.	26	14	9	0
Cal-244	1	do.	Bakersfield	Dec. 20, 1963	56	50	42	2
Cal-244	2	do.	do.	Dec. 29, 1963	20	15	9	0
Cal-245	1	do.	Fresno farm E. S.	Dec. 22, 1963	55	50	39	2
Cal-245	2	do.	do.	Dec. 29, 1963	32	41	36	2
Cal-246	1	do.	Watsonville	Dec. 18, 1963	23	17	14	1
Cal-253	1	do.	Lodi	Dec. 27, 1963	43	28	23	1
Cal-260	1	Salesperson	San Jose E. S.	Dec. 13, 1963	40	33	20	5

² Decrease in number from previous followup is due to trainees who were employed in nontraining-related work as of previous followup obtaining training-related job as of 12th month followup.

1 If an OJT trainee is not placed by the department of employment but instead is hired directly by an employer or he obtains a job through a union hiring hall or by some other means, no followup contact is made with him. For this reason, the totals for institutional courses should not be added to the totals for OJT courses in order to compute an "overall" percentage of trainees obtaining training-related jobs. Such a computation would result in an understatement of the true proportion.

Mr. PHILLIPS. My time is up, Mr. Chairman. Thank you for the opportunity, and it will give us a background for something that we intend to present later on.

Senator PROUTY. Thank you.

Mr. SNEDEN. Thank you, Mr. Phillips.

Now, I would like to introduce Mr. Harrison Myers, Jr., who is secretary-treasurer of the Sawyer Schools in southern California.

Senator PROUTY. We are glad to have you here.

Mr. MYERS. Senator, I was quite interested in listening to the story of Michigan, and I am particularly happy I got here early enough to do that.

California, as you know, spends a tremendous amount of money on public education, through the various community colleges—89 of those, 18 State colleges and about 9 branches of the University of California.

However, we find that we have a very definite problem in order to continue with the type of training where we think we are reaching a segment of the population of this hard-core group that we will not be able to meet under the interpretation as you put it of the 90 to 10 factor.

Now, we have been told on many occasions, and it has been publicly stated by Mr. R. C. Van Wageningen, who is chief of the Bureau of Business Education, that the Manpower Development and Training Act training needs in California cannot be met other than by having all of the private schools and all of the public tax-supported schools participating in the program.

Senator PROUTY. Mr. Myers, could I interrupt you at that point? Would you explain at this point just what you mean by hard core?

Mr. MYERS. Not the cream of the crop, we are not skimming the top.

Senator PROUTY. Are they high school graduates?

Mr. MYERS. No. I would say in many instances these are people with sixth grade reading ability and comprehension. I was going to try to describe to you in a moment a typical Manpower Development and Training Act student, if you would like that.

I think I would like to outline our program a little more, the people who have been responsible for the training, and particularly Mr. Van Wageningen has made this statement about needing us.

Now, every program, and we in Sawyers have had 24 Manpower Development and Training Act training programs. They have either been completed or in the process of being completed by June 30, at the end of this year.

In almost every instance those programs came to us because the public school system in a particular area either was not willing or too slow or some other reason that they did not accept or wish the program.

In most cases, these were in areas dealing with large minority-group population.

They then came to us and said, even out of our district, Compton, Calif., which is a very, very high—way over the national average of unemployment, almost—a very large percentage of minority-group people who are forming this hard core. We set up a specialized program and on about 2-weeks' notice, we were ready to go.

This is, I think, where we have been answering a need that I hope we will be able to continue to answer, and we have a solution, we think, for the 90 to 10 that we will call to your attention.

Let us talk a minute, if I may, about this typical Manpower Development and Training Act student. With our first 122 students, I was quite interested in the program and I talked many times with each of those students during the course of their training, and after it. They were heads of family ranging in age from perhaps 18 to 55. They had had other jobs and lost jobs. They had personal problems. Many times they were in broken homes, a rather difficult group to bring into a traditional type of training program.

We believe in our private school methods of education and operation we are particularly well equipped to deal with this kind of student, and we feel it would be a great loss if those people are deprived of our private school type of training, in California.

Senator PROUTY. You mentioned some students as old as 55. They would be greatly in the minority, would they not?

Mr. MYERS. Yes.

Senator PROUTY. What would the average age be?

Mr. MYERS. I would say the average age is probably 26 or 27. In fact, we made sort of a survey of that, and it came out about 27 years of age. From 18 to that 55 range.

Now, the mature woman whose husband has left the home and she has to support children is able to be trained for jobs, and we have been quite successful in this. In fact, the private business schools are educating a more mature type of person than the recent high school graduate—at least, in California they are, because of the multiplicity of educational opportunities that face the high school graduate of going on from that point.

So most of our students are mature. Now, these people who have lost their confidence, and we have to restore this as well as to give them the training. We are able, I think, to have a high completion rate because these people cannot go to school for a year somewhere. They have great difficulty going to school for 16 weeks. They have study problems at home with children and no husband, perhaps. We attempt, of course, to try to solve this problem through individual attention, which the private school, I think, historically, has been noted for providing.

Senator PROUTY. Have any of these people received training allowances?

Mr. MYERS. Yes.

Senator PROUTY. All of them?

Mr. MYERS. Heads of families have. Now, you, of course, have liberalized under this new amendment the training allowance to where you do not have to qualify as head of the household in order to get it. I would say that in the majority of the cases the people we are training are heads of household.

Now, they are women whose husbands are either not working or have perhaps disappeared, or something has happened, anyway, or divorced.

We have been expanding then in this program outside of our local area. I mentioned we had 24 programs. We have completed 168

students in training. We have 395, making a total since the inception date, of 563 students, which is a pretty large percentage of the number of business education student training.

Now, the results—80 percent of the people who start our training program, and please remember that programs in private institutions are shorter than a similar training program in a public school, which means that we are able to get them into employment at least a month and sometimes 2 or 3 months sooner than they would otherwise. Traditionally, this has been our policy in education. Seventy-four percent of the completed people have been and are gainfully employed. We made a survey of our first 160 people who completed the training program, and of those 160, those we were able to trace, some have moved into other areas, but of those 160, 142 are still employed.

Senator PROUTY. At this point, I might ask this in the form of a question. You do not have any voice in making the selections of these students?

Mr. MYERS. That is correct.

Senator PROUTY. They are sent to you?

Mr. MYERS. We sent the proposal. We are requested by the State. First of all, the department of employment in these areas have these people ready to go and they have been tested and their interests have been determined, and then they notify, as you know, the State department of education, and then they ask us to submit a proposal. I think they first go to the public schools and if for some reason the public schools cannot or will not handle the program, then they will come to us and say, "We have 30 students to be trained as clerk-typists, for example. Will you take the program?" These are people who are located in Compton. I am mentioning this Compton area because there were over 300 people ready to be trained in the Compton area and they were forced to wait 6 months before they could get into the training program. And this delay costs a lot of money, because, naturally, they were receiving unemployment compensation during this period of time. It kept them from getting into jobs 6 months sooner, where they again could contribute and take their rightful place.

I would like to express my very sincere appreciation of what the Manpower Development and Training Act has been able to do for this hard-core group of unemployed. I am only hopeful that under the proposed 90-10 law that we in California, where I believe we lead the Nation in total number of people trained, that we in private schools may continue to do the training job that has to be done and cooperate closely with the public schools in this worthwhile endeavor.

I thank you.

Senator PROUTY. Thank you, Mr. Myers. Your testimony has been most helpful.

Senator RANDOLPH. If the Federal Government were to cut our defense program, what situation would come into being in California? Would the accomplishments realized through the Manpower Development and Training Act stem the tide of unemployment which would roll in on you, if our defense establishments, manufacturing units, were cut? What would be the value of this program at a time like that?

Mr. MYERS. I think I could anticipate what would happen under those circumstances. A large portion of the people employed in south-

ern California are in defense industry contracts. Many of them are in specialized jobs and semiskilled jobs, which perhaps do not exist in other lines of industry and they would be after a period of time, I am sure, on the unemployment rolls.

Now, this Manpower Development and Training Act training program that is specifically designed first of all to ferret out who those people are who now for one reason or another are unemployed and what has to be done, what kind of training, and into what area of training should they be sent so that at the conclusion of the training program they are now retrained and reemployed.

I feel that it will increase, naturally, the necessity for the need of the Manpower Development and Training Act.

Senator RANDOLPH. Thank you for your response.

Mr. MYERS. Our real problem is on matching funds, and I came here to Washington feeling that I was hopeful that we could eliminate the matching funds situation, because we have been told that under the matching fund basis, when it applied to subsistence allowances specifically that California regulations would not allow them to use private schools, and they are expressing great concern and have had many meetings in Sacramento trying to find a way around the problem. It requires legislative action, and now they are already making plans for the next fiscal year, but not to use private schools with the proposed 90-10 amendment.

Mr. SNEEDEN. Thank you very much, Mr. Myers.

We have a proposed amendment that we would like to submit. But before that, I would like to comment on one other phase of our prepared testimony. On page 12 of the testimony, we talk about individual referrals. We feel that this has great potential as a means of correcting unemployment.

One of the big problems that we experience is that we may have in a particular area five or six, or maybe two or three people who are unemployed and who could become employed if they had the training. We would like to see an expansion of this individual referral process operating on somewhat the same basis as the vocational rehabilitation program. The private institutions have been participating in this vocational rehabilitation program for 45 years, and we have a long and proud history in that work.

We see that there is a very significant parallel here between the person who is physically handicapped and the person who is handicapped from the standpoint of training. If we could expand this element of the Manpower Development and Training Act, it would be most helpful, and I was encouraged to get a copy of the letter from the U.S. Department of Labor to all State employment security agencies.

This is a rather long communication that has been introduced as an exhibit. It is USESPL No. 1666—the U.S. Employment Service program letter No. 1758 of January 26, 1965. And in it, it outlines Act training on less than a class-group basis, and we would hope that the procedures governing the Manpower Development and Training Act training on less than a class-group basis, and we would hope that the Congress could do everything in its power to encourage the expansion of this type of program.

(Exhibit E follows:)

EXHIBIT E.—PROCEDURES GOVERNING MANPOWER AND DEVELOPMENT TRAINING ACT
TRAINING ON LESS THAN A CLASS-GROUP BASIS

Reference: USESPL No. 1666.

Purpose: To clarify procedures for preparing training proposals for funding less than class-group referrals.

This letter revises previously issued instructions on providing Manpower Development and Training Act training on less than a class-group basis.

Many occasions arise when it is not practical to organize a Manpower Development and Training Act course to train workers for a specific occupation, but circumstances are appropriate for the inclusion of one trainee, or a few Manpower Development and Training Act trainees, in an existing public or private training program. The individual method of referral outlined herein is designed to supplement existing class-group referral procedures, which should continue to be used whenever possible. The procedures follow closely, with modifications, those contained in chapters III and IV of the Manpower Development and Training Act Handbook.

When it is determined that an individual unemployed worker needs training in an occupation for which no suitable Manpower Development and Training Act course is available in his locality, nor are there plans to develop such a course during the next 45 days, the local office should ascertain whether the individual can be included in a course being offered in another location in the State. This may be determined by communicating with the Manpower Development and Training Act coordinator in the State office. To facilitate out-of-area referral, State agencies should circulate to all local offices lists of Manpower Development and Training Act courses which are being set up throughout the State.

In instances where demand in an occupation is scattered and apparently not sufficient to justify the establishment of separate training classes with 10 or more trainees in a number of different locations, the development of centralized area or statewide training projects should be considered.

In both of the above situations, trainees would be provided transportation and subsistence allowances to enable them to attend courses beyond commuting distance from home.

The following procedure applies to situations where (1) training is needed in an occupation for which there is not sufficient demand throughout the State for establishment of a statewide course; (2) a project has little likelihood of commencing within the 45-day period prescribed above; or (3) a Manpower Development and Training Act training course is available elsewhere in the State, but the course already has started, the classes are full, or, for other reasons, it is not practicable to include an individual.

1. Selection of trainees and determining the training need

Persons may be selected for referral to training on an individual basis when counseling results in a substantive determination that the individual cannot reasonably be expected to secure appropriate full-time employment without training assistance under the act. Particular attention should be paid to (1) applicants not qualified at the entry level or higher for any suitable occupation in which there is reasonable expectation of employment; (2) applicants qualified only in occupations which have changed so that the workers' present abilities to perform the work are obsolete or inadequate; (3) applicants qualified only in occupations which characteristically offer minimal employment stability, e.g., work that is seasonal or transitory; (4) handicapped persons, older workers; or educationally deficient persons who, because of specialized training needs, could not readily be accommodated in the Manpower Development and Training Act training courses organized on a class-group basis; and (5) persons living in rural areas or small communities in which there is limited occupational demand or training opportunities.

Where training facilities have continuous courses and entrance into such courses is possible for regular students at any time, Manpower Development and Training Act trainees should be enrolled in these courses the same as any other trainee. Otherwise eligible workers who are currently pursuing training under their own auspices will not be blanketed in for payment of training allowances, training costs, or other Manpower Development and Training Act benefits.

The training needs of individuals should be determined by interviewing, testing, and counseling, taking into account such factors as the applicant's prior edu-

education, work history, interests, aptitude, motivation, and availability for training or employment outside of the area in which he lives.

2. *Determination of the occupation for which training is to be given*

The counseling interview with an individual may suggest a range of occupations for which training would be suitable. Within this range, a determination must be made in consultation with the trainee as to the most appropriate specific occupation, taking into account the labor outlook for various occupations, duration of training to qualify for the occupation, and availability of training facilities.

The "reasonable expectation of employment" provisions of the act must be satisfied regardless of the referred method. To identify occupations for the individual referral method, State and local offices should utilize fully all pertinent sources of data of the employment security system, including such indicators as unfilled job orders, area-skill surveys, and employer relations representatives' reports. Reasonable expectation of employment will be considered to exist if there is an indication that employment opportunities in the occupation exist in the community, within the State, within bordering areas of adjoining States, or on a nationwide basis.

Reasonable expectation of employment will also be satisfied in the following circumstances:

(a) The applicant for training has a written job offer from a prospective employer which also attests to the employer's understanding that the worker will not be available until completion of a course of training. In such cases, it should be ascertained that the applicant has the necessary qualifications to benefit from training and could adjust to the occupation for which training is proposed. Care should be exercised to prevent furthering discriminatory hiring practices of employers.

(b) The individual is to be referred to a training facility which has a successful record in the placement of its students in the occupation for which training is proposed.

While it would not be practicable to discuss each individual referral with local Manpower Development and Training Act advisory committees, the committees should be advised of the purpose and progress of less than class-group projects.

3. *Preparation and approval of less than class-group training proposals*

Less than class-group projects will be authorized on a fiscal year basis. Once during each fiscal year States may submit on Form MT-2—Application for Occupational Training Program Under the Manpower Development and Training Act: Institutional, to the Federal review team for approval, a project proposal indicating the estimated number of trainees who are to be referred on a less than class-group basis during that fiscal year. Such proposals should be prepared jointly by the State employment security and vocational education agencies, in accordance with current Manpower Development and Training Act procedures. The approval of a form MT-2 to cover referrals to less than class-group projects on an annual basis will eliminate the need for frequent Federal review meetings.

The form MT-2 should show estimates for training, allowances, subsistence, and transportation to cover the full length of training for all less than class-group referrals that are expected to be made in the current fiscal year. Fiscal year breakdowns should be shown where pertinent. Forms OE-4000, Expenditures for Occupational Training, and OE-4014, Guide for Preparation of Training Plan, are not required as attachments, but a statement should accompany the form MT-2 explaining the basis for the estimates.

Proposals should be reviewed periodically to assess estimated referrals and costs in relation to actual experience. As adjustments are made in training plans, either to increase or decrease the original estimates of referrals, an amended form MT-2, with supporting documents, should be submitted so that additional funds may be obligated, or excess funds may be deobligated. Appropriate preaudits and postaudits will be made by Federal authorities.

Each form MT-2 for a less than class-group project should be numbered as specified in USESPL No. 1666.

4. *Referral of individuals to training*

Applications for the referral of individuals to training should be developed by local employment service and vocational education authorities and submitted to State agencies for approval on Form MT-3: Individual Certification for Man-

power Training (copy attached). The signature of the State employment security agency administrator or his designee constitutes approval of the individual certification (form MT-3). The State employment security administrator certifies to the need for training in the occupation, and the State vocational education director designates the training facility. Upon receipt of an approved form MT-3 from the State agency, local officers will refer individuals in accordance with existing procedures.

A sufficient number of copies of form MT-3 should be prepared to meet the needs of State agencies and to provide four signed copies of approved certifications to the Bureau's regional office and four assigned copies to the regional office of the Department of Health, Education, and Welfare. The Bureau's regional office will forward two copies to the Bureau's national office (attention: ETPD) and one copy to the appropriate field director of the Office of Manpower Automation, and Training. Each approved form MT-3 should be identified with the project number assigned to the approved form MT-2, followed by three additional digits, numbered consecutively, starting with - 001, - 002, - 003, etc.

5. *Payment of training allowances, transportation, and subsistence*

The same rules of eligibility for allowances apply to individual referrals as to those selected on a group basis. (See chapter VI, MDTA Handbook.)

6. *Reporting instructions*

At the end of each month, costs of training, subsistence, and transportation allowances should be reported to the Bureau's national office on Form ES-149: Report of Training, Subsistence, and Transportation Allowances, Obligations and Expenditure by Projects; and be charged to the MT-2 project number. Activities regarding trainees who are provided training on less than a class-group basis are to be reported on the required statistical reports. Characteristics detail for each of these trainees is to be reported on Form MT-101: Characteristics of Trainees, in accordance with instructions in chapter VIII of the MDTA Handbook.

7. *Determination of training institutions or courses for individual referral*

The State vocational education authorities, with the cooperation of their local counterparts, should be requested to prepare and maintain a list of public and private training facilities within the State, which, in their judgment, are designated as capable of entering into and completing satisfactorily training arrangements under the auspices of the Manpower Development and Training Act. Such facilities might include, for example, those authorized for training under the Veterans' Administration readjustment, war orphan, and vocational rehabilitation programs. Since some courses offered by an acceptable facility may be beyond the scope of the Manpower Development and Training Act training, or may be unacceptable for some other reason, an additional listing should be prepared, where possible, identifying acceptable courses found in each training facility. All training must be conducted in facilities designated by State vocational education authorities. Assurances that training will be given on a nondiscriminatory basis should be obtained from all approved training facilities.

8. *Merger of fiscal year 1965 projects*

States having more than one less than class-group project approved for fiscal year 1965 should combine such projects into a single project. This can be accomplished by submitting an amended form MT-2, preferably for the earliest fiscal year 1965 project, to combine all less than class-group training estimates for the year. Additional forms MT-2 should be submitted at the same time to cancel projects from which no referrals have been made and which are incorporated by the above procedure. It should be noted that projects from which referrals have been made may not be canceled, but should be amended by submitting a form MT-2, reducing the approved project commitment to the amount actually obligated.

Manualization required: None.

Rescissions: USESPL No. 1582, and changes 1 and 2. (Remove enclosure 2 from USESPL No. 1582, annotate it as "Attachment 3," and attach it to this program letter.)

Sincerely yours,

ROBERT C. GOODWIN, *Administrator.*

MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962 181

Attachment 1 to USESPL No. 1758

USDL/DHEW Form No. MT-3
(Rev. January 1964)

INDIVIDUAL CERTIFICATION FOR MANPOWER TRAINING
(Under PL 87-415, Manpower Development and Training Act)

1. Name of Trainee _____ Certificate No. _____

2. Address of Trainee _____ Date of Issue _____

3. Social Security No. _____ Unemployed Underemployed

4. Labor Area _____
(Name) (Number) (County) (State)

5. Local Office _____
(Name) (Number) (County) (State)

6. Occupation _____ DOT Code _____

7. Training Facility _____ Public Private
Address _____

8. Length of Course: Total Instructional Hours _____ Hours Per Week _____
No. of Weeks in Period of Enrollment _____

9. Beginning Date _____ Ending Date _____

(1) ITEM	C O S T S			(4) Total
	FY (2)	FY (3)		
10. Tuition (or Pro rata Cost) (Outline of Curriculum Attached)	\$ _____	\$ _____	\$ _____	
11. Estimated Allowances for Training, Subsistence, and Transportation	_____	_____	_____	
a. Training	_____	_____	_____	
b. Subsistence	_____	_____	_____	
c. Transportation	_____	_____	_____	
TOTAL ALLOWANCES (a, b, and c)	_____	_____	_____	
12. TOTAL (Items 10 and 11)	_____	_____	_____	

CERTIFICATION

The undersigned has selected and referred the person for training in the occupation as specified on the reverse side of this document, and certifies with respect thereto that: (1) There is reasonable expectation of suitable employment in the occupation; (2) Applicants qualified for referral are not expected to be available in numbers exceeding the number of job openings anticipated in the occupation; (3) The provision of this training will not assist in relocating employing establishments from one area to another within the meaning of Section 306(b) of Public Law 87-415; and (4) Selection and referral will be accomplished on a nondiscriminatory basis. The payment of allowances is hereby authorized.

Local ES Office Manager Date State ES Agency Administrator Date

The undersigned has agreed to provide training for the persons as indicated on the reverse side of this document and certifies with respect to this training that: (1) The curriculum and cost of the training are satisfactory; (2) Suitable training in the occupation on a project basis is not now feasible; (3) Neither the State nor the community has reduced or will reduce its own level of expenditure for vocational education and training for reasons in any way relating to Public Law 87-415; and (4) Training will be provided on a nondiscriminatory basis. Expenditure of funds for training or tuition is hereby authorized.

State Director of Vocational Education Date

INSTRUCTIONS FOR PREPARATION OF USDL/USDHEW FORM NO. MT-3Purpose of Form MT-3

Form MT-3 is to be used exclusively for individual certifications by the State employment security agency administrator and the State director of vocational education, when a regular MDTA program is not practical. It is not to be used for MDTA training-approved on a regular project basis.

Instructions for Preparation

Item 1: Enter last name, first name, and middle initial of the individual trainee to be referred. A separate form should be used for each individual.

Certificate Number: Each approved Form MT-3 should be identified with the project number assigned to the approved Form MT-2 followed by a dash and three additional digits numbered consecutively, starting with - 001, - 002, - 003, etc. For example, Mo(X)5001 - 001.

Item 2: Self-explanatory.

Item 3: The appropriate box should be checked to indicate eligibility of an individual for training allowances, and/or applicability of requirement for State-matching funds.

Items 4 & 5: Self-explanatory.

Item 6: The training objective for the program in which the trainee is to be enrolled will be recorded in this item.

Item 7: Self-explanatory.

Item 8: Enter total number of instructional hours exclusive of scheduled vacation time and number of hours per week. The number of weeks in the period of enrollment should include vacation, if any.

Item 9: Self-explanatory.

Item 10: Enter the total tuition cost for the individual program. This may be the prorata share of costs where the program is offered in existing vocational training programs offered by the State, including those sponsored under Federal-State vocational education

acts. Attach a topical outline of the major units of instruction, and the approximate time to be devoted to each unit.

Item 11: Enter the estimated amount of funds to be expended for allowances for training, subsistence, and transportation during the current fiscal year, in column (2) for sub-items a, b, and c, and the amount to be expended for these items for the next fiscal year in column (3). Enter total Department of Labor cost for each subitem in column (4).

Item 12: Show total costs for each column on line 12.

Distribution

A sufficient number of copies of Form MT-3 should be prepared to meet the needs of State agencies and to provide four signed copies of approved certifications to the Bureau's regional office and four signed copies to the regional office of the Department of Health, Education, and Welfare.

Upon receipt of approved Form MT-3 certifications from the State office, the local offices will issue referral to training notices to the trainees and to the training facilities, in accordance with existing procedures.

Mr. SNEDEN. We have developed after very careful study a proposed amendment which in our judgment would correct the situation that is being faced by the private institutions in the State of California. I do not know how many other States will face this, but we know it exists in California.

This is not very long, and I would appreciate the opportunity to read it to you. Perhaps, you might have some questions.

Our interpretation of section 241 leads us to the conclusion that the 90-10 percent formula would also be applicable to the last sentence of section 231 which permits the Secretary of HEW to contract directly for training in those States where there is no agreement or there is not certain training under the agreement.

The sentence reads:

In the case of any State which does not enter into an agreement under this section, and in the case of any training which the State agency does not provide under such an agreement, the Secretary of Health, Education, and Welfare may provide the needed training by agreement or contract with public or private educational or training institutions.

It would seem to us that the intent of the last sentence of 231 is to permit the Secretary of HEW to act when, for some reason, the State has no agreement or is not providing some aspect of needed training. The purpose of the last sentence of 231 is to permit the Secretary to move into a vacuum.

How then under proposed section 241, as introduced, can the State be expected to match 90-10 percent in the very situation where it is not acting on its own initiative? Can it be forced to match when there is no agreement or there is some lack of training under the agreement? Therefore, we respectfully suggest the following amendments to both section 231 and section 241.

Section 241 would be amended to exclude the last sentence of proposed section 231 from the 90-10 percent limitation so as not to limit the action of the Secretary when called for. The additional phrase is: "except for training pursuant to the last sentence of section 231."

Proposed section 241 would then read as follows: Section 8, title II of the act is amended by adding part C to the end thereof to read as follows:

PART C—FEDERAL PAYMENTS FOR TRAINING AND TRAINING ALLOWANCES

Section 241. During the fiscal year ending June 30, 1966, and for each fiscal year thereafter, Federal payments for training allowances and for reimbursements for unemployment compensation under section 203 and for training programs under section 231 shall be limited to 90 per centum of the total of all such costs except for training pursuant to the last sentence of section 231. Expenditures from non-Federal sources may be made in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services.

Existing section 231, in the last sentence, would be amended by inserting the following words, which follow the language of section 203(a) making the States agents of the United States for the payment of training allowances: directly, or through an appropriate arrangement with a State, as agent for the United States, too.

Under this proposal, the last sentence of section 231 would then read:

In the case of any State which does not enter into an agreement under this section, and in the case of any training which the State agency does not provide under such an agreement, the Secretary of Health, Education, and Welfare, directly, or through an appropriate arrangement with a State, as agent for the United States, may provide the needed training by agreement or contract with public or private educational or training institutions.

Senator PROUTY. In short, Mr. Sneden, if the States are not able to cooperate, then the Secretary can—

Mr. SNEDEN. Yes, with the State acting as the direct agent.

Senator RANDOLPH. With the payment—

Mr. SNEDEN. One hundred percent. The 90-10 provision would not apply.

The suggested additional language tracks the language of section 203 where the States are appointed "agents" for the payment of training allowances.

The appointment of a State as "agent" would then be clearly distinguished from the role of a State as a "contractor" under an agreement. This would provide the Secretary of HEW much greater leeway in distinguishing between the case of the State which has no agreement and the State which may not be providing some aspect of needed training under an agreement.

This greater flexibility of operation afforded the Secretary of HEW could greatly contribute to a more effective operation of the Manpower Development and Training Act. He still has all the direct authority but he has the additional flexibility of being able to use the State agency as an agent when he feels the circumstances are appropriate or when the State as a contractor under an agreement is not providing needed training but the Secretary does not wish to completely circumvent the administrative role of the State agency especially when there is in effect an agreement.

This appointment of a State as "agent" in addition to its responsibilities as a "contractor" under an agreement might, for example, be most appropriate under the recently issued procedures for less-than-group referrals which will provide for individual referral training. Please see program letter No. 1758, January 26, 1965, reference USESPL No. 1666.

This is the proposed amendment that we seriously and sincerely offer for your consideration. And this would correct the problem that is faced in California and in any other State where there might be constitutional or legal prohibition of using State funds for contracting to private institutions.

Senator PROUTY. Mr. Sneden, I assume you wish to include your proposed amendment in the record.

Mr. SNEDED. I do.

Senator PROUTY. I am not chairman, but without objection, it will be put in the record.

Mr. SNEDED. Well, this concludes our testimony, except that I want to again express our deep appreciation for this opportunity to appear before you and again to reaffirm our confidence in the Manpower Development and Training Act program. We certainly hope that all the private schools will be able to continue to contribute to its success.

Senator RANDOLPH. I would like to make just this comment. I have looked at the amendment rather hurriedly, and I would want to indicate my general agreement with the purpose of the amendment.

Now, there possibly may be language that will be more helpful to the purpose that you have. This may not do exactly what you think it would do, although we believe that you carefully checked its drafting. But I want to indicate that I believe the purpose of the amendment is desirable. At least there should be sufficient flexibility to cover a situation such as you have noted. We will have to determine that as we study this issue in the subcommittee.

This is my personal view.

Senator PROUTY. Mr. Sneden, I have a few questions I would like to submit to you or any other member of the panel.

I understand, for example, in Michigan your private training has been particularly helpful to some of the disadvantaged minority groups; is that true?

Mr. SNEDED. Yes, particularly the ARA program which we conducted in Detroit.

Senator PROUTY. Your exhibit A, I guess, which I have not had a chance to go over, seemed to sustain that point.

Mr. SNEDED. Yes.

Senator PROUTY. Is it not true that the taxes ultimately paid by trainees in your State and other States will actually exceed the cost of their training.

Mr. SNEDED. Yes; I would say, for instance, it is anticipated or estimated that the taxes that these folks pay will be \$456.80, and the cost of training for each student—now, this does not include any subsistence, but the cost of training was \$474.19. So far as training is concerned, the Government gets its money back the first year, which is certainly sound.

Senator PROUTY. This is something we can all appreciate. And this training has been helpful to disabled, physically disabled individuals, too, has it not?

Mr. SNEDEN. Of course, the physically disabled are usually processed through the vocational rehabilitation program, which is incidentally a matching situation, as you know. That program has been going on for many years and as long as I can remember. And before I became associated with the school work, we have had rehabilitation students in large numbers, as individual referrals, incidentally.

Senator PROUTY (presiding pro tempore). Are there some States which do virtually no contracting out of training with private agencies?

Mr. SNEDEN. Under vocational rehabilitation, or any—

Senator PROUTY. Under "Manpower."

Mr. SNEDEN. Well, the State of South Carolina has indicated that under their present restrictions, I do not know whether it is constitutional or what, they are not going to be able to contract with private institutions. I know that legislation is being introduced which is supposed to correct that.

I do not know how many States have refused to contract with private institutions, but there are relatively few that have contracted for private institutions. Michigan, Arkansas, Pennsylvania. It is not widespread, yet.

Senator PROUTY. I could say for myself, and also for Senator Jordan of Idaho, who was formerly a member of this committee, that we have been very ardently in support of the training programs handled by the private institutions. And I think you gentlemen this morning have made an extremely good case in support of the private institutions. And your testimony will be most helpful to the subcommittee and the full committee. I hope that some of the amendments which you suggested will be worked out, or at least we will succeed with the purposes through one kind or another.

If you have no further testimony, I want to thank you on behalf of the committee. I believe the next witnesses are Mr. Lee Isenberg and Mr. Hardman.

Are you appearing together?

Mr. ISENBERG. We sort of complement each other, sir.

Senator PROUTY. Mr. Isenberg, will you explain for the record who you are and whom you are representing?

Mr. ISENBERG. My name is Lee Isenberg, and I am the executive director of the Associated Restaurants of Connecticut.

Senator PROUTY. And also, Mr. Hardman, would you identify yourself?

Mr. HARDMAN. My name is William E. Hardman. I am director of training for the National Tool, Die & Precision Machining Association.

Senator PROUTY. Thank you; now, Mr. Isenberg, you may proceed in any manner which you wish.

STATEMENT OF LEE ISENBERG

Mr. ISENBERG. I will not go through my whole statement, Mr. Chairman. I would like to file the statement with the subcommittee so I do not have to go over the details of the statement.

Senator RANDOLPH. Without objection it will be printed at this point in the record.

(The prepared statement of Mr. Isenberg follows:)

PREPARED STATEMENT OF LEE ISENBERG, EXECUTIVE DIRECTOR, ASSOCIATED RESTAURANTS OF CONNECTICUT, HARTFORD, CONN.

SUMMARY

A. Overall recommendations

1. On-the-job apprenticeship training programs, particularly association on-the-job training projects, should receive a higher priority on existing and future Manpower Development and Training Act funding because—

(a) Enjoying the confidence of industry members, association personnel can more easily pinpoint and develop specific job openings. Furthermore, selected applicants for these apprenticeship openings are guaranteed these jobs before they enter a brief school period.

(b) The new "instructor-coach" method used in Manpower Development and Training Act-Bureau of Apprenticeship and Training assisted projects can maximize the learning potential of culturally deprived individuals; that is, 45 percent of our apprentices are Negroes or Puerto Ricans. Today, after 10 months of on-the-job training, apprentices' earnings range from \$75 to \$110 per week. Successful apprenticeship program graduates are assured by the association a minimum annual salary of \$7,000 as first cooks or future chefs.

(c) Association on-the-job training apprenticeship programs can create vast numbers of new apprenticeship job openings by helping small- and medium-size businesses set up their own training structures heretofore beyond their financial reach or competence.

(d) In an association on-the-job training program the Government can receive as high as a 7-to-1 return on its economic investment during the time of the apprenticeship training period. With only 6 weeks of formal schooling in basic theory, subsistence allowances are kept to a minimum, and the apprentice becomes increasingly productive during his on the job training period while at the same time the association, along with the management and labor team of the employer's company are making significant training contributions as illustrated in the supporting data.

(e) Somewhere between 80 and 90 percent of the training of skills in this country takes place on the job and not in a formal class situation.

(f) Organized on-the-job training best reflects the realities of technological change meeting industry's present and future needs.

(g) Association on-the-job training programs are particularly helpful to individuals from underprivileged backgrounds because the association can continuously move these disadvantaged youth until it finds sympathetic training situations that can maximize the trainee's potential. This practically eliminates the usual dropout rate for this group program.

2. Our association believes that the Manpower Development and Training Act program, despite some initial imperfections, is making a valuable contribution to our economy and should be continued and extended.

3. Based on our association's experience, our group strongly supports the amendment to permit the Secretary of Labor to make grants for the conduct of research, experimental, and developmental projects, as well as to enter into contracts for such projects because—

(a) Most local and State associations as well as many national groups cannot completely support the initial expense of developing a project. Thousands of dollars of our own association funds were spent on this effort. Some contract development assistance, as offered in other departments of the Government, is necessary to absorb a portion of the initial cost.

(b) The staffed trade association is an excellent research vehicle in both job development and training and it is hoped that a portion of contracts and grants will be allocated to trade and professional associations as well as institutions.

4. Since training and unemployment problems cut across State lines, our group supports the amendment for 90 percent Federal financing for Manpower Development and Training Act projects.

5. Funding provisions should be made for increasing the staffs of various agencies handling Manpower Training and Development Act funds with particular emphasis on program development personnel:

(a) From our own contacts with the State employment service, State vocational education officials, and Federal Bureau of Apprenticeship and Training personnel, we could observe serious manpower shortages which slow down the processing of projects.

(b) The experience of our own association indicates that the quality of supervision and instruction is a major success ingredient. The Manpower Development and Training Act is only as good as the adequacy and competence of the staff that is serving it. Some immediate corrective action is necessary.

6. Our organization is particularly enthused over the amendment that directs the Secretary of Labor to give special emphasis to a program of "job development," primarily of jobs in the service trades.

Small business predominates in the service occupations, particularly in the food service industry, the largest service trade. Local, State, and National associations in this area are in a position to make outstanding contributions in identifying job opportunities, devising techniques to meet the demand, and training workers.

B. Specific recommendations

1. Facilitate the flow of paperwork and funds to avoid unnecessary hardship and program delay; i.e., even though projects are funded, State authorities will not permit institutional scheduling until a check is actually received. A simpler mechanism could avoid a month's delay in programing. This is only one of many examples.

2. Allow the contractor more flexibility to achieve program goals. Arbitrary restrictions on hard-covered books, no provision for special counseling, and no allowance for recruitment ads are but a few examples.

INTRODUCTION AND PROGRAM OBJECTIVES

Industry represents the largest and potentially the most effective educational establishment in the Nation. In the industry I represent, food service, there are literally thousands of potential training establishments.

Our job is to organize this potential by—

1. Interesting the qualified employers;
2. Helping them to develop training techniques;
3. Helping them organize the pattern of training so that learning objectives can be achieved; and
4. Helping and guiding the apprentices learning effort.

REALIZATION OF PROGRAM GOALS

We have successfully realized these goals in the Hartford cook-chef apprentice program. Both the employers and apprentices are enthusiastic about the results achieved through coordinating prejob institutional learning with the followup on instructor-coach technique.

