

# MANPOWER DEVELOPMENT AND TRAINING LEGISLATION, 1970

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## HEARINGS BEFORE THE SUBCOMMITTEE ON EMPLOYMENT, MANPOWER, AND POVERTY OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE UNITED STATES SENATE NINETY-FIRST CONGRESS FIRST AND SECOND SESSIONS

ON

### **S. 3867**

TO ASSURE OPPORTUNITIES FOR EMPLOYMENT AND TRAINING  
TO UNEMPLOYED AND UNDEREMPLOYED PERSONS, TO ASSIST  
STATES AND LOCAL COMMUNITIES IN PROVIDING NEEDED  
PUBLIC SERVICES, AND FOR OTHER PURPOSES

### **S. 2838**

TO ESTABLISH A COMPREHENSIVE MANPOWER DEVELOPMENT  
PROGRAM TO ASSIST PERSONS IN OVERCOMING OBSTACLES TO  
SUITABLE EMPLOYMENT, AND FOR OTHER PURPOSES

### **S. 3878**

RELATING TO MANPOWER REQUIREMENTS, RESOURCES, DEVEL-  
OPMENT, UTILIZATION, AND EVALUATION, AND FOR OTHER  
PURPOSES

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WASHINGTON, D.C. — MARCH 10, 25, 26, AND APRIL 1, 1970  
SAN FRANCISCO, CALIF. — APRIL 17, 1970  
OAKLAND, CALIF. — APRIL 18, 1970

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### **PART 3**

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

U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1970

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**STATEMENT OF HON. SHIRLEY CHISHOLM, A U.S. REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK**

Mrs. CHISHOLM. Thank you very much.

Mr. Chairman, members of the committee, and friends. I appreciate the opportunity of appearing before the subcommittee to support—with all the strength at my command—legislation designed to guarantee Federal funding for opportunities industrialization centers throughout the country.

Mr. Chairman, approximately 25 million Americans are impoverished. Close to 40 percent of the black community fall into this category of desperate citizens who cannot afford the essential of a happy, healthy, full life. I speak to you, therefore, about a problem which is quite close to me physically as well as emotionally.

The sense of poverty that engulfs the individuals, that isolates him from the community of the living, and that deadens his spirit is a feeling not easily comprehended by we who sit in this Chamber. And yet, this unfathomable sense of despair and frustration is compounded to an even greater degree each time the unemployed or unskilled victim of poverty becomes aware that there are decent jobs available, each time welfare mothers discover that there is a training center just across town but travel and babysitter expenses prohibit taking advantage of its service.

In too many cases, Mr. Chairman, an escape from poverty can be facilitated, but the nature of our antipoverty programs make it much more difficult, so close and yet so far.

To illustrate this point, I have compiled a table showing the number of people unemployed in selected States as of November 1969. I have also listed the amount of available jobs on record at the State employment offices at the same time. (I am told that the openings recorded by the employment offices usually represent anywhere from one-quarter to one-third of the total job availabilities.) I hasten to

add that the table is not completely foolproof, obviously there are several hidden variables such as temporary unemployment, openings for menial or unskilled jobs, and so on. Nevertheless, I feel that the table can and does show that in spite of available jobs, many people go without work. One must also introduce the fact that a large group of those who work do so for the minimum wage which—it must be stressed—yields an annual income below the already unrealistic poverty line set by the Federal Government. And all the while, there are higher paying jobs in the offing.

Now, as you no doubt are aware, there are generally two methods for assimilating the unemployed or lowly employed into adequately paying work: Those oriented towards on-the-job experience, and those which stress training. Opportunities industrialization centers, conceived in 1964 out of the awareness that there are jobs available and people to fill them if only they had the skill, are dedicated to the training approach.

It should be pointed out that the Heineman Commission report to the President on income maintenance indicated recently that the training programs are more effective and economical than the work experience alternative. Furthermore, among available training programs, OIC's are far more economical than virtually any other. For while it costs the Government an estimated \$3,600 to train an individual, OIC provides a more complete service at a national average of slightly more than \$1,000 per trainee. In our Brooklyn OIC center the Federal cost per head is running at about \$1,857. This higher cost in part reflects outlays for machinery, renovation of building space, and the like, which are one-time investments.

Mr. Chairman, I will not recount for you the details of the OIC program because I am certain that the committee members have familiarized themselves with the essentials. However, permit me to mention several facets of the OIC approach which I feel must be emphasized.

Too many of our present antipoverty and manpower development programs are condescending in nature. They are initiated and administered, in many cases, by people whose main concern is removing guilt from their consciences rather than really helping those who need it. The result is a thwarting of the identity and a stifling of the enthusiasm of those who participate in the programs.

