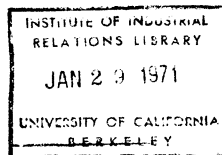


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**PROBLEMS IN CONTRACT NEGOTIATION
and
PROBLEMS AND GOALS IN MANPOWER POLICY**

**Selected Papers Presented at the 11th and 12th Annual Research
Conferences in Industrial Relations
1968/1969**

Institute of Industrial Relations • University of California • Los Angeles
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and
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Published in 1970

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at \$1.25 each from the Institute of
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California, Los Angeles, California 90024

FOREWORD

Instead of publishing separately the Proceedings of our 11th and 12th Annual Research Conferences, we have decided to combine in this volume selected papers that were presented on both of these occasions. The two major papers given at the 11th Conference, held on March 11, 1968 in Los Angeles and dealing with Problems in Contract Negotiation, highlight many of the issues that were discussed in greater detail by the panels and in question-and-answer sessions at the conference.

The 12th Annual Research Conference, held on April 21-22, 1969 in Los Angeles, dealt with two major developments in Manpower Policy. The first part focused on problems and goals of national manpower policy; three papers are included that represent the national approach. The second part concentrated on problems and prospects in utilizing minority group manpower; two papers are included that represent the local approach. Additional contributions to the 12th Conference have been published elsewhere, and we have indicated in the table of contents title and source of these publications for the reader's convenience.

We realize that perhaps an unduly long period of time has passed between the conferences and the publication of the Proceedings, but we feel that the problems under scrutiny have not lost in significance. Indeed, it seems that they have gained in relevance in view of new developments that have occurred and our experience in trying to deal with them. The views expressed are those of the authors and not necessarily those of the Institute of Industrial Relations or of the University of California.

Benjamin Aaron, Director
Institute of Industrial Relations
University of California

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Comments on "Problems in Employing the Ex-Offender" by Paul Sultan, Professor of Economics, The Claremont Colleges, are based on Employment of Persons with Arrest Records (Gerhard Ehmann, co-author), a publication of the National Conference of Christians and Jews.

Comments on "Dealing with Hard-Core Personnel" by Eugene E. Cox, Manager, JOBS Program, TRW Systems Group, Inc., are based on his article, Jobs Program at Systems Group is Substantial Success, which appeared in his company's paper, Sentinel, October 10, 1969.

Comments on the same subject by Richard C. Rierdan, Training and Development Coordinator, Atlantic Richfield Company, are based on his article, Hiring the Disadvantaged on a Permanent Basis, which he wrote for his company.

PROBLEMS IN CONTRACT NEGOTIATION

Leo Kotin

I feel privileged to be substituting for the Undersecretary of Labor, James J. Reynolds, and I can readily identify with the situation that is responsible for his absence. As you know, he is tied up in round-the-clock negotiations in an effort to resolve a long strike in the copper industry. As a member of the staff of the Federal Mediation and Conciliation Service for some years, I have been subjected to what is euphemistically referred to as crisis bargaining. After much cogitation on the matter, I have come to this conclusion: some special sanctity attaches to a labor agreement which is negotiated between the hours of midnight and 4 a.m. This concept does not have universal acceptance as evidenced by the comment of the vice president of one of the country's largest corporations, who was called to Washington for continuous negotiations. At about 3 in the morning, he removed his shoes, rolled his jacket up as a pillow, stretched out on the conference table, and before falling sound asleep, told the government mediator, "I guess you have the authority to keep me here, but I'll be damned if you can keep me awake."

The problem to which I will address myself is the growing incidence of rejection by the union membership of contract settlements recommended by their bargaining committees. The most recent figures from the Federal Mediation and Conciliation Service indicate that approximately one out of six recommended agreements have been rejected. I suppose that one may view this phenomenon as a manifestation of democracy in unions, a quality which in the abstract is highly commendable. The virtue, however, can be carried to a fault as was revealed in a labor dispute involving a local of the

Amalgamated Clothing Workers Union. A strike had been in progress for several months over failure to agree to contract terms. Sidney Hillman, the then President of the Amalgamated, was persuaded to meet with the parties. The employer stated his position somewhat as follows: "Mr. Hillman, when the last contract expired, I made a proposal to the union, they rejected it, and they went on strike. This I can understand. Three weeks after the strike began, I met with the union and gave them a better offer. The business agent accepted the offer and we shook hands. The strike is still going on, however. This I don't understand." Hillman turned to the business agent and asked "Is this true?" The business agent replied, "I brought the offer to the members and they almost threw me out of the meeting hall." Hillman, "If you can't sell your own recommendation, they ought to throw you out." The business agent, "Mr. Hillman, don't you believe in democracy in our union?" Hillman, "Once I shake hands, there is no more democracy."

This incident, told to me by Dave Cole, who was one of the participants, in a sense points the issue. It raises the fundamental question of why duly elected union representatives can no longer persuade their membership to accept their recommendations.

Various possibilities present themselves. First, to what extent has the union leadership committed itself to "selling" a settlement? In my experience around the bargaining table, it has been the exception where the commitment was made with such reservations as to preclude an honest effort to persuade the membership. The planned rejection following a pro forma attempt to secure ratification has been, and I think, still is, a rarity. This conclusion finds support in the fact that there were few such rejections.