This is evidenced by the spread effect of the successful experience in Hartford. Programs now are being set up in five other Connecticut centers and other State associations have taken positive steps to extend the Hartford experience into their respective areas.

PRESENT NEED FOR TRAINING

Industry and Government authorities estimate that approximately 3 million people, including owners, are gainfully employed in food service. It is a further conservative estimate that a minimum of 75,000 new positions will be created

each year, and an additional minimum of 150,000 workers will have to be recruited each year as replacements.

The Labor Department estimates that 35 percent of the work force are cooks of various categories. Based on these figures, approximately 75,000 cooks in varying degrees of skill would have to be recruited for new positions and replacements each year to meet the demands of the food service industry.

Other authorities estimate that of this figure, at least 20,000 of these annual openings should require the skills of a first cook.

A substantial portion of these openings are found in small- and medium-sized establishments. Eighty-four percent of the restaurant establishments in this country have fewer than 20 employees. In fact, of the 375,000 restaurant establishments in the country only 1½ percent, or about 500 businesses, have 100 or more employees.

For a number of years there has been a persistent shortage of competent cooks and chefs to meet the requirements of these restaurants for proper and efficient preparation of quality menus. Efforts to meet this need included recruitment of foreign-trained chefs and sporadic, but generally unsuccessful, informal attempts to train for the required skills. The inadequate training plans and procedures, particularly in this industry dominated by small business, have limited the recruitment possibilities and have not taken full advantage of the learning potentials of young people entering this industry to develop the art of food preparation as cooks or chefs.

ELIGIBILITY AND MINORITY GROUP PARTICIPATION

The successful Hartford experience has indicated that formal educational requirements are not pertinent, but candidates must have the following: a desire to work hard, the aptitude needed to learn the culinary arts, and the potential to assume responsibilities.

It was also demonstrated that when the association makes a group effort and alerts the community, through publicity and paid advertisements as to the availability of training opportunities, qualified minority candidates will apply. In the Hartford program 45 percent of the apprentices are Negro or Puerto Ricans.

Because all candidates are screened by a local association committee prior to their selection for the institutional phase of the program, all trainees are assured job openings upon the completion of the 6 weeks of classes.

OCCUPATIONAL OBJECTIVE—FIRST COOK OR CHEF

The focus of this program is not on the development of a lesser skill (such as short-order cook) but the creation of a highly skilled, well-rounded, first cook or future chef capable of supervising his own kitchen, and who will be earning a minimum of \$7,000 per year shortly after completion of his apprenticeship.

CREATING A TRAINING STRUCTURE FOR SMALL BUSINESS

Heretofore it was extremely difficult for small- and medium-sized restaurants to provide an organized on-the-job training situation. Under an association on-the-job-training program it is expected that planned and intentional training to achieve specific skill and knowledge objectives will become part of the industry operations. The training potential of small- and medium-sized operations will be tremendously expanded by this program.

A FULL-TIME COACH-INSTRUCTOR

A competent full-time coach-instructor working with cooperating restaurants is the instrument through which to achieve the following objectives:

A. Initially provide basic skills and knowledge in the prejob or institutional phase of the program. In the on-the-job phase, to directly instruct apprentices in specific skills, assign reading and study homework, correct these assignments, and assure that all of the learning elements needed to make the program successful are maintained at high standards.

B. Orient and advise supervisory personnel and chefs in cooperating restaurants on their training responsibilities, as well as the methods of working with a

training plan to effect the orderly development of knowledge and skills in the art of food preparation.

C. Advise, assist, and instruct cooks and chefs in the art of effective on-the-job instruction so that the learning potential of each of the work experiences in food preparation is fully exploited. This instructor also assists in planning for an orderly and progressive pattern of food preparations to assure that both the breath and depth of training experiences and knowledge needed to achieve full competency in the art is attained.

D. Create a special rapport with his students from less privileged backgrounds which include ethnic minorities and high school dropouts, providing encouragement and extra coaching to these trainees, helping them to meet the required standards of the program.

INDUSTRY AND ASSOCIATION CONTRIBUTION

Our industry has been operating education and training programs for a number of years, particularly in the area of service and management personnel. These programs will continue at the same level, but will be augmented by this additional effort to correct this tremendous shortage in first cooks or potential chefs.

In terms of an economic investment, this association on-the-job-training project offers the Government its greatest return, when compared with most other uses of manpower training funds. Experience indicates that the State affiliate will invest a minimum of \$2,500 per project in out-of-pocket and personnel expenses. In addition, the participating restaurants will contribute over \$25,000 worth of instructional hours per project beyond the 2 hours per week compensated. Furthermore, an estimated \$246,000 of wages will be paid to each project of 18 apprentices during the 3 years of apprenticeship.

After calculating additional association contributions for developmental work as well as followup on the second and third year, and adding the instructional hours contributed by the restaurants in the second and third year, for each project investment (approximately \$27,500 in contractor's costs, \$2,000 in training allowances, and \$3,500 in supplemental instruction costs) industry members and the association are providing \$287,500 per project in wages, instruction time and out-of-pocket expenses—or a ratio of about 7 to 1. This is certainly an outstanding return on the invested training dollar of the Government.

ADVANTAGES OF ASSOCIATION PROGRAMS

An association is equipped to—

1. Identify and obtain the participation in the program of qualified establishments.
2. Organize the recruitment of qualified trainees.
3. Select highly competent instructors from industry.
4. Develop the training content and in-plant training structure.
5. Transfer apprentices among participating employers as required to broaden, improve, and stabilize the training.
6. Supervise and coordinate the relationship between the industry and public agencies.
7. Conduct practical field research and program evaluation studies.

CONCLUSION

It is interesting to observe that our association efforts are in line with the new job development program for the service trades. We are making special efforts to pinpoint job opportunities and devising new techniques for meeting the demands of the food service industry—one of the largest, if not the largest, service occupations in the country.

SUPPORTING EXHIBITS

The association develops a realistic institutional and on-the-job training curriculum to meet the changing needs of the industry—a program tailor made for small- and medium-sized restaurants as well as large operations.

COOK-CHEF

First week, 35 hours :

- History of cooking.
- Orientation to food, restaurants, and hotel kitchens.
- Importance of working together with others.
- Importance of a neat appearance.
- The opportunity ahead for the student.
- Nomenclature and use of tools of the trade.
- Books and how best to use the knowledge they give you.
- Safety.
- Preparation of various appetizers.
- Field trips to different restaurants and markets.
- Tests, written and practical.

Second week, 35 hours :

- Proper cleaning of dishes and silverware.
- Cleanliness of kitchen tools, work area, importance of working clean.
- Personal hygiene.
- Terminology for utensils used in every kitchen.
- Terms used in kitchen.
- Preparation of vegetables for various soups and salads.
- Preparation of basic salads.
- Pastry.
- Field trips to different restaurants and markets.
- Tests, written and practical.

Third week, 35 hours :

- Nomenclature of the profession.
- Sandwich making of all kinds.
- Safety.
- Beverages.
- Knife drill.
- The economics of kitchen operation.
- Weights and measures.
- Preparation of basic soup stocks and soups.
- Field trips to different restaurants and markets.
- Tests, written and practical.

Fourth week, 35 hours :

- Preparation of sauces for various types of dishes.
- Study fish and shellfish.
- Preparation of seafood.
- Knife drill.
- Guest speakers on seafood.
- Menu making, planning, and pricing.
- Buying, food costs, labor costs.
- Understanding of restaurant profit and loss.
- Cooking of a full-course meal by students, broken into groups of four, each having a turn as chef of the group.
- Field trips to different restaurants and markets.
- Tests, written and practical.

Fifth week, 35 hours :

- Sanitation, refrigeration—their importance.
- Facts pertaining to refrigeration and storage.
- Safety, proper use, and cleaning of equipment, steam kettles, etc.
- The importance of timing in the food operation.
- Various ways of combining, slicing, and cooking potatoes and vegetables.
- Storeroom and receiving.
- Importance of checking deliveries.
- Field trips to different restaurants and markets.
- Tests, written and practical.

Sixth week, 35 hours :

- Study of cuts and grades of meat.
- Various methods of cooking—roasting, broiling, stewing, etc.
- Cooking of a full-course meal with students acting as chefs.
- What student should expect outside of the classroom.
- Review.
- Introduction to the chef who will continue with the student.
- Field trips to different restaurants and markets.
- Tests, written and practical.

JOB DESCRIPTION, TIME SCHEDULE, AND DESCRIPTION OF PROCESSES AND SKILLS
TO BE LEARNED FOR COOK-APPRENTICE ON-THE-JOB TRAINING, TOTAL HOURS,
2,208

- A. Cleaning and maintenance of equipment, 210 hours :
1. Good practices in cleanliness in the kitchen.
 2. Use of kitchen tools and equipment.
 3. Use of condiments, spices, and raw materials.
 4. Proper cleaning of dishes and silverware.
 5. Proper cleaning of cooking utensils.
 6. Proper cleaning of tables, stoves, refrigerators, and all other equipment.
 7. Personal appearance.
 8. Safety.
- B. Soups, 325 hours :
1. Preparation of various stocks for soup.
 2. Time control for cooking.
 3. Types of soups : vegetable, black beans, puree of split pea, cream soups, tomato, potato, mongole, celery, asparagus, chicken, turkey consomme, minestrone, rice and tomato, clear soups with garnishes, old-fashioned chicken and various other soups.
 4. Safety.
- C. Seafoods—Shellfish, 173 hours :
1. Various methods of preparation : stews, newburghs, broiled, baked, fried.
 2. Safety.
 3. Types of seafood : clams, oysters, crabs, lobsters, scallops.
- D. Fish, 172 hours :
1. Various methods of preparation.
 2. Safety.
 3. Types of fish : flounder, fillet of sole, lemon sole, haddock, schrod, mackerel, swordfish, halibut, snapper, trout, bluefish, etc.
- E. Meats, 423 hours :
1. Selection of grades and cuts for veal, pork, beef, and lamb.
 2. Roasts.
 3. Stews.
 4. Stroganoff
 5. Ragout.
 6. Fricasse.
 7. Deep frying.
 8. Broiling.
 9. Pan Frying.
 10. Cutlets.
 11. Patties.
 12. Sweetbreads.
 13. Livers, etc.
 14. Safety.
- F. Cooking time for various items, 200 hours :
1. Chickens : broiling, frying, baking, roasting, fricasse, diane, cacciatore, eugene, etc.
 2. Chicken livers.
 3. Vegetables : use of carrots, beets, corn, squash, peas, beans, sprouts, cabbage, greens, lima beans, etc.
 4. Potatoes : whipped, croquettes, patties, dutch, scalloped, fried, french fried, pan fried, lyonnaise, cottage fried, home fried, O'Brien, etc.
 5. Various ways of combining, slicing, and cooking the different potatoes and vegetables.
 6. Safety.
- G. Sandwich preparations, 75 hours :
1. Hot and cold, such as grilled.
 2. Hot with gravy.
 3. Cold with proper garnish, such as club, etc.
 4. Safety.
- H. Fowl Preparation, 125 hours :
1. Broiled, boiled, roasted, fried, slicing, storing, fricasse, stewing, etc.
 2. Safety.

- I. Preparation of salads, appetizers and dressings, 175 hours :
 1. Hearts of lettuce, tossed, chefs Julienne salad, jellied, fruit, antipasto, etc.
 2. Dressings : oil and vinegar, russian, french, sweets, etc.
 3. Appetizers : shrub, fruit cup, chicken livers, herring, baked grapefruit au' sherry, oysters, clams on halfshell, relishes, etc.
 4. Use of various combinations.
 5. Safety.
- J. Preparation of beverages, 34 hours:
 1. Coffee, tea, cocoas, blends, iced drinks.
 2. Safety.
- K. Food receiving and storage, 171 hours :
 1. How to pack and cover foods to prevent waste.
 2. Refrigeration.
 3. Proper temperature for various foods.
 4. Checking foods' length of time in freezer.
 5. Safety.
- L. Banquet and volume cooking, 125 hours :
 1. Estimating.
 2. Preparing.
 3. Cooking.
 4. Storing at proper temperature.
 5. Garnishing plates.
 6. Serving when hot.
 7. Safety.

The association selects outstanding full-time instructor-coaches from industry. The association chooses only the most capable of professionals for the difficult job of stimulating disadvantaged youth and supervising the training programs of individual restaurants and their chefs.

The association seeks younger, active instructors, sympathetic to the specialized problems of their students, and ever ready to give individual counseling or extra coaching.

RÉSUMÉ FOR CALVIN C. WHITE, CROMWELL, CONN.

SUMMARY OF BACKGROUND

Experienced in all phases of hotel and restaurant management, such as supervision of kitchen, bar, and dining room staff, catering, banquets, greeting guests, purchasing, publicity, and advertising. Thoroughly familiar with garde-manger and the preparation of a variety of cuisines including American, German, Italian, French, Hungarian, and Chinese. Have also had contact with room management, billing, and reservations.

PRINCIPAL EXPERIENCE

Water Gate Inn—1963

2700 F Street NW., Washington, D.C., manager, in complete charge of entire operation consisting of Pennsylvania Dutch food, cocktail lounge, 100 employees serving from 600 to 1,000 people daily. This restaurant was one of Washington's finest eating establishments.

The Early American Restaurant—1962-63

Nashua, N.H. Owned and operated a high-class restaurant and cocktail lounge, seating 180, open for lunch and dinner.

Twin City Motel—1961-62

Brewster, Maine. Food and beverage manager, had complete charge of the kitchen, dining room, and cocktail lounge. Hired and supervised employees, also purchased food and liquor, handled financial administration.

Charterhouse Motel—1960-61

Waltham, Mass. Employed by Hotel Corp. of America as chef de cuisine. Had complete charge of entire kitchen operation and purchasing, served as consultant for other newly opened Charterhouse Motels.

Winchester Country Club—1959-60

Winchester, Mass. Served as chef-steward for one of Boston's most exclusive clubs. Supervised all phases of the food service, also cooked.

Hotel Vendome—1956

Boston, Mass. Executive chef for this fine 150-seat French cuisine dining room. Was in charge of food preparation, banquet arrangements, and kitchen personnel.

Smith House—1953-55

Cambridge, Mass. Chef-steward for this 400-seat restaurant grossing approximately \$60,000 per month. Supervised food preparation, menu planning, purchasing, and food control.

Vaughn Monroe's Meadows—1949-53

Framingham, Mass. Executive chef. In charge of the preparation of more than 1,000 dinners Saturday evenings. Responsible for all aspects of food service; directed a staff of 60.

Have held positions ranging from salad man and sauce cook to manager at a variety of fine restaurants since 1946. These include the Hotel Roosevelt, Lenox Hotel, Vienna Room, and Wauwinet House. Also have done a good deal of garde-manger at all of these restaurants.

Education: Bangor High School, 1944; Culinary Institute of America, New Haven, Conn., 1949. Studied advanced cooking and decorating.

Awards: New England Hotel Show—1954, the Award of Merit; 1955, Major Award; 1959, Major Award; 1960, Grand Award and Gold Augie; and 1961, Special Award.

Memberships: Boston Epicurean Club, Food Service Executive's Association, Connecticut Chef's Association.

Military: U.S. Marine Corps, 1944 to 1946. Served in China. Honorably discharged in 1946.

Personal: Born in Bangor, Maine, on July 1, 1927. Married; 5 feet 8 inches; 175 pounds; in excellent health.

Hobbies: Hunting, fishing, private flying, sailing, and collecting antique firearms during off hours.

References: First-rate professional and personal references furnished on request.

RÉSUMÉ OF BRIAN COLLINGS, NORWALK, CONN.

Born May 28, 1932, Manchester, England.

Educated in England, high school graduate. Three years in night college, majored in theory of catering. Veteran of the British Army, has honorable discharge. Married 11 years, has two children.

SUMMARY OF BACKGROUND

Experienced in all phases of English, French, German, and American cuisines. Has held all positions in the kitchen. Also worked reorganizing and developing correct preparation and service for large food operations.

Present position: Chef, Norwalk Hospital, catering to special diets. Upgrading the method of preparation. Also being new in the United States, I am especially interested in institutional food service.

October 1962 to April 1963: Head chef, Silvermine Tavern, Norwalk, Conn. Catering to the finest clientele in southern Connecticut. Serving 400 to 600 covers daily.

May 1958 to September 1962: Head chef, Lobster Pot (Lobster Pot Chain, Cafe Royal.) Seating 800 in 3 restaurants under one roof plus 2 large banquet rooms. Duties included responsibility for menu planning, personnel, all food service. The average daily customer count was 7,000. English and French cuisine.

September 1957 to May 1958: Sous chef at the Lord Brocket Arms Hotel, Wigan, England. French cuisine. Responsible to chef for complete kitchen operation. The reason that I did not stay too long here was that I wished to better myself. It was the first position I secured after my Army discharge.

September 1954 to September 1957: Three years sergeant instructor; British Army Catering Instructional Center, Aldershot, England. Honorable discharge. Sergeant instructor for British Catering Instructional Center. Was responsible for groups of 30 men for 12-week training course. The center was run by the J. Lyons Co. This was a civilian organization.

December 1948 to September 1954: Cunard Steamship Co., Ltd., Southampton, England. Three years student chef and three years "chef de partie" in all departments international cuisine. During the 7 years that I worked in every department, I had the pleasure of serving such personalities as Mr. Rockefeller, Winston Churchill, Queen Elizabeth, who was then H.H.R. Princess, Mr. Dupont, Emperor Haile Selassie, and many other distinguished people.¹

June 1946 to December 1948: Victoria and Station Hotel, Preston, England. Three years student chef. English and French cuisine. I served my apprenticeship under my father who is now executive chef at the London Airport.

MR. ISENBERG. I would like to hit a few of the highlights of our particular concerns and recommendations here. We feel that on-the-job, apprenticeship-training programs, particularly association on-the-job projects, should receive a higher priority on existing and future Manpower Development and Training Act funding.

We have several points that we would like to make in support of that. One is that we think that the trade association is being overlooked as an outstanding resource for pinpointing job opportunities.

In our own case, we sent our fieldmen out into the field to pinpoint the restaurants which would take these job openings. And we are able to talk directly with management in a state of confidence and try to illustrate to them on a person-to-person basis the value of getting involved in this training program.

On that basis, we are able to guarantee the jobs of the boys before they even start a brief schooling period. We also find that the instructor-coach method the National Tool, Die & Precision Machining Association developed had its exact application to the service trades as well.

We found that this particular approach of having the instructor-coach, who is under the control of the association, teach the institutional part of the program and then move out with the boys on the job creates a tremendous maximizing of trainee potential.

We have a number of different reports which I did not enter in our written testimony, of the personal problems that many of these disadvantaged young men have.

For example, part of Larry's training has been learning to get along with his fellow workers. He ran into personality conflicts in both the Stonehaven and Brownstone restaurants. We have transferred him three times, and now he has no further difficulty. We have had a fine talk with his mother and find out—these are problems that come up—that he has no father, and we sort of had to act as a father figure to him. The instructor-coach's report goes on and on in a similar vein.

We try to establish a relationship with the boys and indicate that the industry is interested in them. It is amazing the progress that the boys make under this instructor-coach system of the instructor not only handling the school portion of the training, but then moving out on the job with the boys, and supervising their training through the individual restaurants in which the boys are placed. We are in-

¹ NOTE.—On the Cunard Steamship Co., Ltd., line it is the policy of the company to have their student chefs serve no less than 4 years apprenticeship. However, in my case they made an exception and allowed me to become a "chef de partie" in 3 years.

debted to Mr. Hardman's group the National Tool, Die & Precision Machine Association, for developing the entire system.

Then another aspect that we would like to pinpoint is that small- or medium-sized business has its greatest chance in participating in this program through association on-the-job projects. We find that basically the small- and medium-sized business operation has no training structure. By setting up a well-organized association program, which is supervised—and incidentally, the comments that have been made against on-the-job training have generally referred to unsupervised, unorganized, and uncoordinated programs.

Under this type of programing, every step of the training is supervised and organized for the small business. As a result, on a week-to-week basis the boy is supervised, his progress is checked, and his weak points overcome and special instruction or coaching. We feel that this program certainly overcomes any objection that we sometimes hear about on-the-job training not being a highly systematic approach.

By the same token, we think that the trade associations can uncover thousands and thousands of these small- and medium-sized business opportunities. In the restaurant industry itself we find 84 percent of the total number of establishments in this country have under 20 employees. Therefore, most of them do not have the training facilities to handle organized on-the-job training, and this is where the trade associations can come in—pinpointing the job opportunities, setting up the training structure, supervising the training, and really making a major contribution.

The other things we have noticed are that technological change is best observed in on-the-job training, and also that 80 to 90 percent of the training of the skills in this country is done on the job and not in a formal-class situation.

Furthermore, we find that the association programing particularly gives the underprivileged young man an extra chance. We find that in many cases we have to rotate the young man three or four or five times in order to match his particular potential against a training situation. And whether it is personal prejudice inability to adjust, personality conflict, poor training environment, or whatever the reason, we are able to keep that young man in the program.

No trainee drops out of the program if we can help it. If we have to have our instructor give him three extra nights of coaching each week or give him any other necessary assistance, he does it. This is another value of having those instructors under our association program. They really put in those additional hours in an extra counseling and coaching effort. They live with these boys and their problems. If a trainee does not report to work at 8 in the morning, the instructor is down at his house pulling him out of bed and getting him on the job.

To reemphasize our first recommendation, we feel that a funding priority and additional recognition for on-the-job training projects, and particularly association projects, should be entered in the record. Further than that we feel that the basic Manpower Development and Training Act program is making a valuable contribution, despite some initial imperfections. We have discovered that strong efforts are being made to overcome many of our initial problems.

It seems there is a new administration in the Labor Department's manpower group that is really trying very hard to move along and bypass many of the small bottlenecks that we have experienced in the beginning.

Also, we would like to support the amendment authorizing the Secretary of Labor to make grants for the conduct of research, experimental and developmental projects, as well as to enter into contracts for such projects.

We find that most small trade associations cannot support the initial expense of program development. We have spent thousands and thousands of dollars of our own association funds in trying to develop this program and we think that if you are going to use the association resources, particularly for small- and medium-sized business, that there will have to be some Manpower Development and Training Act effort to cover a portion of this initial cost.

I am referring, for example, to the 3 months we sent out our field people on the road, pinpointing these job opportunities. We paid for the ads in the newspapers to get potential trainees to register at the State employment service, because their funds have run out in that area. There are numerous other expenses that the association incurs, that particularly the small association needs some help on.

We also want to stress the fact that when and if the Secretary gets this additional authority, we want to remind the Department that the staffed trade association is an excellent research vehicle for both job development and training, and we hope that contracts would be allocated to this group, because we think that they could make a significant practical and factual contribution in this area.

The other recommendation that we discussed was the necessity, we thought, of the 90 percent Federal financing of the Manpower Development and Training Act projects.

In addition to the aspect that the problem of unemployment cuts across State lines, we also feel that many of our approaches are rather new and it takes a little time for some of the States to get used to these innovations. Because we are still experimenting and suggesting certain projects that are a little different from the usual training pattern, we think that the 90-percent Federal financing will help us get the entry into the vocational school system and into the other different organizations whose cooperation we seek to enable us to institute these projects.

For example, we require that the instructor-coach actually comes from industry. Nevertheless, he has to meet certain qualifications of the State board of education. We can insist on an alert young man, fully competent, and up to date on every aspect of industrial training, but when we place him in the school system, the school has to rule on this man's competence and further accept the fact that this man will move out on the job with his trainees.

This is a new concept and sometimes it takes a little while to have the school see it. However, once they do, and they see it really works, they accept it. But the problem is to get the initial push and program in many States. We no longer have any problem in our State, but I could see that certain States who are not familiar with this new method of training disadvantaged youth could have problems.

We also find that the Manpower Development and Training Act is only as good as the staff who handles it. And we do find that our projects are sometimes slowed down because there seems to be a tremendous overburdening of some of the existing staff people, particularly in the program planning and field servicing groups.

Some immediate attention should be focused on this problem of having adequate staff funding for the Department of Labor's Manpower Development and Training Act and Bureau of Apprenticeship and Training personnel.

Another aspect that we would particularly like to support is the amendment that directs the Secretary of Labor to give special emphasis to a program of job development, particularly in the service trades. We think that this is a gold mine of opportunity. We think that the trade association, particularly in the service trades, could be tremendously useful as a vehicle in creating these jobs.

We have done this ourselves, and we see that it works. We can see that you can turn up these job openings on training opportunities and we feel that this particular emphasis would be very valuable.

As far as specific recommendations, we have been concerned with some of the mechanics of paperwork and some of the educational administrations policies of the individual States; i.e., the lag between the time that funds are granted and the time that an individual State will permit the start of a program.

Many States have policies which require the check to be deposited in the State before they will even talk with us about scheduling the school. However, we hear that the Manpower Development and Training Act and the Department of Health, Education, and Welfare are working on letters of credit and other approaches to overcome some of these procedural time delays and we see most of these nit-picking problems are in the process of being solved at the present time.

We would like to say just briefly that our particular program is aimed at developing first cooks or future chefs. We are not looking in our program for a short-order cook or somebody in a dishwashing capacity—we are trying to look for disadvantaged youth who have potential to handle supervisory responsibilities. That young man is assured that within a short time of his completion of our apprenticeship program he will be making a minimum of \$7,000 a year as a supervisory first cook or a future chef. We are aiming at a program which really produces results. It is fantastic how some of our boys in their 10th month are already making \$110 per week. They are going over the established norms that we have set up as minimums for them to accomplish.

From the point of view of evaluating in the effectiveness of this particular association instructor-coach method, we were very proud to see that our boys in their 10th month of training walked away with our area's culinary art show's first prize in competition with leading institutions and a number of chefs of outstanding hotels. Furthermore, the judging teams expressed amazement at the proficiency of the boys in the program. Forty-five percent of our trainees are Negro and Puerto Rican. We try to have a balanced program. We do not want to have an all-Negro group, if possible, or an all-white group. We think the best way is a combined group, and we try to recruit a minimum of 40 percent minority representation in our programs.

Senator PROUTY. Is this program in Connecticut primarily directed at the training of individuals to become first cooks or chefs?

Mr. ISENBERG. Yes, sir. We are now in the process of extending the program to a number of other cities and we are also in the process of helping a number of other State associations across the country develop this same type of programing

Senator PROUTY. How many have been taking these courses?

Mr. ISENBERG. Again because of the low priority in on-the-job-training funds, we had 110 job openings last June, but we were only able to get funds for 18 last year. Now we finally are getting the funds for starting four new programs.

So from our own experience, the only program we can talk about is our first group, but it now looks as though we will have the funds for about 90 boys for our new cook-chef programs starting within the next month and a half.

Senator PROUTY. Can they all be utilized in Connecticut?

Mr. ISENBERG. These trainees will be utilized in their own local area. Each training program is pegged to the needs of the area. Every one of these boys have jobs. They are guaranteed positions before they even go to school. First of all, we take ads on behalf of the State employment service to bring them into their offices. We find that somehow or other, many of the boys who should be registered there are not. We also contact community leaders to funnel their people into the State employment service. Then the State employment service is very helpful in the initial test battery. We follow up with an employers' committee screening interview so every one of the boys we pick for the program is guaranteed a job before they start 6 weeks of school.

We established the curriculum of 6 weeks. It is tailor-made to our own program. Our instructor moves out of school and on the job with his class. The boy starts earning wages immediately at the end of the 6 weeks' period.

We have calculated roughly at the end of the 3-year apprenticeship that the Government will get back about a 7-to-1 investment on its funds in this program. These boys are going to be moving right along in terms of their financial increments. They are doing well, and they are filling a very vital need. The number of boys that can be absorbed in service industries this way is fantastic.

Most small restaurants can use a \$7, \$8, or \$9,000-a-year chef. It is a program that is really related to mass needs. They are just screaming for first cooks and chefs.

And we have three or four times the number of people requesting these boys, but they are assured that the boy is employable. We screen the boy, we gave him a physical examination before he starts class—we do not waste school money. When we start the trainee in the school program, he is employable and is guaranteed a job upon completion of the 6-week school period. If for some reason his personality does not match up with the job, we will transfer him to another job as we have the jobs for him.

Senator PROUTY. What is the educational background?

Mr. ISENBERG. I would say that 60 percent of our boys are school dropouts and about 40 percent of our boys are high school graduates.

And as I said before, 45 percent of the boys come from Negro and Puerto Rican groups. But once again, we found we had to adapt our own intelligence test. A certain basic intelligence test itself just does not apply. We have created some of our own screening tests. We have found that the native intelligence of a boy and his willingness to work and his potential for supervision are the things that we are looking for. And it is not related to formal training. We can take these boys from disadvantaged backgrounds and we can make them supervisory personnel in a kitchen. It really works. We have to labor over them. We get involved in fantastic personal problems, from getting back their licenses, to marital problems, to everything else that is involved.

Another point is that we insist on a top-rate instructor-coach that the trainees can personally relate to. Our man that we had in Hartford we "stole" from Washington, D.C. He was manager of one of your largest restaurants here, the Watergate Inn. He is an outstanding individual and is really doing the job up for us. We now have several other people lined up of the same quality.

Senator RANDOLPH (presiding pro tempore). What do you mean, you "stole" him?

Mr. ISENBERG. He wanted to come back to New England and I will put a quote around the word "stole," sir. We mean that we tried to interest him in this program to the point where he left the Washington, D.C., area to come up and try pioneering this new training concept by working with us.

I am sorry; I would redefine my terms.

Senator RANDOLPH. The Watergate Inn, of course, is a very fine restaurant; the food is excellent; and the pay of the employees presumably would be equal to the pay in New England. So I am trying to see if this was a case of personal preference.

Mr. ISENBERG. Excuse me. You are quite correct. His family came from New England, and this was the additional inducement to bring him back there.

Senator PROUTY. I might say, Mr. Chairman, once anyone has ever lived in New England, he always wants to return.

Senator RANDOLPH. That is understandable, that men who represent certain States speak well of their States.

What is the average age of your trainee?

Mr. ISENBERG. The range concentrates, I think, between 18 and 23, sir. In the new group we are interviewing, we are trying to get the age down nearer the 19- and 20-year-old level. We find that there is a problem with the 17-year-olds from the point of view of supervisory responsibility. For our own particular purposes, we arbitrarily put 18 as a guideline, but by the same token, if an unusual 17-year-old or an unusual 25-year-old or 30-year-old individual wants to enter the program, we accept him.

Senator RANDOLPH. Then, you have no hard-and-fast cutoff point for acceptance?

Mr. ISENBERG. No, just guidelines, sir, more than anything else.

If they are older they have family obligations and the minimum training allowance for the 6 weeks makes it very difficult; furthermore, we find only half our boys are eligible for the training allowances.

Senator RANDOLPH. Then your emphasis is on the younger.

Mr. ISENBERG. We are very definitely emphasizing the younger men now.

Senator RANDOLPH. I know that you have responded partially to the educational status among the trainees but what is the level of the educational training of these people? You spoke before about drop-outs.

Mr. ISENBERG. Here is two and a half years of high school. Nine and a half years of school. Nine years of school—I am just reading individual reports here—2 years of high school, 8 years of school, 3 years of high school. This is just a cross section, Senator, to give you some idea.

Senator PROUTY. Are there many high school graduates?

Mr. ISENBERG. As I say, we have 40 percent in the group that are high school graduates, just as a round figure.

Senator RANDOLPH. Have you told us the average cost of the training?

Mr. ISENBERG. The average cost of the training, that is the contractor's cost of the training, comes to somewhere in the vicinity of about \$1,500. This is spread over the full-time instructor-coach and also each restaurant which is paid for 2 hours a week or \$11 weekly for the followup instruction time of its chef. Actually, we get about five times the amount of paid hours of instruction out of the chef, and we also get him to volunteer for special programs teaching on-the-job training techniques, which our instructor conducts for the 15 or 16 chefs of participating establishments.

In other words, our instructor-coach is trying to teach these chefs how to train the boys underneath them, as the instructor only will be seeing a boy at work one day a week, and then he has to have the chef follow up carefully the boy's progress the rest of the week.

Senator RANDOLPH. In your summary, you have indicated that State authorities will not schedule the institutional training until the Federal funds are actually received.

Can you tell us why the authorities take this position and could you suggest a remedy, if you feel there should be a remedy?

Mr. ISENBERG. Well, I dropped into the HEW office to find out before I came here as to what could be done, and they tell me that this requirement stems from some bitter experiences that individual States had when they started the program. After inaugurating crash programs, some States found the funds were not retroactive and these States got caught in the bind in the very initial phases of the manpower training program.

As a result, the State fiscal authorities made certain regulations requiring the deposit of the check.

Now, HEW tells me they are rapidly overcoming this problem by developing a letter of credit type of approach. We hope so, as we found this regulation can delay a program as much as a month.

Senator RANDOLPH. You are making suggestions, then, are you not?

Mr. ISENBERG. Yes, sir. As I said, the nitpicking aspects of it, I think, are being overcome. We notice a much more agreeable and understanding attitude on behalf of the people we are dealing with as they are getting more experience in the program. And as we are, and I think all of these individual problems can be just a matter of reasonability. They seem to be progressing toward a solution.

Senator RANDOLPH. Can you tell us how many potential job openings there are in the United States for persons in the food service?

Mr. ISENBERG. Mr. Donald Greenway, who is the executive vice president of the National Restaurant Association appearing before the food service industry manpower conference, estimated that there would be a minimum of 75,000 new workers needed annually and 150,000—these are minimums—and 150,000 replacements in the labor force.

Now, we developed our figures with a number of State associations who are working with us to discover what we felt was the potential openings for our particular occupational objective. And we estimate that there is a minimum of 20,000 annual openings in this first cook or chef category in the country. This estimate is the minimum annual job opportunities for our own particular programing. For the entire food service industry there is a minimum annual absorption potential that Mr. Greenway estimates, provided individual productivity continues growing in this decade, 225,000 workers in food service—75,000 new workers and 150,000 replacement workers.

Senator PROUTY. Mr. Isenberg, yesterday I introduced legislation which would provide a 7-percent tax credit to companies which provided their own on-the-job training, and guaranteed to employ these people for a minimum of 1 year. Would that be at all helpful in the restaurant business? Perhaps you have not had an opportunity to even think about it.

Mr. ISENBERG. I have had the opportunity, because we have worked very closely with John Dewhurst in developing our program. Mr. Dewhurst, who is on the Secretary of Labor's Advisory Committee to Bureau of Apprenticeship Training, is a Hartford manufacturer in the tool and die industry. Through the good offices of Mr. Dewhurst the restaurant group got the experience of the tool and die industry in our own area and we are applying their technique to the service industry.

Mr. Hardman can go into more detail. Mr. Dewhurst has strongly expressed support of a training tax credit at local chamber and association meetings. It is not just my own personal opinion, but conversations with many local business people have been convinced that this particular approach has a great deal of merit.

As far as the food service establishments go, at many of the smaller and medium-sized establishments are really marginal operations, sir, and I do not think they would give it the same recognition as other segments of the economy such as the tool and die industry, or manufacturing in general. But there has been a widespread acceptance and pushing of that idea in our State, and it is a very valid one as far as most of our people are concerned.

Senator PROUTY. It seems to me that an approach of that nature might certainly very well supplement the programs we have in existence now in the Manpower Development and Training Act and might cost the Federal Government considerably less money than is involved in some of the programs now.

I have one other question, which was handed to me, and I am asking it in behalf of a Senator who is not a member of this subcommittee or of the full committee.

Should existing law be amended so that in certain cases employers could give on-the-job trainees less than the minimum wage where this is a real stumbling block?

Mr. ISENBERG. I would like to answer that. In our State it has no significance. However, I attended a recent meeting of State association executives who asked me to present this program to them with the idea of adapting it. In certain areas of the country, up in northern New England, and I believe the Southwest, as well as in four or five other areas the association executives expressed their concern that there should be some adjustments permitted to the Labor Department to recognize special situations. Where many of these States have specialized problems they should be permitted to adjust minimum requirements.

Furthermore, these adjustments might be necessary to induce employers to sponsor training for handicapped workers or similar areas of the population. Because the boys are expected to be productive almost immediately, we have to look at a person, draw a rather hard line, say he has to, within reason, earn that minimum almost right away and then be prepared to earn his increments every 13 weeks. This could be a problem in certain States, and I think that some authority for variation could be valuable to these States, and I could see that these States were loath to participate in this type of programing until they had that possibility of variation. Perhaps, it could be done on the individual authority of the Secretary of Labor or appropriate State officials.

