to use stronger measures to enforce non-discriminatory
employment practices within firms unwilling to adopt the
lessons of war-time integration, has had several
disadvantageous effects. The lack of sufficient employ-
ment opportunities for Negroes resulted in lower tax
revenues and less national output, while more people
became welfare recipients and their children received
inadequate education and skill-training. Moreover, as
long as discrimination was practiced within its own
borders, the US was not in a position to lead the free
world's call for basic civil rights for all persons.5)

Pressure for more positive measures to outlaw discrim-
ination in employment built up from various sources
during the 1950's and early 1960's, and in 1964, Congress
passed the Civil Rights Act. Title VII of this Act is
the cornerstone of fair employment practices in the US.
It established the Fair Employment Opportunities
Commission with similar powers to those of previous
commissions, but potentially more effective because it is
a Federal body. Moreover, the removal of discrimination
is now part of the duties of the US Department of Labor,
which is accountable to the Secretary for Labor, and both
base their policy deliberations on an excellent body of
detailed employment data covering all employers and
employees in the country. Title VII covers all aspects
of discrimination in employment, including hiring,
training, promotion, union membership, discharge and
compensation. It outlaws segregated working conditions,
the classification of employees and applicants by race,
advertisements with racial biases, and allows for
reprisals against those who do not enforce the terms of
the Act. All employers and employment agencies with
more than 25 employees, and unions with more than 25
members, are subject to the Act.

One of the important and immediate objections to the Act
was that the '25 employees' floor, limited its effectiv-
ness. In 1964, the Assistant Attorney General of the US,

5) Ibid; p. 61
pointed out that only 8 per cent of the 3.3 million employers employ more than 25 people, or, in other words, 92 per cent of employers employ 60 per cent of all employed persons. 6) Hence, large numbers of employers would not have to conform with the law, and more than half of all employees would not have recourse to the law. This was considered a vital loophole in the Act, since the smaller firms, in toto, could have provided numerous openings for Negro workers at various occupational levels. This lack of coverage was at least partly overcome by Title VI of the Civil Rights Act. The opening section of this Title reads, "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance." 7) Numerous economic activities receive Federal financial assistance, either directly, or through State governments. The supported activities include not only the construction of roads, hospitals, schools and airports, and urban renewal schemes, but also, and perhaps of more importance from the point of view of Negro employment, loans to small businessmen, and work-training programmes designed to "provide useful work experience opportunities for unemployed" youths. 8) With these provisions, the Civil Rights Act laid firm legal foundations for removing discriminatory employment practices. Until the 1970's, its full potential was mainly limited by the unwillingness of Federal and State Equal Employment Opportunities Commissions to make use of the enforcement powers available. Although it is agreed that 'one volunteer is worth ten pressed mer', there is a strong case for arguing that time is now an important factor. Where discrimination still exists, fourteen

6) Ibid: p.65
7) Ibid: p.99
8) Ibid: p.100
years after the Act was passed, a rapidly sought Court
decision with appropriate penalties, has been found more
effective than protracted and only half-effectual
conciliation attempts, both in its immediate objective,
and in terms of a warning to still recalcitrant employers.

In order to ensure that government agencies did not allow
discriminatory measures, all US presidents, since
President John F Kennedy in 1961, have issued Executive
Orders covering government contractors and sub-contractors.
These Orders are supplementary to the provisions of the
Civil Rights Act and, in essence, state that contractors
must not only refrain from discriminatory practices, but
must actively pursue non-discriminatory procedures in
hiring, employment and treatment of workers. A wide
range of penalties and sanctions is available to the
Secretary for Labor, but it has been found that, in most
cases, the threat of losing government contracts is
sufficient to make employers adopt the proposed rules.

In addition to the above measures, the Presidential
Office also started a 'Plans for Progress' scheme, to
encourage large companies to draw up their own equal
employment opportunities programmes. By August 1965,
268 corporations, employing more than 8 million people,
had adopted such Plans, and over a two year period, 41 000
new jobs had been created for Negroes, and 301 000 for
Whites.

In most of these 'Plans for Progress', the emphasis is
on training and education, and the preferential recruit-
ment of minority group applicants for employment, training
and promotion. Although originally, there was a
Presidential Advisory Council, the scheme is now financed
and directed by the companies themselves, with the advice
and assistance of the Secretary for Labor, where necessary.

9) Cf. the 'Sullivan Manifesto' and its effects on US
companies operating in South Africa. See Chapter 3,
Section 3.2.2, p.192 ff, below.