I do not include, within the scope of commitment, the "qualified" submission of the proposed settlement to the membership. As a rule, union leaders have been candid in informing the employer that such a settlement would be submitted without enthusiastic recommendation. In that instance, the employer is well advised to expect the worst and to look toward further negotiations or to a strike.

My discussion will be confined to those instances of rejection following a sincere maximum effort to persuade the membership toward acceptance. Whether the figures of the Federal Mediation and Conciliation Service are completely accurate or not (and accuracy as to motivation is beyond statistical determination), the increase in rejection of recommended settlements is patently a serious, viable problem. Investigation as to its causes can reveal no more than assumptions based on discernible changes in the status of union leadership and in the changing profile of the union member.

Initially, it is my view that the Landrum-Griffin Act had a traumatic impact on the security of union leadership. It was passed in an atmosphere created in great part by the well publicized Senate Committee hearings, whose impact was to denigrate the integrity of union leadership. In a sense, the Act constituted an indiscriminate indictment of all union leadership. The stated purposes of the Act, to safeguard union funds from misappropriation by union leaders and to protect the union member from discriminatory treatment by a union official, had the foreseeable result--the increased insecurity of the union leadership and the undermining of its authority. The assertion of this authority which had been characterized in the past as dictatorial and undemocratic was inhibited. It was attended by the fear that such assertion could constitute a violation of law. The

immediate repercussions reflected themselves in the increasing number of grievances referred to arbitration. The union leader, who in the past had no anxiety about telling the grievant that his grievance was without merit, played it safe and let the arbitrator bear the onus of denial. To some degree, the authority of the leadership has been reestablished in this area by a number of court decisions reaffirming the rights of union leaders within the scope of authority given to them in the constitution and by-laws, to refuse to process grievances which are devoid of merit. The deterrent impact of the Landrum-Griffin Act has been candidly admitted openly and more often in private discussions by union officials.

It would appear that this deterrence has had a significant effect on the manner in which union officials prepare for bargaining. One may reasonably conclude that sophisticated and knowledgeable union leaders had determined prior to the inception of negotiations, wherein the area of settlement lies. While this determination is attended by some degree of uncertainty as to whether it can be completely implemented, the principal objectives are fairly well defined. Thereafter, there is and traditionally has been a process of securing the support of the membership for this predetermined objective.

The tactics of negotiations generally entail the provision for what may be referred to as "room for bargaining." In simple language, initial proposals include demands which are greater than those that must be met in order to achieve a settlement. The delineation of bargaining room has traditionally been the function of the bargaining representatives. It was they who persuaded the membership that a proposal for a fifty-cent per hour increase was tactically desirable to insure a settlement on a twenty-

five-cent per hour increase which would be acceptable. The adoption of this fifty-cent initial proposal was generally achieved in the face of demands from individual members or groups of members for increases as high as seventyfive cents or one dollar per hour. It is readily apparent that a significant amount of screening of individual members' demands was required preliminary to the adoption of a proposal which, in the opinion of the union leadership, was tactically appropriate to the specific settlement sought.

This process of screening under the guidance and persuasion of union leadership is rapidly disappearing. More and more the expressed wishes of the local membership is being incorporated, without modification, into the initial proposal of the union.

In an increasing number of instances, the union proposal is a compilation of the raw data secured through questionnaires distributed to the membership. A fairly typical question literally quoted from a questionnaire distributed by a local union in this area reads: "Are you satisfied with your wage rate? If not, what do you consider a satisfactory rate?" It requires no elaboration to assess the reality of a bargaining proposal based solely on the answers to questions of this nature. The net result is that the parties begin their bargaining in a situation in which the true area of disagreement is effectively concealed. The degree of movement required to achieve agreement is beyond the contemplation of the employer, who, if he is properly prepared, has come to some conclusions as to the area of settlement. I submit that the same uncertainties attend the union bargaining representatives, who cannot predict with any degree of accuracy the reaction of the membership to a settlement that falls far short of its initial proposal.

Significant in this unreal bargaining situation is the personal involvement of the paid union official. His personal security in his chosen career is dependent in great part on the reaction of the membership to his apparent success or failure in satisfying its demands. In recent months, we have witnessed the rejection of the presidents of two major unions, the Steelworkers and the IUE. It is significant that the opposition to these two officials began just a few years ago within a comparatively small fraction of the membership. Undoubtedly, there were many elements which contributed to their defeat. Not the least of these was the criticism of the most recent settlements which they had negotiated. In this atmosphere, the prospect of antagonizing the rank and file by substantial departures from its expressed wishes detracts from the incisiveness that ultimately is required to reach agreement.

As more and more recommended settlements are rejected, there will inevitably be less and less inclination on the part of bargaining representatives to recommend such settlements. The problem will be compounded as more and more rejected settlements are followed by agreements more beneficial to the membership. I think that the point has been sufficiently belabored. Bargaining representatives, unsure of the reaction of the membership to a settlement that by objective tests is a satisfactory one, will hesitate to give the stamp of approval to such a settlement. The employer is left without the assurances that he normally enjoyed that the agreement reached with the bargaining representatives is the basis of a new contract. Under these circumstances, the employer is motivated to hold back in contemplation of a rejection of whatever agreement he may ultimately reach with the bargaining committee. In effect, a new stage

which may be characterized as the first rejection, is being incorporated into the bargaining process.