Senator PROUTY. Mr. Chairman, I have someone waiting to see me in my office now. I wish to assure Mr. Hardman that I will follow and read any testimony that he presents very carefully.

Senator RANDOLPH. Before you leave, Mr. Isenberg, I want to thank you for presenting us with factual and rather inspiring testimony. I wonder if you could supply for the committee or do so for my help, something that is not directly related to this subject, but what is the average pay to a waitress or a waiter in the restaurant industry?

Mr. ISENBERG. Well may I just preface my remarks—in the restaurant industry—the pay part of it is the least interesting component in motivation for getting the positions. The girls are only interested in one thing, and that is what is the gratuity situation in the particular restaurant. We find it is a very difficult question to answer, Senator, except the only light I can shed on it is from our own experience that as I mentioned just a second ago, that the gratuity situation is far more motivating to all the waiters and waitresses than the restaurant's pay. In our State, it is a minimum, they follow the same State minimums, but I would be reluctant to comment on how good is the gratuity situation in each restaurant. We find that there is a great shortage of waiters and waitresses and we find that every good waiter and waitress has no problem in our State in getting a position, because they seem to have a lot of very good take-home money, but I could not give you a specific answer—I think it varies tremendously with the type of restaurant. Those that we deal with, we know the girls go home with a very substantial return, but they are good tipping places.

Senator RANDOLPH. I did not want you to give me an answer based on tips, sir. You certainly know what the pay scale is of a State, or in a city even.

Mr. ISENBERG. The tip situation is the controlling factor in wages. Where the tip situation is poor, we find that the restaurant has to augment the basic salary of the waitresses considerably more. Even in the larger, better tipping establishments, which are under union contract, we find that the union pay scale sticks pretty close to the State minimum of \$1.25 with some variations for banquet waitresses. I am not trying to side step the question. There is just too much variety in the spectrum of establishments we serve to give you a single accurate answer.

Senator RANDOLPH. In no industry in the country then is the problem more complex as to pay and tip; would that be true?

Mr. ISENBERG. It is a very complex thing. I know our boys are all up in the air, the little ones in particular, of this suggestion for tax on tips, and that means that the girls will have to report their tips through the owner, and they know that this will be about the most disrupting thing in personnel relationships that they could think of, so I have found that it is a tremendously complex situation and it varies from one segment of the industry to another.

Senator RANDOLPH. You said the matter of pay is not so much of interest to the worker as the gratuity.

Mr. ISENBERG. For the waitresses. But when you come down to cooks, the pay is very important.

Senator RANDOLPH. I asked about waitresses and waiters, although it is not annoying to them, it is annoying to the public at times is it not? Do you agree that the matter of tips is annoying to the public?

Mr. ISENBERG. Again, it is difficult to comment.

Senator RANDOLPH. My questioning was prompted by a discussion this morning on a radio program. People called in, literally scores of people to discuss this subject. I felt, while you were here, that you might comment on this.

Mr. ISENBERG. I know that in the European situation the innkeeper adds a surcharge to the bill for gratuities, yet if you want to get proper service everybody still pays an additional tip. I think there will always be this tip situation with us in one way or another.

Senator RANDOLPH. No training program can insure good service. Is that right?

Mr. ISENBERG. We think the training programs can. The problem we find is to get the message across to certain types of individuals that basically a good living can be made in service employment. We think that the same situation applies here—it was very interesting to us to find from personal surveys that there was a \$7,000 job opportunity waiting for our trainees. We are also trying to find more about these other food service occupations areas in terms of pay and advancement opportunities, but we have not as yet proceeded on them.

Senator RANDOLPH. Thank you, Mr. Isenberg. Your information will be helpful to the subcommittee.

We are very grateful for your figures, charts, and additional material.

Mr. ISENBERG. Senator, one concluding point, and that is a strong plea for more recognition of association on-the-job training programs.

Senator RANDOLPH. Thank you very much. The next witness is William Hardman, the training director of the National Tool, Die & Precision Machining Association. Sir, you may read your testimony or consider it as having been presented and merely comment on portions thereof.

**STATEMENT OF WILLIAM HARDMAN, TRAINING DIRECTOR,
NATIONAL TOOL, DIE & PRECISION MACHINE ASSOCIATION,
WASHINGTON, D.C.**

Mr. HARDMAN. I would like to read the statement inasmuch as it is short. It brings to the point the points I would like to make to the committee.

Our organization is a national trade association representing the tool and die industry in the United States with some 800 member companies. One of our major areas of activity is training. This includes management development training, supervisory training, technical and skills training and specialized machine operator training. Our most extensive effort by far is in the area of skills training because the tool and die industry is primarily an industry of craftsmen and hence this becomes the greatest area of need.

At present we have a development contract with the Bureau of Apprenticeship and Training of the U.S. Labor Department for the promotion of on-the-job training within the industry. The contract is financed through funds made available under the Manpower Development and Training Act of 1962. Through its provisions it has enabled us to strike toward a twofold goal, namely, an alleviation of the critical shortage of skilled tool and die makers and precision machinists, and beyond this to create a new shop floor training apparatus which is so vitally needed in American industry.

We have developed a program which amounts to the first year of apprenticeship in the tool, die, and machinists trades. In so doing, we have used basically the on-the-job training method coupled with a short institutional phase. Our trainees spend the first 12 weeks in a vocational school, 7 hours a day, 5 days a week. We have written 4 textbooks for use in the program, established a curriculum and we choose journeymen instructors and ask the school to certify them under adult teaching standards.

Upon completion of this 12 weeks of institutional training, the trainees are assigned to the shops that have committed themselves to taking them. In short, there is 100 percent job placement in our program.

At this point the same journeymen instructors become itinerant instructors and divide their time each week for the next 40 weeks among the shops which have employed the 15 boys. And this is always on a ratio of one instructor to 15 boys.

They instruct the boys on the job and utilize techniques and methods within the shop which previously have not been applied to apprentice training.

At present we have 11 programs in operation with 284 boys and expect to start 12 more in the next 90 days, which will bring us over our goal of 500 by the end of our first contract year. Some of the cities involved presently are Rochester, Cleveland, Dayton, Cincinnati,

Milwaukee, Rockford, Indianapolis, Hartford, Nashville, Bridgeport, Syracuse, and Muskegon, and most recently Los Angeles, Houston, and Dallas. By October 1965, we expect to have 750 boys in training in 40 cities.

We would like to point out that the shop floors of industry constitute one of the Nation's largest classrooms and no matter how one looks at it, the greatest number of hours of industrial training are performed on these same shop floors at the jobsite. Because of this fact we hold that industry must be made a more effective part of the skill-creating structure of the Nation if the private sector of our economy is to provide jobs for the unskilled youth and minority group members now seeking employment.

If a substantial portion of these people are to be trained in the public sector in vocational schools, the cost of training will run into billions of dollars and the quality and direction of training is unlikely to meet the requirements for specific jobs.

Manufacturing techniques and patterns are changing rapidly because of the advent of such technical changes as electrochemical machining, electrical discharge machining, numerically programmed machining, and other modern processes.

One of the chief deterrents to training in the thousands of small and many of the large plants in the Nation is cost. And this cost factor is closely related to the lack of planning, know-how, and training materials which can be used to help the new worker or technologically affected worker make acceptable progress in his job within the limits of permissible costs.

High minimum wages imposed by law or union contract often make the training too costly for many jobs which involve mastery of complex skills and a basic body of technical knowledge before a self-sustaining level of productivity is achieved.

This situation can only be overcome when the most efficient training techniques and procedures are used. Various estimates of training costs for skills such as toolmakers, screw machine setup men, boring mill operators, and so forth, run as high as from \$1,500 to \$5,000 during the training period needed to bring new workers to a self-sustaining level of skill and productivity.

The Manpower Act is beginning to play a vitally important role in the training of workers within industry because in most cases it provides just enough funds to help offset initial training costs that are so burdensome to the small- or medium-size plant. In providing these funds, it also allows industry the means by which it can refine and improve its own methods of doing the training job.

The National Tool, Die & Precision Machining Association urges the continuance of the Manpower Development and Training Act, but calls the committee's attention to the importance of on-the-job training, the most practical means by which workers can be trained for specific jobs at a low cost and with the prospect of 100-percent job placement.

We urge that this universal method of training be given more specific acknowledgement within the act and that a greater portion of the funds which will be made available be allotted to this type of training which, in the final analysis, is the only way that large numbers of unskilled youth and minority group members will ever be effectively absorbed into industry.

I was going to amplify that a little bit to say this is the pitch we are here to make, that we are very, very desirous that the subcommittee look closely at on-the-job training and realize the broad canvass that it represents in the United States for training.

Most of the actual jobs that are learned in this country are learned at the jobsite, not in an institution of any type. Therefore, we feel that a greater portion of funds should be allowed to this type of training.

Senator RANDOLPH. Within the administration of the act, Mr. Hardman, is it your information that more funds are being directed to institutional training than to on-the-job training?

Mr. HARDMAN. From everything that I have been able to see and that I have been told, I would certainly gather that on-the-job training since the inception of the act has probably gained no more than 10 percent of the total funds expended with institutional getting the other 90. I have a few figures here from the Labor Department that might be worth repeating. So far, I believe as far as on-the-job training is concerned, up until right this moment, 27,000 trainees have been entered into the program at a total cost to the Government of \$14 million. These are round figures—out of the \$14 million, \$2½ million went for training allowances through the employment service, but during the time that those people were on the job and with the projection of the ones that are in training now going forward to completion, the wages that they have earned are some \$22 million, almost \$23 million, which is considerably more than the cost to Uncle Sam for the training.

I think this is one of the big points we are trying to make in having on-the-job training get more consideration than it now gets.

The fact that in the type of program that our association conducts and the thing that the restaurant people and perhaps others are doing, there is 100-percent job placement; the cost to Uncle Sam per trainee is very low in relation to institutional training, and money is being earned and pumped back into the economy all of this time. I do not think anything more favorable can be said than that for the program. This is why we say that the committee working on this bill should certainly take into consideration on-the-job training, where most of the training takes place in the United States.

Senator RANDOLPH. Do you have any specific amendment that you want the subcommittee to consider, or are you merely saying that this is something, though not within the legislation, that should be highlighted in the report?

Mr. HARDMAN. We do not feel we are in a position to attempt to write legislation. We say we would like to bring these facts in front of the committee for the Congress which is charged with writing legislation and let them consider the thing on its merits, and I do not think that it has received the attention in the past that it deserves, and, when the first Manpower Act was passed, I do not think that attention enough was paid to it. I do not think that it came to light in the sense that everybody was able to consider it in perhaps the way we hope it will be considered this time.

Senator RANDOLPH. Do you have any knowledge that the Department itself has been rejecting these one-the-job training applications?

Mr. HARDMAN. The Department of Labor? I have been under the impression from what I have seen and heard that there are always

programs waiting for funding and no funds for them—for on-the-job training programs now. Bringing my own programs in for review, it is always an area of uncertainty when we arrive with our programs, after they have cleared all State and local levels and received all signatures and committee approval that it takes to get an on-the-job training program, and when we finally arrive at the funding source in Washington, it is then a matter of—Is the money there or not? Or will it be there next week? And this is one of the things that has pointed this up for us.

Senator RANDOLPH. Mr. Isenberg, do you have that problem?

Mr. ISENBERG. The same exact situation, sir. Mr. Hardman could not present my case more eloquently. The most aggravating thing was to have 110 job openings last July, and finally the funding is coming through now, while there were innumerable institutional programs that were able to be processed through. We say they have their place, but please give on-the-job training some recognition.

Senator RANDOLPH. Mr. Merrick we are happy to have you here today, because of your knowledge of this program and participation in it from the Government standpoint.

Off the record.

(Discussion off the record.)

Senator RANDOLPH. On the record.

Mr. Merrick, you have heard the comments of Mr. Hardman and Mr. Isenberg, and would you wish to provide the subcommittee with information on this point?

STATEMENT OF SAMUEL V. MERRICK, SPECIAL ASSISTANT TO THE SECRETARY OF LABOR FOR LEGISLATIVE AFFAIRS, DEPARTMENT OF LABOR

Mr. MERRICK. I certainly will, Senator, and I understand that your deadline on us for getting material in is next Tuesday. I guess that is February 23, and we will expect to have something for you giving you a brief history of the Department's efforts on the on-the-job type of training.

I know I can speak for the Secretary that he is most interested in increasing very substantially the Department's commitment in this area, and Mr. Ruttenberg, who is the new Manpower Administrator, is equally anxious to increase the emphasis of training in this area.

We know there are problems. There is substantial difficulty in assuring costs are kept down and it is a complicated problem with many employers and many labor organizations having strong views about this.

There is also the pressure that the Department is under that wants to be certain that employer conducted training costs are not being merely shifted to the Government in terms of a cost shift, but within the limitations of those things we are very mindful of the problem and I think actually the Department is doing much better in the past 12 months than it did before in straightening out some of the complexities of these programs.

Thank you, sir.

Senator RANDOLPH. Thank you, Mr. Merrick. I am impressed with the testimony of Mr. Isenberg, and Mr. Hardman, on this particular

point, and I do hope that we can find ways in which we can stimulate this type of training.

I think it is necessary that we have all the information possible in the subcommittee in order to consider this problem, based on the industries affected and the Department as it administers the program.

Thank you, Mr. Merrick, for your contribution to the discussion. (Subsequently the following communication containing the requested information was submitted:)

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 24, 1965.

HON. JENNINGS RANDOLPH,
U.S. Senate, Washington, D.C.

DEAR SENATOR RANDOLPH: In connection with the hearings on the proposed amendments to the Manpower Development and Training Act, you asked for information concerning on-the-job training programs under the act.

Program emphasis is more and more toward on-the-job training rather than away from it. The results verify this focus. During fiscal year 1963, 107 Manpower Development and Training Act on-the-job training projects were approved for 1,535 trainees; during fiscal year 1964, this increased to 723 projects for 10,137 trainees; so far this fiscal year until February 3, 1965, the number increased to 1,548 projects and 17,788 trainees. We have made significant gains during each year and we anticipate a continued and even greater increase during the next year.

There have been the usual difficulties of resources and administration in getting a new program underway. However, our people who are developing the projects are now fully trained; we are using national organizations such as trade associations, State apprenticeship agencies, and others to help promote and develop on-the-job training projects; we are getting increased support from the 1,900 State employment service offices throughout the country; and the using employers, public and private organizations, unions, etc., have accepted the program and are giving support to it.

The Department of Labor is shifting its training emphasis from individual projects at the local level intended to train only a handful of persons to national projects training large numbers of people, particularly in the service industries. Specific examples of this type of training announced in the past 3 weeks by the President include: (1) A contract with the American Hospital Association to train 4,000 jobless persons in nonlicensed subprofessional jobs in 300 hospitals; (2) 19 Manpower Development and Training Act projects to train 1,000 jobless persons in such occupations as nurse's aid, auto mechanic, appliance servicing, and drycleaning; and (3) a contract for on-the-job training of cash register servicemen in 15 cities.

It is significant that the Department's budget for 1966 contemplates a goal of 60,000 on-the-job trainees. This compares to the 30,000 projected for fiscal year 1965.

As a courtesy to the chairman of the Subcommittee on Labor and Manpower, we are also providing Senator Clark with a copy of this letter.

If we can be of any further assistance to you, please do not hesitate to call upon us.

Sincerely,

SAMUEL V. MERRICK,
Special Assistant for Legislation.

Senator RANDOLPH. Mr. Hardman, did you wish to pursue this point further?

Mr. HARDMAN. Just one final point, and that is that we would hope those making any projection of on-the-job training needs would realize that there is something that is incontrovertible in this and that is that the shop floors, the factory floors of this country, constitute the largest single classroom. This is where most of the people learn to do the job that they are going to earn their living at. So regard-

less of how you cut it, this is where most of the training is going to take place.

Senator RANDOLPH. After they have completed this Manpower Development and Training Act training and go into apprenticeship, what is the status of their skills.

Mr. HARDMAN. In the particular program we are operating, there is just 12 weeks of very concentrated institutional training where we supply the instructor and the curriculum and select the boys. They go on the payroll of the various shops on the 13th week and they are what we call airborne at that point—meaning that whatever the wage paid in that area, whatever the minimum starting wage is for apprentices in that area, they can certainly earn it.

And in most cases, we have demonstrated this so well to manufacturers that they have pushed that starting wage up somewhat.

Senator RANDOLPH. It is important that we come to the realization that we must bring the full potential of on-the-job training under the act, particularly in groups and associations such as yours, Mr. Hardman. I think this is necessary, and I am not sure what proportion of Federal funds should be allocated. Do you have any suggestion?

Mr. HARDMAN. I am not really sure myself. I used 25 percent in the House committee the other day, but I think this should be left up to the committee, but all we want is their full attention to the matter.

Senator Randolph. Thank you very much, Mr. Hardman. Your testimony has been very helpful.

You and Mr. Isenberg made a good team today.

We will keep the record open through Wednesday, February 24.

The hearings are concluded with the session this morning. Thank you very much.

(Whereupon, at 12:10 p.m., the subcommittee adjourned, subject to the call of the Chair.)

1. The first of these is the fact that...

...the second is the fact that...

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...the twenty-seventh is the fact that...

APPENDIX

FEBRUARY 24, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I submit for inclusion in the hearing record a statistical profile of the manpower and area redevelopment training programs in Rhode Island.

These facts amply demonstrate the worth of these two programs, and the benefits that Rhode Islanders have derived from them.

I am hopeful that our effort to make the manpower program permanent and properly funded will be successful for I am certain that Rhode Islanders can benefit even more if this is done.

Sincerely yours,

CLAIBORNE PELL, *U.S. Senator.*

Manpower Development and Training Act—Data on training projects and trainees

	<i>Rhode Island</i>	<i>Providence-Pawtucket area</i>	
Through December 1964:			
Number of projects approved.....	36	34	
Number of trainees authorized.....	1,185	1,168	
Total cost of approved projects.....	\$1,741,599	-----	

The following tables list Manpower Development and Training Act training projects approved through January 1965.

Projects approved under the Manpower Development and Training Act during July–December 1963, Rhode Island

INSTITUTIONAL TRAINING

Project No.	Area	Occupation	Number of trainees	Duration (in # weeks)
202	Providence.....	Custodian.....	45	8
203	Providence-Pawtucket.....	Homemaker (domestic service).....	48	42
204	Providence.....	Machine operator, general.....	18	25
207	Providence-Pawtucket.....	Clerk-stenographer (entry).....	25	30
208	do.....	Machine operator, general (entry).....	30	25
210	do.....	do.....	25	25
212	do.....	Machine operator, general.....	30	25
213	do.....	do.....	30	25
214	do.....	Turret lathe operator (entry).....	32	30
215	do.....	Programmer (entry).....	20	52
216	do.....	Automobile mechanic (entry).....	15	25
217	do.....	do.....	15	25

ON-THE-JOB TRAINING

J-1	Esmond.....	Loom fixer apprentice.....	12	24
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214 MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

Projects approved under the Manpower Development and Training Act during January-June 1964, Rhode Island

INSTITUTIONAL TRAINING

Project No.	Area	Occupation	Number of trainees	Duration (in weeks)
211	Providence-Pawtucket.....	Electrical appliance serviceman (entry)---	30	30
220	do.....	Draftsman, architectural.....	20	40
221	do.....	Draftsman, mechanical.....	20	40
222	do.....	Draftsman, structural.....	15	40

NOTE.—On-the-job training: None.

Projects approved under Manpower Development and Training Act, Rhode Island

INSTITUTIONAL TRAINING

Project No.	Area	Occupation	Number of trainees	Duration (in weeks)
1	Providence-Pawtucket.....	Machine operator, general.....	26	30
2	do.....	Turret lathe operator.....	16	52
3	do.....	Automobile mechanic (entry).....	24	52
4	do.....	Machine operator, general.....	15	30
6	do.....	Programer, computer (entry).....	25	52
7	do.....	Automobile mechanic (entry).....	15	30
8	do.....	Sheet metal worker (entry).....	20	30
12	do.....	Auto body repairman, metal (entry).....	15	40
13	do.....	Clerk-stenographer.....	25	30
17	do.....	Machine operator, general (entry).....	15	30
18	do.....	do.....	15	30
20	do.....	do.....	15	30
21	do.....	do.....	15	30

NOTE.—On-the-job training: None.

Projects approved under the Manpower Development and Training Act during July-December 1964, Rhode Island

INSTITUTIONAL TRAINING

Project No.	Area	Occupation	Number of trainees	Duration (in weeks)
R-5001	Providence.....	Programer (entry).....	20	52
R-5002	do.....	Loom fixer (textile) (entry).....	24	24
R-5003	do.....	Spotter, general.....	40	16
R-5004	do.....	Presser, hand.....	40	16
YM-5009-000	do.....	Multioccupation.....	385	INA
YM-5009-001	do.....	Basic education.....	(150)	-----
YM-5009-002	do.....	Cook.....	15	-----
YM-5009-003	do.....	Baker.....	15	-----
YM-5009-004	do.....	Nurse aid.....	30	-----
YM-5009-005	do.....	Machine operator, general.....	45	-----
YM-5009-006	do.....	Automobile body repairman, metal.....	30	-----
YM-5009-007	do.....	Automobile service station mechanic.....	30	-----
YM-5009-008	do.....	Orderly.....	26	-----
YM-5009-009	do.....	Cook, short order.....	15	-----
YM-5009-010	do.....	Counterman—Countergirl.....	26	-----
YM-5009-011	do.....	Waitress.....	30	-----
YM-5009-012	do.....	Nurseryman.....	20	-----
YM-5009-013	do.....	Clerk-typist.....	30	-----
YM-5009-014	do.....	Custodian II.....	20	-----
YM-5009-015	do.....	Seamstress (any industry).....	15	-----
YM-5009-016	do.....	Seamstress, house furnishing.....	15	-----
YM-5009-017	do.....	Kitchen helper.....	15	-----
YM-5009-018	do.....	Maid, ward.....	20	-----
X-5013	Statewide.....	Individual referral (less than class group)	5	52

NOTE.—On-the-job training: None.

Area Redevelopment Act—Data on training projects and trainees in Rhode Island

Through Jan. 15, 1965:

Number of projects approved.....	16
Number of trainees authorized.....	1,225
Number of trainees who have already completed Area Redevelopment courses.....	¹ 611

¹ Approximately three-fourths of the trainees have been placed in steady jobs.

The following table shows Area Redevelopment Act courses approved through January 15, 1965, in the Providence-Pawtucket redevelopment area, Rhode Island.

Projects approved under the Area Redevelopment Act through Jan. 15, 1965, Rhode Island

Project No.	Area	Occupation	Number of trainees	Duration of course (in weeks)
Fiscal year 1962:				
2.....	Providence-Pawtucket-I....	Typist.....	80	18
		Automobile mechanic.....	32	20
		Machine tool operator.....	66	20
2, supplement I.	Providence-Pawtucket-II....	Bookkeeping machine operator..	36	3
		Welder, combination.....	40	20
		Sheet metal worker.....	18	20
		Electronic mechanic.....	40	20
		Typist.....	120	20
		Machine tool operator.....	64	20
150.....	Providence-Pawtucket-III....	Tabulating machine operator.....	40	20
		Console operator-computer programmer.	120	18
Fiscal year 1963:				
266.....	Providence-Pawtucket.....	Sheet metal worker.....	20	20
346.....	do.....	Key punch operator.....	50	4
411.....	do.....	Machine operator, general.....	25	20
Fiscal year 1964:				
665.....	do.....	Nurse aid.....	40	5
850.....	do.....	Machine operator, general.....	15	20
851.....	do.....	do.....	20	20
852.....	do.....	do.....	15	20
861.....	do.....	Automobile service station mechanic (automobile).	15	16
901.....	do.....	Nurse, public health.....	72	3
903.....	do.....	Teller, banking.....	60	5
Fiscal year 1965:				
A-5015.....	do.....	Weaver, automatic loom, textile.	120	12
A-5162.....	do.....	Automobile service station mechanic.	30	16
A-5166.....	do.....	Nurse aid (medical service).....	72	6
A-5167.....	do.....	Machine operator, general.....	15	20

216 MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

Background material on manpower training and development program in Rhode Island, Feb. 5, 1965

Labor force data	Rhode Island	Providence-Pawtucket area ¹
Labor force, 1964 annual average.....	354,300	360,800
Unemployment, annual average:		
1961.....	27,700	26,000
1962.....	24,900	23,500
1963.....	25,300	24,400
1964.....	22,900	22,300
Unemployment rate (percent):		
1961.....	(7.8)	(7.3)
1962.....	(7.0)	(6.5)
1963.....	(7.1)	(6.7)
1964.....	(6.5)	(6.2)
Employment, 1964 annual average:		
Total.....	331,400	338,500
Nonagricultural.....	297,800	305,100
Manufacturing.....	115,100	128,800
Metalworking.....	33,400	39,100
Jewelry, silverware, and related.....	16,900	24,900
Textile mill products.....	23,700	22,400

¹ Totals for Providence-Pawtucket area exceed those for all of Rhode Island because area includes some Massachusetts towns.

NOTES

- (1) Data for jobless workers eligible for unemployment insurance in October 1964 show unemployment was heaviest in manufacturing, trade, service, and construction during that period. About half of the insured unemployed were men. About 57 percent of the unemployed were 45 years of age or over. Approximately 55 percent of the insured unemployed had been jobless for a month or more; 17 percent for 15 or more weeks.
- (2) Unemployment in the State and in the Providence-Pawtucket labor area has dropped since 1961—both as to number of jobless workers and unemployment rate. There was significant improvement in 1964, although joblessness is still excessive. In the last several years, the data show a decline of jobs in the jewelry, silverware, and related industries and in textile mill products. This required the readjustment of laid-off workers, many of advanced age, to new occupations and industries.
- (3) The Department of Labor has the Providence-Pawtucket labor area classified as one of substantial and persistent unemployment. The area is thus also a "redevelopment area" eligible for assistance under the Area Redevelopment Act.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
February 10, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee on Employment and Manpower,
Senate Committee on Labor and Public Welfare,
New Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: In accordance with the request of cognizant officials in my State of West Virginia, I am submitting for consideration by your subcommittee recommendations for the amending of the Manpower Development and Training Act of 1962.

We West Virginians have been greatly encouraged by the benefits afforded our people under terms of this act, and I believe that you will find impressive the data supplied to demonstrate the assistance which has been rendered.

With good wishes.

Sincerely yours,

ROBERT C. BYRD, *U.S. Senator.*

WEST VIRGINIA BOARD OF EDUCATION,
DIVISION OF VOCATIONAL EDUCATION,
Charleston, W. Va., February 9, 1965.

HON. ROBERT C. BYRD,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR BYRD: We have just been informed that legislation has been introduced in the U.S. Senate to amend the Manpower Development and Training Act of 1962. We refer to S. 974 that provides for several amendments of the act. Our examination of S. 974 reveals several features that are of importance and benefit to the future of the manpower training program in West Virginia.

Our main concern is that of the proposed matching funds on the basis of 90 percent Federal funds and 10 percent State and/or local funds. The 10 percent State and/or local funds may be in cash or in kind.

We are sending you several reports about our manpower training program to indicate what it has meant over the past several years to the people and the economy of West Virginia. The availability of total Federal funding has given us the opportunity to initiate training in many areas where the unemployed were living but had no opportunity to acquire a skill through institutional training. This total Federal funding enabled us to approach county school systems with an offer to utilize their facilities as a source of training.

Our major concern over the past several months has been the problem of securing State matching funds for the purpose of satisfying the existing matching ratio in the Manpower Development and Training Act. Your familiarity with the problems of State finance makes any suggestion relative to State funds for matching Federal funds a task of considerable proportions. The struggle to locate State moneys to finance a teacher salary increase would merely indicate the task facing our State legislators. The favorable matching ratio found in S. 974 is an inducement for us to make every effort to continue this program.

We find continued reference being made to the increasing mobility of labor. This mobility should be recognized as a factor in justifying the new matching ratio of 90 percent Federal funds to 10 percent State and/or local funds.

Many of the people that have received the benefits of training through our manpower training programs have sought employment beyond the State boundary. Their economic contribution should be most helpful in explaining our reasons for support of the concept of Federal sharing as indicated in S. 974.

The matching ratio found in recent Federal legislation, such as the Economic Opportunity Act of 1964, has had most favorable acceptance at the local or community level. We have been told that the matching ratio in the existing Manpower Development and Training Act will penalize a State or local community in its attempt to provide training opportunities for out-of-school youth and adults.

We believe that the changing labor market makes it necessary for institutional training to become more sophisticated through longer periods of training if it is to raise the educational level of the potential worker and provide him with those occupational competencies that will enable him to enter the labor market at a higher employment level than is now possible.

In the review of the amendments proposed in S. 974, we believe more emphasis should be given to institutional training so as to encourage the broader development of training opportunities. Provision should be made for the inclusion of authority for the Secretary of Health, Education, and Welfare to establish programs of experimental, developmental, demonstration, and pilot projects that are related to recruitment, study of trainee characteristics, improvement of instructional techniques, and the demonstrating effectiveness of methods in satisfying manpower needs.

We were encouraged to learn of S. 974 and seek your understanding of our position and, in behalf of vocational educators, your support for this bill.

May we also encourage you to present the case of West Virginia to Senator Joseph S. Clark in behalf of a favorable matching ratio so as to provide a continuous manpower training program for West Virginia and its people.

Very truly yours,

FRED W. EBERLE, *State Director.*

Manpower Development and Training Act training summary (Jan. 7, 1963, to Jan. 28, 1965)

West Virginia project No. 1 through (R)5008 (excluding West Virginia and AAY-5001):

Number of courses approved.....	52
Number of trainees approved.....	864
Department of Labor costs.....	\$658, 885
Department of Health, Education, and Welfare costs.....	586, 260
Total costs.....	1, 245, 145

West Virginia statewide project No. 213-214:

Number of courses approved.....	139
Number of trainees approved.....	2, 324
Department of Labor costs.....	\$2, 167, 610
Department of Health, Education, and Welfare costs.....	1, 523, 033
Total costs.....	3, 690, 643

AAY special youth project (YM)5001-000:

Number of courses approved.....	16
Number of trainees approved.....	335
Department of Labor costs.....	\$385, 555
Department of Health, Education, and Welfare costs.....	203, 116
Total costs.....	588, 671

Grand total all Manpower Development and Training Act:

Number of courses approved.....	207
Number of trainees approved.....	3, 523
Department of Labor costs.....	\$3, 212, 050
Department of Health, Education, and Welfare costs.....	2, 312, 409
Total costs.....	5, 524, 459

Manpower Development and Training Act training projects, West Virginia 1-(E)5008 (West Virginia 213-214 and (YM)5001 excluded)—
Summary, Jan. 28, 1965

West Virginia project No.	Section No.	Occupation	DOT	Employment service local office	Training location	Num-ber of trainees	Num-ber of weeks	Starting date	Employ-ment Service costs	HEW costs	Comments
1	1	Draftsman.....	0-48.18	Martinsburg.....	Charlestown.....	12	22	Feb. 25, 1963	\$6,508	\$6,283	Completed.
2	2	Electrician, ship.....	4-97.210	Point Pleasant.....	Point Pleasant.....	15	15	Feb. 18, 1963	18,600	20,981	Not started, deobligated.
2	3	do.....	4-97.210	do.....	do.....	15	15	do.....			Do.
3	3	Pipefitter.....	5-30.015	do.....	do.....	15	15	Feb. 18, 1963	12,400	14,240	Completed, deobligated.
3	2	do.....	5-30.015	do.....	do.....	15	15	do.....			Do.
4	1	Machine operator, general.....	6-78.905	do.....	do.....	20	15	Jan. 7, 1963	7,400	6,052	Completed.
5	1	Loftsmen.....	5-17.210	do.....	do.....	20	15	do.....	7,400	5,098	Completed.
6	1	Cook.....	2-26.32	Beckley.....	Beckley.....	20	48	Feb. 25, 1963	48,280	18,375	Cancelled.
7	1	Office machine serviceman.....	5-83.111	Parkersburg.....	Parkersburg.....	15	46	Feb. 4, 1963	15,180	16,500	Do.
8	1	Clerk-stenographer.....	1-37.12	Charleston.....	Charleston.....	20	23	Jan. 14, 1963	10,120	5,048	Do.
9	1	Operating room technician.....	0-50.015	do.....	do.....	10	21	do.....	4,620	5,865	Do.
11	1	Nurse, practical.....	2-38.20	Bluefield.....	Bluefield.....	20	52	Mar. 18, 1963	42,620	23,634	Do.
12	1	Male attendant.....	2-42.10	Charleston.....	Charleston.....	15	3	Feb. 11, 1963	1,308	668	Do.
13	1	Waiter.....	1-05.01	do.....	do.....	20	12	do.....	5,520	3,150	Do.
14	1	Electrical assembler.....	6-98.022	Martinsburg.....	Martinsburg.....	15	16	Feb. 18, 1963	22,660	16,720	Do.
14	2	do.....	6-98.022	do.....	do.....	15	16	July 8, 1963			Do.
14	3	do.....	6-98.022	do.....	do.....	15	16	do.....			Not started, deobligated.
15	1	Farmhand, dairy.....	3-14.10	do.....	Charlestown.....	20	12	Feb. 25, 1963	15,920	3,746	Completed.
16	1	Farmhand, fruit.....	2-15.21	do.....	Martinsburg.....	20	10	Mar. 4, 1963	13,600	3,645	Do.
17	1	Auto mechanic.....	5-81.010	Bluefield.....	Bluefield.....	16	43	June 3, 1963	33,024	32,924	Do.
17	2	do.....	5-81.010	do.....	do.....	16	43	June 24, 1963			Do.
18	1	Auto body repairman.....	5-81.510	do.....	do.....	15	43	do.....	15,480	22,085	Do.
19	1	Custodial service.....	2-84.10	Charleston.....	Charleston.....	20	10	June 10, 1963	9,600	7,888	Do.
19	2	do.....	2-84.10	do.....	do.....	20	10	Jan. 6, 1964	15,480	29,510	Do.
20	1	Auto mechanic.....	5-81.010	Wheeling.....	Wheeling.....	15	43	June 10, 1963	15,480	20,149	Do.
21	1	Auto body repairman.....	5-81.510	Charleston.....	Charleston.....	15	43	do.....	15,480	13,589	Do.
201	1	Auto mechanic.....	5-81.010	do.....	do.....	15	43	Sept. 3, 1963	15,480	17,439	Do.
202	1	Auto body repairman.....	5-83.416	do.....	do.....	15	43	do.....	15,480	17,439	Do.
203	1	Radio-TV repairman.....	5-83.416	do.....	do.....	15	43	do.....	15,120	13,990	Do.
203	2	do.....	5-83.416	do.....	do.....	15	43	do.....	15,120	13,990	Do.
204	1	Clerk-stenographer.....	1-37.12	Romconverte.....	Rupert.....	15	21	Feb. 10, 1964	4,320	7,838	Do.
205	1	Cabinetmaker.....	4-32.100	Weirton.....	Wheeling.....	16	17	Oct. 7, 1963	6,912	7,441	Do.
206	1	Finisher, glass.....	4-65.410	Grafton.....	Grafton.....	20	28	Dec. 9, 1963	13,440	25,229	Do.