Since trade unions had the power to hinder, or even prevent, the successful implementation of non-discriminatory policies, two further Acts were passed in 1964. These were the National Labor Relations Act and the Railway Labor Act. The latter covers union practices in the railroad and airline sector, while the former applies to all other sectors of the economy. In terms of both Acts, a union chosen by a majority of workers has sole collective bargaining rights for all workers, but must "represent non-union and minority union members ... without hostile discrimination, fairly, impartially, and in good faith." Moreover, the National Labor Relations Act states that "collective bargaining agreements which discriminate invidiously are not lawful under the Act ... and both unions and employers are enjoined by the Act from entering into them." Although the Acts do not prevent discrimination in union membership explicitly, the Courts have since interpreted them in such a way as to make this illegal too.

For many years, Negroes have found admission to apprenticeship training the hardest barrier to break down. This "gateway is often closed to Negroes, sometimes by racial prejudice, more often by nepotism and cronyism." In spite of the expected future demand for trained craftsmen, few Negroes are accepted as apprentices, even today in the late 1970's. Proving discrimination in apprenticeship recruitment procedures is difficult and expensive, even though it is illegal in terms of both Titles VI and VII of the Civil Rights Act, and the National Labor Relations Act. Most cases are handled by one of the civil rights organisations, such as the National Association for the Advancement of Colored People.

Thus, by the end of the 1960's, Acts had been passed which outlawed racial discrimination in almost every

11) Ibid; p.145
12) Ibid; p.148
13) Ibid; p.177
aspect of employment. Moreover, the Courts had generally interpreted the Acts according to the spirit, as well as the letter, of the law. Nevertheless, even today, employers and unions can be found who practise discriminatory procedures by subtle and indirect means. To combat remaining spheres of discrimination, and to prevent a repetition of the racial riots of 1967, the National Association of Businessmen, with the support of the Federal government, started Affirmative Action (AA) programmes in the US, in 1967. The general objectives of AA are to actually dismantle all forms of job discrimination, and to provide genuinely equal employment opportunities for all. Specifically, AA aims to remove non-legal barriers to equal opportunities, identify persons unfairly excluded, and to take appropriate action to enable them to compete for jobs on an equal basis.¹⁴)

Some of the surviving forms of discrimination, which have the effect of maintaining the barriers against free upward mobility of Negroes, and which AA programmes are pledged to remove, are:

a) excessively long apprenticeship periods which limit the admission of impoverished Negroes whose parents cannot provide financial assistance;
b) age requirements which bar older Negroes from certain trades where outright discrimination had barred them in the past;
c) unduly difficult examinations or excessively high standards of education demanded for admission to jobs and apprenticeship;
d) the seniority system - on a departmental, plant or company-wide basis - which excludes Negroes from higher paid jobs or makes them the first to be laid off on the basis of seniority which they could not achieve because of earlier discrimination.¹⁵)

¹⁴) Press statement by William B Gould, Professor of Law at Stanford University, Rand Daily Mail, 19 August 1977
¹⁵) Ibid
The civil rights movement has, in general, been successful in considerably reducing the amount of discrimination practised in the employment field. The benefits have accrued mostly to the Negro population, but it has also had spillover effects on female workers and young people seeking work for the first time. The occupational changes resulting from the movement will be discussed in section 2.2.4.2, below. However, before the results are assessed, it is necessary to look at the welfare measures and special training programmes also adopted in the post-War years.

2.2.3 US Welfare Measures

Traditionally, US social security measures have been designed to encourage self-reliance. Unemployment insurance, retirement pensions, and workmen’s compensation schemes are funded jointly by employees, employers and the State and Federal governments, and benefits are payable to employees according to their contribution records. While these schemes help those who are, or have been, employed, it was recognised that some people were not part of the labour force because of age, disability, family responsibilities, and especially, perpetual unemployment. Moreover, during the depression years of the 1930’s, many people were genuinely unable to provide for themselves and their families, because of the lack of work opportunities. In order to provide relief for these groups, the Federal government departed from the self-reliance principle by enacting the Social Security Act of 1935. The Act specified various public assistance programmes, which would be funded equally by State and Federal governments, but administered at local level. The programmes include: Old Age Assistance, Aid to the Blind, Aid to Families with Dependant Children, Aid to the Permanently and Totally Disabled, and General Assistance. The last mentioned is financed by State and local governments only as an emergency measure. In addition to these assistance programmes, help in meeting medical costs is also available for persons who are not members of private medical aid.
schemes. Medicare is the Federal programme for aged people, while Medicaid covers the needy, and both are normally available to all persons who are welfare recipients. In all cases, public assistance is provided “only to people who can prove they do not have enough income to meet their subsistence needs.” In other words, potential recipients are subject to a means test.