The question is posed as to what has happened to the membership that is responsible for this invidious development. I doubt whether anybody can answer this with any degree of certainty or with any comprehensive findings to support his answer. One may only speculate as to the significance of the collective bargaining picture as it is seen by the union members. One of the time honored determinants of wages is comparison with other wages. The knowledge of these "other wages" comes to the individual union member not only through the communication media which the union maintains, but through the public press as well. The latter finds the greatest news value in the settlements reached in large-scale industrywide or areawide bargaining. These settlements reflect not only the bargaining power of the parties, but the patterns of wages and working conditions that have been established through decades of bargaining experience. To countless numbers of union members, however, they constitute the achievements of other unions which their own have been unable to match. It would be unnatural for an assembler in a low-paying industry such as the toy industry to accept immediately a rationale that would attempt to justify his receiving a lower rate than has been negotiated in a high-paying industry. Traditionally it has been the function of union leadership to explain why the toy worker is receiving, and will continue to receive until there are changes in the economics of the respective industry, a rate less than an employee apparently performing the same duties in the aerospace industry. This job of explaining has never been an easy one. With the added insecurity of union leadership, it has become increasingly difficult and the motivation to undertake this unpleasant task is diminishing. In my opinion, the educational process by

which the realities of industrial life are made clear to the member must be implemented with greater vigor than is now being demonstrated. It can be done. A notable example is the recent settlement between the waterfront employers and the International Longshoremen's Union. The prospect of displacement of a large number of employees through technological innovation constituted one of the more difficult bargaining issues. The settlement which entailed substantial increased contributions to the pension fund in return for the acceptance of labor-saving equipment stands out as a notable example of effective union leadership and bargaining statesmanship.

One other probable cause of the growing recalcitrance of union membership, as reflected in their increasing rejection of their leaders, is the changes in group relationships within our society. One need not dwell on the growing militancy of historically deprived ethnic and racial groups. Neither does the increasing assertiveness of college students surprise us anymore. It seems inevitable that the accelerated activities towards change in long accepted relationships would have a significant impact on the collective bargaining relationship. This relationship is based in great part on the recognition and acceptance of conflicting interests as between employers and unions. It seems inevitable, then, that this inherent conflict would be exacerbated in a society in which new conflicts are manifesting themselves. Latent antagonisms become sharpened all the more when there is present a legally and socially accepted channel for the expression of such antagonisms. The institution of collective bargaining is ideally suited for this role. We can only contemplate that collective bargaining will continue to respond to the overall environment in which it lives.

Finally, one cannot deal with this subject without giving close scrutiny to the "1968 model" of the American worker. He does not lend himself to stereotyping. One thing is certain: he is a different breed than the worker of the generation that preceded him. The individual differences are many, and some are vividly discernible. He is better educated. He has lived his formative years during a war in which he probably saw service. He entered the labor market at a time when the benefits from his labor began to increase and have since continued to increase. He was, in the main, not involved in the industrial conflicts which preceded the emergence of trade unionism as an accepted and powerful element in the national life. What these individual characteristics constitute in composite is beyond the definition of my topic today. It is suggested that it is equally beyond the definition of union leadership. It is apparent that the traditional forms and expressions of union leadership which were effective in prior generations no longer work. The evidence appears in many forms. The reduction in the ratio of union membership to the organizable work force, the high incidence of absenteeism at union meetings, the lackluster support of union activities other than those associated with the immediate interests of the member, the readiness to reject the recommendations of leadership, these are but a few of the signs. The insight into the union member in terms of his identification with the trade union has yet to be found.

We have wandered from the specific problem of rejection of union settlements to the broader problems of the nature of the union member and his reaction to his leadership. It might be well to close with some comments on the problem initially posed. The pattern of rejection has and

will continue to result in strikes which do not reflect significant differences in the parties' positions, but rather their inability to evaluate what is happening in the bargaining process. To the extent that such strikes result in more favorable settlements, as has been the case in many instances, there will be an increasing undermining of union leadership with a corresponding increase in a passive rather than a dynamic approach to negotiations. There comes to mind the classic definition of the strike in economic terms--the determination that the cost of not agreeing is less than the cost of agreement. I trust that some resolution of the problem will come about by means other than the compounded cost of continuous not agreeing.

ALTERNATIVE DISPUTE SETTLEMENT PROCEDURES

James L. Stern

When one comes out of the cold of Wisconsin into the warmth of California, one tends to expound more expansively than otherwise might be the case. Just as gas expands with heat, or when released from a closed chamber, so do ideas conceived in an isolated academic climate. What at its origination within university walls seems modest and mild looks more audacious and possibly unrealistic when exposed to a learned audience of practitioners.

I take comfort, however, from the notion that the variety of possibilities that I propose to raise with you may not only be in the public interest, but will also improve your personal mental and physical well-being. Hopefully, these alternatives may help you avoid that state of depression and utter exhaustion that arises at midnight, after many hours of continuous crisis bargaining have left union and management still apart by a narrow margin. If, right now, you can renew the memory of your thoughts as you faced a strike, all of the problems that this involved, trying to put the pieces together afterwards--and even the further postponement of that already postponed and much needed vacation--perhaps you may be more receptive to the various alternatives that we will be discussing this afternoon.