Manpower Development and Training Act training projects, West Virginia 1-(R)5008 (West Virginia 213-214 and (YM)5001 excluded)
Summary, Jan. 28, 1965—Continued

West Virginia project No.	Section No.	Occupation	DOT	Employment service local office	Training location	Num-ber of trainees	Num-ber of weeks	Starting date	Employ-ment Service costs	HEW costs	Comments
207	1	Gatherer-blower	4-65.430	Grafton	Grafton	20	39	Sept. 30, 1963	\$18,720	\$38,032	Completed
208	2	Cabinetmaker	4-32.100	Ronceverte	Rainelle	15	18	Dec. 2, 1963	12,960	17,001	{ Do. Cancelled.
209	1	Male attendant	2-42.10	do	do	15	3		1,308	668	Do.
210	1	Welder, combination	4-85.040	Charleston	Charleston	15	13	Jan. 20, 1964	13,670	21,495	{ Completed. Do.
211	2	do	4-85.040	Farmont	Farmont	15	13	Jan. 27, 1964			Do.
211	1	Machine operator, general	6-78	do	do	15	13	May 23, 1964			Do.
211	3	do	6-78	do	do	15	13	May 27, 1964	20,505	21,463	Do.
212	1	Electrician, independent	4-97.010	do	do	15	16	Aug. 31, 1964			Do.
(R)5002	1	Clerk-stenographer	1-37.12	Bluefield	Bluefield	15	23	Jan. 20, 1964	8,395	13,388	Do.
(R)5003	1	Dental assistant	1-32.10	Charleston	Charleston	15	38	Sept. 21, 1964	19,875	8,490	In progress.
(R)5004	2	do	1-32.10	do	do	12	38	Oct. 19, 1964	31,200	25,071	Do.
(R)5005	1	Gatherer-blower	4-65.430	Weston	Weston	48	34	Nov. 9, 1964	79,680	47,816	{ Not started. In progress.
(R)5006	1	Cabinetmaker	4-32.100	Ronceverte	Richwood	35	18	Nov. 16, 1964	14,120	9,649	Do.
(R)5007	1	Ward clerk	1-05.01	Charleston	Charleston	20	12	Jan. 18, 1965	12,200	2,949	Do.
(R)5007	1	Auto body repairman	5-81.510	Wheeling	Wheeling	15	25	Jan. 4, 1965	17,150	12,288	Do.
(R)5008	1	Auto mechanic	5-81.010	do	do	15	25	do	17,150	11,333	Do.

West Virginia statewide multioccupational, project No. 213 (adult)—Summary, Jan. 28, 1965

West Virginia project No.	Section No.	Occupation	DOT	Employment Service local office	Training location	Num-ber of trainees	Num-ber of weeks	Starting date	Employ-ment Service costs	HEW costs	Comments
213-1-1	1	Operating room technician	0-50.015	Charleston	Charleston	5	21	Feb. 10, 1964	\$3,105	\$4,408	Completed.
213-1-2	1	do	0-50.015	do	do	12	21	Jan. 25, 1965	1,584	1,584	In progress.
213-2-1	1	Office reproduction worker	1-25.98	do	do	20	39	Apr. 27, 1964	28,415	69,172	Completed.
213-3-1	1	Fairhand, dairy	3-14.10	Martinsburg	Charlestown	20	16	Feb. 17, 1964	19,310	5,019	Do.
213-4-1	1	do	3-14.10	Point Pleasant	Union	15	16	Feb. 24, 1964	6,220	5,770	Do.
213-5-1	1	Fairhand, general	3-16.10	do	Ronceverte	15	18	Feb. 10, 1964	5,700	5,700	Do.
213-6-1	1	Farm machine, operator	3-33.60	do	Ronceverte	15	16	Feb. 17, 1964	8,490	6,773	Do.
213-7-1	1	Office machine serviceman	6-82.111	Martinsburg	Martinsburg	15	16	Feb. 10, 1964	11,450	6,773	Do.
213-7-1	1	Office mechanic	6-83.981	Parkersburg	Parkersburg	15	32	Mar. 16, 1964	22,260	11,828	Do.
213-7-1	2	Diesel mechanic, helper	6-83.981	do	do	15	45	do	38,500	79,744	Do.
213-8-1	1	Welder, combination	4-85.040	Beekley	Beekley	15	24	Jan. 11, 1965	25,050	10,596	In progress.
213-8-2	1	do	4-85.040	Oak Hill	Oak Hill	20	20	Apr. 27, 1964	12,680	12,680	Completed.
213-9-3	1	do	4-85.040	Huntington	Huntington	15	20	July 6, 1964	13,650	15,047	Do.
213-9-4	1	do	4-85.040	Martinsburg	Berkeley Springs	15	20	July 27, 1964	13,650	15,047	Do.
213-9-5	1	do	4-85.020	Clarksburg	Clarksburg	18	20	Oct. 19, 1964	15,610	14,752	Not started.
213-9-6	1	do	4-85.040	Bluefield	Hinton	15	20	Nov. 12, 1964	13,600	9,322	In progress.
213-9-7	1	do	4-85.040	Logan	Logan	15	20	Oct. 15, 1964	13,600	11,617	Do.
213-9-8	1	do	4-85.040	Welch	Welch	17	20	Oct. 19, 1964	14,990	14,481	Do.
213-9-8	1	do	4-85.040	do	Shinnston	20	15	do	15,350	12,684	Not started.
213-10-1	1	Auto mechanic	5-81.010	do	Clarksburg	15	15	do	24,850	14,100	Canceled. (See 214-10-1.)
213-10-2	1	do	5-81.010	Huntington	Huntington	15	36	July 27, 1964	24,850	14,100	In progress.
213-10-3	1	do	5-81.010	Morgantown	Morgantown	15	36	do	24,850	16,207	Do.
213-10-4	1	do	5-81.010	Williamson	Williamson	15	36	Sept. 28, 1964	24,800	10,923	Do.
213-10-5	1	do	5-81.010	Beekley	Beekley	15	36	Oct. 5, 1964	24,800	10,447	Do.
213-10-6	1	do	5-81.010	Welch	Pineville	15	36	Oct. 19, 1964	24,800	14,882	Do.
213-11-1	1	Auto body repairman	5-81.510	Wheeling	Wheeling	15	36	Apr. 27, 1964	18,820	20,552	Completed.
213-11-2	1	do	5-81.510	Charleston	Charleston	15	35	Oct. 19, 1964	24,150	11,190	In progress.
213-12-1	1-5	Psychiatric nurse assistant	2-42.20	New Martinsville	New Martinsville	15	15	do	36,300	15,371	Not used, transferred to Huntington and Parkersburg.
213-12-1	1	do	2-42.20	Huntington	Barboursville	20	12	Oct. 19, 1964	do	do	Completed.
213-12-1	2	do	2-42.20	do	do	20	12	Jan. 11, 1965	do	do	In progress.
213-12-1	3	do	2-42.20	do	do	20	12	do	do	do	Not started.
213-12-2	1	do	2-42.20	Parkersburg	Spencer	20	12	do	28,500	11,027	Do.
213-12-2	2	do	2-42.20	do	do	20	12	do	do	do	Do.
213-12-2	2	do	2-42.20	do	do	20	12	do	do	do	Do.
213-13-1	1	Auto mechanic	5-81.010	Wheeling	Wheeling	15	36	Apr. 27, 1964	18,820	19,063	Completed.

West Virginia statewide multioccupational, project No. 213 (adult)—Summary, Jan. 28, 1965 —Continued

West Virginia project No.	Section No.	Occupation	DOT	Employment Service local office	Training location	Number of trainees	Number of weeks	Starting date	Employment Service costs	HEW costs	Comments
213-14-1	1	Nurse, practical	0-52, 83	Bluefield	Bluefield	20	52	May 4, 1964	\$43,360	\$15,512	In progress.
213-14-2	1	do	0-52, 83	Martinsburg	Martinsburg	20	52	June 29, 1964	17,900	24,148	Do.
213-15-1	1	Clerk-stenographer	1-37, 12	Charleston	Charleston	20	30	Aug. 31, 1964	20,330	22,878	Do.
213-15-2	1	do	1-37, 12	Welch	Pineville	15	22	Nov. 2, 1964	15,000	11,462	Do.
213-16-1	1	Auto service specialist	7-81, 011	Martinsburg	Martinsburg	15	22	Nov. 2, 1964	15,050	9,107	Not started.
213-17-1	1	Masonry helper	7-97, 410	Point Pleasant	Cedar Lakes	15	12	July 20, 1964	8,720	7,967	Completed.
213-17-2	1	do	7-97, 410	Bluefield	Hinton	15	15	May 25, 1964	8,720	7,074	Do.
213-18-1	1	Carpenter helper	7-93, 100	do	do	15	15	May 25, 1964	8,720	7,074	Do.
213-18-2	1	do	7-93, 100	do	do	15	15	May 25, 1964	8,720	7,074	Do.
213-18-3	1	do	7-93, 100	do	do	15	15	May 25, 1964	8,720	7,074	Do.
213-19-1	1	Bookkeeper	1-01, 02	Weston	Buckhannon	15	15	May 25, 1964	10,850	11,116	Do.
213-19-2	1	Bookkeeping machine operating	1-02, 01	Charleston	Charleston	15	24	May 25, 1964	10,850	11,116	Do.
213-19-3	1	do	1-02, 01	Parkersburg	Parkersburg	15	20	Dec. 14, 1964	17,850	16,428	In progress.
213-19-4	2	do	1-02, 01	do	do	15	20	Sept. 21, 1964	17,850	16,428	Do.
213-20-1	1	Secretary	1-33, 01	Charleston	Charleston	20	36	Oct. 5, 1964	30,900	27,915	Not started.
213-20-2	1	do	1-33, 01	Logan	Logan	20	36	Oct. 5, 1964	31,540	12,285	Do.
213-20-3	1	do	1-33, 01	Huntington	Huntington	20	36	Sept. 28, 1964	30,950	10,363	In progress.
213-20-4	1	do	1-33, 01	Clarksburg	Clarksburg	20	36	Sept. 28, 1964	30,950	14,216	Do.
213-20-5	1	do	1-33, 01	Martinsburg	Martinsburg	20	32	Nov. 16, 1964	27,500	9,691	In progress.
213-21-1	1	Seamstress	4-25, 020	Clarksburg	Clarksburg	12	15	Oct. 26, 1964	27,500	18,875	Do.
213-21-2	1	do	4-25, 020	Huntington	Huntington	12	15	Aug. 31, 1964	10,150	5,288	Completed.
213-21-3	1	do	4-25, 020	Charleston	Charleston	12	15	Jan. 11, 1965	10,800	6,813	In progress.
213-22-1	1	Cook helper	2-26, 32	Beekley	Beekley	15	20	June 1, 1964	13,650	6,857	Completed.
213-22-2	1	do	2-26, 32	Charleston	Charleston	15	20	June 1, 1964	10,800	6,813	In progress.
213-23-1	1	Landscaper aid	3-40, 06	Point Pleasant	Charleston	15	20	Dec. 7, 1964	13,650	6,857	Completed.
213-23-2	1	Electrician helper	7-95, 100	Beekley	Beekley	15	20	July 13, 1964	58,500	13,545	In progress.
213-24-1	1	Gatherer, blower, blocker	4-65, 430	Grafton	Grafton	22	39	July 6, 1964	17,250	6,309	Not started.
213-25-1	1	Finisher, presser, gatherer	4-65, 410	Moundsville	Moundsville	12	28	July 13, 1964	36,295	28,964	Completed.
213-27-1	1	Nurse aid	2-42, 20	Charleston	Charleston	15	4	July 27, 1964	16,400	20,706	In progress.
213-27-2	1	do	2-42, 20	do	do	15	4	Oct. 26, 1964			Cancelled. (See 214-27-1)
213-27-3	3	do	2-42, 20	do	do	15	4	Nov. 23, 1964			Completed.
213-27-4	4	do	2-42, 20	do	do	15	4	Jan. 18, 1965	7,680	4,497	Do.
213-27-5	1	do	2-42, 20	do	do	15	4	Jan. 18, 1965			In progress.
213-27-6	1	do	2-42, 20	do	do	15	4	Jan. 18, 1965			Not started.
213-28-1	1	Machine operator, general	6-78, 905	Clarksburg	Clarksburg	20	4	July 6, 1964	3,680	1,058	Do.
213-28-2	1	do	6-78, 905	Oak Hill	Oak Hill	15	30	Aug. 17, 1964	20,650	7,892	In progress.
213-28-3	1	do	6-78, 905	Huntington	Huntington	15	30	Aug. 17, 1964	20,650	14,122	Do.
213-28-4	1	do	6-78, 905	Charleston	Charleston	15	30	Oct. 26, 1964	20,600	8,261	Do.
213-28-5	1	do	6-78, 905	Welch	Welch	15	30	Oct. 19, 1964	20,600	9,733	Do.

213-28-5	1	do.	6-78, 905	Williamson	Williamson	15	30	do.	20,600	12,272	Do.
213-28-6	1	do.	6-78, 905	Bluefield	Bluefield	16	30	Nov. 16, 1964	21,670	14,563	Do.
213-29-1	1	Salesperson, auto parts	1-75, 22	Wheeling	Wheeling	20	38	Oct. 19, 1964	37,300	13,876	Do.
213-29-2	1	do.	1-75, 22	Clarksburg	Clarksburg	15	35	Nov. 17, 1964	24,100	12,127	Do.
213-30-1	1	Housekeeper aid	2-25, 99	Charleston	Charleston	15	4	Oct. 5, 1964	1,920	1,876	Not started.
213-31-1	1	Salesperson, general	1-75, 71	Charleston	Charleston	20	9	Oct. 5, 1964	5,760	2,582	Completed.
213-31-3	1	do.	1-75, 71	Huntington	Huntington	20	9	July 27, 1964	7,435	3,458	Do.
213-31-4	1	do.	1-75, 71	Bluefield	Bluefield	15	9	July 27, 1964	33,250	60,481	In progress.
213-32-1	1	Instrument repairman	5-83, 971	Charleston	Charleston	15	48	July 27, 1964	5,995	2,792	Not started.
213-33-1	1	Child day care worker	2-43, 97	do	do	15	9	Aug. 31, 1964	46,350	14,866	Do.
213-33-1	1	Commercial artist	0-41, 21	Point Pleasant	Cedar Lakes	15	48	July 27, 1964	70,020	33,434	Do.
213-33-1	1	Mine maintenance mechanic	5-83, 641	Beekley	Beekley	17	46	Aug. 10, 1964	54,520	29,841	Not started.
213-33-1	2	do.	5-83, 641	do	do	17	46	Aug. 10, 1964	28,025	31,568	In progress.
213-33-2	1	do.	5-83, 641	Welch	Welch	17	43	Aug. 31, 1964	13,880	16,723	Do.
213-33-2	2	do.	5-83, 641	do	do	17	43	Oct. 26, 1964	108,950	79,246	In progress.
213-33-2	1	Tabulating machine operator	1-25, 64	Parkersburg	Parkersburg	20	23	Oct. 26, 1964	11,750	4,876	Completed.
213-33-1	1	Key punch operator	1-25, 62	do	do	10	8	Dec. 14, 1964	11,700	8,327	In progress.
213-33-1	2	do.	1-25, 62	do	do	10	8	Aug. 17, 1964	11,700	5,325	Not started.
213-33-1	3	do.	0-63, 98	do	do	20	45	do	37,400	19,944	Do.
213-33-1	1	EDP programmer	0-63, 98	do	do	20	45	Sept. 21, 1964	3,000	3,841	In progress.
213-40-1	1	Custodian	2-84, 10	Charleston	Charleston	20	14	Nov. 30, 1964	8,000	4,941	Do.
213-40-2	1	do.	2-84, 10	Huntington	Huntington	20	14	Jan. 11, 1965	13,000	3,179	Not started.
213-40-3	1	do.	2-84, 10	Clarksburg	Clarksburg	20	14	Nov. 2, 1964	5,945	2,415	In progress.
213-40-4	1	do.	2-84, 10	Wheeling	Wheeling	20	14	Nov. 2, 1964	5,340	2,888	Do.
213-41-1	1	Forester aid	0-68, 24	Elkins	Elkins	20	36	Nov. 2, 1964	3,860	1,425	In progress.
213-42-1	1	Medical records clerk	1-18, 43	Charleston	Charleston	15	18	Nov. 2, 1964	14,790	7,021	Not started.
213-43-1	1	Salesman, insurance	1-57, 10	do	do	15	12	do	22,220	5,706	Do.
213-44-1	1	Highway Engineer aid	0-16, 01	do	do	15	20	do	22,220	5,706	Do.
213-44-1	1	Routeman	7-35, 100	Weston	Sutton	15	9	do	22,220	5,706	Do.
213-45-1	1	Presser, laundry and drycleaning	7-57, 511	Beekley	Beekley	15	8	do	22,220	5,706	Do.
213-46-1	1	Heavy equipment operator	5-23, 99	Bluefield	Bluefield	15	16	do	22,220	5,706	Do.
213-47-1	1	Waitress	2-27, 12	Charleston	Charleston	20	4	do	22,220	5,706	Do.
213-48-1	1	Maintenance man, building	5-83, 611	Huntington	Huntington	20	24	do	22,220	5,706	Do.

West Virginia statewide multioccupational, project No. 214 (youth)—Summary, Jan. 28, 1965

West Virginia project No.	Section No.	Occupation	DOT	Employment Service local office	Training location	Number of trainees	Number of weeks	Starting date	Employment Service costs	HEW costs	Comments
214-1-1	1	Operating room technician	0-50.015	Charleston	Charleston	10	21	Feb. 10, 1964	\$5,400	(1)	Completed.
214-2-1	1	Office reproduction worker	1-23.26	do	do	15	39	Sept. 14, 1964	11,955	(2)	In progress.
214-6-1	1	Office machine serviceman	5-82.111	Parkersburg	Parkersburg	15	20	Nov. 23, 1964	9,000	\$14,208	In progress.
214-9-1	1	Welder, combination	4-85.040	Welch	Pineville	15	20	do	9,000	9,322	Cancelled.
214-9-2	1	do	4-85.040	Beckley	Beckley	15	20	do	9,000	17,283	In progress.
214-10-1	1	Auto mechanic	5-81.010	Bluefield	Hinton	15	36	Oct. 26, 1964	16,120	13,450	Cancelled.
214-15-1	1	Clerk-stenographer	1-37.12	Charleston	Charleston	20	30	May 18, 1964	10,800	(3)	Completed.
214-15-2	1	do	1-37.12	Farmont	Farmont	20	30	Aug. 31, 1964	10,800	10,626	In progress.
214-15-3	1	do	1-37.12	Parkersburg	Charleston	15	22	July 13, 1964	9,890	10,067	Do.
214-15-4	1	do	1-37.12	Moundsville	Moundsville	20	30	Nov. 30, 1964	10,800	7,537	Do.
214-15-5	1	do	1-37.12	Williamson	Williamson	20	30	July 6, 1964	10,800	8,992	Completed.
214-15-6	1	do	1-37.12	Weston	Buckhannon	20	30	June 29, 1964	10,800	8,583	In progress.
214-15-7	1	do	1-37.12	Logan	Logan	20	30	June 29, 1964	10,800	12,113	Completed.
214-15-8	1	do	1-37.12	Welch	Welch	20	30	Nov. 23, 1964	7,920	11,545	Do.
214-15-9	1	do	1-37.12	Huntington	Huntington	20	22	Nov. 16, 1964	7,920	11,545	Do.
214-15-10	1	do	1-37.12	Bluefield	Bluefield	15	22	Sept. 28, 1964	5,940	12,191	Do.
214-15-11	1	do	1-37.12	Beckley	Beckley	20	22	Oct. 12, 1964	8,005	Do.	Do.
214-15-12	1	do	1-37.12	Bluefield	Hinton	20	22	Jan. 11, 1965	9,890	10,931	Do.
214-15-13	1	do	1-37.12	Williamson	Kermit	20	30	Nov. 30, 1964	15,150	7,250	Do.
214-16-1	1	Auto service specialist	7-81.011	Charleston	Charleston	15	22	June 29, 1964	3,960	7,616	Completed.
214-16-2	1	do	7-81.011	Weston	Stanton	15	22	July 6, 1964	5,940	8,005	Do.
214-16-3	1	do	7-81.011	Welch	Welch	15	22	Oct. 5, 1964	5,940	8,721	In progress.
214-19-1	1	Bookkeeper	1-01.02	Charleston	Charleston	15	24	Dec. 14, 1964	6,480	(4)	Do.
214-19-2	1	do	1-01.02	Martinsburg	Martinsburg	15	24	do	10,780	13,872	Not started.
214-19-3	1	Bookkeeping machine operator	1-02.01	Bluefield	Bluefield	15	20	Jan. 25, 1965	12,240	17,561	Do.
214-24-1	1	Electrician helper	7-95.100	Welch	Pineville	15	20	July 20, 1964	9,000	9,083	In progress.
214-27-1	1	Nurse aid	2-42.20	Charleston	Charleston	15	4	Aug. 31, 1964	1,080	1,212	Completed.
214-27-2	1	do	2-42.20	Moundsville	Moundsville	15	4	July 20, 1964	1,080	1,114	Do.
214-29-1	1	Salesperson, auto parts	1-75.22	Bluefield	Bluefield	15	38	July 20, 1964	10,260	13,648	In progress.
214-31-1	1	Salesperson, general	1-75.71	Charleston	Charleston	15	9	Sept. 28, 1964	2,430	3,823	Not started.
214-31-2	1	do	1-75.71	Wheeling	Wheeling	20	9	Jan. 25, 1965	3,240	2,562	Completed.
214-31-3	1	do	1-75.71	Beckley	Beckley	20	9	do	4,915	3,354	In progress.
214-31-4	1	do	1-75.71	Logan	Logan	20	12	do	6,520	2,422	Do.
214-32-1	1	Instrument repairman	5-83.971	Charleston	Charleston	15	48	July 27, 1964	21,460	(5)	Do.
214-33-1	1	TV repairman	5-83.416	Beckley	Beckley	15	20	Aug. 24, 1964	9,000	5,956	Completed.
214-33-1	1	do	5-83.416	Charleston	Charleston	15	21	Dec. 14, 1964	5,670	6,963	In progress.
214-50-1	1	Millman, woodworking	4-33.914	Weston	Webster Springs	20	16	Jan. 25, 1965	11,560	5,151	Do.

¹ Costs included in 213-1-1.

² Costs included in 213-2-1.

³ Costs included in 213-15-1.

⁴ Costs included in 213-19-1.

⁵ Costs included in 213-32-1.

Multioccupational youth training program—Estimated cost of training

West Virginia No.	Project occupation	Estimated number of—		Total trainee weeks	Total training facility cost	Trainees with training allowance	Trainees with subsistence and transportation allowance	Total weeks of training allowance	Weekly training allowance cost	Total training allowance cost	Total subsistence allowance cost	Total transportation allowance cost	Total training and subsistence transportation allowance	Total program cost ¹
		Trainees	Weeks											
WVA (YM) 5001-000	Orientation and adjustment	335	12	12,905	\$203,116	335	112	12,905	---	\$232,290	\$151,025	\$2,240	\$885,555	\$388,671
WVA (YM) 5001-001	Basic education	335	4	4,020	(2)	335	112	4,020	\$18	72,360	47,040	2,240	121,640	121,640
WVA (YM) 5001-002	Groundskeeper	335	16	5,360	(3)	335	112	5,360	18	96,480	62,720	---	159,200	159,200
WVA (YM) 5001-003	Cook assistant	15	15	225	11,493	15	5	225	18	4,050	2,625	---	6,675	18,108
WVA (YM) 5001-004	Male attendant	30	14	420	11,296	30	10	420	18	7,560	4,900	---	12,460	23,756
WVA (YM) 5001-005	Stock clerk	15	3	45	5,623	15	5	45	18	7,810	5,255	---	1,335	6,938
WVA (YM) 5001-006	Auto service station attendant	30	12	360	17,579	30	10	360	18	6,480	4,200	---	10,680	28,259
WVA (YM) 5001-007	Clerk general office	60	4	240	22,495	60	20	240	18	4,320	2,800	---	7,120	29,615
WVA (YM) 5001-008	Machine operator, general, welder	20	12	240	11,279	20	7	240	18	4,320	2,940	---	7,260	18,539
WVA (YM) 5001-009	Routeman	30	16	480	31,662	30	10	480	18	8,640	5,600	---	14,240	45,902
WVA (YM) 5001-010	Auto service specialist	15	6	90	6,628	15	5	90	18	1,620	1,050	---	2,670	9,298
WVA (YM) 5001-011	Painter, automobile	30	16	480	17,787	30	10	480	18	8,640	5,600	---	14,240	32,027
WVA (YM) 5001-012	Sales clerk-cashier	15	16	240	11,294	15	5	240	18	4,320	2,800	---	7,120	18,414
WVA (YM) 5001-013	Custodian	30	9	270	25,625	30	10	270	18	4,860	3,150	---	8,010	33,535
WVA (YM) 5001-014	Drivoleaner-presser	15	8	120	8,877	15	5	120	18	2,160	1,400	---	3,560	12,437
WVA (YM) 5001-015	Meter repairman	15	9	135	12,509	15	5	135	18	2,420	1,575	---	4,005	16,514
WVA (YM) 5001-016		15	12	180	9,069	15	5	180	18	3,240	2,100	---	5,340	14,409

¹ Does not include employment service project administration costs.

² None.

³ Prevocational and basic education costs included in individual training courses.

226 MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

ARA TRAINING PROGRAMS PROGRESS REPORT—SUMMARY BY COUNTIES, DECEMBER 1961—JANUARY 15, 1965

Number trainees completed----- 1, 929
 Number trainees employed----- 1, 569
 Percent working----- 81

Area Redevelopment Act training courses, December 1961

County	Number of classes completed	Number of trainees completed	Number of trainees employed	Number of classes in progress	Number of trainees enrolled	Number of trainees to start
Cabell ¹	14	196	149	0	0	0
Fayette.....	2	33	28	0	0	0
Grant.....	7	99	70	0	0	0
Harrison.....	18	282	230	0	0	0
Kanawha.....	61	913	809	0	0	0
Marion.....	1	16	14	0	0	0
Marshall ²						
Mercer.....	4	47	15	1	15	0
Mingo.....	8	110	69	0	0	0
Monongalia.....	1	10	9	0	0	0
Ohio ²	6	73	38	0	0	0
Raleigh.....	4	50	45	0	0	0
Taylor.....	1	9	5	0	0	0
Wayne ¹						
Webster.....	5	79	76	0	0	0
Wood.....	1	12	12	0	0	0
Total.....	133	1, 929	1, 569	1	15	0

¹ Wayne combined with Cabell County.
² Marshall combined with Ohio County.

FEBRUARY 24, 1965.

*Chairman, Subcommittee on Employment and Manpower,
 Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.*

DEAR SENATOR CLARK: The State of Alaska has brought to my attention a difficulty which has arisen with regard to the transportation allowance given to trainees enrolled in the Manpower, Development and Training Act programs and I want to bring this matter to your attention while the subcommittee is holding hearings on the Manpower Act of 1965.

The rate of compensation for transportation expenses is established at 10 cents a mile. I am enclosing copy of a schedule drawn up by the Alaska Department of Labor which shows a comparison of the actual fare from the trainee's home to his place of training, the maximum allowance payable, the mileage involved and the difference this makes and which in most cases amounts to a sum larger than the allowance. In most cases this difference has been made up from the welfare funds of the Bureau of Indian Affairs because many of the trainees are Indians or Eskimos. However, in many cases the trainees are not Alaska natives and they must make up the difference from their pockets.

To me this seems inequitable because the program is designed to assist those who are unemployed, and have had no income, to become employed. I have been told that in cases of extreme hardship employees of the Department of Labor have made up the difference from their own pockets. This should not be allowed to continue, not only because Alaska's Labor Department employees are not paid a sufficient amount to cover this kind of expense, but also because the Bureau of Indian Affairs is sacrificing money from its welfare fund, intended to be spent for the general welfare of native families, in bringing trainees to training facilities.

I should like to propose that an amendment be included to cover this exigency by stating that an allowance of 10 cents per mile will be given trainees except in cases where trainees are forced to use commercial transportation and the fare charged is higher than the total allowance made available. Many of the trainees

in Alaska must depend upon air transportation for the simple reason that there is no other transportation available. The only choice the trainees have in this regard is whether to take the training or not, but it seems to me this is far too severe a criterion to be used.

With highest regards, I am,
Sincerely yours,

E. L. BARTLETT, U.S. Senator.

Manpower Development and Training Act—Transportation allowances

From (town)—	Nome via—	Round trip fare	Maximum allowance payable	Difference	Round trip mileage
St. Paul	Anchorage	\$210	\$131.50	\$78.50	1,315
Savoonga	Northeast Cape	60	18.00	42.00	180
Gambell	direct	15	15.00	0	150
Teller	do	25	6.00	19.00	60
Shismaref	Wales	40	18.00	22.00	180
Wales	direct	30	11.00	19.00	110
Kotzebue	do	25	18.50	6.50	185
Point Hope	Kotzebue	55	33.50	21.50	335
Shaktolik	Kayuk	40	17.20	22.80	172
Koyuk	direct	40	13.00	27.00	130
Kivalina	Kotzebue	50	26.50	23.50	265
Noatak	do	80	23.00	57.00	230
Kiana	do	40	24.50	15.50	245
Selawik	do	57	26.00	31.00	260
Noorvik	do	42	23.00	19.00	230
Buckland	do	25	25.30	+ 30	253
Deering	do	25	24.50	.50	245
White Mountain	Council	25	9.00	16.00	90
Galovin	White Mountain Council	25	11.00	14.00	110
Kaltag	Nulato-Koyukuk-Galena	95	35.00	60.00	350
Nulato	Koyukuk-Golena	57	31.00	26.00	310
Koyukuk	Galena	92	29.00	61.00	290
Huslia	do	92	35.00	57.00	350
Anvik	McGrath-Unalakleet	128	44.50	73.50	445
Unalakleet	direct	30	13.50	16.60	134
St. Michael	Unalakleet	55	18.40	36.60	184
Stebbins	do	55	18.40	36.60	184
Holy Cross	McGrath-Unalakleet	123	44.60	78.40	446
Bethel	direct	85	28.00	57.00	280
Fortuna Ledge	McGrath-Unalakleet	110	51.90	58.10	519
Mekoryuk	Bethel	120	42.80	77.20	428
Hooper Bay	do	120	43.70	76.30	437
St. Marys	do	80	-----	-----	-----
Emanok	do	130	-----	-----	-----
Kotlik	Unalakleet	65	19.90	45.10	199

From (town)—	Fairbanks via—	Round trip fare	Maximum allowance payable	Difference	Round trip mileage
Kotzebue	Direct	\$50.00	\$44.50	\$5.50	445
Dillingham	King Salmon-Anchorage	50.00	35.30	14.70	353
	A R R-Anchorage-Fairbanks	21.35	21.35	0	-----
Pedro Bay	Illiamna-Anchorage	30.00	24.00	6.00	240
	A R R-Anchorage-Fairbanks	21.35	21.35	0	-----
Gambell	Nome	90.00	72.00	18.00	720
Nome	Direct	50.00	50.00	0	520
Kodiak	Anchorage	35.00	24.50	10.50	245
	A R R-Anchorage-Fairbanks	21.35	21.35	0	-----
Juneau	Direct	58.00	58.00	0	652
Hoonah	Juneau	69.00	69.00	0	692
Sitka	do	76.00	74.50	1.50	745

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
February 23, 1965.

Hon. JOSEPH S. CLARK,

Chairman, Subcommittee on Employment and Manpower, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: Attached is copy of a letter which reached me last Friday from the Manpower Advisory Committee in Anchorage, Alaska. The letter discusses the very difficult situation trainees under the Manpower Training Act of 1962 encounter when they seek to avail themselves of the training offered. Earlier I submitted to you a schedule of the cost of transportation of a trainee to his place of training. In all but one or two cases the information showed that the trainee was required to pay a good deal more than his travel allowance to get from his home to the place of training.

The Manpower Advisory Committee also brings up the difficulty of the subsistence allowance. The Federal Government for years has recognized the fact that the cost of food and lodging is higher in Alaska than elsewhere and has permitted Federal employees an additional amount of money for per diem to cover costs. If memory serves, the present level of per diem for Alaska is approximately \$21 a day as against \$16 or so in the other 49 States. The subsistence allowance permitted under the Manpower Development and Training Act is \$5 a day. I am sure you recognize that \$5 a day is really inadequate to cover the bare cost of room and board.

I know Senator Gruening joins me in expressing hope that your subcommittee will take into consideration the financial difficulties encountered by Alaska trainees.

It should be noted that the majority of those encountering the problem are native Alaskans who have no reserves of savings from which to draw.

Sincerely yours,

E. L. BARTLETT.

MANPOWER ADVISORY COMMITTEE,
Anchorage, Alaska, February 9, 1965.

Hon. E. L. BARTLETT,
U.S. Senate, Washington, D.C.

DEAR SIR: In the course of our deliberation in planning and scheduling various courses under the Manpower Development and Training Act of 1962, it has come to the attention of this committee that Alaskan applicants and participants suffer a distinct disadvantage under certain provisions of the act which set a uniform rate of transportation and subsistence allowances for the whole United States. As you know, the act provides only 10 cents per mile on transportation and \$5 per day for subsistence. Since this program can be and is especially and uniquely beneficial for natives and other residents of the rural areas of Alaska where there is so much unemployment, this committee has urged their participation in the manpower program to the fullest extent possible. Unfortunately, 10 cents per mile when viewed in connection with air travel costs and mileage is completely unrealistic. For example, the man from Togiak who entered the truck-tractor training course traveled 440 miles by air at a cost of \$67.50. The Manpower Development and Training Act will reimburse him \$44. Since his annual income was less than \$2,000 last year and in addition he had lost his job and home as a result of a tidal wave at Togiak that wiped out the cannery on which he had been the watchman, he felt it worth the gamble to borrow that extra \$23.50 and come in for the training in the hope that he can work on a construction job this summer in the Dillingham area after learning to operate a "Uke" or large dump truck. Each day that he is in training he will receive \$5 per day to pay for his room and board. Since even the cheapest room will cost \$2.50 to \$3 per night, it is apparent that \$5 is a very meager sum. Since he is a married man with children he will also receive \$44 per week as a training allowance, of which he will probably send the greatest amount home. If he had been single, the \$5 would have been his entire allotment, and patently inadequate.

At our request the State employment office has consistently tried to work out cooperative arrangements with other agencies such as the Bureau of Indian Affairs, Office of Vocational Rehabilitation, and Alaska Department of Wel-

fare. While this has resulted in supportive assistance for a limited number of trainees, these agencies too have their restrictions and the total number who have been able to take advantage of the opportunities offered under Manpower Development and Training Act has been very limited.

Cognizant that the present authorization will expire June 30, 1965, and that certainly this is one of the programs that the President will be pushing as part of his attack upon poverty, it is the hope of this committee that you, as one of our congressional representatives in Washington, D.C., will attempt to get some special consideration of Alaska's particular problems with reference both to travel allowances and subsistence allowances. It is the unanimous opinion of the committee that these particular problems must be resolved in one way or another for the program to do the job here in Alaska that needs to be done.

It would be our suggestion that if no direct action within the law by amendment or special appropriation can be achieved, that you then work to provide funds or work out special supportive assistance from the Bureau of Indian Affairs, Department of Health and Welfare, or the Office of Vocational Rehabilitation. From the extent of the progress made this winter in working out arrangements on the local level, we believe that all three of these agencies are appreciative of the opportunities available to their clients through manpower training.

Any aid or cooperation or suggestions that you have which would solve the particular problems faced here in Alaska as the result of distance and particular cost would be greatly appreciated by this committee. We sincerely believe that the manpower training programs afford an opportunity to break out of the pattern of unemployment and should be extended to as many of the citizens of our State as possible. For any additional information, aid, or assistance in solving this problem that we can give you, please call on us.

Very truly yours,

VIRGIL N. DUPUIS,
Chairman, Local Advisory Committee.

U.S. SENATE,
Washington, D.C.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Manpower Development and Training Act of 1962 has been of great help to the Division of Employment Security of the Department of Labor in the State of Alaska in developing special skills, but the maximum amount for transportation and subsistence specified in the act have caused unintended hardships on trainees in the State.

Staff members of the division of employment security, the Manpower Advisory Committee, and others have requested that title II, section 203(b) of the act be amended to give the Secretary of Labor discretionary authority to provide for such reasonable increase in the transportation and subsistence expenses as he deems necessary to carry out the purposes of the Manpower Development and Training Act.

I hope the Subcommittee on Employment and Manpower of the Committee on Labor and Public Welfare can develop language which will correct this type of situation, wherever it exists in noncontiguous States and areas outside the continental United States where the per diem has proven to be inadequate.

My colleague, Senator Bob Bartlett, has forwarded to you, on behalf of the delegation, letters illustrating how the present per diem will not cover costs of air travel and lodging.

I asked the Division of Employment Security of the State of Alaska to provide information as to the cost of the amendment we propose. The division responded by telegram and advised me that the projected extra amount of trainee transportation allowances required for Alaska in fiscal year 1966 would be \$15,935 for 250 trainees traveling to central training facilities in Nome and in Anchorage from remote villages. The projected supplemental subsistence allowance payments necessary to assure minimum living standards for these out-of-town trainees would be \$43,750. The total amount of both is \$59,685. This amount would enable the program to provide funds for transportation and subsistence for 250

trainees for an average of 20 weeks training. A copy of the wire from the State to which I refer is attached.