But, Mr. Chairman, there are exceptions. OIC is an example of those programs which are genuinely concerned with the individual, with developing backbone, channeling drive, creating confidence—each so vitally necessary for “making it” in today's society. OIC graduates have not been mass produced. On the contrary, they have gone through a program which, to the greatest extent possible, attempts to cater its services to the individual needs of each participant. The classroom atmosphere of teacher-student relationships is deemphasized while small, flexible, open discussions characterize the all-important feeder program. OIC's are not manned by patronizing instructors who instill an unnecessary and unhealthy dependence on themselves in their students. Rather, the OIC's are dedicated to the “self-help” philosophy best captured in the motto over the doors of one center: “If you cannot lift yourself by your own bootstraps because you don't have boots, OIC will give you a pair.”

There is a second aspect of the OIC program which must be highly commended, Mr. Chairman. In my trips around the country, I have grown aware of the fact that too frequently our manpower development programs suffer from a lack of coordination. That is, men and women participate in programs and get trained for jobs which are not at all in demand in the city or the location in which the center is located; or, skills necessary for jobs open in a specific area are often not taught. At the same time, people have emerged from "training programs" prepared to do useless, time-wasting tasks.

Gentlemen, we have got to put an end to these types of irrelevant, ineffective programs. Now is the time to stop applying a series of isolated bandages to this sickness known as poverty, and begin to coordinate our treatment of this malaise before it overwhelms us. We must develop and fund programs that make sense, which train area people for area jobs, jobs that will not be obsolete by the time the trainee graduates.

Because of its close working relationship with the local entrepreneurial organizations, the OIC training programs can be geared closely to the needs of business and industry in the area. In fact, each training subject is closely advised and partially directed by competent, dedicated men already established in their field. Graduates are, therefore, in great demand and can be quickly absorbed into the economic life of the community. A member of the Philadelphia OIC remarked in 1966 that "support from the business community has become so great that failure of the OIC would mean almost as great a disillusionment in the business community as in the Negro community."

A few figures, will, I believe, demonstrate the effectiveness of the program and the worthiness of the cause. The centers have graduated 32,700 students in the past 5 years; 27,900 were placed in respectable jobs. The figures for Brooklyn are 3,310 enrolled (Nov. 26, 1967-Dec. 31, 1969) and 1,287 placed in jobs or referred to appropriate training programs. In 1969 alone, OIC centers have graduated 13,100 and 10,900 have already been placed. The current enrollment is almost 10,000; slightly less than one-tenth of these are enrolled in one OIC in my own borough of Brooklyn, where there is a waiting list of close to 5,000. Thus, Mr. Chairman, the demand for the program can be clearly seen.

Yet, another point must also be considered. Here in Washington, those who went through OIC had an average income of about \$1,300 prior to coming to the program. Many were on welfare and few paid taxes. However, the OIC graduates in the District currently have a combined economic power—a combined economic power—approaching \$2.5 million. This trend has been duplicated all over the country. In my own Brooklyn centers the average number of welfare recipients who receive training in day and evening programs is 201 (161 per day, 40 per evening). Additionally, about 39 of the people participating in day training are unemployment insurance recipients who are getting retraining or new training for another job.

The point is that appropriating Federal money for efficient, effective training programs, such as OIC, will not be lost at all. Training will mean fewer and fewer people on welfare rolls and greater and greater numbers contributing to the tax base of our society. As has been pointed out by a chamber of commerce official in Philadelphia: "If

you could double the Negro income in this country in 10 years, you would add a market the size of Canada—our largest foreign customer.”

Up to this point, Mr. Chairman, I have attempted to zero in on several characteristics of the OIC's. It seems to me that the two basic elements of the opportunities industrialization centers—emphasis on self-help and identity building, along with the relevant and effective training for available jobs—mark it as one of the most worthwhile training programs, one which has proven itself despite its short history, and one, therefore, for which Federal funds must be guaranteed.

I would like now, if I may, to concentrate on some crucial problems currently faced by the OIC's which it is imperative that this committee consider before acting—favorably, it is hoped—on the proposed OIC legislation.

Mr. Chairman, I have already stated that graduates of the program in 1969 were 40 percent of the total graduate body since the program began some 5 years ago. Yet in spite of the drastic increase in enrollment, the OIC budget has not come close to keeping pace. In some cases, not only has there been a budget lag, but there has been no increase whatsoever over the last couple of years. What the limited resources mean in human terms is that the formation of additional or supplementary facilities has been prevented. The absence of these centers means that people eager for training but who cannot afford the travel or babysitter expenses have been unable to take advantage of OIC services. It means that the Brooklyn center has a waiting list of 5,000 while I get calls by industries in my area begging me to send them skilled workers. This trend, Mr. Chairman, must be stopped. By inserting OIC services right into the Manpower Training Act, OIC's can hopefully receive more Federal funds than if it were simply “another” program.