I recognize that some of you may react negatively to ideas from academia that require you to step off into the deep water while we observe and criticize you. Particularly since, if the idea doesn't work, we in the university are always able to observe wryly that the idea was sound, but that, unfortunately, the execution was not. And, we might even go so

far as to claim that a sound analysis of the idea requires that another practitioner be willing to step forward and test it further. The notion that the idea is not sound and has in fact been proved wrong by the sacrifice made by the first brave practitioner is one that the academic accepts most grudgingly. In fact, his unwillingness to face the possibility that his idea is not sound may reflect a prejudice on his part that is comparable to the unwillingness of the practitioner to face the possibility that there is a better way of settling disputes than the one he has been using over the past many years. In both situations it may be time for a change.

Essentially, I'd like to make three points about alternative dispute settlement procedures: First, there is a continuing and increasing search for strike substitutes because of the declining utility of the strike as a means of resolving industrial relations conflict. Second, the wide diversity of practices and variations in institutions and in economic factors such as product and labor markets suggest that different patterns for resolving conflict can be applied in different industries. Third, if various substitutes are used with discretion, no damage will be done to those aspects of collective bargaining which are highly valued, flexibility, decentralized decision-making, and freedom of action by private parties. In this connection I want to explore the usefulness of substitutes such as study committees, mediation and fact-finding, voluntary and compulsory arbitration, and congressional action.

Going back to my first point, the contention that the strike is less useful today and that there will be a continuing search for strike substitutes rests on the following foundations: First, I would say that as

society advances, the strike as a primitive method of dispute settlement will seem more and more out of place and more sophisticated methods will be sought. Second, the average strike of the future is likely to pose greater problems than in the past and is more likely to require public efforts to avoid it. This will arise for a variety of reasons.

Unions will strengthen themselves when they are weaker than management. For example, in bargaining with the General Electric Company we have on the part of the union a development of the technique of "coordinated bargaining." The main intent of the union is to increase its strength, and the effect of this action is to increase the number of people involved in the dispute. Perhaps in 1962 we had the best example of that technique at work. Although we've had here on the West Coast a history of cooperation, there was an impasse in that industry involving not only Southern California but the entire West Coast. In any case, the unions would want to involve as many people as possible. Now, on the other hand, managements through employer associations will also in their attempts to prevent a whipsaw enlarge the dispute. For example, the decisions of the food store management association locking out employees when one member is struck would indicate that, to the degree that they find it necessary in strengthening themselves, they will enlarge the context of the dispute.

Strikes may be longer as well as involve more people because of such devices as strike insurance agreements. These permit management to take a longer strike than otherwise would be the case. The unions also take longer strikes these days simply because of the development of larger strike funds and as a matter of right rather than as a matter of interest.

At the point when the parties' ability to stand a long strike becomes greater than that of the public to submit to it, we will find that the public clamor for strike substitutes will arise.

Now I should add that, for an entirely different reason, we may find the public desiring to intervene in those situations in which one party's bargaining power is far greater than the other's. For example, where automation makes the union relatively powerless or the nature of the product market makes the management powerless to resist, the strike or lockout will not be meaningful and cannot be used by the weaker party to obtain equity. And, to the degree that society desires equity it will have to substitute some method other than trial by combat in order to achieve it in a situation in which the power balance is rather lopsided.

For these reasons then, it seems to me that we will be faced with a continuing search for strike substitutes and that we will have to explore realistically what are the alternatives. Now, I believe that there is sufficiently wide variation in our economy for a variety of alternatives, some applying to one sector, some applying to another. I would argue that the appropriate tool for use in one will not be appropriate in any other. For example, "compulsory arbitration" may warrant consideration in resolving impasses by the uniformed services in municipal employment, fire and police, but people who might argue for that probably would be among the first to say that "compulsory arbitration" has no place in other sectors.

For the purpose of determining what substitutes are appropriate for use in which sectors of the economy or in which collective bargaining situations, I have divided the economy into the following eight subdivisions.

My fellow panel members may want to split these further or possibly put some of them together.

In sector 1 I would put transportation, and here I would give it the jurisdiction with which at the moment I agree. I would put in this sector rail, air, and ship transportation, dock and over-the-road trucking.

Sector 2 I would call the defense industries--ordnance and aerospace.

Sector 3 would be basic industries where a substantial portion of the industry is affected, such as coal and steel.

In sector 4 are the pattern setters such as automobile and meat-packing, where there's been a history of company bargaining. Now I recognize that my sector 4 could turn itself into sector 3 simply by shifting from companywide bargaining to industrywide bargaining. That is the sector in which there is industrywide bargaining with a substantial part of the industry affected.

My fifth sector would be public uniform services and the critical public services. Here I would include police, fire, sewage, and water supply. For example, in Milwaukee we had a sewage strike, and this was regarded by one and all as sufficiently critical that I think the choice of alternatives suggested was at least as extreme as would be the case if you had a problem with police or fire.

My sixth sector would be other municipal, state, and federal employment.

My 7th would be areawide construction and building trades.

And, the 8th would be non-pattern setting, single-plant or single-company agreements.

Before turning to various strike substitutes, I want to say a word more about the protection that the diversity in our economy affords us. Some critics have viewed with alarm the use of ad hoc compulsory arbitration in the railroad industry, and have suggested that its use in that situation will lead it to spread throughout the private economy. Others, and I confess to falling into this second group, have said that circumstances differ in the railroad sector and that what is done there will not automatically spread to other sectors.