In 1936, the AFDC programme (i.e. Aid to Families with Dependant Children, which is usually used as the generic name for all public assistance schemes) served approximately 0.5 million people and 2 per cent of children under 18 years of age. It was expected that as the economy moved out of the depression of the 1930's, the need for this type of welfare relief would fall rapidly. In fact, it grew considerably. By 1968, AFDC served 5.5 million persons, of whom 5.5 per cent were children under 18, more than half of whom were Negroes. In the same year, social welfare expenditure on public programmes accounted for more than 13 per cent of gross national product; and 13 per cent of the population and 10 per cent of families were officially classified as 'poor', of whom approximately 67 per cent were White.

Poverty, and difficulties in obtaining employment at a reasonable wage, are increasingly large-scale problems facing the US welfare agencies, especially in the large cities, where AFDC growth has been concentrated. However, during the 1960's, the emphasis of AFDC programmes changed from one of straightforward relief, to income maintenance


18) Ibid

and rehabilitation of manpower. When the Public Welfare Amendments were introduced in 1962, President Kennedy issued a statement stressing that welfare programmes should provide "services instead of support, rehabilitation instead of relief, and training for useful work instead of prolonged dependency." The Amendments included the introduction of Community Work and Training Programs which, essentially, were work-relief programmes for welfare recipients, organised locally, to provide useful work and training experience. They were not particularly successful, mainly because administrators lacked the necessary knowledge and experience to make them worthwhile projects. However, they laid the groundwork for the later Work Experience and Training Programs offered in some States. These schemes were designed to increase the employability of welfare recipients by providing them with meaningful work, vocational training and other rehabilitative services. Unfortunately, they had a high drop-out rate (about 75 per cent of those who started, did not finish the courses), but again, they provided administrative experience for those people concerned in running the schemes.

Further Public Assistance Amendments were made in 1967, with, again, particular emphasis on encouraging welfare recipients to work. Firstly, increased financial incentives were made available to encourage people to enter the labour market. Previously, for every dollar earned above a certain minimum, an exactly proportionate amount was deducted from the welfare benefit payable. Since 1967, the first 30 dollars of annual earned income has not been taxed at all, in terms of deductions from welfare payments, while a further proportion of earned income reduces payments only by one-third. Hausman points out that while this change in the welfare tax rate did encourage work effort, it also raised the break-even income level, i.e. the amount of income which must be

21) Ibid; p.137
earned before all welfare assistance is stopped. For example, in 1968, an AFDC mother receiving $2500 per annum in assistance payments had to earn $110 per annum before being removed from the welfare rolls.\(^{22}\)

Secondly, while assistance payments are the responsibility of the Department of Health, Education and Welfare, the 1967 Amendments removed the rehabilitation, training and employment roles from this department, and placed them with the Department of Labor, which had the advantage of making all manpower activities the responsibility of one single department. The change was particularly relevant, as the Work Incentive Scheme was also introduced at this time. The latter programme requires that social workers and welfare agencies must refer all welfare recipients to the local Department of Labor agency, unless they are children under 16, or ill, disabled, or caring for the ill or disabled. In theory, therefore, it includes mothers of young children, although in practice, labour market constraints and the attitudes of social workers, prevents them being so assigned unless they request it.

The Work Incentive Scheme provides for three different routes to employment. Those who are ready for immediate entry into the labour market, either in a specific job or for on-the-job training, are placed with firms who "provide opportunity for upward mobility."\(^{23}\) For those who are not ready for placement, the Department of Labor agency provides basic or remedial education and vocational training, then places them in some further training programme, such as that provided under the Manpower Development and Training Act. The third route is open to people who, for various reasons, are not suitable for either a job in the open market or training. Such people are assigned to Special Work Projects, run by public and private non-profit-making organisations, offering posts to unskilled workers. They are paid a wage which is

\(^{22}\) Ibid; pp.144-145  
\(^{23}\) Ibid; p.147
refunded to the organisation concerned by the welfare agencies, and which should form a substantial proportion of the previous assistance payments, so that work participation becomes financially rewarding to the 'employees'.