This brings me to the second problem. Up to this point, Federal aid to OIC's has come from various agencies and has been haphazard. There is never complete assurance of funding continuing for a full fiscal year. Centers throughout the country have been forced to operate on contingency plans from month to month. Planning for the future is virtually out of the question since there is rarely a long-term commitment to OIC's. They wait for an emergency before spending their meager resources resulting in far greater expenses than had they been able to look ahead and prevent certain inevitable things from materializing.

Moreover, it should be realized that OIC's because of their success, have been stabilizing forces between inner city residents and business and industry. But this stability can no longer be guaranteed if OIC financing is not, itself, made more stable.

There is a further problem in this regard. Whenever the sporadic grants do come through, there is a time lapse before the money arrives. For example, the Brooklyn OIC was awarded a \$1.2 million contract from the Federal Government on June 24, 1967. This type of delay makes an efficient operation of any organization most difficult. Again, this problem can be alleviated if Federal financial assistance to OIC's is explicitly stated in the Manpower Act.

The third problem is one which disturbs me greatly and is one which must be reckoned with. I direct your attention to several phrases in Senator Boggs' bill S. 1362 and his amendments to S. 2838: “Such

services shall include recruitment, counseling, remediation, vocational training, job development, job placement, and other appropriate services." The point is, Mr. Chairman, that the basic thrust of OIC and the prime reason for its success has been its wholeness. OIC is involved in the entire training process—from recruitment in bars and pool halls, through character and aptitude development, to guidance and follow through, and to "adult armchair education." The OIC staff knows and relates to each participant over a period of time and as thoroughly as humanly possible.

Now, it has come to my attention that because of supposed economic necessities, some Government agencies on various levels are attempting to incorporate the corresponding OIC activity into their reach of responsibility. That is, for example, State employment agencies are trying to assume the placement function, schools are trying to take on the job of recruitment, and so on. This diffusion of OIC functions appears to be going on in Oakland, Seattle, and—to some extent—in my own district, to name only a few victims of this encroachment.

In my view, if this is allowed to continue, it would totally destroy OIC as an effective program. Its basis, I repeat, is its integral nature; staff can relate to the individuals, they know them well and can, therefore, suggest individualized plans for their futures. This simply could not be duplicated by several agencies sharing heretofore solely OIC responsibilities. Intra-agency communication is poor; "OIC type" participants and Government bureaucrats would find it difficult to relate to each other; and agencies could not give good advice based on their necessarily skimpy knowledge of the people in these communities involved.

After all, Mr. Chairman, the manpower training programs grew out of just this awareness; that Government agencies were not executing these responsibilities effectively. We cannot afford to risk giving them another chance—by default or otherwise. For the human resources with which we are dealing are far too precious.

It is for this reason that I am extremely critical of the emphasis upon State employment agencies in the Nixon administration's family assistance plan. I repeat, the whole reason manpower programs came into existence in the first place is the State employment agencies were not doing their jobs. It seems ludicrous to me to reward them for their failure just because it fits into someone's philosophical scheme of decentralization. [Applause.]

Mrs. CHISHOLM. It would be fine if it worked, but it doesn't.

Since the inception of the various manpower programs, the State employment agency people have not been goaded into significant improvements.

If you think Federal bureaucrats are difficult, you ought to see them on the State and local level. [Laughter.]

The State employment agencies are limited in their thinking with respect to the real needs of people and many haven't the foggiest notion of what outreach or intensive recruitment is really all about. Their offices are "downtown" not in the ghetto. If one works up the courage to go in to their cold, uninviting offices, he will most likely

be shuffled to one or more people, fill out a series of forms, wait, wait, and wait some more and then finally he will speak to some irrelevant civil service individual who will, with a touch of noblesse oblige, give him a list of instructions and referrals. If he tried to ask questions in Spanish or the nonstandard English which is the lingua franca of the black ghetto, forget it, because he won't be understood. Recruitment, training, and placement should be part of a package and it must be ghetto oriented.

In reference to this whole decentralization theory which is in vogue now, I would like to make another point. At this time in an effort to decentralize the cumbersome Federal machinery and to get the decisionmaking process closer to the people concerned, the Labor Department has given a great deal more authority and responsibility to its regional offices.

I am not criticizing that we don't need to have decentralization, we have to get government back to the people, this is important, but we must not overlook certain regions of our country which run into these difficulties.