Remarks by two U.S. Senators from the 1963 debate illustrate, at least for me, these two opposing views. The late Senator Pat McNamara summed up one view when he declared: "Despite all the debate to assure ourselves that this is not a precedent, I think most of us must feel deep in our consciousness that this is exactly what we are doing." Senator Magnuson of Washington said just the opposite. He said, "This is a one-shot operation. . . . The resolution does not and will not set a precedent because no exact parallel circumstances with exact parallel impact on the nation could arise."

Well, I think a useful tool for determining whether our experience on the railroad will spread is the application of a phrase coined many years ago by Arthur Ross. He used the term "orbit of coercive comparison," and he suggested that some comparisons had much more influence and weight than other, more particular segments of our economy. I would argue that railroad settlements are not today regarded as pattern setters for private industry.

To sum up this second point, I suggest that despite the influence of patterns within our economy, there are enough different patterns applying

in different sectors to permit us to choose one method of dispute settlement in one industry and still be free to use another method in a different industry.

Before we move on to the consideration of specific alternatives and their application to various sectors, you might ask yourself in which sector does your bargaining fall. Most agreements in the United States fall into the last category I named, single plant or company in a limited area in the private, nondefense sector of the economy. And perhaps it is in this sector that there is the least need for strike substitutes.

Well, what now are the various methods of dispute resolution that can be used, and in what situations do particular methods seem to fit best?

Because some of you may think that I would rule out the use of the strike altogether, I want to take it as the first method of dispute resolution. I think that when certain circumstances exist the strike may well be the most efficient means of solving the dispute. Let me indicate the circumstances under which I think the strike probably has advantages over the other alternatives. In such situations, you should have the following ingredients: (1) The maximum prestrike offer of the company must be far less than the prestrike minimum amount satisfactory to the union. (2) There should be sufficient competition in the product market so that pressure mounts on the company to raise its offer toward that figure which is acceptable to the union. (3) There should be sufficient economic pressure on the workers so that, as foregone earnings mount and as workers are forced to tighten their belts to make ends meet, they tend to lower the minimum amount which they will find acceptable. (4) During the time that pressures on the parties are bringing them together,

pressures on the consuming public should not be mounting, as they presumably have an alternative product they can shift to, or possibly the demand for the product is easily postponed until after the strike or could have been met by stockpiling before the strike. It seems to me that if we have these situations, then the strike may be the most efficient alternative available to the parties. In this connection I can only quote what Henry Ford pointed out rather dramatically last fall at 2 a.m. when the Ford strike started. He said, "I am sorry that we do not have laws that effectively prevent the use of this kind of bludgeon against the public interest. But I do not for one minute regret our decision to take this strike rather than surrender to an unrealistic set of union demands. The strike will be costly, but the effects of an unsound settlement would be far more pervasive, longer lasting and in the final analysis even more costly."

(5) I should mention one other point in terms of the use of the strike. I think in order to qualify as a situation in which the strike is the most useful terminal step, we should also keep in mind one in which the parties are relatively evenly matched so that the public's sense of equity is not deeply offended.

I suppose you could sum up the pattern I described by saying that where you have bargaining by individual companies in a setting in which the public is protected by the possibility of product substitution, and in which the sides are evenly enough matched, the need for an alternative to a strike may be far less than in other situations.

Let's turn now to other alternatives and the situations to which they might apply. The second alternative I want to talk about is the use of study committees and continuous bargaining. I recognize that there is a

wide variety of arrangements which qualify under these titles. I am talking about those examples where the parties have expressed a desire to depart from conventional crisis bargaining and have established some alternate arrangements involving study committees and possibly continuous bargaining to achieve their objectives.

I should note that this alternative, as I have stated it, does not contain the element of finality, that is, the parties can fail to reach agreement through study committees and then turn to the strike or to some other, more final form of dispute resolution.

Study committees should include studies commissioned by the parties or performed for them, and non-crisis bargaining also seems to offer considerable promise. So far as can be determined, the use of this technique has not increased conflict and has not had adverse effects on bargaining, although it has had limited application to date. A quick review of some of the more well-known attempts will serve to illustrate advantages and disadvantages which may occur in that approach.

The most famous one is the Human Relations Research Committee established in the 1960 basic agreement of the steel industry. This agreement between the United Steel Workers and U.S. Steel was considered quite successful during its relatively short life as a basis of resolving conflict. It enabled the parties to get through the 1962 and 1963 negotiations without a strike, and without the threat of a strike. It appears to have been such a successful substitute for the traditional method of bargaining that the rank and file came to the conclusion that perhaps bargaining as they knew it had been abolished, and that their long-run welfare could best be protected by electing new officers who would return

to the old-fashioned method. As we are all aware, this was done in 1965. Despite the short life of that committee--it cannot be rated a failure--continuous bargaining accomplished its basic purposes in two sets of negotiations. Its discontinuance suggests certain political weaknesses in the technique that may well be overcome by structural changes in the way the committee is established. It seems clear that if committees such as this one are to operate with political impunity, changed relationship must exist at all levels, not just among the top negotiators. Political decision-makers at all levels must be involved.