In the past, part of the added cost has been met by working out cooperative arrangements with other agencies. However, this assistance has been limited and has restricted the number of trainees. Moreover, the continued modest help from these agencies for the fiscal year 1966 appears doubtful.

The Manpower Development and Training Act is one program which, by demonstration, has helped our economy develop. I urge that it be given the tools to make this assistance as beneficial as is possible.

With best wishes, I am,
Cordially yours,

ERNEST GRUENING, *U.S. Senator.*

JUNEAU, ALASKA, *February 27, 1965.*

Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.:

Projected extra amount of trainee transportation allowances Manpower Development and Training Act funds required for Alaska in fiscal year 1966 is \$15,935. This is based on probability of 250 trainees traveling to central training facilities in Nome and in Anchorage from remote villages where current Manpower Development and Training Act travel allowance ceiling is inadequate. Supplemental subsistence allowance payments necessary to assure minimum living standards FMR trainees from out of town is \$43,750. This would enable Manpower Development and Training Act program to provide adequate subsistence for 250 trainees who would be coming mainly to Anchorage and Nome for outlying villages for an average of 20 weeks training.

ROBERT LEVY,
Employment Security Division.

MISHAWAKA HIGH SCHOOL,
Mishawaka, Ind., February 15, 1965.

Subject: Manpower Development and Training Act (amendments: H.R. 4257; S. 974).

Senator VANCE HARTKE,
Senate Office Building,
Washington, D.C.

DEAR SIR: Recommendations: The Manpower Act be amended so there will be no matching with the State funds.

Extending the act with 100 percent of reimbursement of Federal funds for at least the next 2 years.

Sincerely,

R. W. WARRING,
Head of Vocational Department, Mishawaka City Schools.

SUPPLEMENTARY STATEMENT BY DR. BYRL R. SHOEMAKER, PRESIDENT OF THE AMERICAN VOCATIONAL ASSOCIATION

Congress authorized on-the-job training under the Manpower Development and Training Act of 1962. Section 204(c) reads as follows: "Where on-the-job training programs under this part require supplementary classroom instruction, appropriate arrangements for such instruction shall be agreed to by the Secretary of Health, Education, and Welfare and the Secretary of Labor."

To the best of my knowledge, OJT under the Manpower Development and Training Act is not being coordinated to any great extent with vocational education and the Secretary of Labor is handling matters involving classroom instruction. The vast majority of OJT projects do not provide for supplementary classroom instruction; however, through a play on words, OJT contractors are providing the classroom instruction. This is accomplished by using the term "related instruction." This term is not in the law. This broad, if not deceptive definition of OJT, allows contractors to provide classroom instruction normally given in trade extension classes by the public schools.

Two large OJT contracts were awarded to the Operating Engineers Union, San Francisco, Calif., to provide upgrading training on heavy equipment. The first year each trainee spent 1 hour per day on the equipment and the rest of the time on classroom instruction. This instruction was provided by the unions and not by vocational educators. The trainees were in a residential status and drew weekly allowances, subsistence payments, and transportation costs.

At the same time, cooks and stewards classes were authorized to feed the heavy equipment trainees. This was done even though the union has a school for the training of such cooks at Santa Rosa, Calif. Another method for using OJT as a vehicle for classroom instruction other than by schools has been done with the Community Programs, Inc., New Haven, Conn., where public education was provided to work crews under an OJT contract.

I would like to call attention to the fact that there are no teacher qualifications required in on-the-job training programs even though classroom instruction is provided.

STATEMENT OF ANDREW J. BIEMILLER, DIRECTOR, DEPARTMENT OF LEGISLATION,
AFL-CIO

We appreciate this opportunity to present to the subcommittee our views on various provisions of S. 974, a bill to amend the Manpower Development and Training Act. Many of the sections of S. 974 represent relatively minor revisions. There are, however, several proposed changes that are quite important, and I think it would be fruitful if I were to concentrate on them in presenting the views of the AFL-CIO for consideration of the subcommittee.

Before commenting on the provisions of S. 974, I would like to place the Manpower Development and Training Act in the proper perspective, at least insofar as we in the AFL-CIO see it.

The AFL-CIO does not regard manpower training as the answer to this country's unemployment problems. It will be very helpful, however, as it has been, and it has our wholehearted support. But we believe that it is vital to point out that increased efforts in education, in training, and in retraining will provide us only with a better educated, better trained body of unemployed, unless the economy grows rapidly enough to provide the necessary job opportunities—jobs for workers displaced by automation and technological change, jobs for the huge numbers of youngsters that are now pouring out of our schools, and jobs for the millions presently unemployed.

The unemployment problem today is not a phenomenon traceable only to problems of youths, older workers, minorities, or the unskilled. Admittedly, these groups are more vulnerable and represent special problems that require special attention. It is important, however, to point out that this Nation has had 5 percent or more of its work force unemployed in practically every single month since November 1957.

Included in these monthly figures have been—and are—not only the "special" problems, but also large numbers of skilled workers, semiskilled workers, and professionals. We need only look at the data on the unemployment rates for workers in these latter categories to see that they, too, have been experiencing joblessness at a rate nearly double that of 1953. So long as this condition prevails, it will be exceedingly difficult to make significant inroads into the unemployment situation of those who are even more vulnerable to joblessness.

Over the last few months, there has of course been some improvement in the unemployment rate, but it has obviously not been nearly enough in relation to the size of the problem. Moreover, we are quite concerned about the expectation that the unemployment rate will begin to creep upward again before this year is out.

Thus, not only do we have some very difficult special problems, we also have a general problem of unemployment and we should not expect it to go away solely because we are engaged in manpower retraining.

As I stated before, we need these training programs. This activity, however, cannot solve our unemployment problems, for it cannot substitute for inadequate economic growth, or for the failure to pursue those economic policies which are essential if we are to achieve the necessary expansion in the number of job opportunities.

HEARINGS ON THE MANPOWER REPORTS

The Manpower Development and Training Act is a vital tool of intelligent manpower policy, useful now in a period of high unemployment, but potentially even more useful in better times. It is for this reason that we are pleased to see that the proposed amendments will eliminate the need for periodic extension of the life of this act, and we would certainly endorse such a proposal.

There will, of course, be continuous congressional review through the appropriations process. We would like, however, to suggest the possibility of another type of review—a review of the annual Manpower Report of the President and of the reports of the Secretaries of Labor and Health, Education, and Welfare, all of which are required by the Manpower Development and Training Act. It would seem to us desirable to have open hearings each year following the submission on these reports to the Congress. In this way, these documents would receive the attention they warrant, and the Congress would have a systematic method by which to review and evaluate the activities of the Manpower Development and Training Act and related manpower programs.

MATCHING OF FUNDS

While we are pleased to see the Manpower Development and Training Act placed on a permanent footing, we are not at all pleased with the proposal to accompany such action with the adoption of a 90-10 matching formula.

As presently written, the Manpower Development and Training Act would require the States to provide one-third of the funds for any Manpower Development and Training Act programs in fiscal 1966, and one-half of the funds thereafter. Only a handful of States have indicated a readiness to accept this arrangement, despite the fact that the Manpower Development and Training Act is generally well received and widely endorsed. We have no doubt that the failure to act is, in no small measure, due to inadequate financial resources in the States, together with heavy demands for funds to support other well-established programs.

Regardless of the reason, it is obvious that Manpower Development and Training Act training is on the brink of serious difficulties. If the present State matching requirement remains, programs will be sharply curtailed. Whatever the decision of Congress, quick action on this question of State matching is in order so that the State legislatures, presently in session, will be given the necessary guidance and the necessary time to deal with this problem.

This problem of State matching is recognized in the legislation now before this subcommittee. It proposes to amend the matching requirement to provide a 90-10 formula. While this arrangement will obviously be more attractive to the States than that which the law presently calls for, the AFL-CIO is not in accord with this proposal. Moreover, we are concerned about the effect of such a provision on Manpower Development and Training Act programs within cities in those States which do not adopt matching legislation.

We believe that in our economy—which is a national economy, and not 50 different economies hemmed in by 50 different State boundaries—a national, fully federally financed, program is called for.

Consider, if you will, the mobility of our population and of our work force and, indeed, some of the language of the Manpower Development and Training Act itself. The Manpower Development and Training Act, in section 102, is concerned about practices “which tend to impede the mobility of workers” and, in section 202(e), indicates an interest in training workers for jobs outside their area of residence if they are prepared to move after the training.

We believe there is an unfairness inherent in any matching requirement for a program such as the Manpower Development and Training Act. The mobility of our population and our work force flows from the fact that we have a national economy. Whatever the reason that determines our geographic shifts in industry—be it changing technology or simply personal idiosyncrasies on the part of corporate decisionmakers as to plant location—right or wrong, we presently exercise no control over this facet of our economic life. People are compelled to chase the jobs, or what they hope will be jobs. Some who move are adequately prepared; others are not. And often it is those who are not who become burdens on their adopted areas. Therefore, it seems only logical and fair to establish all of our manpower programs, including the Manpower Development and Training

Act, with 100 percent Federal financing, so that the cost of the programs does not fall unfairly on the growing areas.

JOB DEVELOPMENT AND TRAINING IN SERVICES

Section 2(b) of S. 974 is an indication of the intention—already expressed by the Secretary of Labor—to expand training activities in service industries and occupations. There are a number of problems that are apt to flow from this new section—especially the new paragraph (7)—that warrant the attention of the subcommittee.

In the first place, although it talks of on-the-job training, paragraph (7) omits any reference to upgrading workers who are employed in low-skill and low-wage jobs.

To us, on-the-job training is the single best tool for upgrading incumbent workers who may, because of lack of opportunity for training, be encased in the lower wage jobs in the employer's establishment. In our view, it is grossly unfair to ignore these workers while, at the same time, giving only to those who are unemployed the opportunities to train for the better jobs. We believe that an employer who refuses to upgrade regular employees, when the need and opportunity exist, should not be given Manpower Development and Training Act assistance to do so for workers not on his payroll. We think this order of priority ought to be spelled out also in section 204.

Because of our strong desire to enhance training opportunities through on-the-job programs, we naturally endorse section 5(a)(4) which will permit such trainees to engage in outside work for up to 20 hours without any reduction in their training allowances.

A second problem that we see in connection with this new paragraph (7) has to do with the inadequacy of existing Manpower Development and Training Act standards and procedures. This is naturally always a matter of concern to us, but it becomes even more important with the proposed expansion of activity in an area—the service industries—where many of the jobs pay very low wages.

The Manpower Development and Training Act should not be used to train workers for jobs which pay substandard wages. The jobs for which workers are trained under the Manpower Development and Training Act ought not to pay less than the prevailing wage for the occupation, and every proposed project should meet that test.

Beyond this, however, there ought to be some sort of a floor. Simply because the prevailing practice is the payment of substandard wages is no reason why the Federal Government should subsidize and reinforce the practice with Manpower Development and Training Act assistance. If Federal funds are used to help provide a supply of labor for such employers, they will be under no pressure to elevate their standards and to pay the workers a decent wage. And for a nation which is just now embarking on a campaign to eliminate poverty, it would make no sense to subsidize substandard wages when about one-half of our people in poverty—as measured by the \$3,000 family income standard—are in that group merely because the wages they earn are too low.

We would, therefore, urge this subcommittee to raise the sights of the Department of Labor by writing into the law a requirement that, at the very least, workers will not be trained for any jobs which pay less than the minimum wage stipulated in the Fair Labor Standards Act, whether or not the job is in a covered occupation or industry. And although our discussion of this matter is an outgrowth of the announced intention to expand training in the services where such vast numbers of workers are forced to work at substandard wages, it would be our recommendation to have the Fair Labor Standards Act standard apply to all proposed Manpower Development and Training Act programs.

One way to help assure adherence to decent standards is through the effective use of labor-management-public advisory committees. We are not satisfied that this is now being done and the legislation ought to be written in a way to make sure that it is done.

The proper use of advisory committees would strengthen the operation of the Manpower Development and Training Act and improve its effectiveness. If the legislation were clearly written so that all projects would be scrutinized and periodically reviewed by properly constituted labor-management-public advisory committees, the administrators of the program would, in our judgment, be compelled to pay more attention to such matters as the wages and working condi-

tions of the jobs for which they are training workers. Too often, one now gets the impression that the administrators are content to put a "body" into any hole they can find, with little or no concern over standards of wages and working conditions.

We do, of course, have a system of local and State advisory committees, but they do not function with uniform effectiveness. More often than not, this is due to the failure of the administrators to involve the committees in the work of the program. A requirement that all projects must be reviewed in advance by a labor-management-public advisory committee would help to keep the program on the right track, and would surely increase support for our training and retraining efforts at all levels of our society. And, needless to say, it will give the administrators of the program the benefit of expert advice that might not otherwise be forthcoming.

If, for any reason, there is no local committee in operation, then the project ought to be reviewed by a State advisory committee; and where the latter doesn't exist, the National Manpower Advisory Committee should review the proposal. Furthermore, the National Committee should review in advance any Manpower Development and Training Act projects where it is proposed to develop them on a nationwide basis.

In connection with this discussion of the importance of advisory committees, it would be well to recall the most successful training experience of this type which the country had. During World War II, under the War Manpower Commission, but with the aid of a network of State and local committees, we embarked on a massive training program. It functioned well and effectively. Hundreds of thousands of people were trained. Citizens and groups from all facets of American life participated and helped to move the programs along. This is the type of operation we ought to seek in carrying out programs under the Manpower Development and Training Act. The Manpower Development and Training Act is a considerably less ambitious program than the one we followed during World War II and, because of this, should present us with fewer problems if we simply borrow from the earlier experience.

Under the War Manpower Commission, every training program was reviewed by advisory committees. There is absolutely no reason why this should not be done now under the Manpower Development and Training Act.

We believe that such an approach is essential. If we adopt it, we can improve the program and increase the participation of knowledgeable citizens. And it is only in this way that we can assure that Manpower Development and Training Act projects will be truly worthwhile, and not become bones of contention over whether or not Manpower Development and Training Act training is being used to provide a source of cheap labor and a vehicle to undercut existing standards.

TRAINING ALLOWANCES

Although we are in complete accord with the proposal to increase training allowances by providing an additional \$5 per week for each dependent after the second up to a maximum of four additional dependents, and with the proposal to make a minor change in the method of computing the training allowances, we are inclined to question the proposal—as it is now written—to extend the duration of time over which training allowances may be paid (secs. 4 and 5(a)(1) of S. 974).

It is proposed to move from 20 weeks for basic education plus 52 weeks of actual training, now in the law, up to a flat 104 weeks. We think additional guidance to the administrators of the program would be desirable, or else we may find ourselves in difficulty. We may, on the one hand, find program administrators who are overly enthusiastic about the possibility of increased basic education who, without regard to the realities of the job situation, subject the trainees to a disproportionate amount of basic education. On the other hand, and also without regard to the realities of the job situation, we may have the reverse. Given the opportunity for 2 years of occupational training, it is conceivable that program administrators may disturb the orderly operation of apprenticeship programs, fragment the skills of a recognized craft, and help to destroy standards of wages and working conditions that were built up only through long years of hard effort.

We would, therefore, recommend that the 104 weeks be split into two pieces, and to provide for up to 52 weeks of basic education plus up to 52 weeks of occupational training. The two types of activity may be given in sequence or in

combination, according to the needs of the individual and the program in which he is enrolled. But he would still be entitled to 104 weeks or its equivalent. And by "basic education" we mean not mere literacy training, but whatever education-type courses are required as part of the occupational training the worker is undergoing.

ELIGIBILITY FOR ALLOWANCES

Section 5(c) (2) calls for a change in the eligibility requirements for those who are to receive training allowances and is obviously intended to help single persons. In our opinion, it is still rather restrictive and would, for example, deny allowances to an unmarried adult of, say, 25 or 30 years of age, simply because he lives at home and his father is employed. It is not difficult to point out the inconsistency involved in seeking to enhance the self-reliance and the independence of youth, through the Manpower Development and Training Act youth allowances, and to deny any assistance to the more mature workers. We believe, therefore, that this amendment ought to be rewritten to take care of this problem that we have mentioned.

We are, however, in accord with the proposal of section 5(c) (3) to continue the present 25-percent limitation on the number of youths who may receive Manpower Development and Training Act allowances. We feel that an adequate portion of the Manpower Development and Training Act program is being directed toward younger people and, in addition, we would point out that there are other programs also available to provide assistance to our younger citizens.

CONCLUSION

Most of the remaining amendments represent rather minor changes. The two remaining changes of any significance that are proposed by S. 974 are in connection with the demonstration projects and with Area Redevelopment Act training. The proposals for a small expansion in the labor mobility demonstration projects and to initiate trainee bonding demonstration projects have our support. Furthermore, the provisions regarding Area Redevelopment Act training appears, for the most part, to be a restatement of existing practices, and we see no reason not to support this change.

The amendments which we have not mentioned are, for the most part, either to clarify existing language or to make the remainder of the law fully consistent with those proposed amendments which we have already discussed above. We are in general accord with the remaining amendments except, of course, those which are related to proposals to which we have indicated either objection or a desire for modification.

In conclusion, we would like to state that it is gratifying to the AFL-CIO to see the subcommittee proceeding so early in this session of Congress to a consideration of amendments to the Manpower Development and Training Act. Because of our concern over manpower policies and programs, we have given enthusiastic support to the Manpower Development and Training Act, and it is encouraging to see that the subcommittee also attaches a very high priority to this type of activity. We trust this will lead to speedy action by the full Congress. As we said earlier in this statement, prompt action is essential in order to prevent this program from faltering.

ASSOCIATION OF SCIENTISTS &
PROFESSIONAL ENGINEERING PERSONNEL,
CAMDEN AREA CHAPTER,
Camden, N.J., February 22, 1965.

SENATE SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER,
New Senate Office Building, Washington, D.C.

HONORABLE SIRs: This organization, which represents approximately 1,400 research, design, and development engineers employed by the Radio Corp. of America in the Camden, N.J., area, is vitally concerned with the current considerations being given by the Congress to proposals for amending the Manpower Development and Training Act of 1962, as amended.

Our principal concern is that this act, and other applicable legislation, shall include provisions for meeting the present and growing problems of the waste of the valuable national resource of engineering and scientific skills and manpower through what has been called "technical obsolescence."

We have enclosed 25 copies of a statement of our opinions on this matter and we respectfully urge your favorable consideration of the suggestions made therein.

Your cooperation in permitting us to submit this statement is truly appreciated and we are most anxious to cooperate with your committee and with the Department of Labor in any activity that will help to eliminate the problems we face.

Sincerely,

HENRY J. ANDREAS, *Executive Secretary*.

STATEMENT OF THE ASSOCIATION OF SCIENTISTS & PROFESSIONAL ENGINEERING PERSONNEL, CAMDEN, N.J.

The Association of Scientists & Professional Engineering Personnel has been the certified representative of the research, design, and development engineers and scientists employed by the Radio Corp. of America (RCA) in the Camden, N.J., area for 20 years.

Two and one-half years ago there were 2,560 engineers and scientists employed by RCA under our jurisdiction and today there are less than 1,380. This drastic reduction in manpower resulted from many causes, including the completion or cutback of Federal defense contracts, the dispersal of various manufacturing functions by the employer to other locations in the country and, in many instances, by the evolution of engineering technology.

In our experience over the recent period of manpower reductions among scientists and engineers, one of the most serious problems was the fact that many of them, with 20 or more years of experience, were classified by the employer as "surplus"—they were told that there was no longer a need for their particular specialized skills—that other and newer skills were required.

Section 101 of the Manpower and Development Training Act opens with the statement, "The Congress finds that there is a critical need for more and better trained personnel in many vital categories, including professional, scientific, technical, and apprentice-able programs."

Within the same paragraph a little further on it states, "The Congress further finds that the skills of many persons have been rendered obsolete by dislocations in the economy arising from automation or other technological developments * * * ." It is to these two categories and primarily the latter that we will address our comments.

There has been a great amount of publicity given to technological advancements in the field of science but very few people have been informed of the effect that this progress has had on the engineers and scientists in industry.

The employee-professional is utilized in industry in a manner similar to that of any other classification of employee, and that is in the most efficient and profitable manner possible.

Efficiency and profit are at maximum when a scientist or engineer is working within his "specialty" or in narrow field in which he has thorough training and experience and has achieved a great depth of knowledge. He can produce a quality product in the shortest possible period of time. He is of great value to the company—as long as his skills are required.

Depth of knowledge in one specific field does not preclude general knowledge of the engineering field but, with few exceptions, it does indicate that his proficiency is not equal in all fields. It should be evident therefore that if years of continuous study and labor have been devoted to a specific field and it then becomes nonessential within a company or is superseded by another technology, his value is drastically reduced.

The trade journals and periodicals that have so loudly proclaimed an engineering shortage are now playing another tune—called engineering obsolescence. The "retreading" of engineers and scientists, as MIT refers to it, is now the popular topic for editorial comment. The obsolete engineer is no more employable in his profession than the man replaced by a machine.

Technical obsolescence is brought about in three basic ways: training, technological advancement, and misutilization. What was taught 14 or 15 years ago in college is now an introductory course for the modern student.

Transistors, which were almost unknown and certainly impractical 15 years ago, are already fast being replaced by integrated circuits.

Misutilization of engineering talents by industry through specialization or assignments to pseudo-engineering assignments on cost-plus-fixed-fee type contracts has accelerated the rate of decay of knowledge once possessed.

The DOD economy moves have served only to highlight what ASPEP and other similar engineering unions have recognized and strived to bring to light—that the talents of the scientist and engineers are a perishable commodity if not continuously nurtured and rebuilt. The engineer suddenly thrown on the open market without the latest in scientific training and experience is of little value to himself or to industry.

Our experience through a period 2 years of continuous layoffs has shown that the younger more highly trained, less experienced and lower paid engineer will find an engineering position quite rapidly. The older engineer accustomed to a higher income, with greater family and community ties and investments in a specific locality will often elect to leave engineering rather than relocate his home and family and start once more at the bottom of the engineering ladder.

In many of ASPEP's past negotiations with RCA, proposals were made concerning proper utilization of engineering talent, tuition refund plans and after-hours inplant training programs. To some small degree success was attained in all of these areas but when this updating or retraining effectiveness was tested through the past 2 years of layoffs, it proved to be totally inadequate.

Experience in one specialized area and afterhours study programs in a second specialized area did not qualify an engineer, in the company's judgment, to transfer to the second work area although trained through afterhours courses. The result was layoff for the man not possessing the specifically required experience—training alone was not deemed enough.

In our 1963 and 1964 negotiations, with our experience in the layoffs fresh in our minds and still actually present, the following proposals were made as possible solutions to the layoff retraining requirements:

1. That 5 hours of on-the-job training during a 40-hour workweek be allotted for those selected by the company as requiring retraining.
2. That direction be given by the company to the engineers indicating the requirements in numbers of engineers and skills to be required in the near future.
3. That the general increases be given under the term of the contract be accumulated for use in on-the-job retraining programs and be used prior to and during a layoff period to update those affected.

Not all of our efforts were directed through RCA, for in addition to these activities ASPEP has undertaken its own technical development program now in its fourth semester. The program is a series of courses prepared and taught by highly qualified scientists and engineers now employed by RCA and it presents courses in many of the newest scientific fields.

The desire of the engineers to remain as active, useful engineers is obvious as seen by the above proposals. To fall out of engineering usually means to fall into other occupations of a lower skill level with the subsequent displacement of another person.

Our association is appreciative of the attention given by this committee and Congress to the overall facets of the manpower problem.

We sincerely hope that as a result of your efforts ways will be found to overcome the specific problems which confront the engineers and scientists employed by large industrial concerns: an extremely short professional life and the terrible waste of valuable experience and demonstrated talent and skills which are vital to the safety, growth, and economy of our Nation.

Engineers and scientists have continued and will continue to seek advancement of their basic education through advanced degrees and special courses at colleges and universities. But basic education cannot keep them abreast of the dynamism of today's technological growth.

What is needed is practical state of the art type training and experience which is not available except through on-the-job training programs.

What is needed to be truly effective, is that the opportunity for technical advancement must become a part of the professional's regular working schedules. Engineers and scientists should be permitted or required to spend several hours of their regular workweek participating in inplant on-the-job type programs. Such programs will undoubtedly require inducements to employers in the form of tax credits, grants, or additional compensation within Federal contract awards.

We believe that investment of Federal funds for such purposes would be well justified if it could help to prevent the serious loss of manpower and skills we are faced with today.

We urge the committee and the Congress to conduct adequate research into the growing problem of the waste of engineering and scientific skills. We hope you will provide the means for encouraging on-the-job, working hour, technical

advancement programs, and you will assist organizations such as ours in their efforts to provide self-help, supplementary programs of a similar nature.

We are most anxious to cooperate with the appropriate Federal agencies toward these ends and will be happy to participate in any pilot programs which may be undertaken and which may involve scientists and engineers.

We respectfully urge the committee to consider favorably the following suggestions for inclusion in the amendments to be proposed for the Manpower Development and Training Act of 1962, as amended:

1. Remove all barriers of law or congressional intent which prevent or inhibit the use of the act on behalf of engineering and scientific employees. Even in the event that it should be determined that the funds provided under the act should not be used for the training or retraining of such employees (and we hope that such a determination will not be made), there should be provisions made for conducting programs of research and statistical studies in the area of such employee-professionals to determine the extent of the impact of so-called technical obsolescence upon the important national resource which their skills represent.

2. Make possible, at least on a pilot program basis, the establishment of inplant, on-the-job type training programs for employed scientists and engineers to combat technical obsolescence which results in the loss of manpower and skills which are vital to our Nation's future.

3. Encourage, through pilot program grants and otherwise, the kind of updating and technical development programs which are being operated by the Association of Scientists & Professional Engineering Personnel, as exemplified by the association's technical development program leaflets submitted herewith.

We sincerely hope that, as a result of the actions of Congress in the amendment of the Manpower Development and Training Act, and as a result of such research and study programs and pilot programs as are undertaken in the future, a way will be found to overcome the loss through technical obsolescence of engineering and scientific skills which are essential to our country's progress and safety.

PREPARED STATEMENT OF AMERICAN NURSES' ASSOCIATION, INC., NEW YORK, N.Y.

The American Nurses' Association is the professional membership organization of registered nurses. At this time we wish to bring to your attention and to the attention of your committee our interest and concern in the rapidly expanding training programs for health occupations under the Manpower Development and Training Act.

Legislation passed in the last 4 years to combat unemployment has resulted in efforts to alleviate shortages in service industries, including the health field. In the implementation of this legislation there has been a mushrooming of programs for the training of subprofessional workers for employment in nursing services. This rapid growth of training programs has produced problems of serious import for health care:

1. Workers are being prepared for employment in nursing facilities without adequate determination of need for them in each instance.

2. Training programs for auxiliary nursing personnel are increased without insuring an adequate supply of qualified nurse instructors and supervisors both during training and in the placement facility.

3. A number of practical nurse training programs financed by Manpower Development and Training Act funds have placed established standards of practical nurse education in jeopardy.

4. The initiation of new, and often untried, occupations, threatens further fragmentation of nursing service to patients. This can lead to deterioration of nursing care.

5. The length of the training programs for the various types of health workers is not always compatible to either the positions in the nursing service for which the worker is being prepared or to the appropriate budgetary level within the nursing service.

6. The rapid proliferation of training programs for practical nurses and nurses' aids is increasing the imbalance between professional nurses on the one hand and practical nurses and nursing aids on the other. When the staffing ratios show a heavy proportion of nonprofessional workers then quality nursing care cannot be insured.

Standards for the recruitment, selection, training, placement, and supervision of auxiliary workers in nursing services have been established by the nursing profession. We recommend that these standards be incorporated into the planning of any and all proposed programs for auxiliary nursing personnel in health services.

Representatives of the American Nurses' Association have been meeting with official representatives of the Federal agencies responsible for the implementation of the various programs for training for the health occupations. The focus of the discussions has been the implications of the programs for nursing services in various facilities, with the emphasis on quality health care. We are currently supplying these representatives with further guidelines for these programs, at their request. ANA emphasizes the importance of its involvement in the development of plans to train workers for employment in nursing services. The delineation of the scope of the auxiliary worker as part of nursing service has been recognized as the responsibility of the nursing profession.

We further wish to point out that unemployed persons being trained for the health occupations will be entering a field of employment that is itself economically depressed and has a high rate of turnover. Studies by the Bureau of Labor Statistics over the years raise serious questions about employment as a nonprofessional worker in a hospital as a self-supporting job placement. For example, according to BLS, in June and July of 1963, when the Federal minimum wage was \$1.15 an hour, in none of the cities surveyed was the average as high as the Federal standard and in Memphis and Atlanta average hourly case wages were from 38 to 53 cents lower than the minimum.

We wish to assure you that the American Nurses' Association supports the purpose and intent of the act as a means of providing employment opportunities for those not now working. However, the nursing profession also realizes its responsibility in providing adequate nursing care for patients in this country. We would not wish the war on poverty to become a war on the Nation's health. We believe the attack on the unemployment situation must not be allowed to undermine the health care of the patients in this country. Therefore, we felt we should communicate to you some of our concerns.

STATEMENT OF DR. WILLIAM J. JACOBI, PRESIDENT, ECONOMIC DEVELOPMENT DIVISION, LITTON INDUSTRIES, BEVERLY HILLS, CALIF.

Mr. Chairman and members of the subcommittee, it is a distinct pleasure for me to appear before this subcommittee of the U.S. Senate.

Before beginning my remarks this morning, it would be appropriate for me to clarify my status as a witness before the subcommittee. I am not an expert on existing legislation in the field of manpower development and training nor am I an expert on legislative revisions embodied in the proposed Manpower Act of 1965. If I am in any way qualified to appear before you on the subject legislation, it is for three simple reasons:

1. The corporation that I represent has broad experience in the field of industrial training, including participation in training programs sponsored under both the Manpower Development and Training Act and the Area Redevelopment Act.

2. The division of this corporation that I direct is involved in a major program of personal development as a prime contractor to the U.S. Office of Economic Opportunity for the management of the Job Corps training center and the conduct of the training program for some 2,000 boys at Camp Parks, Calif.

3. I myself have an abiding interest in contributing to an understanding of the true meaning of manpower development and training and of the fundamental importance of this activity to the national economy. I believe earnestly and sincerely that a basic obligation of American society—government, business, labor, and the community—is to provide every citizen with the fullest possible opportunity to make a significant contribution to our national well-being.

Please let me introduce myself to you. I am a vice president of Litton Systems, Inc., and president of the Economic Development Division of Litton Industries in Beverly Hills, Calif. As you may know, Litton Industries is a major producer of navigation systems, computers, communications and data systems, business machine equipment, electronic instruments and control equipment,

cargo vessels and nuclear submarines, and a wide range of industrial and professional goods and services ranging from geophysical research and aerial surveying to medical electronics and microwave heating equipment. The corporation is currently doing business at a sales rate exceeding \$800 million annually and employs some 48,000 people in more than 100 factories and laboratory facilities throughout the world.

A brief summary of Litton Industries' participation in the Manpower Development and Training Act and the Area Redevelopment Act training programs follows:

Litton Industries has trained several hundred individuals under the Manpower Development and Training Act to date. This number includes approximately 50 graduates of a precision microminiature instrument assembly course conducted by Litton in cooperation with the Los Angeles city school system and the California Department of Employment during 8 months in 1963. Our guidance and control division operation, Lubbock, Tex., has trained more than 60 electronic assemblers in a program which began last July in cooperation with the Lubbock public schools and the Texas Employment Commission, and which is still continuing.

The Manpower Development and Training Act programs are only a part of Litton's participation in joint community training ventures. Under the Area Redevelopment Act, Litton began an electronic assembly training program in Duluth, Minn., in 1962. This program was carried out in cooperation with the Duluth Vocational Training School, the State department of employment, security, and education; and the Area Redevelopment Act. Trainees were former shipyard and ironworkers, lumbermen, and unemployed women. Eleven hundred individuals were trained in this program.

In 1961, Litton participated in a large-scale training program in California's San Fernando Valley which proved to be a model for numerous similar programs in the Los Angeles area, throughout the State of California, and in other States after the Manpower Development and Training Act of 1962 was passed. This program was a joint community effort aimed at reducing unemployment in a depressed area, while at the same time providing specialized and concentrated training in skills of a demand occupation—that of electronic assembly.

This effort was known as the Reseda Adult School electronic production techniques program. It involved Litton's participation with the public school system and the California Department of Employment in conducting a 60-hour course for the basic skills required of an electronic assembler. During the 22 months that this program was conducted, 2,200 trainees began the course, approximately 1,700 completed the course, and between 1,400 and 1,500 graduates found employment in the electronic industries of the surrounding area.

The economic development division is a relatively new business venture of Litton Industries in the field of service to the community—Federal, State, and local. The division undertakes programs for business, industry, and government both in the United States and in other countries. Examples of typical programs which are being undertaken include the following: Manpower development and training, behavioral technology, education, medical technology and advanced health care systems, community development, urban planning, public works, communication systems, transportation systems and traffic control, environmental control, energy and natural resources utilization, oceanographic systems, arms control and disarmament, and natural disaster control. A fundamental precept of the operation of the division is to apply the "systems approach" as successfully utilized in dealing with large, complex problems of national defense and space exploration to larger, more complex problems of everyday living. We are particularly emphasizing the orientation of the systems approach to people rather than to hardware.

Some of you will wonder what the term "systems approach" means. The systems approach involves more than the application of multiplicity of professional disciplines—although this is of vital importance. It involves the identification of objectives, the setting of specific performance goals, the creation of organized approaches toward the objectives, the application of logic and analysis as formalized tools for developing methodologies for achieving these objectives, and the measurement of actual results achieved in relation to the specified goals. The systems approach is, in effect, a problem-solving capability of a highly sophisticated order.

We feel that the systems approach—however it may be defined—is a powerful tool for analyzing (and, eventually, for solving) problems of everyday living and particularly those problems involving human behavior and/or affecting people.

Now, how does this discussion in any way relate to the Manpower Act of 1965?

Consider for a moment the functioning of any business enterprise. The basic business functions are (1) to produce goods and/or services and (2) to market them in a financially viable manner. In any business enterprise, it is necessary either to employ people who are equipped to perform these two basic functions or to train people to become so equipped. In the final analysis, there is a third basic business function: (3) to continually train people to become equipped with vocational skills essential to the conduct of the business. When we describe the operation of Litton Industries and its economic development division in terms of business enterprise, we are really stating in a fundamental way how thousands of people—managers, professionals, technicians, and laborers; skilled, semi-skilled, and unskilled; men and women; thinkers and doers—apply the sum total of their individual efforts toward achieving the corporation's goals and objectives.

Now, consider the various elements of the activity the members of this subcommittee are considering: manpower development and training. The purpose of manpower development and training is to make people self-reliant, capable, mature individuals who have passed the threshold of what we might refer to as functional citizenship.

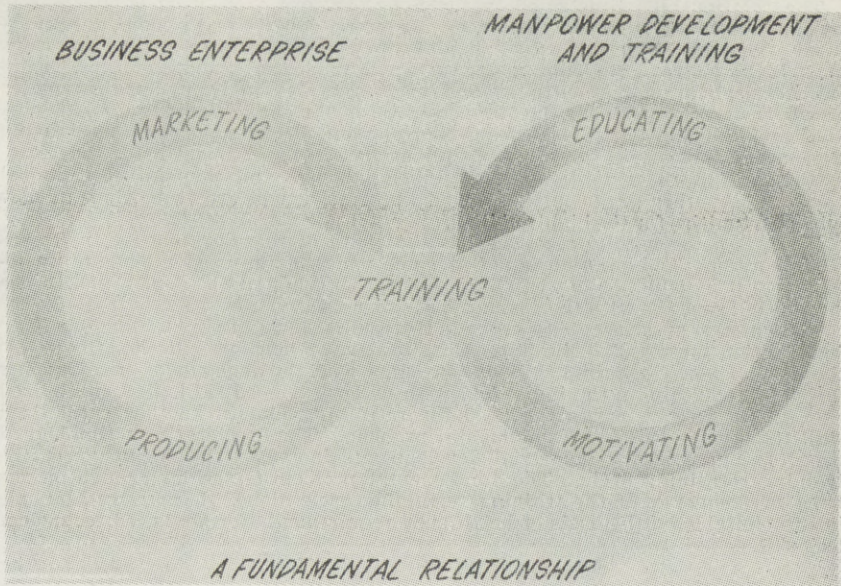
What is a functional citizen?