There are conflicting opinions as to the effectiveness of the Work Incentive Schemes. The Department of Labor wishes to remove people from welfare rolls, and place them in self-supporting roles in the open labour market. On the other hand, the Department of Health, Education and Welfare points out that while Work Incentive Schemes can enhance the employability of recipients, the schemes will probably remain a form of subsidized employment for the foreseeable future, since the people involved start with low productive powers, and an insufficient amount of resources is currently being invested in their rehabilitation. This latter view is supported by Hausman, who comments that employment at a wage greater than assistance payments is unlikely, since "AFDC family heads are poorly educated, generally unskilled, often have police records and physical handicaps, and the mothers are frequently handicapped by the presence of young children."[24] Two other commentators, Chamberlain and Cullen, partly endorse this pessimistic view of the welfare programmes. They point out that the major sources of poverty are the remaining instances of discrimination and structural unemployment, which mainly stem from being Negro, having a poor education, living in a depressed area, lacking work commitment, or being otherwise 'disadvantaged'.[25]

Assistance payments alone are unlikely to remove the causes of poverty, but they result in certain benefits which, although they cannot be quantified, should not be ignored either. As Chamberlain and Cullen point out, "public welfare programs can also increase private wealth in many ways: a healthy and well-trained worker is more productive than the worker who cannot afford proper medical care..."

24) Ibid; p.154
25) Chamberlain and Cullen, On.Cit; p.562
or education; maintaining income for the unemployed props up purchasing power during recessions and promotes mobility during good times; reducing poverty reduces the cost of crime and other by-products of poverty.\(^26\)

While accepting that welfare payments will always be necessary in certain circumstances, the US government has adopted a variety of schemes which aim to remove, or at least reduce, poverty through regular employment. Almost all of the anti-poverty measures are intended to provide education and training for welfare recipients, so that they can, ultimately, obtain reasonably well-paid jobs on the open market. These training and job-creation programmes will now be considered in detail.

2.2.4 Training and Job-Creation Programmes

Prior to 1960, the US government attempted to combat unemployment and poverty in two main ways. Firstly, unemployment insurance schemes enabled unemployed workers to maintain a reasonable level of income. Secondly, the government created more employment opportunities, using fiscal and monetary measures to stimulate the growth of the economy in general. However, the late 1950's saw the beginning of a rise in the number of new entrants to the labour force, resulting from the post-War 'baby boom'. The proportion of 16 to 19 year olds who were unemployed, rose to more than twice the unemployment rate for the labour force as a whole; and even the years of strong economic growth of the late 1960's had no effect on this relationship.

As has already been explained, the civil rights movement and equal employment opportunities measures, recognised the need for training amongst disadvantaged groups in general, favouring the young, the poor and Negroes in particular. Welfare measures aimed at reducing poverty, now emphasise employment as the best means of dealing with the problem. High unemployment rates throughout the

\(^{26}\) Ibid; pp.494-495
labour force, and excessive rates for young people and Negroes, added further impetus to the move towards providing more and better training facilities, and creating more job openings.

We have seen that the 1960's saw a general adoption, in both the public and private sectors, of an active manpower policy. Originally, it was aimed at increasing the employability of those most prone to unemployment. More recently, arising from the inflationary and recessionary problems of the present decade, it is believed that an active manpower policy can help reduce inflationary pressures at full employment, by improving the ability of the labour force to react quickly to shifts in demand.\(^27\)

Thus, by the beginning of the 1970's, US manpower policy had adopted three goals, namely (1) to develop workers' abilities, (2) to create jobs which would make the most of those abilities, and (3) to match workers and jobs.\(^28\)

In order to develop workers' abilities, and particularly those of Negroes and young new entrants to the labour market, a wide variety of training schemes is now available. These range from providing remedial help and literacy lessons, to training for semi-professional posts. By 1970, there were 17 separate schemes in operation, each of which has different eligibility criteria, provides different services, and makes varying money allowances available to trainees. Table II shows these details for each programme, and also provides a glossary of the abbreviated initials by which each is commonly known.

\(^{27}\) Ibid; p.532

\(^{28}\) Ibid; p.533
Table II: Characteristics of Federally Supported Manpower Programmes

<table>
<thead>
<tr>
<th>Programme</th>
<th>Services Provided</th>
<th>Eligibility Criteria</th>
<th>Worker Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDEA Manpower Development &amp; Training Act</td>
<td>Remedial &amp; skill training &amp; basic education, provided in public schools or skill centres &amp; in private schools.</td>
<td>Mostly unemployed workers, but some up-grading of the employed.</td>
<td>For youths $20 per week, for adults $10 above average weekly unemployment benefits in each state, plus $5 for each of up to 4 dependants.</td>
</tr>
<tr>
<td>a. Institutional training</td>
<td>Subsidies to employers to cover training costs.</td>
<td>Same as for Institutional Training</td>
<td>None (worker receives wage from employer).</td>
</tr>
<tr>
<td>b. NDEA-OJT On-the-Job training</td>
<td>Work experience plus some counselling &amp; education.</td>
<td>14 to 21 years of age, family income below poverty level.</td>
<td>For those in school $1.25 per hour for maximum of 15 hours per week. For those out of schools $1.25 to $1.60 an hour for maximum of 32 hours per week.</td>
</tr>
<tr>
<td>NYC Neighbourhood Youth Corps</td>
<td>Skill training, conservation work, &amp; basic education.</td>
<td>School dropouts up to 21 years, family income below poverty level.</td>
<td>$30 to $50 per month plus $50 a month adjustment allowance, half of which can be</td>
</tr>
</tbody>
</table>