The Kaiser committee with its three eminent neutral members has had a more fertile soil in which to grow and apparently is providing a successful alternative to crisis and conflict. Factors such as the character of the product market, the ideology of the management, the more manageable size of the group of workers involved all contribute to its continued operation.

The Armor Automation Fund Committee has lasted almost nine years. It was formed in 1959. (I might mention in passing that I have been involved in its activities since January 1964, so my remarks about it are clearly somewhat prejudiced.) Apparently it has been successful; ideas advanced by the Automation Fund Committee were adopted by the parties in their 1961 agreement and bargaining was concluded in 1964 and 1967, that year of unrest, without a strike. The bargaining in 1967 is of particular interest because settlement was reached six months prior to the contract deadline without the use of crisis bargaining. Much as I would like to give credit to the spirit of involvement of the public members of the committee, the technique advanced by the committee to the company was

rather a simple one. It convinced the company that it would be possible to get a non-crisis settlement in the spring if the company would be willing to advance the effective date of the wage increase to the point at which settlement was reached. This was sufficient incentive for the union to negotiate in a non-crisis area; the sooner it's settled, the sooner the 11 cent wage increase will become effective.

As many of you know, the Department of Labor has volunteered personnel to make studies on both the East and the West Coasts in connection with longshoring. To some degree, studies of this sort and the existence of cooperative committees have helped to reduce the reliance on the strike.

Recently it was proposed that a Human Relations Committee be established in New York City between the garbagemen's union and the city. They also suggested one for the New York City Waste Authority and the Transport Workers' Union. Now, I say that although the experiences with such committees, both formal and informal and others without neutral members, is not too extensive, it appears to offer a useful alternative to conflict. Clearly, the willingness of the parties to establish such committees is in itself a good sign--a sign that the parties wish to reduce conflict. Study committees have been used in basic industry, they've been used by pattern setters operating in industries without industrywide bargaining, in the transportation industry and in the public sector. So far as can be determined, this is one tool that may be applicable in all eight sectors of the economy that I enumerated earlier.

Although one assumes that bargaining must be easy--that is, not tough and bitter bargaining--before a committee can be established, the history of the establishment of such committees suggests just the opposite. Out

of the crises in meatpacking and steel in 1959 came the Human Relations Committee and the Armor Automation Fund. Bitter longshore disputes generated the patterns on the East and West Coasts, and New York City is finally turning to this device as a result of recent strikes there in the public sector. Perhaps we should draw the opposite conclusion, that is, the alternative of non-crisis bargaining emerges when either the parties have tired of the conventional approaches or when public resentment against work stoppages has reached the point at which the parties recognize the need to use alternative approaches to solving their problems.

As I leave the study committee alternative, I would like to venture one suggestion. So far as I know, it's been given little consideration by smaller companies on the grounds that this was something "fancy," something for the larger ones; this was something that was in the headlines and had no place in down-to-earth bargaining between a small company and a union as such, although the union itself, or the international, might be large. I'm not too sure that there's any evidence to support that conclusion, but possibly committees of this sort can be useful in smaller bargaining situations as well.

The third alternative, that is, after strikes and study committees, is the expanded use of mediation. My remarks about mediation will be relatively brief, not because mediation is unimportant but because the changes that I think appropriate are relatively small and are somewhat less controversial. It appears that the Federal Mediation and Conciliation Service is steadily improving the quality of its staff. I think it has more to offer than is realized by many small managements and local unions. In the small plant-small union situation, mediators have an expertise

that may be helpful in avoiding conflict. To the degree that resources permit, the FMCS might attempt preventive mediation in the pattern following smaller bargaining situations, and possibly also in the non-uniformed non-critical public sector where the extent of collective bargaining experience is somewhat limited. In the field of education, the FMCS might offer expert services, that is, (a) if it can obtain qualified experts to help, and (b) if it can make the jump beyond the confines of disputes covered by the Labor Management Relations Act. If the FMCS cannot do this directly, perhaps state mediation agencies can, or the FMCS can help the state agencies to do so. I might say that our Wisconsin State Labor Relations Act is one of the broadest in the country covering all sectors including the public sector and agriculture. And it is in these sectors where there is no history of bargaining that the expertise of the industrial relations men working as commissioners for the Wisconsin Employment Labor Commission have been able to make a good contribution.

This brings me to the next alternative--fact-finding. Fact-finding with recommendations is being used successfully in solving disputes about the terms of new agreements in the public sector in Wisconsin. There have been approximately fifty fact-finding cases processed during the first five years in which the law was in effect. In about 90 percent of these cases, the recommendations of the fact-finder served as a basis for settlement. Although we are getting more experience now in other states, Wisconsin has had the longest history. Our law goes back to 1959, and we've had effective fact-finding since 1962. It appears to me though that the technique of fact-finding with recommendations is particularly useful in the public sector in both the non-critical and the critical and

uniformed services. Also, I suspect that it has a value in the private sector in basic industries. In a situation in which the National Emergency Provisions of the Taft-Hartley Act were invoked, I personally think it would be far better if the law provided for fact-finding with recommendations rather than the present procedures. In addition, I might mention while talking about the National Emergency Provisions, we might provide that the fact-finder, or fact-finding board as the case may be, shall have the authority to mediate such a dispute and failing that shall convene a formal fact-finding hearing. I believe that these two changes would improve the operation of our National Emergency Provisions and also make less likely the appointment of ad hoc Presidential commissions which merely operate pretty much in the fashion that I have described.