A functional citizen is a person who is capable of and motivated toward performing a useful role in society.

All of us recognize that there are three dimensions to manpower development and training: (1) motivation, (2) education, and (3) training.

Figure No. 1 is a graphical representation of the manpower development and training activity and the functioning of a business enterprise. The interesting fact illustrated here is that the two activities can be considered to be related in a very basic way—through training, an important element for success in both activities.

FIGURE 1



A FUNDAMENTAL RELATIONSHIP

Now, if you will permit me, let me present some views that I hold concerning manpower development and training per se.

First, I believe that Americans must become better equipped to serve the Nation and themselves. This fundamental thesis has been stated time and again but we fail to grasp its basic import. As recently as November 1960, the Commission on National Goals appointed by former President Eisenhower stated in the opening paragraphs of their report:

Goals for Americans

The paramount goal of the United States was set long ago. It is to guard the rights of the individual, to insure his development, and to enlarge his opportunity * * *

Our enduring aim is to build a nation and help build a world in which every human being shall be free to develop his capacities to the fullest. We must rededicate ourselves to this principle and thereby strengthen its appeal to a world in political, social, economic, and technological revolution * * *

Millions and millions of underskilled Americans constitute the hard core of two other disadvantaged segments of the national economy, (1) those who are underemployed (either unemployed or employed at a level significantly below their actual capacities) and (2) those who are afflicted by poverty. Figure 2 is a schematic representation of these three broad classes of disadvantaged Americans, showing their relationship one to another.

The full circle represents the millions of adults in the Nation. The inner square represents the millions of underskilled adults, the square symbolizing that there are adults with underdeveloped skills among all ethnic groups and in all parts of the Nation. The horizontal band represents the millions of underemployed adults, the band symbolizing either the active influence or lingering effect on full employment of such factors as racial or religious discrimination, social and ethnic groupings into "accepted" types and categories of employment, etc. The vertical band represents the millions of poverty-afflicted adults, the band symbolizing the geographical influence on economic well-being of such factors as concentration of defense and aerospace industries in various areas of the Nation, relocation of basic industries in areas offering competitive advantages, and emergence of distressed areas and depressed regions. The square (of underskilled) adults itself reflects the shaping influence of these latter factors as well.

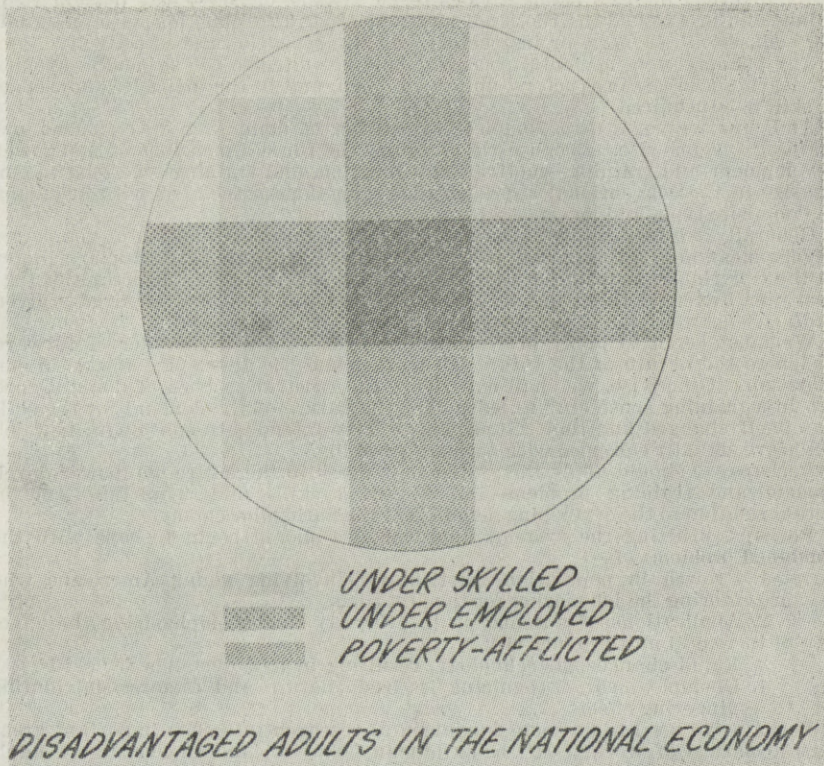
The relationships illustrated in the figure suggest why, even in 1965, it is possible for this Nation to experience widespread poverty and serious unemployment. They also illustrate why it is vital to the national interest that programs such as those already in being under existing Manpower Development and Training Act legislation be continued and why programs to be undertaken under provisions now proposed in the Manpower Act of 1965 be initiated.

Second, I believe that Americans must become better equipped to serve the Nation and themselves in an age of automation. One argument holds that automation will displace millions of unskilled laborers and semiskilled technical workers. Another argument holds that automation will create millions of new job opportunities for the highly skilled.

What is not generally recognized is that both of these arguments are essentially correct. The question is not so much whether automation leads to unemployment or creates job opportunities, but rather what can be done to match the surplus of low skills with the demand for higher skills.

The answer, of course, is to upgrade the general level of skills. There is little justification for massive training efforts to develop new specialized skills unless the level of newly acquired skills is consistent with the demands of an advancing technology. Training the individual with underdeveloped skills in a specialized skill today merely begets the need for retraining him in another specialized skill tomorrow—this is a fundamental problem. The accelerating technological pace of contemporary industrial developments increases the frequency of the training/retraining cycle. The fundamental problem is serious enough on the basis of frequency of the training/retraining cycle alone. It may well become insurmountable on the basis of heightened requirements for advanced technological skills.

FIGURE 2



Third, I believe that Americans must become better equipped to serve the Nation and themselves in an age of automation by enlisting the services of industry and labor (in full cooperation with Government agencies) as planners and doers of the national program of manpower development and training.

There is a recognized goal of upgrading the skill level of adult Americans significantly. National interests demand that we meet this need now.

In existence is an established system and a formalized process for imparting the required skills. And yet we continue to fall further and further behind in terms of (1) acquired skills measured against required skills, (2) numbers of prepared adults compared to total numbers of adults, and (3) realized opportunities for industrial manpower advances versus actual opportunities. We are faced with an apparent dilemma—we must accelerate the rate of acquiring new skills that continually become more difficult to assimilate.

Manpower development and training—system analysiswise—contains four basic subsystems: (1) the underdeveloped adult, (2) the instructor or educator or counselor, (3) the required attitude, knowledge, or skill, and (4) the means for transmitting the required capability to the underdeveloped adult.

Traditionally, the means for transmitting attitudes, knowledge, or skills has been through the efforts of the individual counselor, teacher, or instructor, and through the utilization of conventional textbooks. Today we are discovering that the primary means for transmitting attitudes, knowledge, or skills need not be another human being. Sometimes machines presenting programed instructional material (information organized in a prearranged manner so that it is logically structured according to the needs, abilities, and interests of the

student) can help people acquire attitudes, knowledge, and skills. Nearly always, qualified humans using various teaching aids, or conversely teaching machines and programmed instructional material used in conjunction with outstanding counselors, teachers, or instructors, can teach people most effectively.

Any personal developmental process should be suited to the student's capacity for learning, to the instructors' ability to teach, and to the attitude, knowledge, or skill to be acquired.

And now we come to a complete expression of manpower development and training systemswise. Because we recognize the three dimensions of manpower development and training—motivation, education, and training—we tend to emphasize in the conventional approach those functions associated with acquiring the requisite types and levels of skills.

Generally, we tend to overlook what is really a fourth dimension of manpower development and training and what may indeed be the most important factor in the equating of man to job: determining those types of job opportunities that really will exist at this point in time when the individual has acquired a given skill.

We must begin to apply professional analysis and a high order of forward vision to the nature of the future job market and the developing trends in employment. Otherwise, we shall experience the frustration born of doing a good job in a training sense only to learn that the nature of the demand for the skill has itself changed and that the people we have intended to equip with new job skills are actually equipped with obsolete job skills.

Perhaps we should apply the systems approach to the entire manpower development and training problem—i.e., acquiring skills and acquiring them in actual relation to the developing demands of the national economy.

Perhaps, utilizing the systems approach, we should begin to cope with the combined problems of—

1. Growth in population, particularly involving young Americans who are entering the job market for the first time.
2. Applications of automation in everyday living, emphasizing the effect of increased unit productivity.
3. Rapid changes in technology, resulting in new demands for skills.
4. Unemployment, recognizing its basic nature and factors contributing to its lingering effects.

Perhaps we need to do some fundamental research into such important areas as the nature of work itself, basic human behavior, and the nature of adult learning processes. Perhaps we need to undertake innovative experiments designed to develop advanced methods of instruction and effective methods of measuring and demonstrating the effectiveness of these new methods. Certainly we need a good deal of creative thinking and innovative doing in bringing new meaning to the lives of millions of disadvantaged Americans. Certainly we need to develop new methods for bringing these Americans into the mainstream of American life as useful and productive citizens.

Because it is clear to me that fundamental advances can and must be made in directions such as these, I heartily endorse two amendments proposed in the Manpower Act of 1965. First, I believe that by removing the \$3 million ceiling on title I of the act, desirable and necessary expansion should be made in the areas of manpower research. As the Secretary of Labor has already testified, "Advancing the frontiers of knowledge is as important in the area of manpower policy as in the physical sciences." Second, I believe that specific authority should be incorporated in title I of the act for a program of experimental, developmental, and demonstration projects to be financed through grants and contracts, the effect of placing such authorization in title I being to free the experimental program from matching and apportionment requirements by the various States.

Finally, I believe that through the sincere interest and selfless efforts of dedicated legislators such as you gentlemen of this subcommittee all of us, as citizens of the United States, will realize a fuller national expression of full opportunity for all.

Thank you.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS,
Washington, D.C., February 12, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Select Subcommittee on Employment and Manpower, U.S. Senate,
 Washington, D.C.*

DEAR MR. CHAIRMAN: The Advisory Commission on Intergovernmental Relations, at its meeting of January 18, 1965, approved a report on "Relocation: Unequal Treatment of People and Businesses Displaced by Governments." In adopting the report, the Commission made a number of recommendations for Federal, State, and local action to achieve greater equity and uniformity in the treatment of those displaced by governmental programs, and to mitigate the hardships of relocation. One such recommendation concerns the Federal Manpower Development and Training Act, on which your subcommittee is considering amending legislation proposed by the administration (S. 974). The recommendation is as follows:

The Commission recommends that the Congress amend the Manpower Development and Training Act to permit widow and widower owners of displaced firms to be eligible for manpower retraining allowances.

The Commission study found that small service and retail establishments suffer most among displaced businesses. Many of these are owner operated. One analysis of some 300 businesses displaced during the period 1954 through 1959 found that one-fifth of the 300 were in this category. Further, many are the "Mom and Pop" grocery stores or service businesses, run by a widow or widower. Since many widows and widowers have operated marginal businesses and do not have the resources or spirit to reestablish themselves, their only chance of sustaining themselves without resorting to public assistance is to find employment. Age may be against them, but even if it is not, they have the problem of not having a usable skill.

Under current provisions of the Federal Manpower Development and Training Act, heads of households are eligible to receive training allowances for up to 52 weeks while in training to acquire a new skill. Widows and widowers are usually not eligible, since they are rarely heads of households. Making them eligible under the Commission recommendation would be of substantial assistance in enabling such people who are displaced small business owners and operators to prepare themselves for a new occupation and thereby remain self-sustaining citizens.

The Commission is therefore pleased to note that (S. 974) section 5(c)(2), amending section 203(c) of the Manpower Development and Training Act of 1962, as amended, would remove the "head of household" requirement and thereby authorize all widows and widowers, otherwise qualified, to receive training allowances under the act. The Commission respectfully urges approval of this provision as it relates to widow and widower owners of displaced businesses.

Copies of the Commission's complete report will be sent up for your information and files as soon as it is received from the printer. In the meantime, we would be glad to supply any additional information about our study that is desired by your subcommittee.

Very sincerely,

FRANK BANE, *Chairman.*

[Reprint from *School Life*, October 1964, U.S. Department of Health, Education, and Welfare, Office of Education]

THE ECONOMICS OF TRAINING THE UNEMPLOYED

Leroy A. Cornelsen¹

Another study has produced evidence that money spent on education is a sound investment.

The study has been made by the Office of Education, using a sample drawn from the entire population of persons who, within 2 years after the enactment of the Manpower Development and Training Act of 1962, received occupational training under the act. The sample included nearly 13,000 persons—more precisely, 12,696.

¹ Mr. Cornelsen, who conducted the study he reports on here is specialist in vocational education, Programs Operation Section, Manpower Development and Training Program, Office of Education.

Before the act was passed, most of these persons had little hope of finding a good job with prospects for advancement. At the time they were referred to vocational schools for training, all were unemployed. One out of every three, or 4,190 trainees, was eligible to receive unemployment benefits. Assuming that the trainee was like the average claimant of unemployment compensation, who gets \$34.72 a week for 13.1 weeks, we can estimate that the continued unemployment of these 4,190 persons alone would have cost the public nearly \$2 million a year. In addition, 1,015 of the trainees, or 8 percent, were receiving public assistance: 670 were in families receiving an average of \$150 per month under the federally supported program of aid to families with dependent children; 345 were in families receiving an average of \$80 per month under other public programs of assistance. Public assistance on this scale to this many would, in a year's time, amount to more than \$1.5 million; add to it the unemployment compensation, and the total reaches \$3.5 million.

None of the 13,000 were able to put anything back into Government treasuries in the form of income taxes. Having little money to spend and few if any of the skills currently in demand, they could do little to help the private sector of the economy either, and were in the unhappy situation of being a drag on the Nation all around.

Under the Manpower Act these persons were trained for work in high demand in their States—as machine operators, clerks, typists, stenographers, auto mechanics, nurses aids, sewing machine operators, welders, practical nurses, and assembler-solderers.

The cost of training was considerable. The States estimates of the instructional costs alone—for such things as salaries for instructional, supervisory, and custodial staffs; instructional supplies; and equipment—totaled \$8 million, or \$631 per trainee; but we have found that the early estimates, on the average, were 20 percent higher than the actual costs, and we are therefore closer to the facts when we estimate these costs to be \$6.4 million.

In addition, training allowances were paid to the 66 percent who were eligible to receive them. (Those eligible are heads of households who have been unemployed previously for 3 years, a period now changed to 2 years; and farmers earning less than \$1,200 a year. The amount varies from State to State; it is equal to the amount paid in the State for unemployment benefits.) Since the average amount received was \$35 a week, and the average training period at the time of the study was 21 weeks (the average trainee entering the program now, because of his greater need for basic education, requires a longer training period and is getting 35 weeks), the training allowances for our 13,000 persons were estimated at \$6.3 million.

Budget estimates of educational costs for a sample of persons receiving training under the Manpower Development and Training Act of 1962 during the first 2 years the act was in effect, and the average wages at that time in the occupations for which these persons were trained

Occupations ¹	Number of trainees in the sample	Estimated educational costs ²			Wages ³	
		Per hour per trainee	Total per trainee	Total, entire sample	Average hourly	Average annual
Machine operator.....	1,226	\$1.08	\$1,156	\$1,417,256	\$2.62	\$5,450
Clerk, typist, stenographer ⁴	3,500	.62	460	1,610,000	1.69	3,515
Auto mechanic.....	1,441	1.15	1,390	2,002,990	2.53	5,262
Nurse's aid.....	1,579	.63	113	178,427	1.30	2,704
Sewing machine operator.....	1,442	1.08	166	239,372	2.03	4,222
Welder-all.....	1,586	1.10	700	1,110,200	2.38	4,950
Practical nurse.....	1,304	.57	1,035	1,349,640	1.47	3,058
Assembler-solderer.....	618	1.02	163	100,734	2.07	4,306
Totals and averages.....	12,696	.91	631	8,008,619	2.01	4,180

¹ Occupations for which these persons were being trained were the 10 for which Manpower Development and Training Act programs had the largest enrollments.

² Estimated by the Department of Health, Education, and Welfare on the basis of early estimates submitted by the States.

³ Averages, as reported by the Department of Labor in Occupational Outlook Handbook 1961.

⁴ For the purposes of the study, these 3 occupations were combined in 1 category.

Transportation and subsistence allowances were also part of the cost. These were paid to the 7 percent of the trainees who lived too far from the place of training to commute. The maximum subsistence allowance is \$35 a week at the rate of \$5 a day, and the maximum transportation allowance is 10 cents a mile: the total cost for those in our study was estimated at \$653,000. Counting all these items, the total training cost for the 13,000 was \$13.3 million, or \$1,045 for each trainee.

What returns did this investment yield? The full returns can never be measured, not even if we could follow each of the 13,000 to his last day on a job, but we can at least consider the immediate returns from the standpoint of the wages earned when they went to work.

Of those completing their training (2 out of 10 dropped out), 70 percent or 7,111 persons, found jobs immediately; most of the other 30 percent were placed later. Our measure of the monetary returns on the investment is based on the earnings of those who went to work immediately; our measure of the training costs is based on all 13,000 trainees.

At the time the 7,111 went to work the average hourly wage for the occupations in which they were trained was \$2.01. In 24 weeks, then, they earned \$13.7 million; in that brief time, through the taxes they paid and the goods and services they bought, they returned to the economy an amount somewhat higher than the \$13.3 million it cost to train the entire group of 13,000.

The returns can be expressed in many other ways. For example:

In Federal income tax alone—assuming \$220 at the 1964 rate for an average annual income of \$4,180 and a family of four—the trainee will repay the cost of his training in 5 years.

In only 1 year of employment the average trainee can be expected to earn \$4,180, or \$3,135 more than it cost to train him.

An investment of \$13.3 million in training is expected to result in gross earnings of over \$148 million in 5 years.

Every dollar spent in training the group should return \$2.24 a year in gross earnings.

Not only did these persons earn enough to make the public's investment worthwhile, but they were able to remove themselves from the relief rolls. What they would otherwise have cost in unemployment compensation and public assistance is another item we must include in our balance sheet as we attempt to put a dollar measure on the worth of vocational training.

TELEGRAM SENT TO ALL STATE GOVERNORS

FEBRUARY 11, 1965.

The Senate Subcommittee on Employment and Manpower is considering bill S. 974, amendments to the Manpower Development and Training Act of 1962. We would appreciate your answers and comments and those of the director of your State employment service by return telegram at your earliest convenience with respect to the following: Do you favor the amendments proposed in S. 974? Do you favor the continuation of the Manpower Development and Training Act programs? Do you favor the proposed 90-to-10 matching fund formula?

JOSEPH S. CLARK,

Chairman, Subcommittee on Employment and Manpower.

JUNEAU, ALASKA, February 16, 1965.

Senator JOSEPH S. CLARK,

*Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:*

Reference your telegram of February 11, the State of Alaska wholeheartedly favors the continuation of the Manpower Development and Training Act programs and supports with one exception the amendments proposed in Senate bill 974. The exception is the amendment which deals with transportation allowances. Act currently sets ceiling of 10 cents per mile for trainees brought in from out of town to a Manpower Development and Training Act training facility. This ceiling inadequate in Alaska, particularly in case of trainees who reside in remote and isolated bush areas where infrequent or irregular

plane schedules are the usual and where transportation costs run more than the 10-cent ceiling.

We urge a more liberal construction of the transportation allowance feature to permit increased allowances so that Alaskans who live in high-cost transportation areas will not be denied training opportunities.

State of Alaska fully supports proposed 90-10 matching fund formula. Manpower Development and Training Act programs in Alaska have proven very successful to date and continuation of this act is most important.

WILLIAM A. EGAN, *Governor.*

PHOENIX, ARIZ., *February 23, 1965.*

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Concerning Senate bill 974: (1) I favor the proposed amendment to Senate bill 974; (2) I strongly endorse the continuation of the Manpower Development and Training Act programs; (3) I support and urge changing the funding of the present act to permit the 90-10 formula proposed in amendment.

The amendments proposed by Senate bill 974 are also endorsed by the three members of the Employment Security Commission of Arizona, and I am authorized to state that these amendments have the support and endorsement of Gov. Samuel P. Goddard, of Arizona.

CHARLES A. BOYLE,
Administrator, Arizona State Employment Service.

LITTLE ROCK, ARK., *February 16, 1965.*

Hon. JOSEPH S. CLARK,
Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: Arkansas endorses Senate bill 974 and related legislation, favors the continuation of the Manpower Development and Training Act program, and supports the proposed 90-10 matching fund formula.

ORVAL E. FAUBUS, *Governor.*

SACRAMENTO, CALIF., *February 16, 1965.*

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

Regarding your wire of February 11, the answer to each of the three questions raised is affirmative. We do favor the proposed amendments to S. 974. We also favor continuation of the Manpower Development and Training Act programs. In addition, we favor the proposed matching fund formula, and already have made arrangements to include the State 10 percent in our 1965-66 budget.

EDMUND G. BROWN, *Governor.*

DOVER, DEL., *February 16, 1965.*

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

I favor the continuation of the Manpower Development and Training Act on the proposed 90-10 matching formula.

CHARLES L. TERRY, Jr., *Governor of Delaware.*

WILMINGTON, DEL., *February 16, 1965.*

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

Re your telegram to Governor Terry of Delaware, we strongly favor the amendments to the Manpower Development and Training Act proposed in S. 974.

We favor continuance of the Manpower Development and Training Act programs as a major aspect of the development of equal economic opportunities for all. We particularly favor the proposed 90-10 matching fund formula with in-kind considerations.

JOSEPH A. BRADSHAW,
Chairman, Executive Director,
Delaware Employment Security Commission.

ATLANTA, GA., February 17, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

In response to your telegram, I wish to state that I favor S. 972, the amendments to the Manpower Development and Training Act of 1962. Further, I favor a continuation of the Manpower Development and Training Act program. And also the proposed 90-10 matching funds formula, providing our legislature would appropriate the necessary funds. However, such an appropriation appears quite unlikely as of this date.

CARL E. SANDERS, *Governor of Georgia.*

HONOLULU, February 18, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Proposed Manpower Development and Training Act amendments considerably broaden scope of act to include areas identified through experience thus far. Better coordination would also be provided with certain titles of economic opportunity act. Deeply concerned with problems of providing full employment for people of this State and am strongly in favor of measures to further develop strong active manpower policy. As programs directed toward full employment are long range ones, we support provisions for continuation of Manpower Development and Training Act. Consider 90-10 matching formula significant step toward preserving continuity of act. Facilitates obtaining local legislative approval and provides close tie-in with Economic Opportunity Act in utilization of Manpower Development and Training Act for basic education and occupational training. Revisions of limitations on youth allowances very significant for Hawaii as we have 43.1 percent population under age 20. In 1964 we had an estimated 3,000 unemployed in labor force between 16 and 24. Aloha.

JOHN A. BURNS, *Governor of Hawaii.*

BOISE, IDAHO, February 16, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Re your wire amendments to Manpower Development and Training Act of 1962 urge continuance of program on selective basis with 100 percent financing. If this not possible 90-10 matching preferred over 50-50. Wish to reserve comments on amendments until implications are discussed with State manpower advisory committee.

ROBERT E. SMYLLIE, *Governor of Idaho.*

SPRINGFIELD, ILL., February 25, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

Replying to request for my views and those of head of employment services concerning S. 974: we favor amendment proposed in S. 974, continuation of Manpower Development and Training Act program and proposed 90-10 formula.

Manpower Development and Training Act is a basic and essential tool in continuing effort to cope with persistent unemployment and poverty. Manpower Development and Training Act has given thousands of Illinois citizens, hundreds of them former welfare recipients, new hope, new skills, and new jobs. Manpower Development and Training Act should be strengthened and made permanent. Allowances should be increased in amount, duration, and coverage. Matching should be changed to 90-10 because most States cannot make financial burden of present matching requirements.

OTTO KERNER, *Governor of Illinois.*

DES MOINES, IOWA, *February 18, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

Re your wire of February 11 regarding bill S. 974, the answer is "Yes" to each question. We feel the manpower program is good and the proposed changes are beneficial.

HAROLD E. HUGHES, *Governor of Iowa.*

EXECUTIVE OFFICE,
STATE OF KANSAS,
Topeka, February 19, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: This is to reply to your telegram which I received on February 6 relative to the proposed amendments to the Manpower Development and Training Act of 1962.

It is evident that it would be an accommodation to Kansas if the development and training program were continued under the present schedule. The proposed 90-10 matching formula, of course, would place a considerably less financial burden than would the formula in the existing 1962 act that would become effective in 1966.

My initial conclusion was that Kansas could use the State funds required under the 50-50 matching basis to better advantage through vocational and technical training programs than to continue the Manpower Development and Training Act. I would want to reevaluate this conclusion under the 90-10 matching formula after we have had more experience on the productivity of the act now operating in our State.

Thank you for requesting my views on this matter.

Yours very truly,

WM. H. AVERY, *Governor.*

FRANKFORT, KY., *February 17, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Kentucky favors amendment proposed in S. 974. Also favors continuation of manpower development and training programs. Kentucky is for the proposed 90-10 matching fund formula provided the 10 can be in kind.

EDWARD T. BREATHITT, *Governor of Kentucky.*

BATON ROUGE, LA., *February 17, 1965.*

HON. JOSEPH CLARK,
U.S. Senate, Washington, D.C.:

Re your telegram concerning Senate bill 974 I favor amendment to the Manpower Development and Training Act proposed by the bill. I favor and urge the continuance of the program and endorse the Federal-State matching 90-10 basis.

Gov. JOHN J. McKEITHEN, *State of Louisiana.*

BATON ROUGE, LA., *February 15, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Re telegram February 11, 1965, amendments to manpower development and training in Senate bill 974 answers to questions are as follows: Amendments proposed in S. 974 are favored; continuation of Manpower Development and Training Act programs favored; proposed 90-10 matching fund formula favored over existing formula.

F. C. DOYAL, Jr., *Administrator.*

AUGUSTA, MAINE, *February 15, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

I wish to register my approval of S. 974 and strongly urge the continuation of the Manpower Development and Training Act programs. I further heartily endorse the proposed amendment of the matching fund formula to a 90-10 participation.

JOHN H. REED, *Governor of Maine.*

AUGUSTA, MAINE, *February 15, 1965.*

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

Re your telegram February 11 to Gov. John H. Reed, I favor proposed amendments in S. 974, continuation of Manpower Development and Training Act programs, and proposed 90-10 matching fund formula.

ROY U. SINCLAIR,
Chairman, Maine Employment Security Commission.

ANNAPOLIS, MD., *February 12, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

I wire to advise you that I favor the continuation of the Manpower Development and Training Act programs and I favor the proposed 90-10 matching fund formula.

J. MILLARD TAWES, *Governor of Maryland.*

BOSTON, MASS., *February 23, 1965.*

Senator JOSEPH S. CLARK,
Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

I want to be recorded as favoring S. 974 amendments to the Manpower Development and Training Act of 1962, continuation of the program, and the proposed 90-10 matching fund formula. The State director of employment concurs.

JOHN A. VOLPE, *Governor of Massachusetts.*

LANSING, MICH., *February 12, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

I strongly favor the continuation of the Manpower Development and Training Act programs. I have requested the Michigan Legislature in my budget message to appropriate \$5 million or approximately one-third of the anticipated State

expenditures during the next fiscal year in the Manpower Development and Training Act area. We in Michigan are therefore prepared to support the Manpower Development and Training Act program on any matching basis that may be required by the Federal Congress.

GEORGE ROMNEY.

ST. PAUL, MINN., February 18, 1965.

Hon. JOSEPH CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

The Minnesota Department of Employment Security strongly recommends that amendments proposed by S. 974 based on our experience in administering the Manpower Development and Training Act in Minnesota be adopted. We believe amendments proposed will permit larger numbers of needy people to participate in training. I emphatically favor the continuation of Manpower Development and Training Act as a sound, economic way to restore unemployed to employment. I strongly urge adoption of the proposed 90-10 matching fund formula as the most practical solution to financing problem, which would create the least confusion and delay in getting the unemployed trained and back to work.

Gov. KARL F. ROLVAAG, *State of Minnesota.*

ST. PAUL, MINN., February 18, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

The Minnesota Department of Employment Security based on experience in administering the Manpower Development and Training Act, feels that the amendments proposed would permit larger numbers of needy people to participate in training. These amendments would permit more diversification and more realistic training in terms of present-day technical job requirements. Elimination of the terminal date for this legislation will permit more logical planning of programs particularly in recruitment of staff and in utilization of training facilities and services. Knowledge of the program and understanding of its purposes and uses is accelerating and general support for continuation and improvement is more evident each day. We are beginning to hit pay dirt. Manpower Development and Training Act dovetails with Economic Opportunity Act and is an integral part of the program to fight poverty in Minnesota. A large number of people are in various stages of processing for training programs. Curtailment or elimination of this program would be a serious blow to their hopes and expectations. The improvement and extension of the law at an early date would encourage many needy people to apply for and accept training assignments—people who are now reluctant to speculate on the future status of this program. I urge prompt and favorable action to improve and extend the Manpower Development and Training Act.

ROBERT J. BROWN,
Commissioner of Employment Security.

JEFFERSON CITY, Mo., February 15, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

We think the Manpower Development and Training Act programs should be continued but with full Federal financing. The proposed 90-10 matching formula is vast improvement over the formula in the present law. We are in agreement with all other amendments proposed in S. 974.

WARREN E. HEARNES, *Governor of Missouri.*

HELENA, MONT., *February 19, 1965.*

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Concerning your wire on bill S. 974 the Montana Legislature has under consideration continuing Manpower Development and Training Act legislation in Montana House bill 514 and encompasses the 90-10 matching funds.

TIM BABCOCK, *Governor of Montana.*

STATE OF NEBRASKA,
Lincoln, February 16, 1965.

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: The State of Nebraska is in favor of bill S. 974 (amendments to the Manpower Development and Training Act of 1962). Furthermore, Nebraska is definitely in favor of continuing programs under the Manpower Development and Training Act.

Nebraska is in favor of the proposed 90-10 percent matching formula only if 100-percent Federal financing is not possible. At this date, we are not optimistic about a 10-percent appropriation from the State legislature because of numerous other pressing bills concerning overall State needs in the fields of secondary education, vocational education, and higher education.

The 90-10 percent matching formula would pose definite threats to continuing any regional training projects since acceptance of trainees from other States would be contingent on each State's matching ability. We presently have two sizable projects in the State that are accepting trainees from other States. These projects are the agri-business project located in Lincoln, Nebr., and the Sidney project, which is located at the Sioux Ordnance Depot, Sidney, Nebr. On certain other occasions the State of Nebraska has accepted a limited number of trainees from nearby States into our regular Manpower Development and Training Act programs. This has been no problem since all States are financed 100 percent by Federal funds.

If the 90-10 percent formula is the only alternative, we urge 100-percent continued financing for all programs approved, or in existence prior to June 30, 1965. If the State of Nebraska must appropriate the 10-percent matching funds, it would be an amount considerably less, if the 10 percent was appropriated only to support new projects developed after June 30, 1965.

Your interest in securing the position of the State of Nebraska concerning the proposed 1965 amendments to the Manpower Development and Training Act is most appreciated.

Sincerely,

FRANK B. MORRISON, *Governor.*

LINCOLN, NEBR., *February 15, 1965.*

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

Nebraska is in favor of the amendments proposed in bill S. 974—amendments to the Manpower Development and Training Act of 1962.

Nebraska is also in favor of continuation of the Manpower Development and Training Act programs.

Nebraska is in favor of the proposed 90-10 matching only if 100-percent Federal financing is not possible. It is doubtful that Nebraska can obtain the necessary matching because of other pressing overall State needs in the area of education. The 90-10 matching formula would place limitations on all regional training projects as well as interstate referrals. If the 90-10 formula is the only alternative, we urge 100-percent financing for all those programs approved before June 30, 1965, so that these programs may continue without matching funds.

LAMBERT EITEL, *Commissioner of Labor.*

CARSON CITY, NEV., *February 15, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate Office Building, Washington, D.C.:

The executive director of the Nevada Employment Security Department and I are in complete agreement relative to the manpower development and training program. We strongly support the continuation of the act. The amendments proposed in S. 974 are satisfactory. The manpower development and training programs have materially assisted our unemployed. The proposed 90-10 matching fund formula is more realistic than the two-thirds-to-one-third formula in the present act.

Nevada's immigration is increasing; the majority of these jobseekers are in need of training. Full Federal financing would be preferred because the migratory pattern of today's jobseekers has placed an undue financial hardship on specific States.

GRANT SAWYER, *Governor of Nevada.*

CONCORD, N.H., *February 16, 1965.*

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building,
Washington, D.C.:

Re your telegram to Gov. John W. King, the Governor has asked me to reply in the affirmative to all three questions posed. The State of New Hampshire is particularly favorable to the proposed 90-10 matching fund formula.

BENJAMIN C. ADAMS,
Commissioner, New Hampshire Employment Security.

TRENTON, N.J., *February 15, 1965.*

HON. JOSEPH S. CLARK,
Senate Office Building,
Washington, D.C.:

Thank you for your telegram re S. 974.

In answer to your question, I favor liberalization and continuation of the Manpower Development and Training Act programs. I would urge consideration of extending the 100-percent Federal funding, but favor a 90-10 formula over the present two-thirds-to-one-third formula.

RICHARD J. HUGHES, *Governor of New Jersey.*

SANTA FE, N. MEX., *February 15, 1965.*

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate,
Washington, D.C.:

Re your telegram February 12, 1965, pertaining to S. 974, after consultation with Director of New Mexico Employment Security Commission, following information provided:

I favor amendments proposed in S. 974.

I favor continuation of the Manpower Development and Training Act programs.

I favor the proposed 90-10 matching fund formula.

JACK M. CAMPBELL, *Governor of New Mexico.*

COLUMBUS, OHIO, February 15, 1965.

HON. JOSEPH S. CLARK,
 Chairman, Subcommittee on Employment and Manpower,
 Senate Office Building, Washington, D.C.:

I concur with the recommendation of my director of the Ohio State Employment Service that I reply in the affirmative to the three questions in your telegram. I favor the amendments proposed to S. 974 continuation of the Manpower Development and Training Act and the proposed 90-10 matching formula with 10 percent being provided by the States.

JAMES A. RHODES, *Governor of Ohio.*

STATE OF OKLAHOMA,
 OFFICE OF THE GOVERNOR,
 Oklahoma City, February 15, 1965.

HON. JOSEPH S. CLARK,
 Chairman, Subcommittee on Employment and Manpower,
 Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: Thank you for your telegram regarding bill S. 974, Amendments to Manpower Development and Training Act of 1962, we have made an initial check on proposed amendments and conferred with State employment service and advise as follows:

The proposed amendments and the provision for 90-10 matching either in money or in kind appear to be generally preferable to those contained in the law as currently written. We consider continuation of the manpower development and training program generally desirable in some form.

I have requested further evaluation by the employment security commission, and will advise you further at the earliest possible time.

Sincerely,

HENRY BELLMON, *Governor.*

SALEM, OREGON, February 16, 1965.

HON. JOSEPH S. CLARK,
 Chairman, Subcommittee on Employment and Manpower,
 Senate Office Building, Washington, D.C.:

Re your telegram February 11 we favor amendments proposed on S. 974. We favor the continuation of Manpower Development and Training Act programs if amended as proposed. We support the proposed 90-10 matching fund formula.

MARK O. HATFIELD, *Governor of Oregon.*

HARRISBURG, PA., February 19, 1965.

HON. JOSEPH S. CLARK,
 Chairman, Subcommittee on Employment and Manpower,
 U.S. Senate, Washington, D.C.:

This is in reply to your telegram to Governor Scranton. We favor the amendments to the Manpower Development and Training Act of 1962 proposed in S. 974. We also favor the continuation of Manpower Development and Training Act programs and the proposed 90-10 matching fund formula. We are glad to note among other proposals the amendment to section 203-A of the act basing the weekly training allowance on the average State Unemployment Commission payment during four calendar quarters rather than only one quarter. This will avoid quarterly variations resulting from the incidence of seasonal worker claims and will produce a more reliable and constant measure of regular wage levels. However, we believe a further clarifying amendment to section 203-A of the act is desirable. I am writing you in complete detail on such an amendment.