106.
<table>
<thead>
<tr>
<th>Programme</th>
<th>Services Provided</th>
<th>Eligibility Criteria</th>
<th>Worker allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOB CORPS (cont.)</td>
<td>Trainees live away from home in rural conservation or urban residential centres.</td>
<td></td>
<td>allotted for family support with matching by Job Corps.</td>
</tr>
<tr>
<td>JOBS</td>
<td>Subsidies to employers to cover training &amp; supportive services (counselling, remedial education, health services, etc.)</td>
<td>The hard-core unemployed in the 50 largest urban areas.</td>
<td>None (worker receives wage from employer)</td>
</tr>
<tr>
<td>NEW CAREERS</td>
<td>Training for sub-professional jobs in public and private non-profit agencies (schools, hospitals, etc.)</td>
<td>Disadvantaged adults.</td>
<td>Employment at minimum wage.</td>
</tr>
<tr>
<td>OPERATION MAINSTREAM</td>
<td>Work experience in community beautification and improvement activities, plus some training and supportive services</td>
<td>Disadvantaged adults, primarily in small towns and rural areas.</td>
<td>Employment at minimum federal or prevailing local wage.</td>
</tr>
<tr>
<td>SPECIAL IMPACT</td>
<td>Inducements to private business to generate new jobs in specific slum areas (such as Bedford, Stuyvesant, New York City), Subsidies to cover training and supportive services</td>
<td>None specified, but slum residents are intended beneficiaries.</td>
<td>None specified.</td>
</tr>
<tr>
<td>Programme</td>
<td>Services Provided</td>
<td>Eligibility Criteria</td>
<td>Worker allowances</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>WIN Work Incentive Program</td>
<td>Work experience, skill training, basic education, and supportive services (including day-care services for children of working mothers)</td>
<td>All employable persons 16 years of age and over in families receiving Aid to Families with Dependent Children.</td>
<td>$30 per month added to welfare benefits as a training incentive.</td>
</tr>
<tr>
<td>ADULT BASIC EDUCATION</td>
<td>Rudimentary education</td>
<td>Persons over 16 years of age with educational accomplishment below the level of eighth grade</td>
<td>None (but classes are free of charge)</td>
</tr>
<tr>
<td>CAP Manpower activities of the Community Action Program</td>
<td>Any service enhancing employment and employability of the poor</td>
<td>Income below poverty level</td>
<td>Determined by specific project.</td>
</tr>
<tr>
<td>CEP Concentrated Employment Program</td>
<td>Designed to combine other programs into a comprehensive system of all manpower services - direct placement, training, education, and supportive services - and to concentrate the impact of these programs on specific urban and rural poverty areas</td>
<td>Disadvantaged workers unemployed in the areas designated</td>
<td>Determined by specific program.</td>
</tr>
<tr>
<td>Programme</td>
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<tr>
<td>--------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
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<td>-----------------------------------------------</td>
</tr>
<tr>
<td>USES United States Employment Service</td>
<td>Recruitment, counseling, testing, placement, employer services, and limited labor-market research</td>
<td>All workers, but primarily those unemployed</td>
<td>None.</td>
</tr>
<tr>
<td>VOCATIONAL EDUCATION</td>
<td>Formal job training and prevocational training in the public schools</td>
<td>State-determined; primarily full-time students but also part-time training of employed adults</td>
<td>For a small number of poor youths, $45 per month not to exceed $350 per year.</td>
</tr>
<tr>
<td>VOCATIONAL REHABILITATION</td>
<td>Medical and psychiatric assistance, prosthetic devices, skill training, education, and other services needed to enhance employability</td>
<td>Physically, mentally, or &quot;socially&quot; handicapped</td>
<td>In a few special projects, $25 per week plus $10 for each of up to four dependents.</td>
</tr>
</tbody>
</table>

The total number of enrollees in all the programmes has increased steadily each year since their inception, and in 1972, 1.6 million people were either employed or being trained under one or other of the schemes. Some 55 per cent were enrolled in NYC, 15 per cent in MDTA, 12 per cent in PEP, and nearly 10 per cent in WIN. It is evident from these figures, and from the eligibility criteria for these four major schemes, that the greatest need is for more basic education, combined with work experience within a supportive environment. This indicates that the programmes are reaching the main target groups, i.e. the young, the poor, and the hard-core unemployed.