Now, I recognize that I am flying in the face of the advice given to many of you by the Secretary of Labor when I recommend such techniques as fact-finding, who in a speech several years ago and subsequently has warned about the "narcotic" effect of intervention of this type. In other words, people can get awfully used to the third party coming and throwing their chestnuts out of the fire. But, in the public sector, where there is no history of the right to strike and where the strike is generally illegal or at least frowned upon, the use of fact-finding may not have a narcotic effect. In Wisconsin, so far as we can tell, it has not had this effect to date.

If fact-finding with recommendation is integrated into our National Emergency Provisions, I doubt that it would have such an effect because there is no automatic access to our National Emergency Procedure. And a change in the fact-finding procedure would not enable the parties to use

that procedure any faster than they do under the present situation. The copper strike and the attempts to settle it I think lend some support to this point.

Finally, I'd like to turn to the two procedures that have the element of finality--determination of the merits of the dispute by an outsider empowered to give a final and binding decision, that is, voluntary or compulsory arbitration. Voluntary arbitration could be used by the parties in any of the eight sectors that I mentioned, but it would seem to have the greatest utility in the public sector and in basic industries in instances where fact-finding with recommendations has been unsuccessful or where the parties have preferred voluntary arbitration to fact-finding.

One of the arguments advanced against the use of voluntary arbitration is that it means that the parties are unable to settle their own disputes. This is clearly true, but I don't think it has too much significance. In my opinion a decision to use voluntary arbitration to solve a dispute in preference of engaging in conflict may from the point of view of the public be a gain that far outweighs the loss, if any, that is implied by the necessity of using the procedure.

Perhaps a more telling argument among professionals is that the use of the voluntary arbitration process will alter the nature of the bargaining process, that is, the parties may hold back concessions on the theory that they may be going to voluntary arbitration and therefore should save some concessions that can painlessly be lost in the arbitration process. Again, I think that this argument tends to obscure the problem. It implies that the parties go all out to settle in the normal bargaining situation and don't hold back concessions. I don't believe that this is

the way in which bargaining operates, and I would ask you to examine for a moment the way in which you conduct your bargaining.

It appears to me that both union and management make an assessment of the possibility of settlement before negotiations begin and conduct themselves accordingly. They may revise their strategy as negotiations proceed, but in any case before the last few days are reached, experienced negotiators have a fairly good idea of whether or not it is possible to reach a settlement. In their efforts to reach settlement they may occasionally miss by a narrow, excruciating margin, but on the whole I believe it is fair to say that as bargaining approaches the crisis stage, the parties adopt a strategy based either on the probability that there will be a strike or that there will not.

If the parties believe that a settlement cannot be reached, they will withhold concessions for a variety of reasons. Unions faced with a strike know that multiple issues enable them more easily to rally support as compared to the situation where the gap is small and confined to an issue which may not be dear to the hearts of an overwhelming majority of the members. Union leaders also recognize that concessions on both sides are usually required in order to end a strike, and for that reason also may withhold concessions.

Managements who are willing eventually to give a certain size wage increase won't make that "final offer" unless they think that it will gain them a settlement. If the judgment has been made to the contrary, the industrial relations director probably will hold back more of the wage increase than he might have held back in his next to last offer in a situation where he anticipated a settlement without a strike. Management

also will hold back on additional items which it believes will give greater leverage at the moment during the strike when it appears possible to resolve the dispute.

Please don't misunderstand the gist of my remarks; I'm not criticizing the bargainers for withholding concessions in situations where they do not believe that it is likely a peaceful settlement will be achieved. I am only attempting to make clear that in the normal give and take of free collective bargaining there is reason for both sides to withhold concessions if they fear conflict, and that in practice both sides behave in this fashion.

If the parties are going to settle, there's no need to worry about which alternative is best in which situation. But if the parties are likely to engage in conflict, the question then really becomes: does the knowledge that voluntary arbitration may be the terminal point of the dispute adversely affect the bargaining more or less than is the case if the strike is expected as the terminal point?

I am not aware of convincing evidence on this point, but I do not see any a priori reasons for supporting the conventional attitude to the effect that the introduction of voluntary arbitration adversely affects the bargaining process. Perhaps my fellow panelists will wish to debate this point a bit. Personally, it appears to me that if I were either a management or a union representative going to voluntary arbitration or strike, I would withhold less and attempt to settle more if I thought I was going to voluntary arbitration than if I were going into a strike situation. This would occur because both parties will be able to identify issues that they assume will fall into place at the final moment, but

which they probably will wish to decide themselves rather than have them decided by an arbitrator. Both sides will realize that an arbitrator can only handle a manageable number of issues, and for this reason may wish to settle more than otherwise will be the case. Also, I suspect that the volume of concessions needed for strategy purposes before an arbitrator, a number which you know you're going to lose, is less than the volume needed if one is to go on strike. Well, that's my case for voluntary arbitration in terms of its effect on the bargaining process.