JACK B. BROWN,
 Executive Director, Bureau of Employment Security.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF LABOR AND INDUSTRY,
BUREAU OF EMPLOYMENT SECURITY,
Harrisburg, Pa., February 23, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: This is with further reference to S. 974, concerning which we sent you a telegram on February 19, 1965.

In our telegram, we stated that a further clarifying amendment to section 203(a) of the act might be desirable. The enclosed copy of our letter to Mr. Robert C. Goodwin, administrator of the bureau of employment security, attaching a copy of our letter to trainees in Pennsylvania will explain the possible need for such an amendment.

Unless the Federal Bureau can provide assurances that section 203(a) of the act will be interpreted to base the weekly training allowance on the average weekly total payment of unemployment compensation in the State and not to include weeks in which various types of deductions have been made in computing the average, we believe that the following revision should be made in the language of section 203(a):

The words "average full weekly payment of unemployment compensation (including allowances for dependents) in the State making such payments" should be substituted for the words "average weekly unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments."

Sincerely yours,

JACK B. BROWN,
Executive Director.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF LABOR AND INDUSTRY,
BUREAU OF EMPLOYMENT SECURITY,
Harrisburg, Pa., February 23, 1965.

MR. ROBERT C. GOODWIN,
Administrator, U.S. Department of Labor,
Bureau of Employment Security,
Washington, D.C.

DEAR MR. GOODWIN: In reply to your recent letter concerning the notice we addressed to recipients of Manpower Development and Training Act training allowances on January 15, I am enclosing a copy of a second letter which I have directed to be mailed to trainees who received the first letter.

I personally feel that this should "set the record straight" and make clear to the trainees the actual facts regarding the reduction of the training allowance in Pennsylvania.

Since proposed amendments to the Manpower Development and Training Act are now under consideration, this would be a good time to clarify the method of computing the basic weekly allowance, if statutory clarification is considered necessary. As previously remarked, it seems to me that the present act and regulations permit the calculation to be made on the basis of the average total weekly payment of unemployment compensation in the State, and that this method of calculation would best carry out the purposes of the act.

I will appreciate your advice as to whether in the opinion of the Department of Labor this can be accomplished without amendment to the act.

Sincerely yours,

JACK B. BROWN,
Executive Director.

To Recipients of Manpower Development and Training Act Training Allowances:

On January 15, 1965, we sent you a letter calling attention to the reduction of your basic weekly training allowance from \$33 to \$30. We remarked that this reduction was pursuant to instructions received from the Federal Government, and that the Pennsylvania Bureau of Employment Security had

strongly protested the Federal method of calculating the weekly training allowance, and would continue to do so.

The Federal agency feels that we should have described all of the factors that went into this \$3 weekly reduction and that it should be made clear that it was not due to any arbitrary action or specific order of Federal agency. In order that the record may be clear as to the factors entering into the basic weekly training allowance, we are glad to quote the comments of the Federal agency and to explain in more detail our own views on the proper method of computing the allowance. The comments of the Federal agency on our letter of January 15, are as follows:

"The letter conveys the impression that this department, by specific action, caused the Pennsylvania Bureau of Employment Security to reduce each and every Pennsylvania Manpower Development and Training Act trainee's allowance by \$3.

"The actual facts are that the reduction, applicable to training allowances for the January-March 1965 quarter, is a result of two factors. The first dollar of the reduction is the result of seasonal variations which caused the average payment for a week of total unemployment to be a dollar less in the July-September quarter of 1964 than it had been during the preceding quarter. This type of reduction is not new. A similar reduction in allowances occurred in the January-March quarter of 1964, and it is occurring in 21 States in addition to Pennsylvania for the January-March quarter this year.

"The second factor causing a reduction in the allowance is the effect of the amendments to the Pennsylvania unemployment insurance law which became operative in the July-September 1964 quarter. The principal change causing a lower average payment for a week of total unemployment was the provision reducing the unemployment insurance payment by the amount of any pension payment to which the claimant is entitled. The net effect of the new provisions on the average unemployment insurance payment accounts for the other \$2 reduction in the Manpower Development and Training Act training allowance."

The Pennsylvania Bureau of Employment Security believes that if the basic weekly training allowance was determined as it should be under the Manpower Development and Training Act there would be no reduction in the weekly amount payable to trainees merely because some claimants for unemployment compensation receive retirement pensions, which are deducted from their unemployment compensation benefits. It is our position that the weekly training allowance should be calculated on the basis of the average weekly payment of total unemployment compensation in the Commonwealth, and that this should not include weeks of partial payments resulting from deductions for pensions, vacation pay, previous overpayments of benefits, or similar deductions. Under the present methods used by the Federal Government to compute the weekly training allowance, such weeks of partial payments are included, and this naturally tends to depress the average weekly payment upon which the weekly allowance for trainees is based. The Pennsylvania bureau has protested and will continue to protest this method of calculating the weekly training allowance.

We hope that the Federal Government will revise its method of calculating the weekly training allowance, and that it will adopt the method recommended by the Pennsylvania bureau—under which the allowance will be based on the average of full compensation payments. This would mean higher basic weekly allowances for all trainees under the manpower development and training program, both in Pennsylvania and elsewhere.

As we stated in our letter of January 15, Governor Scranton has assured the bureau that, if administrative action cannot be obtained, he will take this matter to the Pennsylvania congressional delegation and urge their participation in order to get a more favorable computation.

Again, we call to your attention that Governor Scranton has asked the legislature to increase the maximum weekly benefit under the Pennsylvania unemployment compensation law from \$45 to \$50. If the legislature approves this request, this in the long run will also help to improve training allowances.

Very truly yours,

JACK B. BROWN,
Executive Director.

VOCATIONAL EDUCATION AND EXTENSION BOARD,
Mineola, N.Y., February 25, 1965.

Hon. JOSEPH S. CLARK,
U.S. Senator, Chairman, Subcommittee Manpower Training Program,
Washington, D.C.

DEAR SIR: The following is a copy of a day letter which we have this day sent to you:

"Strongly urge approval S. 974, manpower training program. We have trained over 500 for industry; 600 now in attendance other courses."

Very truly yours,

CHARLES R. WALLENDORF, *Director.*

PROVIDENCE, R.I., February 17, 1965.

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

The State of Rhode Island favors the amendments proposed in S. 974 and continuation of the Manpower Development and Training Act programs. The State also favors the proposed 90-10 matching fund formula.

Gov. JOHN H. CHAFEE.

PROVIDENCE, R.I., February 17, 1965.

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

The director of the Rhode Island Department of Employment Security favors bill, S. 974, amendments to the Manpower Development and Training Act of 1962 which offers expanded opportunities for training and retraining unemployed workers, particularly those which would extend period of training allowance support from 1 to 2 years, would permit single persons without dependents to receive training allowance; would increase by \$5 a week training allowances for each dependent over two up to a maximum of six; would give the Secretary of Labor some administrative flexibility in computing the number of youths who can receive training allowances; would base allowance on average unemployment insurance payment for most recent four-quarter period for which data are available rather than one-quarter period thus removing cause for fluctuation from quarter to quarter in amount of allowance payment; would permit transportation allowance payment for daily commuting between residence and place of training; would permit 20 hours of outside work by on-the-job trainees without a reduction in allowance; would put Federal-State matching on a 90-10 basis.

FRANK A. CARTER, JR.,

Director, Rhode Island Department of Employment Security.

COLUMBIA, S.C., February 12, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Old Senate Office Building, Washington, D.C.:

I have carefully considered the provisions of S. 974 (proposed amendment to the Manpower Development and Training Act of 1952) and have consulted with those individuals chiefly responsible for administration of the program in South Carolina, including the director of our State employment service. With respect to the questions posed in your telegram, the consensus of opinion here is one of unanimous support for the amendments proposed in S. 974. We urge continuation of the Manpower Development and Training Act programs, and, although I have previously sought deferment of any action requiring States to match Manpower Development and Training Act funds, I am of the opinion that S. 974

represents a compromise which is compatible with South Carolina's ability to meet the fiscal requirement set forth in the proposed amendment.

Gov. DONALD RUSSELL.

PIERRE, S. DAK., February 17, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

We favor the amendment proposed in S. 974. We favor the continuation of the manpower development and training program. We are strongly in favor of the proposed 90-10 matching fund formula.

NILS A. BOE,
Governor of South Dakota.

J. V. YAUKEY,
Executive Assistant, Employment Security Department of South Dakota.

SALT LAKE CITY, UTAH, February 16, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

The administrator of the department of employment security recommends passage of S. 974, including the provision to continue Manpower Development and Training Act programs on a 90-10 matching basis. I concur with this recommendation.

CALVIN L. RAMPTON, *Governor of Utah.*

RICHMOND, VA., February 15, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
New Senate Office Building, Washington, D.C.:

The Virginia Employment Commission joins me in recommending favorable action on S. 974. Continuation of the Manpower Development and Training Act programs on the proposed 90-10 matching fund formula is favored. After July 1966 there is no appropriation in Virginia budget for this purpose at present.

A. S. HARRISON, *Governor of Virginia.*

OLYMPIA, WASH., February 18, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Senate Office Building, Washington, D.C.:

Re your telegram S. 974. Commissioner and employer service director favor amendment to Manpower Development and Training Act. We urge continuation of manpower development and training program. We favor 90-10 formula over present formula but strongly doubt our legislature will provide even 10 percent in dollars. In view of this problem we favor 100-percent Federal financing, we understand that total Federal financing of State employment securities programs precludes matching in kind. If State unemployment insurance benefit to Manpower Development and Training Act trainees are considered as in kind non-Federal contributions, the State agency has no means of forecasting the number of Manpower Development and Training Act trainees who would qualify for State unemployment insurance benefits or the amounts of entitlement. Therefore, we are unable to guarantee in kind matching of any definite percentage basis.

DANEL J. EVANS, *Governor.*

STATE OF WEST VIRGINIA,
OFFICE OF THE GOVERNOR,
Charleston, February 10, 1965.

HON. JOSEPH S. CLARK,
Committee on Labor and Public Welfare,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: This is to express officially the deep interest of the State of West Virginia in S. 974, a bill to amend the Manpower Development and Training Act of 1962, as amended, and to urge your strong support of this important legislation.

We, in West Virginia, have begun what we hope will be a vast expansion of administration programs for the training and retraining of unemployed workers. We are preparing to begin in March a project designed to train more than 300 persons in the operation of heavy equipment for roadbuilding and other construction, and S. 974 is vital to the successful continuance of this service.

Be assured that your valuable efforts toward enactment of S. 974 will be appreciated very much, not only by me, as Governor, but by all the people of West Virginia.

Sincerely,

HULETT C. SMITH, *Governor.*

CHARLESTON, W. VA., February 12, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:

In reply to your telegram, West Virginia is strongly in favor of amendments proposed in S. 974.

Our State, as I explained in my recent letter to you, looks upon continuation of Manpower Development and Training Act programs as a matter of utmost importance.

The proposed 90-10 matching fund formula would be of inestimable benefit as we move to improve and expand our various training programs.

I reiterate that West Virginia considers S. 974 a bill of great need, and this opinion is shared by our department of employment security.

Sincerely,

HULETT C. SMITH, *Governor.*

MADISON, WIS., February 12, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Employment and Manpower,
Washington, D.C.:

We favor amendments proposed in S. 974, continuation of Manpower Development and Training Act programs, proposed 90-10 matching fund formula. Frank Walsh, State employment director; Clarence Greiber, vocational school director, mailed letters yesterday supporting all three proposals.

WARREN P. KNOWLES, *Governor.*

MADISON, WIS., March 1, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee of the Senate Labor and Public Welfare Committee,
Washington, D.C.:

Wisconsin's budget does not include funds to match Federal funds expended for training programs under Manpower Development and Training Act. Existing revenue gap makes State funding of any share of this program extremely difficult if not impossible. Hope consideration will be given to continue 100 percent Federal funding of manpower development and training program.

WARREN P. KNOWLES,
Governor of Wisconsin.

CASPER, WYO., *February 15, 1965.*

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee on Employment and Manpower,
U.S. Senate, Washington, D.C.:*

In reply to the questions in your February 11 telegram I strongly favor and urge amendments to the Manpower Development and Training Act to continue the programs it provides. The proposed new matching formula sounds reasonable, but an effective date prior to July 1, 1967, would be practically impossible in Wyoming, where our legislature meets only every other year. The legislature will adjourn at the end of this week and will not have another opportunity to consider matching legislation until January 1967. I would urge continuation of full Federal financing through June 1967.

ROBERT E. CLIZBE,
Director, Wyoming State Employment Service.

LETTERS AND TELEGRAMS FROM STATE VOCATIONAL EDUCATION DEPARTMENTS AND
OTHER EDUCATION SOURCES

MONTGOMERY, ALA., *February 25, 1965.*

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee on Employment and Manpower,
New Senate Office Building, Washington, D.C.:*

There is urgent need in Alabama to extend nonmatching for Federal funds for Manpower Development and Training Act and the Area Redevelopment Act. Effort made to obtain State funds but unsuccessful. Alabama has excellent and large program. Next year can be larger and better.

J. F. INGRAM,
State Director of Vocational Education.

JUNEAU, ALASKA, *February 24, 1965.*

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee on Employment and Manpower,
New Senate Office Building, Washington, D.C.:*

Strongly urge Senate approval of S. 974. Alaska's manpower program badly needs this legislation.

EARL R. HEPLER,
Director of Vocational Education, State Department of Education.

LITTLE ROCK, ARK., *February 25, 1965.*

Senator JOSEPH S. CLARK,
New Senate Office Building, Washington, D.C.:

Passage of S. 974 very important to people of Arkansas. Manpower program has made a large number of people employable and there are still countless numbers who need training for employment.

J. MARION ADAMS,
State Department of Education.

SACRAMENTO, CALIF., *February 26, 1965.*

HON. JOSEPH S. CLARK,
U.S. Senate, Washington, D.C.:

I understand that the Senate is now considering S. 974 which contains amendments to the Manpower Development and Training Act and that the House will soon consider H.R. 4257 which is an identical bill. Please convey to your colleagues our wholehearted endorsement of this legislation. The Manpower Development and Training Act has proven effective legislative which is in need of further refinements, improvements, and broadening provisions.

ALBERT B. TIEBURG,
Director of California Department of Employment.

DENVER, COLO., February 25, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Colorado vocational educators earnestly ask your help for Senate approval of S. 974. The continuation of Manpower Development and Training Act program vital to lives of many people and amendments in S. 974 essential.

A. R. BUNGER, *Executive Director.*

ATLANTA, GA., February 24, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
Washington, D.C.:*

Manpower Development and Training program in Georgia has been of tremendous value to more than 4,000 citizens. We join with other States in urging approval of S. 974. Without this program many individuals will never be made employable. With deep appreciation for your concern for vocational technical education, particularly the Manpower Development and Training program.

JACK P. NIX,
State Director, Vocational Education, Georgia Department of Education.

BOISE, IDAHO, February 24, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Most important that Senate approval be given to Senate bill 974 with no State or local matching requirements.

S. R. GLENN,
State Director of Vocational Education.

INDIANAPOLIS, IND., February 25, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Senate approval of Senate bill 974, Manpower Act amendment, is vital to continuation of the Manpower Development and Training Act program in our State.

W. A. WILLIAMS,
Director of Vocational Education, State of Indiana.

BELOIT, KANS., February 25, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

We urge favorable consideration Senate bill 974 with 100-percent financing. Kansas will be unable train under Manpower Development and Training Act if there is 10-percent requirement for matching funds.

DEAN D. HADDOCK,
Chairman, Board of Control, North-Central Kansas.

WICHITA, KANS., February 25, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
Senate Office Building, Washington, D.C.:*

Manpower development training as set forth in Senate bill 974 is a national problem and needs 100-percent Federal support. Property tax in Kansas is now

overburdened. Program in Kansas will be lost if left to either State or local support at this time.

LAWRENCE H. SHEPOISER,
Superintendent of Schools, Wichita, Kans.

TOPEKA, KANS., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

Urge approval of S. 974 in the interest of the continuation of the manpower development and training program in Kansas. It is imperative for the continuation of this program that 100-percent Federal financing of the program be continued.

THAINE D. McCORMICK,
State Director and Executive Officer, State Board for Vocational Education,

PUBLIC SCHOOLS,
Kansas City, Kans., February 26, 1965.

Hon. JOSEPH S. CLARK,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR CLARK: The positive benefits of the Manpower Development and Training Act to America, and in particular to its underemployed are just now starting to be felt. Kansas City, Kans., schools have initiated several major projects and plans are ready to expand into several other fields of training.

It is, therefore, imperative that every effort be made to keep the present training programs going and to expand into areas where more people can be given the skills which will change them from unemployed welfare and public charges to productive, employed, and taxpaying citizens. There is no prospect of the State legislature financing any part of this program at this time.

Thus, it is urgent that full financing at the Federal level be maintained. Failure to do so will result in termination of the programs.

Your support of the extension and full financing of the Manpower Development and Training Act programs is urgently requested.

Sincerely yours,

O. L. PLUCKER,
Superintendent of Schools.

FRANKFORT, KY., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Very important that Manpower Development and Training Act program be continued on a nonmatching basis. Kentucky has no funds for matching programs. Programs very successful—80 percent of trainees in jobs for which trained. Program will close June 30 unless law amended.

E. P. HILTON,
Director Vocational Education.

AUGUSTA, MAINE, February 25, 1965.

Senator JOSEPH S. CLARK,
New Senate Office Building,
Washington, D.C.:

Senate approval of S. 974 most important for continuation of manpower training in Maine. Demands for State funds raise doubt regarding State appropriation for matching.

JOHN A. SNELL,
Chief, Bureau of Vocational Education, State Department of Education.

BOSTON, MASS., *February 24, 1965.*

Senator JOSEPH S. CLARK,
*New Senate Office Building,
Washington, D.C.:*

Massachusetts heavily involved in manpower training. Unrealistic matching requirements for vocational educational programs can seriously affect or eliminate our endeavors. Strongly urge passage of S. 974.

WALTER J. MARKHAM,
Director, Massachusetts Division of Vocational Education.

JACKSON, MISS., *February 24, 1965.*

Senator JOSEPH S. CLARK,
*New Senate Office Building,
Washington, D.C.:*

We urge your committee approval of S. 974, a bill to amend the Manpower Development and Training Act of 1962.

A. P. FATHERREE,
State Director of Vocational Education.

JEFFERSON CITY, MO., *February 24, 1965.*

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Heartily endorse S. 974. Urge elimination of matching requirement for training programs. Enactment will make more effective the administration of the manpower development and training program in Missouri.

B. W. ROBINSON,
Director, Vocational Education, Missouri State Department of Education.

STATE OF NEBRASKA,
DEPARTMENT OF EDUCATION,
Lincoln, February 9, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee of the Senate Labor and Public Welfare Committee,
U.S. Senate, Washington, D.C.*

DEAR SENATOR CLARK: I have reviewed a copy of S. 974, a bill to amend the Manpower Development and Training Act of 1962, and wish to extend my support to this bill.

Since the first course was initiated in Nebraska, late in 1962, funds in the amount of \$2,282,477 have been approved for 2,915 trainees; 450 persons have completed training; and there are 699 persons presently enrolled in training. The present dropout rate of courses in operation is less than 13 percent. The majority of those have dropped to take employment in occupations related to their training.

We are extremely proud of our successful efforts to utilize the existing facility of the Sioux Army Depot, which is in the process of being phased out, for a multioccupational training program which is providing training at the beginning for 140 unemployed people.

Our other projects are outlined in detail in the enclosed "Nebraska Story," a recent publication.

As a school administrator for 14 years I have concluded that the Manpower Development and Training Act is one attempt to do, and in my opinion is doing, what we should have been doing for many years; namely, matching people with labor market needs. We in Nebraska have not been able to train the underemployed. It is our hope that this will be made possible before too long.

We have many statements from our trainee graduates expressing appreciation of the provisions outlined in the act. For example, a student in our practical nurse project:

Mrs. ——— is a 24-year-old divorcee with two children. She does not know where her former husband is and her only income is from her parents. She states:

"I really need this program. Nursing has been my desire for a long time. I think manpower is the most wonderful thing that ever happened. Without it I probably would never have gone back to school for I could not have asked my people to put me through school."

Thirty-one-year-old Mrs. ——— is divorced. She is the mother of three and was receiving ADC. "I think the program is wonderful, the instructors are better than that. The hospitals are so willing to help us and our training is good. This gives me something I hadn't hoped for. My family can be proud of me and I can raise them decently and properly."

We have many more stories to tell and we hope your influence will continue the Manpower Development and Training Act.

Sincerely,

KENNETH E. SHIBATA,
Consultant, Vocational Education Division.

NEVADA DEPARTMENT OF EDUCATION,
VOCATIONAL AND ADULT EDUCATION DIVISION,
Carson City, February 9, 1965.

Hon. JOSEPH S. CLARK,
Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: I enclose for your information a copy of my letters to Senator Alan Bible and to Senator Howard Cannon, of Nevada.

I have also written to the Honorable Walter Baring, Representative from Nevada, with regard to H.R. 4257.

I sincerely trust that you may support Senate bill 974.

Sincerely yours,

JOHN N. MCCARTHY,
State Supervisor, Manpower Development and Training.

LETTERS TO SENATORS BIBLE AND CANNON

FEBRUARY 9, 1965.

Having been intimately acquainted with the education, training, and rehabilitation programs administered by the Veterans' Administration for almost 20 years, and as Chief of a Vocational Rehabilitation Division, I recognize the manifold benefits that have accrued to the Nation, to the State of Nevada, and to the individual through the laws which provided these benefits.

During the past 2 years, I have had the opportunity to observe and become acquainted with the benefits to the State of Nevada, and to a large number of our citizens, through the Manpower Development and Training Act (Public Law 87-415). The benefits of this act have been made available to the handicapped, the unemployed, displaced workers, minority groups, and others, and through it these people have been qualified for self-sustaining employment.

Statewide studies conducted by the Nevada State Division of Vocational-Technical and Adult Education have shown conclusively that 82 percent of all persons trained have obtained gainful employment in the occupation for which training was provided, or in a training-related job.

Welfare and unemployment payments have in many instances ceased, and it is estimated that within a period of 6 months full employment the cost of their training will have been returned.

The present law (Public Law 87-415) requires matching funds by the States amounting to 33½ percent, and it is extremely doubtful that Nevada can or will meet this requirement. Under proposed Senate bill 974, the matching requirement would be reduced to 10 percent, which is more likely to be looked upon favorably by our legislators.

If this program can be continued in Nevada, I am convinced that the long-range benefits to our State and to our citizens who are in need of employment rather than charity will be most beneficial.

I therefore respectfully request your assistance and support toward the passage of Senate bill 974 which may shortly come before the Senate for consideration.

With kindest personal regard, I am,
Sincerely yours,

JOHN N. MCCARTHY,
State Supervisor, Manpower Development and Training.

NEVADA DEPARTMENT OF EDUCATION,
VOCATIONAL AND ADULT EDUCATION DIVISION,
Carson City, February 9, 1965.

HON. WALTER S. BARING,
House of Representatives, Washington, D.C.

DEAR MR. BARING: Having been intimately acquainted with the education, training, and rehabilitation programs administered by the Veterans' Administration for almost 20 years, and as chief of a Vocational Rehabilitation Division. I recognize the manifold benefits that have accrued to the Nation, to the State of Nevada, and to the individual through the laws which provided these benefits.

During the past 2 years, I have had the opportunity to observe and become acquainted with the benefits to the State of Nevada, and to a large number of our citizens, through the Manpower Development and Training Act (Public Law 87-415). The benefits of this act have been made available to the handicapped, the unemployed, displaced workers, minority groups, and others, and through it these people have been qualified for self-sustaining employment.

Statewide studies conducted by the Nevada State Division of Vocational-Technical and Adult Education have shown conclusively that 82 percent of all persons trained have obtained gainful employment in the occupation for which training was provided, or in a training related job.

Welfare and unemployment payments have in many instances ceased, and it is estimated that within a period of 6 months full employment the cost of their training will have been returned.

The present law (Public Law 87-415) requires matching funds by the States amounting to 33 $\frac{1}{3}$ percent, and it is extremely doubtful that Nevada can or will meet this requirement. Under proposed H.R. 4257, the matching requirement would be reduced to 10 percent, which is more likely to be looked upon favorably by our legislators.

If this program can be continued in Nevada, I am convinced that the long-range benefits to our State and to our citizens who are in need of employment rather than charity will be most beneficial.

I therefore respectfully request your assistance and support toward the passage of H.R. 4257 which may shortly come before the House of Representatives for consideration.

With kindest personal regard, I am
Sincerely yours,

JOHN N. MCCARTHY,
State Supervisor, Manpower Development and Training.

NEVADA DEPARTMENT OF EDUCATION,
VOCATIONAL, TECHNICAL, AND ADULT EDUCATION DIVISION,
Carson City, February 11, 1965.

HON. JOSEPH S. CLARK,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: I enclose for your information a copy of my letters to Senator Alan Bible and to Senator Howard Cannon of Nevada.

Your introduction of Senate bill 974 to amend the Manpower Development and Training Act is deeply appreciated.

Sincerely yours,

JOHN W. BUNTEN,
Assistant Superintendent, Vocational, Technical, and Adult Education.

NEVADA DEPARTMENT OF EDUCATION,
 VOCATIONAL AND ADULT EDUCATION DIVISION,
Carson City, February 10, 1965.

Hon. ALAN BIBLE,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR BIBLE: I recently obtained a copy of Senate bill 974 concerning amendments to the Manpower Development and Training Act of 1962. As you no doubt are aware, Nevada has taken advantage of the Manpower Development and Training Act and the results are very meaningful to the State. According to our records 2,428 unemployed persons have been trained or are in training through the manpower development and training programs. Records of the employment security department indicate that 82 percent of the graduates of these programs are currently employed in the occupation or closely related occupations for which they were trained.

We are thoroughly sold on the manpower development and training programs and believe they should be continued. With all the demands for the tax dollar in Nevada it appears unlikely our State legislature would be able to appropriate the required matching under the present Manpower Development and Training Act. Senate bill 974 would permit the continuance of Manpower Development and Training Act projects on a 10 percent matching in cash or in kind. This amendment would place the Manpower Development and Training Act program on the same basis as the Economic Opportunity Act which appears only fair.

We feel that the projects that have been developed to train unemployed persons in Nevada have been good and I would sincerely urge your favorable consideration on S. 974.

Kindest personal regards, I am,
 Sincerely yours,

JOHN W. BUNTEN,
Assistant Superintendent, Vocational, Technical, and Adult Education.

NEVADA DEPARTMENT OF EDUCATION,
 VOCATIONAL AND ADULT EDUCATION DIVISION,
Carson City, February 10, 1965.

Hon. HOWARD S. CANNON,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR CANNON: I recently obtained a copy of Senate bill 974 concerning amendments to the Manpower Development and Training Act of 1962. As you no doubt are aware, Nevada has taken advantage of the Manpower Development and Training Act and the results are very meaningful to the State. According to our records 2,428 unemployed persons have been trained or are in training through the manpower development and training programs. Records of the employment security department indicate that 82 percent of the graduates of these programs are currently employed in the occupation or closely related occupations for which they were trained.

We are thoroughly sold on the manpower development and training programs and believe they should be continued. With all the demands for the tax dollar in Nevada it appears unlikely our State legislature would be able to appropriate the required matching under the present Manpower Development and Training Act. Senate bill 974 would permit the continuance of Manpower Development and Training Act projects on a 10 percent matching in cash or in kind. This amendment would place the Manpower Development and Training Act program on the same basis as the Economic Opportunity Act which appears only fair.

We feel that the projects that have been developed to train unemployed persons in Nevada have been good and I would sincerely urge your favorable consideration on S. 974.

Kindest personal regards, I am,
 Sincerely yours,

JOHN W. BUNTEN,
Assistant Superintendent, Vocational, Technical and Adult Education.

CONCORD, N.H., February 25, 1965.

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Value of Manpower Development and Training Act projects to unemployed in New Hampshire inestimable. Amendments provided by S. 974 important to correcting some weaknesses of original act. Proposed 90-10 matching funds provision important to continuation of program in this State. Strongly urge Senate approval.

EARL H. LITTLE,
Chief, Division of Vocational Education,
New Hampshire State Department of Education.

BURLINGTON, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower Training,
New Senate Office Building, Washington, D.C.:

The Burlington County Board for Vocational Education requests your favorable consideration in urging Senate approval of S. 974.

JOHN K. OSSI, *Director.*

PENNS GROVE, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Urge Senate approval of S. 974.

HERBERT C. DONAHGAY,
Director, Salem County Technical Institute.

TOMS RIVER, N.J., February 25, 1965.

Senator JOSEPH CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

We urge approval of bill S. 974.

LEWIS J. CAPALDI,
Director, Ocean County Vocational Technical School.

SOMERVILLE, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Strongly urge Senate approval of bill S. 974. It is imperative that manpower development training be continued to meet the needs of the citizens of the United States.

WILLIAM J. SCHOTT,
Director, Somerset County Vocational and Technical School.

ATLANTIC CITY, N.J., February 25, 1965.

Senator CLARK,
New Senate Office Building, Washington, D.C.:

Suggest urgent approval on S. 974.

PAUL LACITY,
Director, Atlantic City Vocational School.

BAYONNE, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

It's most important that manpower training bill S. 974 be approved. I presently have seven manpower training projects, for unemployed heads of families, waiting approval. Please vote for this bill.

JOHN J. O'CONNELL,
Director of Vocational Education.

CAPE MAY, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Building, Washington, D.C.:

Respectfully urge your support on S. 974.

ROBERT HOFT,
Director, Cape May County Vocational School.

EAST ORANGE, N.J., February 25, 1965.

Senator JOSEPH CLARK,
Chairman, Subcommittee on Manpower,
New Senate Building, Washington, D.C.:

Urge favorable action on S. 974. So that many worthy citizens our country may benefit by Manpower Development and Training Act training.

GEORGE W. MORGENROTH,
Director, Essex County Vocational Technical School.

ELIZABETH, N.J., February 25, 1965.

Hon. JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.

DEAR SENATOR: We urge you to approve bill S. 974 pertaining the Manpower Act.

Very truly yours,

STEPHEN J. PONIATOWSKI,
Director, Thomas S. Edison Vocation Technical High School, Elizabeth
Board of Education.

PATERSON, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Urge Senate approval of S. 974.

PASSAIC COUNTY VOCATIONAL SCHOOL.

NEWTON, N.J., February 25, 1965.

Senator JOSEPH S. CLARK,
New Senate Office Building,
Washington, D.C.:

Senator Clark, the Sussex County Board of Vocational Technical Education, Newton, N.J., urge your full support of S. 974.

JOHN M. CUMMINGS,
Director Vocational Education.

SANTA FE, N. MEX., February 25, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington D.C.:

We urge passage of S. 974 as manpower programs mean much to New Mexico.

M. G. HUNT,
State Director of Vocational Education.

PEARL RIVER, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Senate Committee on Labor and Public Welfare,
Washington, D.C.:

Am advised of effort to amend S. 512 to include a rider which would ban the issuance of patents to companies doing research and development projects under contract to governmental health agencies on the presumption that such patents belong to the public. I urge you to review carefully with your colleagues on the Senate Committee on Labor and Public Welfare the impropriety of such an amendment to legislation vital to the financing of the health agencies. The issue of patent property rights is so basic to the Government patent policy that it should be subject of a completely separate investigation in which necessary full attention could be devoted by the many affected agencies concerned with Government, industry, and the general public interest.

ROBERT P. PARKER,
General Manager, Lederle Laboratories.

HERKIMER, N.Y., February 25, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Urge strongest approval of S. 974 manpower development training program to insure continuance of much-needed training program.

COUNCIL OF NEW YORK STATE VOCATIONAL &
PRACTICAL ARTS ASSOCIATION,
EDWIN KOMENDAREK,

Legislative Chairman.

NEW YORK CITY, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Please support bill S. 974, Manpower Development and Training Act, providing funds for Manpower Development and Training Act program.

JOHN F. HOPS, Jr.,
District Superintendent of Schools, Rockland County, N.Y.

HERKIMER, N.Y., February 25, 1965.

HON. JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Urge strongest approval of S. 974, manpower development and training program, to insure continuance of much needed training program.

EDWIN KOMENDAREK,
Director of Manpower Development and Training, Steuben School.

MINEOLA, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Strongly urge approval S. 974, manpower training power program. We have trained over 500 for industry; 600 now in attendance other courses.

CHARLES R. WALLENDORF,
Director, Vocational Education and Extension Board.

BUFFALO, N.Y., February 25, 1965.

Senator CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

Urge Senate approval of S. 974, manpower development and training program to include the matching provision on a 90 Federal-10 State basis.

ERNEST H. HOELDTKE,
District Superintendent of Schools, Erie County.

ROCHESTER, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

We urge that you support bill No. S. 974 involving funding of manpower development and training programs.

PAUL K. W. SPRINGER,
Director of Manpower Training Programs.

ROCHESTER, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

We urge that you support bill S. 974, involving funding of manpower development and training programs.

HERMAN R. GOLDBERT,
Superintendent of Schools.

BROOKLYN, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower Program,
Washington, D.C.:

We respectfully urge you to support bill S. 974, to amend the Manpower Development and Training Act to a 90-percent Federal and 10-percent State funding ratio.

Dr. HARRY E. WOLFSON,
Assistant Superintendent, New York City Board of Education.

ALBANY, N.Y., February 26, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

We urge Senate support of bill S. 974 regarding the manpower development and training program.

JAMES T. HEPINSTALL,
Deputy Superintendent, Albany Public Schools.

BUFFALO, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

Urge Senate approval S. 974, manpower development and training program.
Urge matching ratio 10 to 1 be accepted.

JOSEPH SCHMIDLE,
Director, Manpower Development and Training.
JAMES R. SPENGLER,
Project Coordinator.
JOSEPH PILERI,
Curriculum Coordinator.

POTSDAM, N.Y., February 26, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower Development Training Program, Wash-
ington, D.C.:

Matching provision S. 974, manpower development and training program,
urgently needed.

FRANK BALDWIN,
President, Board of Cooperative Services.

POTSDAM, N.Y., February 26, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower Development Training Program, Wash-
ington, D.C.:

To continue manpower development and training program I urge acceptance
of matching provision S. 974.

JAMES FOGARTY,
Director, Manpower Development and Training Program.

POTSDAM, N.Y., February 26, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower Development Training Program, Wash-
ington, D.C.:

I urge approval and acceptance of matching as proposed S. 974, manpower
development training program.

MELISSA N. CARROLL,
Superintendent of Schools.

SYRACUSE, N.Y., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

The city school district of Syracuse, N.Y., urges your support of the 90-
percent Federal and 10-percent State funding provisions contained in S. 974,
manpower development program bill. Our district with its State constitutional
tax limit on cities in our size category and unmet needs for our regular
school program would not be able to operate any manpower development and
training programs not 100 percent funded by Federal or State sources.

FRANKLIN S. BARRY,
Superintendent of Schools.

BISMARCK, N. DAK., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
Washington, D.C.:

Earnestly solicit your support to insure passage of S. 974.

LEROY H. SWENSON,
Director of Vocational Education,
State Board for Vocational Education.

CITY SCHOOL DISTRICT,
Binghamton, N.Y., February 25, 1965.

Re. bill No. S. 974, manpower development and training program.

Senator JOSEPH S. CLARK,
Chairman of Subcommittee on Manpower,
Washington, D.C.

DEAR SENATOR CLARK: As assistant superintendent of the Binghamton City School District and the director of the local manpower development and training program, I wish to most strongly urge the Senate to accept the amendment to the present Manpower Development and Training Act, making matching funds available on a 90-10 basis.

With the already overtaxed State and local budgets, unless this amendment is approved, this program is doomed because of lack of the extremely high matching funds in future years. We cannot afford to see this program die since it already has proven itself as a worthwhile adult training program.

Yours sincerely,

JOHN H. WARNER,
(For John B. Lillie, Assistant Superintendent of Schools).

TREASURE VALLEY COMMUNITY COLLEGE,
Ontario, Oreg., February 12, 1965.

HON. JOSEPH S. CLARK,
U.S. Senate, Washington, D.C.

DEAR SENATOR CLARK: On behalf of manpower development and training programs throughout the State of Oregon, I am writing to you as president of the Oregon Vocational Association urging that you support vocational education in bill No. S 974 to amend the Manpower Development and Training Act of 1962.