Permit me to elaborate.

I think this is good and useful, but there are certain practical problems which must be considered. It means that in the South people who are interested in training programs for blacks must deal with people who are more susceptible to political pressure from State governments and people who themselves have a white southern point of view.

I am not saying anything out of school; that is factual.

This setup inhibits the creation and functioning of black-oriented training programs in the South and aggressive, black-run and black-oriented programs simply won't get funded or refunded. This is already happening. I know because they come to me and the other nine black members for help. They come to us because they feel that the State government, regional office of the Labor Department, and their own representatives are not responsive or sympathetic.

If you are going to have this decentralization and the enhancement of the regional office, there ought to be a review procedure at the Federal level—a last court of appeal, if you will. I am not putting the South down. I think an appeal procedure is necessary for people in all regions in the country, but we must recognize and we do recognize that there are special problems in the South. That is why the phrase "southern strategy" is such a loaded one. [Laughter.]

Another point is that the present administration is placing too much emphasis on the private sector in its manpower programs. For example, the Department of Labor has cut back the out-of-school neighborhood youth corps program three times, the last time by one-third. These out-of-school slots did not go into the inschool neighborhood youth corps program. Instead, the Labor Department has been funneling all these moneys into the JOBS program of the National Alliance for Business. I think business can and should play a bigger role in manpower training, but I also know that businessmen are not going to train the really hard core. They are not going to initiate programs for ex-felons and ex-drug addicts or other people with serious problems.

Right now inflation and tight money have caused layoffs in our big industries. All those guys who were trained in the much celebrated NAB programs in Detroit are being laid off. It is the old rule of last hired, first fired.

It is just plain foolish to put all our eggs in one basket. We need a variety of manpower programs for a variety of needs.

Finally, I would like to point out the very real need for day care facilities to meet the needs of women workers. Day care facilities are necessary not only during the training program but later when the woman has found a job.

In the Brooklyn OIC program the majority of the enrollees are women. The breakdown is: 1,405 men and 1,905 women. The directors of OIC report that the highest rate of dropouts and absenteeism is due to the lack of child care facilities. If the babysitter doesn't show up or Tommy gets sick and has to go to the clinic, mommie has to take him.

We have 32 million working women and many more who want to work. We have 5 million preschool children but only 641,000 day care spaces available. Many women, approximately 3 million, are rearing their children in fatherless homes. Among blacks, 24 percent of the families are headed by women. These women need jobs and in order to work they need adequate day care facilities.

As Elizabeth Koontz, of the Women's Bureau, has pointed out the lack of day care facilities has been the chief drawback in the implementation of the WIN day care program. It is not enough to provide stipends for day care. The stipend is no good if there are no day care centers. It is like giving someone grocery money where there is no grocery store. We need to spend money, big money, on facilities and teacher training for day care if we want our training and employment program to work.

In conclusion, this is the situation as I view it, gentlemen. Permit me to summarize my sentiments with this final observation: Opportunities industrialization centers were started in a jail house late in 1964 and have developed, within 5 years, into a many-faceted program which seeks to assist those whose lives have been marred by discrimination and poverty. It effectively enables its participants to rise above the squalor of the slums and to assure a control over their destiny.

An OIC graduate once remarked that "It's like a year of storms and then all of a sudden the sun starts shining." Former President Johnson described OIC as composed of a "spirit that wants to say 'yes' to life itself, that wants to affirm the dignity of man, whatever his origin, whatever his race, whatever his religion."

Mr. Chairman, and members of this subcommittee, we cannot say "no" to this spirit; we cannot and must not let it die. Opportunities industrialization centers have proven themselves. They deserve our wholehearted support.

I thank you. [Applause and standing ovation.]  
(The document referred to follows:)

**RELATIONSHIP BETWEEN LABOR FORCE AND LABOR MARKET  
IN SELECTED STATES + #**

<u>STATE</u>	<u>NUMBER OF JOB VACANCIES*</u>	<u>NUMBER OF UNEMPLOYED</u>
California	22,059	372,000
Colorado	2,210	31,100
Illinois	21,432	156,000
Iowa	3,534	29,800
Massachusetts	12,659	101,800
Missouri	7,945	62,300
Minnesota	8,507	49,300
New Jersey	17,586	122,500
New York	35,959	310,000
Ohio	17,598	158,800
Oklahoma	1,193	36,300
Pennsylvania	17,592	142,000
Rhode Island	3,293	13,800
Texas	14,903	135,000
Vermont	1,589	5,400
West Virginia	929	31,400
Wisconsin	8,919	71,300

\* On record at the State Employment Offices

# Data as of November, 1969

+ Source: United States Department of Labor