Table 12 shows the number of enrollees in ten of the schemes, the cost to the Federal government, and the cost per trainee, in 1972.

Table 12 : Enrollment and Federal Obligations for Work and Training Programs administered by the Department of Labor, and Federal Obligations per Enrollee, 1972.

<table>
<thead>
<tr>
<th>Program</th>
<th>Number Enrolled</th>
<th>Federal Obligation</th>
<th>Cost per Trainee</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Thousands</td>
<td>$ millions</td>
<td>dollars</td>
</tr>
<tr>
<td>MDTA : Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Institutional training</td>
<td>138,7</td>
<td>(8,9)</td>
<td>90,5</td>
</tr>
<tr>
<td>b. OJT, JOP and Construction Outreach</td>
<td>90,5</td>
<td>(5,8)</td>
<td>69</td>
</tr>
<tr>
<td>NYC</td>
<td>863,0</td>
<td>55,3</td>
<td>517</td>
</tr>
<tr>
<td>Operation Mainstream and New Careers</td>
<td>22,3</td>
<td>1,4</td>
<td>85</td>
</tr>
<tr>
<td>Public Service Careers</td>
<td>21,0</td>
<td>1,3</td>
<td>58</td>
</tr>
<tr>
<td>CEP</td>
<td>(a)</td>
<td>-</td>
<td>155</td>
</tr>
<tr>
<td>JOBS</td>
<td>60,6</td>
<td>3,9</td>
<td>118</td>
</tr>
<tr>
<td>WIN</td>
<td>149,5</td>
<td>9,6</td>
<td>175</td>
</tr>
<tr>
<td>Job Corps</td>
<td>24,0</td>
<td>1,5</td>
<td>202</td>
</tr>
<tr>
<td>PEP</td>
<td>192,7</td>
<td>12,3</td>
<td>962</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1562,3</strong></td>
<td><strong>100,0</strong></td>
<td><strong>2697</strong></td>
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(a) Numbers included in other programmes.
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<tr>
<td>MDTA : Total</td>
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<td>14.7</td>
<td>425</td>
</tr>
<tr>
<td>a. Institutional training</td>
<td>138.7</td>
<td>(8.9)</td>
<td>356</td>
</tr>
<tr>
<td>b. OJT, JOP and Construction Outreach</td>
<td>90.5</td>
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<td>(a)</td>
<td></td>
<td>155</td>
</tr>
<tr>
<td>JOBS</td>
<td>60.6</td>
<td>3.9</td>
<td>118</td>
</tr>
<tr>
<td>WIN</td>
<td>149.5</td>
<td>9.6</td>
<td>175</td>
</tr>
<tr>
<td>Job Corps</td>
<td>24.0</td>
<td>1.5</td>
<td>202</td>
</tr>
<tr>
<td>PEP</td>
<td>192.7</td>
<td>12.3</td>
<td>962</td>
</tr>
<tr>
<td>Total</td>
<td>1562.3</td>
<td>100.0</td>
<td>2697</td>
</tr>
</tbody>
</table>

(a) Numbers included in other programmes.
It should be noted that in practice, the total cost is higher than shown, since State and local governments also contribute towards the costs, as does the private sector, particularly with MDTA-OJT, JOSS and JOF.

Cost data vary greatly. The four programmes which account for 92 per cent of enrollees (NYC, MDTA, PEP and WIN), make up 77 per cent of the cost to the Federal government. However, costs are not proportional. Thus, PEP accounts for 36 per cent of the Federal government's financial obligation for the 10 schemes listed, but only 12 per cent of enrollees. On the other hand, NYC has 55 per cent of enrollees, but accounts for only 19 per cent of the total costs shown. Moreover, the per capita costs also vary widely. Of the two programmes designed for poor youths, namely NYC and Job Corps, the latter costs 14 times as much as the former. This is mainly due to the additional expense incurred in living away from home, the extra allowances available for family support, and the costs of training, as opposed to gaining work experience in the local environment through a NYC project. The above-average per capita costs of PEP, Operation Mainstream, New Careers Program, and Public Service Careers are mainly due to enrollees being paid an allowance equal to the Federal minimum wage, plus the fact that higher costs are incurred when training is provided for more skilled work.