I am personally and professionally concerned about this act and feel that we need continued liberal support of this type of education and training in the State of Oregon. I am certain that you feel as I, that manpower funds must be continued from the Federal source in order to make this type of program successful. I understand that it may be necessary to put this money on 90-percent Federal, 10-percent State and local matching basis. If my understanding is correct, I would still support this wholeheartedly even though 100-percent Federal support would be more feasible from a first point of view.

If you need further information or specific instances where manpower development training has helped, please feel free to contact my office at any time. I know that if this program is continued our unemployed people in the State of Oregon will become employable and become citizens of our State, and, of course, our Nation.

Sincerely yours,

CARL G. DEVIN,
President, Oregon Vocational Association.

TREASURE VALLEY COMMUNITY COLLEGE EDUCATION ASSOCIATION,
February 12, 1965.

HON. JOSEPH S. CLARK,
*Senate Office Building,
Washington, D.C.*

DEAR SENATOR CLARK: It is quite evident that the Manpower Development and Training Act program has provided a start in helping the unemployable on the road to success.

I understand that S. 974 would provide matching funds on a 90 to 10-percent basis. Whatever the provision, it is the sincere wish of the Treasure Valley Community College Education Association to continue to contribute to the growth of our underprivileged people.

Sincerely,

JEFF FORD, *President.*

STATE OF OREGON,
STATE DEPARTMENT OF EDUCATION,
Salem, Oreg., February 12, 1965.

HON. JOSEPH S. CLARK,
U.S. Senate, Washington, D.C.:

The Governor's Manpower Development Committee for Oregon has not seen fit to recommend to the State legislature that they make available funds for one-third matching with two-thirds matching of Federal funds for continuing the Manpower Development and Training Act program for fiscal years 1966 and 1967. However, when S. 974 was explained to them at the recent advisory meeting held February 11, 1965, they reversed their attitude and agreed to write a letter to the Governor expressing their support for the Manpower Development and Training Act program as provided in S. 974.

At the present time, there are a number of approved training projects that should have extended into fiscal year 1966, but because of the June 30 deadline for 100-percent matching, they will terminate prematurely.

If the manpower development training program is to continue meeting the occupational needs of Oregon's people, it will be necessary for the present Congress to amend the Manpower Development and Training Act of 1962 to provide at least 90-percent matching. Therefore we urgently solicit your support of Senate bill 974.

LEON P. MINEAR,
Superintendent, Public Instruction.

OREGON VOCATIONAL ASSOCIATION,
Salem, Oreg., February 11, 1965.

HON. JOSEPH S. CLARK,
Senate Office Building, Washington, D.C.

DEAR SENATOR: The Oregon Vocational Association composed of members from all phases of vocational education urge your support of S. 974 to amend the Manpower Development and Training Act of 1962. We are anxious to see funds continued for the manpower development and training program even though it be on a matched basis of 90-percent Federal and 10-percent State or local.

We feel that the Manpower Act, if continued, will enable our unemployable people to work and become substantial citizens of our State and Nation.

ELMER H. HALSTEAD, *Executive Secretary.*

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF PUBLIC INSTRUCTION,
Harrisburg, February 11, 1965.

HON. JOSEPH S. CLARK,
Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: I have recently received a copy of the proposed amendments to the Manpower Act (H.R. 4357 and S. 974). Several of the proposed

amendments will undoubtedly strengthen the act and should be incorporated in the act.

However, I strongly urge that the amendment which calls for matching on the basis of 90-percent Federal and 10-percent State be stricken from the proposed changes. If this amendment were to become part of the law, it would work a tremendous hardship upon the States.

Pennsylvania has prided itself on the tremendous participation in the manpower program, and we are exceptionally proud of the results secured from our many training programs.

We respectfully solicit your support in the elimination of the requirement that the States provide matching funds for the Manpower Act.

Respectfully yours,

JOHN W. STRUCK,
State Director of Vocational Education.

PROVIDENCE, R.I., *February 25, 1965.*

Senator JOSEPH S. CLARK,
New Senate Office Building, Washington, D.C.:

We urgently request that bill S. 974 receive favorable action. It is vital to the continuance of retraining programs in Rhode Island that this bill receive final approval.

EDWARD J. MEDETIROS.

TENNESSEE DEPARTMENT OF EDUCATION,
DIVISION OF VOCATIONAL EDUCATION,
Nashville, February 10, 1965.

Subject: Senate bill 974; House bill 4257—Amendment to the Manpower Development and Training Act of 1962.

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee of the Senate Labor and Public Welfare Committee,
U.S. Senate, Washington, D.C.*

MY DEAR SENATOR CLARK: As State director of vocational education for the State of Tennessee, I would like to indicate to you my State's experience and attitude toward the indicated amendment to the Manpower Development and Training Act of 1962, on which your committee is conducting hearings.

We, in the State of Tennessee, have found the manpower development and training program to be highly successful in reaching a large number of people who would not normally be reached through regular vocational programs. Our programs have an extremely high placement factor for programs which are in operation and have been completed. We are highly pleased with the funding possibilities of the past; but have been greatly concerned for some time regarding the one-third State matching and one-half State matching as required by the law in the future. We doubt quite seriously if we will be able to provide adequate funds for matching purposes in this next year because of mandatory expansions in other fields which do not allow a high priority for this program. I believe the 90-10 proposal as presented in the amendment would be highly successful and we, in turn, could provide the 10 percent cash or kind matching programs to continue our manpower development.

There has also been some reluctance on the part of our State to provide matching of one-third or one-half State funds for programs which are administered to an extremely great degree by the Department of Labor and departments outside of our own State government. I would strongly urge, as a State director of vocational education and director of manpower development training for the State of Tennessee, that special consideration be given to passage of the amendment to the act to provide the 90-10 basis for matching after June 30; and also the extension to provide completion of any programs that are started within this fiscal year on a nonmatching basis. Our present policy requires a termination of all programs prior to July 1 because of a lack of matching funds for the program beyond that date.

I would further urge that any consideration possible be given to a greater degree of freedom in providing of training programs by the State departments of employment and State departments of education.

If our department in this State may be of any additional assistance to the committee, we would be most happy to provide whatever assistance might be necessary.

Sincerely yours,

B. E. CHILDERS,
Assistant Commissioner, Vocational-Technical Education.

THE STATE OF WISCONSIN,
STATE BOARD OF VOCATIONAL AND ADULT EDUCATION,
February 27, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee of the Senate Labor and Public Welfare Committee,
Washington, D.C.*

DEAR SIR: Several weeks ago I wrote to you indicating support of the provisions of S. 974 which amends the Manpower Development and Training Act. I indicated that the biennial budget which is being considered by the State legislature does not include funds to match our Manpower Development and Training Act projects at the present time.

On Wednesday, February 24, I appeared before the Joint Committee on Finance to review the budget requests of this department including the need for funds to match Manpower Development and Training Act projects. Members of the committee expressed the feeling that funding of this program should continue at a 100-percent level by the Federal Government. Accordingly, there is serious doubt regarding the availability of funds from the legislature to match Manpower Development and Training Act projects which would require partial State funding.

I hope that the committee will give favorable consideration to full Federal funding of the Manpower Development and Training Act program beginning on July 1, 1965.

Sincerely yours,

C. L. GREIBER, *State Director.*

LAREDO, TEX., February 24, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

We urgently request that manpower training be continued as at the present time with Federal funds providing all training. The program in Laredo has put more than 500 trained people to work, also the literacy training is helping.

PORTER S. GARNER,
*Vocational Adjustment Coordinator,
Laredo Public Schools.*

AUSTIN, TEX., February 24, 1965.

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Urge passage of amendments to the Manpower Training Act under S. 974 and continuation of 100 percent Federal funds for the manpower development and training program.

Great increases in scholastic population with much larger outlays for education of youth prevent securing of State and local matching funds for manpower training.

M. A. BROWNING,
*Assistant Commissioner for Vocational Education,
Texas Education Agency.*

HOUSTON, TEX., *February 25, 1965.*

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Urge Senate approval S. 974, manpower program providing needed skills for many unemployed in this area.

JAMES S. GUPTON.

FORT WORTH, TEX., *February 25, 1965.*

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
Washington, D.C.:*

Respectfully urge your support of S. 974 amendments to Manpower Act.

G. B. TRIMBLE,

Director of Vocational Education, Fort Worth Public Schools.

MONTPELIER, VT., *February 25, 1965.*

Senator JOSEPH S. CLARK,
*Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:*

Urge Senate approval S. 974. Urge bill amendment nonmatching basis.

HAROLD S. GRAEME,

State Director, Vocational Education.

COMMONWEALTH OF VIRGINIA,
STATE BOARD OF EDUCATION,
Richmond, February 11, 1965.

Hon. JOSEPH CLARK,
*U.S. Senate,
Washington, D.C.*

DEAR SIR: Many fine vocational training programs have been developed in Virginia through appropriations made available under the Manpower Development and Training Act of 1962 and the 1963 amendments. However, since the act does not provide for continuing these appropriations after July 1, 1965, under the present formula, we feel that steps should be taken to further amend the act so as to assure the continuance of this program.

The manpower training program in Virginia has been successful in providing employment training for those persons which no other program has been able to reach. In my opinion it would be disastrous to curtail this training program at this point.

The very nature of the program requires financial support from the Federal level as it ties very closely with the war on poverty and those participating come from all areas of the States. Our experience in Virginia indicates that only 20 percent of the enrollees in any one program are residents of the district in which the specific training is being provided. This creates a problem of who should provide the matching funds. The localities feel the unfairness of matching moneys for residents of other districts and it now appears that the State will not look with favor on a two-thirds to one-third fund matching arrangement.

The manpower development and training program opens the door to opportunities for the hard core of the unemployed who will be bypassed by other programs of training. The provision for continuing the program on a realistic financial basis is very important.

The proposed 90 percent Federal and 10 percent State and local financial support of the program is the minimum on which we feel the program will be successful in Virginia.

We would appreciate your supporting the administration-sponsored bill to amend the Manpower Development and Training Act of 1962 as amended, S. 974. Some items of documentary evidence of the support for this program by the Virginia press are enclosed.

Very sincerely,

GEORGE L. SANDVIG,
State Director, Vocational Education.

[From the Daily Progress, Feb. 5, 1965]

MANPOWER DEVELOPMENT AND TRAINING ACT DESERVES STATE SUPPORT

The State of Virginia is exhibiting a sadly familiar lack of foresight in indicating that it will not contribute matching funds to the Manpower Development and Training Act.

Up to now, the State has been getting a free ride in that all funds for the program have been contributed by the Federal Government. Beginning in July, States will be required to put up one-third of the necessary funds for three integral parts of the program. Governor Harrison has indicated he will not recommend the provision of matching funds, and Manpower Development and Training Act officials in Virginia are afraid of what will happen to what has come to be regarded as one of the prime weapons in the fight against poverty.

Some way might be found to meet two of the program's three parts, the ones covering administrative costs and training costs. But the third section is particularly important to the students themselves because it involves training allowances, constituting a measure of monetary support for heads of families who take courses. If the State refuses to provide one-third matching funds, many trainees will be left in the ridiculous position of being forced to draw unemployment compensation instead of learning a new trade or skill which would make them self-sustaining, contributing citizens.

Since Manpower Development and Training Act was begun in Virginia 3 years ago, a total of 1,404 persons have been trained in a wide variety of trades and skills. Approximately 70 percent of the trainees have been placed in jobs of their new occupations. Translated into human terms—or in terms of State and local finances, for that matter—this means that many more individuals who have a greater chance in life, who are no longer a public burden, and who are becoming solid, taxpaying citizens.

Governor Harrison would demonstrate a greater grasp of the future he so eloquently spells out for Virginia if he would reconsider his stand on Manpower Development and Training Act and all such programs which are designed to help people help themselves, and in so doing help the entire State.

[From the Times, Jan. 23, 1965]

JOBLESS TRAINING CALLED SUCCESS AS CUTBACK LOOMS

Virginia's programs under the Manpower Development and Training Act, which face the possibility of drastic reduction, have been very successful in Roanoke and southwest Virginia, Palmer K. St. Clair, Roanoke, manager of the Virginia Employment Commission, said Thursday.

Most of the courses, designed to teach the unemployed new trades, have been conducted in the western part of the State.

Congress enacted the Manpower Development and Training Act in 1962 and has provided financial support through mid-1965. But, beginning in July, States will be required to put up one-third of the funds for administrative costs, training costs, and training allowances.

Gov. Albert S. Harrison, Jr., has indicated he will not recommend providing matching funds, which could mean that persons who would like to be retrained but cannot afford it would go without training.

St. Clair says 17 courses have been given in Roanoke or are scheduled to be completed before June 30. They include courses in machine shop work, farm mechanics, welding, dairy hand shops, bricklaying, and nurses aids.

"More than 150 persons have completed the courses," St. Clair said, "and to my knowledge all but 1 have been placed in jobs." Participants have come from West Virginia and the extreme southwest portion of the State, he added. Average enrollment is about 15, but, depending on the subject, can be as high as 30.

[From the Norfolk (Va.), Pilot, Jan. 23, 1965]

KEEP THE JOB HUNTERS IN HARNESS

Amid all the Harrison administration's preaching of education to bolster the economy, it would be shameful if Virginia withdrew from the Federal Manpower Development and Training Act.

That salvage of human lives is supported by two Departments in Washington (Labor and Health, Education, and Welfare), two agencies at the State level (the State department of education and the Virginia Employment Commission), and at the grassroots by the local school boards.

The three-mule hitch of local, State, and Federal agencies has been pulling some 2,000 Virginians out of the mire of unemployment for the past 2 years, equipping the jobless with skills and even, in some cases, the ability to read and write, and setting them on the high road of self-support.

Federal funds have financed the training program since 1962. Starting June 30, 1965, the Federal money is scheduled to be reduced two-thirds, with the State and localities applying the other third. Congress may well decide to extend full Federal support, but meanwhile, there should be no doubt that, one way or another, this valuable program will continue, full force. Because the heavy equipment and lighter tools have already been purchased with Federal funds, Virginia could assure the program's operation by contributing as little as \$100,000 a year. The dividends are many.

At Lynchburg, for instance, 28 unemployed persons graduated last June from a training program in radio mechanics requested by General Electric. They found 54 jobs waiting, ranging in salary from \$160 to \$80 a week.

At Crewe and in Wise County there are programs designed for school dropouts, the first such remedial schools in the country. New York educators have been studying them as a pattern for their own State.

Across Virginia some 60 programs are underway in 15 school divisions training the unemployed in 18 occupations. It is a highly flexible, entirely practical attack on unemployment. Each program is begun only after a survey to determine the availability of jobs and a sufficient force of unemployed. Then the resources of all three levels of government are brought to bear to train filling station operators, crab pickers, nurses aids, or whatever types of workers are in short supply in the area.

Last week some 23 trainees from Lynchburg journeyed to Washington to take the test for an FCC operator's license. On that first trial, 15 earned licenses, 6 of them with a first-class permit to operate a microwave system. Viewing such solid achievements, Governor Harrison will surely wish to allay the current uncertainties about the fate of the program. It has more than earned its keep.

OLYMPIA, WASH., February 24, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower,
New Senate Office Building, Washington, D.C.:

The State board for vocational education urges your full support for Senate approval of S. 974. We favor continuation of Manpower Development and Training Act programs and the proposed 90/10 matching fund formula. However, continued 100-percent Federal financing is strongly urged.

H. N. MILLER,
Assistant Superintendent for Vocational Education.

CHARLESTON, W. VA., February 25, 1965.

Senator JOSEPH S. CLARK,
Chairman, Subcommittee on Manpower, Washington, D.C.:

Vocational educators in West Virginia are favorable to and urge support of amendments to Manpower Development and Training Act included in S. 974. The continuance and value of this training and retraining program has been recognized by testimony of our Gov. Hulett C. Smith before congressional committee. The new matching formula of 90-percent Federal funds to 10-percent State funds in cash or kind will make State financing easier to obtain. West

Virginia has long been recognized as a State with labor surplus areas, S. 974 would provide vocational educators with continued opportunity to train our people to meet occupational challenges without fear of boundary or lack of ability.

FRED W. EBERLE,
State Director Vocational Education.

THE STATE OF WISCONSIN,
STATE BOARD OF VOCATIONAL AND ADULT EDUCATION,
Madison, February 9, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Subcommittee of the Senate Labor and Public Welfare Committee,
Senate Office Building, Washington, D.C.*

DEAR SIR: My attention has been called to bill S. 974 which was introduced on February 3 by you and Senator Pell. This bill proposes to amend the Manpower Development and Training Act of 1962. The enactment of this bill will enable Wisconsin to continue to develop training and retraining programs for unemployed workers in our State.

On-going programs which are funded by the State at the present time including welfare and education will require a substantial increase in State appropriations during the biennium beginning on July 1, 1965. It is doubtful if the State legislature will find it possible to appropriate funds to match Federal support for the manpower development and training program at the level now provided for in the Federal act.

The recent budget message presented to the State legislature by Governor Knowles did not include funding for the manpower development and training program because of the large State outlay which would be required under existing legislation. Governor Knowles, however, I am confident will recommend to the legislature funding provisions whereby the manpower development and training program might be continued under the conditions provided for in S. 974.

We hope, therefore, that your committee will support S. 974 and that its provisions may be enacted into law. Passage of this important legislation would enable us to continue training programs for thousands of unemployed workers in our State.

Sincerely yours,

C. L. GREIBER,
State Director, Vocational and Adult Education.

STATE OF NORTH CAROLINA,
GOVERNOR'S OFFICE,
Raleigh, March 1, 1965.

HON. JOSEPH S. CLARK,
*Chairman, Senate Subcommittee on Employment and Manpower,
Washington, D.C.*

DEAR SENATOR: Thank you for your recent telegram concerning my position on Senate bill 974, Amendments to the Manpower Development and Training Act of 1962.

I have discussed this with Mr. Henry E. Kendall, chairman of the Employment Security Commission of North Carolina, and members of the staff of the Commission. In view of our discussions, we do favor the continuation of Manpower Development and Training Act; we favor the amendments to the act; and, although we would favor the 90-10 matching basis, there are no funds in our budget for that purpose.

With kindest regards and best wishes, I am,

Sincerely yours,

DAN MOORE.

Manpower development and training programs approved for nonpublic agencies to Aug. 1, 1964

State	Project No.	Occupation	Facility	Clock hours	Number of trainees	Training cost	Starting date
Alabama	22	Stenographer (entry)	Northern Alabama College of Commerce, Huntsville.	1,374	60	\$33,556	May 15, 1963
	31	Auto mechanic	Manpower Development and Training Center, Cordova.	480	12	5,087	Aug. 5, 1963
	32	Auto body repair	do	1,488	14	14,676	Do.
	211-1	Bricklayer (entry)	Tuskegee Institute, Tuskegee Institute, Ala.	1,586	40	47,997	June 1, 1964
	211-2	Carpentry (entry)	Tuskegee Institute	1,586	40	55,352	Do.
	211-3	Farm machinery operator (entry)	do	1,586	40	49,507	Do.
	211-4	Meat processing (entry)	do	1,586	40	74,174	Do.
	12b	Stenographer	Capital City Business College, Little Rock	540	50	22,416	Apr. 1, 1963
	33	do	Humphrey's Business College, Stackton	910	20	10,501	Feb. 17, 1963
	34	do	Murphy Business College, North Hollywood	600	30	10,580	Dec. 17, 1963
	35	Key punch operator	Sawyer School of Business, Los Angeles	120	14	4,412	Dec. 8, 1962
	36	Clerk-typist	do	360	27	10,901	Dec. 10, 1962
54	Stenographer	do	720	27	14,511	Do.	
55	do	Empire College of Commerce, Santa Rosa	2,420	50	11,750	Feb. 11, 1963	
74	Stenographer	Heald Business College, Sacramento	560	30	15,750	Do.	
85	Typist	Sawyer School of Business, Sacramento	910	39	20,689	Apr. 1, 1963	
90	Clerk-typist	Burbank Business College	480	31	13,091	Apr. 20, 1963	
91	Electronics technician	Solar Electrical School, Monrovia	560	25	38,375	May 6, 1963	
94	Stenographer (refresher)	Heald Business College, North Ridge	1,520	26	38,463	Apr. 23, 1963	
117	Electronics technician	Western Electric Institute, North Ridge	525	25	8,463	May 13, 1963	
204	Stenographer	Sawyer School of Business	1,470	50	83,383	July 1, 1963	
216	Reproduction typist	Standard Business School, Santa Ana	780	24	33,322	Aug. 19, 1963	
231	Stenographer	Heald Business College, Sacramento	720	40	29,849	Do.	
232	Stenographer (refresher)	Heald Business College, Sacramento	910	40	19,952	Sept. 30, 1963	
240	Electronics technician (canceled)	Western Electric Institute, North Ridge	325	25	7,829	Do.	
249	Clerk-typist	Palo Alto Secretarial School	1,470	63	67,397	Nov. 18, 1963	
250	Secretary	Empire College of Commerce, Santa Rosa	500	30	13,480	Do.	
251	Salesperson (general)	Heald Business College, San Francisco	910	15	8,100	Do.	
254	Secretary	Burbank Business College, Santa Rosa	105	5	5,313	Nov. 4, 1963	
270	Stenographer	Humphrey's Business College, Stockton	910	15	8,720	Jan. 20, 1964	
268	Salesperson	Heald Business College, San Francisco	105	40	22,964	Dec. 9, 1963	
206	Stenographer	Blair Business College, Colorado Springs	1,200	18	5,052	Feb. 3, 1964	
213	do	Blair Business College	1,200	18	14,310	Jan. 6, 1964	
217	Clerk-typist	Colorado Institute of Business Administration, Boulder	1,200	25	19,875	June 8, 1964	
41	Cook (entry)	Culinary Institute of America, New Haven	480	15	12,370	Jan. 14, 1963	
42	Waiter, formal	do	2,240	30	12,805	Do.	
57	Cook (entry)	Culinary Institute of America	2,480	30	20,760	May 20, 1963	
58	Waiter, formal	do	2,240	30	12,085	Apr. 15, 1963	

See footnotes at end of table.

Manpower development and training programs approved for nonpublic agencies to Aug. 1, 1964—Continued

State	Project No.	Occupation	Facility	Clock hours	Number of trainees	Training cost	Starting date
Illinois	11	Automatic screw machine operator	Allied Institute of Technology, Chicago	2 720	60	\$18,544	Feb. 4, 1963 Feb. 4, 1963
	13	Welder, arc, heliarc	Greer Shop Training, Inc., Chicago	480	100	63,360	Mar. 4, 1963 Mar. 18, 1963
	14	Welder, solderer	Coyne Electrical School, Midway Technical School, Chicago Institute of Technology, Chicago	240	30	5,400	Apr. 1, 1963 Feb. 4, 1963
	18	.....do.....	Coyne Electrical School, American Institute of Engineering & Technology, Chicago	240	90	16,200	Feb. 19, 1963
	19	Automatic screw machine operator (entry)	Allied Institute of Technology, Chicago	720	34	25,920	Mar. 18, 1963
	26	Automobile mechanic (entry)	Greer Shop Training, Inc., Chicago	1,440	30	31,536	Do.
	27	Automobile body repairman (entry)	Greer Shop Training, Inc.	1,440	30	30,240	Mar. 11, 1963
	28	Automobile painter (entry)	.....do.....	1,000	30	13,680	Do.
	29	Salesperson, auto parts (entry)	.....do.....	1,440	30	31,536	Do.
	31	Welder, solderer	American Institute of Engineering & Technology, Coyne Electrical School	240	132	32,400	Apr. 1, 1963
	34	Systems testing laboratory technician	American Institute of Engineering & Technology, Coyne Electrical School, Midway Technical School	1,440	120	121,824	Apr. 15, 1963 May 27, 1963
	35	Psychiatric aid I	State research hospital Galesburg	480	49	19,684	Apr. 1, 1963
	38	Automatic screw machine operator	Allied Institute of Technology	720	33	25,920	Apr. 26, 1963
	39	.....do.....	Allied Institute of Technology, Chicago	720	159	137,376	Do.
	40	Welder, solderer (electronics)	American Institute of Engineering & Technology, Coyne Electrical School, Chicago	240	343	61,200	Apr. 20, 1963
	41	Automobile mechanic	Greer Shop Training, Inc., Chicago	1,440	30	31,536	Apr. 22, 1963
	42	Automobile body repairman, metal	.....do.....	1,440	30	30,240	Do.
	43	Salesperson, automobile parts	.....do.....	1,440	30	31,536	Do.
	49	Automobile mechanic (regular)	.....do.....	1,440	30	31,536	Do.
	51	Welder, arc, heliarc	American Institute of Engineering & Technology	780	26	28,359	May 13, 1963
	66	Clerk-stenographer	Freeman Business College, Forest Park	960	40	24,960	June 17, 1963
	67	Shirt presser	Scott's Training Center, Chicago	150	250	68,257	June 24, 1963
	68	Sewing machine operator, style garment (entry)	Metropolitan School of Tailoring, Chicago	210	180	43,740	Do.
	69	.....do.....	Metropolitan School of Tailoring	210	30	8,505	Do.
	72	System-testing laboratory technician	American Institute of Engineering & Technology, Coyne Electrical School, Midway Technical School, Chicago	1,440	37	40,608	Do.
	74	Shirt presser	Scott's Training Center, Chicago	150	30	279	Do.
	76	Automobile mechanic (entry)	Greer Shop Training, Inc., Chicago	1,440	25	38,880	Do.
	203	.....do.....	Midway Technical School	1,660	227	162,699	July 29, 1963

State	Occupation	Number	780	36	39,031	Aug. 12, 1963
Iowa	205 Welder, arc, heliarc (entry)	1,440	36	39,031	Aug. 12, 1963	
	216 Automobile body repairman, metal (entry)	1,440	30	39,240	Sept. 30, 1963	
	217 do.	1,440	30	39,240	Do.	
	219 Automobile mechanic (entry)	1,440	120	155,520	Do.	
	220 do.	1,440	30	38,880	Do.	
	221 Salesperson, automobile parts (entry)	1,440	15	38,880	Do.	
	224 Systems-testing laboratory technician	1,440	59	63,618	Nov. 4, 1963	
	236 Medical assistant (entry) (certified laboratory assistant)	2,000	16	21,000	Nov. 18, 1963	
	237 Welder, arc, heliarc	780	32	30,186	Nov. 25, 1963	
	238 Welder, arc (entry)	780	30	32,526	Dec. 9, 1963	
	247 do.	2 780	67	72,642	Jan. 20, 1964	
	248 do.	2 780	66	71,568	Feb. 3, 1964	
	249 Automobile mechanic (entry)	1,440	30	38,880	Jan. 20, 1964	
	260 Machine operator, multioccupational	3 1,440	222	402,637	June 29, 1964	
	261 Machine tool operator	1,440	50	90,684	May 4, 1964	
	5 Upholsterer II	600	30	27,758	Jan. 14, 1963	
	6 Clerk-stenographer	1,200	15	11,207	Feb. 4, 1963	
	201 Beauty operator	2,100	5	2,457	Sept. 16, 1963	
	206 Treatment plant maintenance and management course	1,020	11	0	Sept. 23, 1963	
	206 Clerk-stenographer	1,200	20	15,000	Oct. 14, 1963	
	215 Meatcutter (entry)	1 720	30	51,637	Jan. 13, 1964	
	41 Top stitcher	160	12	4,154	July 8, 1963	
	211 Automobile service station mechanic	612	7	11,479	May 12, 1964	
	2 Dental assistant	1,904	12	1,380	Dec. 26, 1962	
	211 do.	1,253	20	5,729	Sept. 3, 1963	
229 Oil burner installation serviceman (entry)	350	18	5,375	Nov. 4, 1963		
238 Clerk-typist	450	25	9,675	Nov. 18, 1963		
258 Oil burner installation serviceman (entry)	2 350	40	11,391	Feb. 3, 1964		
41 Screw machine setup man, automatic	990	20	39,564	Apr. 29, 1963		
202 Nurse, practical, licensed	1,976	20	40,783	Sept. 3, 1963		
225 Screw machine operator, automatic	2 210	39	88,360	Dec. 23, 1963		
275 Multioccupational	4 1,500	180	171,589	May 11, 1964		
24 Machine operator, general	780	28	21,150	Apr. 15, 1963		
28 Sheet metal fabricating machine operator	780	15	10,575	Apr. 22, 1963		
209 Various entry occupations	180	100	61,124	Oct. 7, 1963		

See footnotes at end of table.

Greer Shop Training, Inc.-----do.-----
 American Institute of Engineering & Technology.
 Midway Technical School, Chicago.
 Automobile Technical Institute, Chicago.
 Greer Shop Training, Inc., Chicago.
 American Institute of Engineering & Technology,
 Coyne Electrical School, Midway Technical
 School, Chicago.
 Little Co. of Mary Hospital, Inc., School of
 Certified Laboratory Assistants, Chicago
 (special youth project).
 American Institute of Engineering & Technology.
 Greer Shop Training, Inc.
 American Institute of Engineering & Technology.
 Greer Shop Training, Inc.
 Automobile Technical Institute, Chicago.
 Allied Institute of Technology, Chicago (special
 youth project).
 Allied Institute of Technology
 Fies-Steel Industries, Dubuque
 Nettleton Business Training College, Sioux City
 Stewart's School of Hairstyling & Cosmetology,
 Sioux City.
 Water & Sewerage Technical School, Neosho
 Nettleton Business Training College
 Bad's Meat Market, Sioux City
 Songo Shoe Corp., Portland
 Dorchester Automotive Service, Cambridge
 Tufts University School of Dental Medicine,
 Boston.
 Tufts University School of Dental Medicine
 Massachusetts Trades Shops School, Boston.
 Northampton Commercial College, Northampton.
 Massachusetts Trades Shops School.
 Tompkins Products Co., Detroit.
 Shapiro School of Nursing, Detroit.
 Tompkins Products Co.
 Michigan Catholic Conference Job Training
 Center, Lansing.
 Dunwoody Industrial Institute, Minneapolis.
 Dunwoody Industrial Institute.
 Rehabilitation center, Minneapolis.

Manpower development and training programs approved for nonpublic agencies to Aug. 1, 1964—Continued

State	Project No.	Occupation	Facility	Clock hours	Number of trainees	Training cost	Starting date
Missouri	44	Treatment plant maintenance and maintenance course.	Water & Sewerage Technical School, Neosho	1,560	60	\$93,660	June 10, 1963
	235	do.	Water & Sewerage Technical School	1,560	50	77,000	Feb. 3, 1964
	246	Office machine serviceman (entry).	Office Appliance Machine Institute, Inc., Springfield	1,560	50	44,162	Jan. 27, 1964
	1	Stenographer	Billings Business College, Billings	1,080	15	5,588	Nov. 26, 1962
	22	Clerk-stenographer	Great Falls Commercial College, Great Falls	1,720	20	7,750	May 13, 1963
Montana	203	Accounting clerk	Great Falls Commercial College	948	15	7,723	Oct. 28, 1963
	203	Treatment plant maintenance and maintenance course.	Water & Sewerage Technical School, Neosho	1,560	4	0	Sept. 23, 1963
New Hampshire	3	Clerk-stenographer	Concord Commercial College, Concord	500	20	6,266	Apr. 13, 1963
	5	Clerk-typist	Concord Commercial College	500	20	6,279	Apr. 7, 1963
	202	Clerk-stenographer	do.	500	15	5,131	Oct. 21, 1963
	218	Nurse, practical, licensed	Health occupation center, Mimosola	480	15	2,775	Oct. 8, 1962
	247	Automobile mechanic (entry)	Plumber & Pipefitters' JAC School, Roswell	732	174	382,983	Aug. 13, 1963
New Mexico	249	Automobile mechanic (entry)	Inhool Bldg., Middletown	210	30	19,919	Jan. 9, 1964
	276	Electrical appliance serviceman	Madison area project center, Syracuse	1,000	24	8,872	Dec. 4, 1963
	14	Automobile mechanic (entry)	Hanson Mechanic Trade School, Fargo	1,820	10	56,450	May 4, 1964
	15	Clerk, general, office	Dakota Business College, Fargo	1,760	20	23,210	July 8, 1963
	206	Water sewerage plant laboratory technician	Water & Sewerage Technical School, Neosho	1,560	1	9,444	July 22, 1963
North Dakota	207	Clerk-stenographer	Minot Business College, Minot	1,140	2	830	Oct. 7, 1963
	209	do.	Minot Business College	1,140	1	415	Oct. 31, 1963
	211	do.	do.	1,140	2	830	Nov. 25, 1963
	212	Automobile body repairman (metal entry)	Hanson Mechanic Trade School, Fargo	840	1	642	Do.
	213	Automobile mechanic (entry)	Hanson Mechanic Trade School	1,190	3	2,473	Do.
Nebraska	216	Automobile service station attendant	do.	1,560	60	35,997	Feb. 3, 1964
	219	Automobile mechanic	do.	1,190	7	5,768	Jan. 6, 1964
	220	Bookkeeper II	Minot Business College	1,440	1	470	Do.
	221	Clerk-stenographer	do.	1,052	2	830	Do.
	223	Automobile mechanic (entry)	Hanson Mechanic Trade School	1,820	2	2,322	Feb. 3, 1964
224	Bookkeeper II	Aakers Business College, Grand Forks	1,095	1	430	Do.	

State	Project No.	Occupation	Project Description	Cost	Participants	Start Date	End Date
Ohio	230	Combination welder	Hobart Welding School, Troy	\$ 720	40	31,270	Oct. 7, 1963
	8	Operating room technician	St. John's Hospital, Pittsburgh	1,400	30	30,868	Nov. 5, 1963
	52	Instrument repairman (entry)	Central Dauphin Joint School, Harrisburg	1,480	15	2,776	Oct. 8, 1962
	54	Manager, Department, retail trade	Cambria-Rowe Business College, Johnstown	1,000	15	5,200	Nov. 15, 1962
	58	Clerk-stenographer (refresher)	Cambria-Rowe	600	15	3,107	Oct. 15, 1962
	101	Clerk-stenographer	do	600	30	6,214	Feb. 18, 1963
	213	Key punch operator	Business Machine School, Philadelphia	120	50	9,425	Sept. 3, 1963
	216	Stenographer	Columbia Institute, Philadelphia	600	100	44,610	Sept. 30, 1963
	224	Automobile service station attendant	Spring Garden, Philadelphia	600	100	54,282	Do.
	226	Clerk-typist	Cambria-Rowe Business College (special youth project)	720	36	9,774	Oct. 14, 1963
Puerto Rico	241	Machine operator, general	Ajax Corp., Sayreboro School District, Sayre	1,504	40	35,590	Jan. 13, 1964
	250	Surgical-technical (medical service)	St. John's Hospital, Pittsburgh	960	20	19,158	Feb. 24, 1964
	268	Medical laboratory assistant	Polyclinic Hospital, Harrisburg	2,040	23	23,812	July 6, 1964
	35	Electronic component assembler and inspector	Milles Engineering, Inc., Las Marias	1,920	30	22,460	Mar. 11, 1963
	216	Dairyman II, agriculture	Carlos Cebrea's Dairy Farm, Isabela	320	35	5,121	Sept. 23, 1963
	218	do	Lorenzo Viscaroni's Dairy Farm, Toa Aho	320	12	2,775	Sept. 16, 1963
	219	Electronic component assembler and inspector	Milles Engineering, Inc.	1,920	25	22,872	July 9, 1963
	256	Dairyman (agriculture)	Carlos Navearez's Dairy Farm, Naguabo	320	20	4,826	Jan. 13, 1964
	J-1	Jacquard loomfixer	Standish Mills, Inc., Esmond	96	10	1,010	Jan. 6, 1964
	201	Water and sewerage plant laboratory technician	Water & Sewerage Technical School, Neosho	720	1	0	Sept. 23, 1963
Utah	205	Stenographer (clerical)	ILDS Business College, Salt Lake City	1,056	30	14,500	Jan. 6, 1964
	201	Licensed practical nurse	Thompson School of Practical Nursing, Brattleboro	2,000	24	18,371	Dec. 9, 1963
Wyoming	2	Automobile repairman (entry)	Jones Body & Paint Shop, Cheyenne	40	23	28,618	Mar. 18, 1963
	204	Automobile repairman (metal)	Jones Body & Paint Shop	2,000	30	36,070	Apr. 6, 1964
Total 1					6,360	4,904,410	

13 seconds.
22 seconds.
35 seconds.
46 seconds.

4 seconds.
6 Cumulative to Aug. 1, 1964.
NOTE—States participating, 27; total number of projects, 155.