When the enrollees are divided into groups according to common personal characteristics, some interesting trends emerge. Table 13 shows the proportion of trainees enrolled in each programme, in 1972, according to selected characteristics.
it should be noted that in practise, the total cost is higher than shown, since State and local governments also contribute towards the costs, as does the private sector, particularly with MDTA-OJT, JOBS and JOP.

Cost data vary greatly. The four programmes which account for 92 per cent of enrollees (NYC, MDTA, PEP and WIN), make up 77 per cent of the cost to the Federal government. However, costs are not proportionate. Thus, PEP accounts for 36 per cent of the Federal government's financial obligation for the 10 schemes listed, but only 12 per cent of enrollees. On the other hand, NYC has 55 per cent of enrollees, but accounts for only 19 per cent of the total costs shown. Moreover, the per capita costs also vary widely. Of the two programmes designed for poor youths, namely NYC and Job Corps, the latter costs 14 times as much as the former. This is mainly due to the additional expense incurred in living away from home, the extra allowances available for family support, and the costs of training, as opposed to gaining work experience in the local environment through a NYC project. The above-average per capita costs of PEP, Operation Mainstream, New Careers Program, and Public Service Careers are mainly due to enrollees being paid an allowance equal to the Federal minimum wage, plus the fact that higher costs are incurred when training is provided for more skilled work.

When the enrollees are divided into groups according to common personal characteristics, some interesting trends emerge. Table 13 shows the proportion of trainees enrolled in each programme, in 1972, according to selected characteristics.
Table 13: Trainees Enrolled in Work and Training Programs Administered by the Department of Labor, by Selected Characteristics, in 1972. (Percentages)

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>MDTA</th>
<th>NYC</th>
<th>Operation Mainstream</th>
<th>CEP</th>
<th>JOBS</th>
<th>WIN</th>
<th>Job Corps</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>In</td>
<td>Out of</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>School</td>
<td>School</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>63</td>
<td>27</td>
<td>60</td>
<td>52</td>
<td>33</td>
<td>71</td>
<td>54</td>
<td>66</td>
</tr>
<tr>
<td>Negroes and other races</td>
<td>39</td>
<td>78</td>
<td>57</td>
<td>50</td>
<td>69</td>
<td>59</td>
<td>69</td>
<td>74</td>
</tr>
<tr>
<td>Age: under 22</td>
<td>38</td>
<td>32</td>
<td>105</td>
<td>94</td>
<td>4</td>
<td>45</td>
<td>43</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>54</td>
<td>9</td>
<td>-</td>
<td>3</td>
<td>52</td>
<td>59</td>
<td>52</td>
<td>67</td>
</tr>
<tr>
<td>22 to 44</td>
<td></td>
<td></td>
<td>100</td>
<td>94</td>
<td>4</td>
<td>45</td>
<td>43</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>54</td>
<td>9</td>
<td>-</td>
<td>3</td>
<td>52</td>
<td>59</td>
<td>52</td>
<td>67</td>
</tr>
<tr>
<td>45 &amp; over</td>
<td>8</td>
<td>9</td>
<td>-</td>
<td>3</td>
<td>44</td>
<td>59</td>
<td>5</td>
<td>54</td>
</tr>
<tr>
<td>Education:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>less than Grade 9</td>
<td>10</td>
<td>12</td>
<td>19</td>
<td>25</td>
<td>42</td>
<td>16</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Grade 9</td>
<td>32</td>
<td>30</td>
<td>77</td>
<td>72</td>
<td>29</td>
<td>42</td>
<td>40</td>
<td>41</td>
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<tr>
<td>to 11:</td>
<td></td>
<td></td>
<td>100</td>
<td>94</td>
<td>4</td>
<td>45</td>
<td>43</td>
<td>26</td>
</tr>
<tr>
<td>Grade 12</td>
<td>58</td>
<td>58</td>
<td>4</td>
<td>3</td>
<td>29</td>
<td>42</td>
<td>43</td>
<td>42</td>
</tr>
<tr>
<td>and over:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* JOP-OJT includes JOBS-Optional Program which started in 1971, MDTA-OJT which ended in 1970 except for national contracts, and Apprenticeship Outreach.


WIN is the only programme in which males do not predominate. The relatively high proportion of females is probably due to the fact that the scheme is aimed at AFDC family heads, many of whom are divorced, deserted or widowed mothers.

CEP is the most attractive programme to Negroes, presumably because of its comprehensiveness, and the fact that Negroes form a large proportion of the target group 'unemployed and disadvantaged' workers. Unemployment rates amongst young people, and especially Negroes, are exceedingly high, which would account for the high proportion of Negroes and all people under 22 years of age in Job Corps and NYC. Amongst people in the age group 22 to 44 years, there appears to be a slight preference for WIN and PEP schemes. WIN would be popular with AFDC recipients, while PEP offers better prospects for regular employment and upward mobility, which would
be attractive to the more experienced members of the labour force.

There appears to be a clear preference amongst people over 22 years of age for Operation Mainstream and, indeed, the target group for this programme is disadvantaged adults. Moreover the attractiveness of either Operation Mainstream or Job Corps amongst those with an educational level of less than Grade 9, probably reflects two tendencies. In earlier years, few Negroes had the opportunity to stay on at school, hence the older working-age negro would find Operation Mainstream a suitable programme. On the other hand, poverty amongst Negroes today, also means the younger age group have left school early, hence their preference for Job Corps.

Since NYC and Job Corps are popular amongst those with an educational level of between Grades 9 and 11, this might indicate that school leavers are aware of the training and employment opportunities available to them under these schemes, and prefer to try these routes to the labour market as an alternative to going straight into a job with limited prospects.

It would appear from the data, that the better educated enrollees are mostly over 21, and possibly better informed about the various work and training schemes available. They are well represented in all of the programmes aimed at adults, although are most attracted to EP, again, presumably because it offers good prospects.

It is apparent from the foregoing, that a wide range of programmes is necessary to meet the special needs of particular groups, and that in general, each one does cater well for its target group.

However, both potential trainees and officials involved, have objected to the multiplicity of programmes, on the grounds that it is difficult to ascertain exactly which is the most suitable for a particular candidate. As a result, the United States Employment Service (USES) has been given a much wider range of responsibilities than just matching work-seekers with vacant posts. Its
responsibilities include:

1) reaching the unemployed and disadvantaged workers;
2) identifying their needs;
3) referring them to training projects and other services which will increase their employability;
4) locating job openings for which they are suited; and
5) providing continual counselling on the job to help them adjust to their new environments.

In addition, local offices have been established in, or near, slum areas; new services are offered to residents in rural areas; and new and expanded services are available to disadvantaged youths, older workers, veterans, and other special groups. Moreover, CEP was established to provide a similarly comprehensive range of services, and to concentrate its efforts in specific areas.

A great deal has, therefore, been done to meet the first goal of the active manpower policy, i.e. to develop workers' ability. The second goal, i.e. to create jobs to make the most of the acquired abilities, has proved more difficult, especially during the recession years of the 1970's. However, a number of public works programmes have been initiated which, apart from creating jobs, also aim to redevelop depressed areas or improve conditions in urban slums. The Area Redevelopment Act, the Public Works Act, the Economic Development Act, and the Appalachian Regional Development Act have all been based on the experiences of the Tennessee Valley Authority Scheme initiated in 1932. They aim to bring jobs to the workers, in recognition of the mobility problem, and to stimulate the growth of jobs in depressed areas. To encourage private industry to move to such areas, Federal funds are available to the communities for loans and grants to businessmen, and to provide roads, water, sewerage and educational facilities. Technical assistance is also available to the Model Cities Program.

29) Chamberlain and Cullen, Op.Cit; p.538
initiated in 1966. These latter schemes are aimed at city ghettos, with the object of not only creating jobs, but also of removing slum conditions through building better housing and community facilities, and providing social services. The workers involved in these schemes should normally be residents of the area, and on-the-job training is given where necessary.

The private sector has played an important role in all these developments. It has worked closely with public bodies to develop the training schemes and work opportunities mentioned above, particularly in the JOBS and JOP programmes, and in providing facilities for OJT under the MDTA. Some private companies have also initiated income-maintenance programmes for their own employees, which include severance payments, early retirement, a guaranteed weekly wage, and supplementary unemployment benefits. Many companies also run their own training programmes. "Most of this training effort is undertaken out of employer self-interest and is directed towards the 'good workers' who already have jobs, but many of these workers would be vulnerable to unemployment in the future without the training they are now receiving under company auspices," Partly as a result of governmental pressure and the Affirmative Action programmes of various civil rights organisations, some of the larger companies have gone further to meet the needs of the hard-core unemployed and disadvantaged workers. Through Operation Outreach, they work with Federal employment agencies to actively seek out and employ such people, regardless of their lack of skills and/or education. They also provide education, training, counselling and advisory services during normal working-hours.

It is, thus, eminently clear that the US has devoted many resources to solving the problems of unemployment, poverty and discrimination: the civil rights movement.

30) Ibid; p.539