For a moment I would like to talk about compulsory arbitration. I'm not sure how this changes the situation. If there is uncertainty about the application of compulsory arbitration, it may not have a different effect than that described in my remarks about voluntary arbitration. Remember I suggested that voluntary arbitration may have its greatest usefulness in the public sector and in basic industry. Compulsory arbitration seems to warrant consideration as the tool of last resort in the transportation industry--and then on an ad hoc basis by Congressional action.

The experience with railroads and airlines leaves me convinced that the deliberate speed or lack of it with which Congress acts, and the results for the parties of permitting a dispute to go this far, is a sufficient brake on the overutilization of this process and may even serve to persuade the parties to devise new procedures which may spare them from the uncertain and possibly unwanted results which Congressional action brings.

The history of disputes in the transportation industry does not suggest at this late date that we need to insert compulsory arbitration

as a regular feature of our dispute settlement procedure. Its availability as a last resort by ad hoc Congressional action seems sufficient to me.

By analogy, the same procedure might be applied to disputes in the critical and uniformed sectors of state and local government. Here, I suspect we should proceed more slowly. Perhaps state legislatures can provide for fact-finding with recommendations, that is, revise state laws comparable to the revisions in the national law that I mentioned earlier, and then if such procedures failed the legislature might operate in a fashion similar to the national Congress and finally order compulsory arbitration of the dispute.

Let me conclude, then, by summing up the various points that I have raised for discussion. I said, first, there will be a continuing search for strike substitutes because of the declining utility of the strike. Second, differences in our economy are great enough to warrant the use of different types of alternatives in different sectors of the economy. Third, despite our fears about the new and the different, there do not seem to be imposing problems of a logical nature that prevent experimentation with substitutes. And, fourth, I think the recent experience with substitutes is more favorable than is generally realized and tools such as study committees, non-crisis bargaining, extended mediation, fact-finding with recommendations, and voluntary and compulsory arbitration have been introduced into a variety of collective bargaining situations and have improved rather than damaged the quality of subsequent bargaining. Discrete but expanded use of different tools in different sectors of the economy might further improve the quality of bargaining in the United States without jeopardizing those attributes of flexibility, decentralized decision-making and freedom of action by private parties that we value highly.

I. NATIONAL MANPOWER POLICY--GOALS AND PROBLEMS

INTRODUCTORY REMARKS

Benjamin Aaron

This year the subject of our conference is, as you know, "National Manpower Policy--Goals and Problems."

As recently as ten years ago, a conference on this topic would have attracted only academic interest. Incredible as it now may seem, we did not have a Manpower Development and Training Act until 1962. In earlier days of complacent ignorance the nation was capable of periodically working itself into paroxysms of rage over strikes that resulted in a tiny fraction of one percent of total man-days worked annually, while at the same time virtually ignoring the economic insanity and moral disgrace of allowing five to eight percent of our labor force to go without work and a considerably larger proportion to live in poverty.

Now times have changed; we have belatedly come to realize that the nation's labor force is perhaps its most important asset. Constant efforts are being made to create more jobs and to reduce unemployment, but the results of these endeavors are mixed. As of March, 1969, the reasonably adjusted unemployment rate for all civilian workers was 3.4 percent--not too discouraging a figure; but a breakdown of that figure reveals the disheartening fact that nonwhite unemployment still stands at 6 percent. Total civilian employment has now risen to about 77.7 million, but there is increasing concern over the capacity of industry to absorb the 2.7 million persons still unemployed. Moreover, as

inflationary pressures increase, we begin to hear once again the old refrain that higher unemployment is the sacrifice that must be made on the altar of stabilized price level.

Nevertheless, it seems clear that the majority of people in this country, regardless of differences in economic, social, or political backgrounds, are committed to the goal of maximum effective use of our human resources. This conference is one of many throughout the country designed to explore ways and means to achieve that goal.

EFFECTIVE UTILIZATION OF HUMAN RESOURCES

Alfred M. Zuck

When I was thinking on the flight out here yesterday about what I was going to do in this spot, I felt a bit like the young sheik whose father, on his death, had given him his harem. When he first saw it he knew what to do, but he didn't know where to start. I'm not even sure now I know what to do. John Dunlop asked me this morning if I was going to say something about the Department of Labor's manpower reorganization, and I said that it wasn't in my prepared remarks. But if someone wanted to raise some questions, I'd be glad to answer them. In any event, I am delighted to be here, and particularly before a group such as this. It's very important that the issues of manpower policy we'll be talking about today be the subject of considerable discussion and interchange among the various levels of government as well as with the private sector, which increasingly is becoming a most important part of manpower programs. We've come to realize that manpower problems and policies are not for the government alone, but require a joint effort by government and the private sector.

This research conference is devoted to the theme, National Manpower Policy--Goals and Problems. As Mr. Aaron has indicated, ten years ago only a few academicians would have been interested in such a discussion because manpower policy is a very recent development, at least insofar as any conscious development of a policy is concerned. However, at this point in time one can look back and try to trace some of the pieces of legislation and developments that preceded the development of an active

manpower policy of the 1960's. If one wants to go back far enough, you can begin with Federal aid to education, the Morrill Act of 1862, the vocational education training act, the Smith-Hughes Act of 1917, the development during the depression of the Federal-state employment security system, the Civilian Conservation Corps, the National Youth Administration, the GI Bill of Rights following World War II, and finally the first conscious Act, the Employment Act of 1946, which made maximum employment, production and purchasing power a national objective.

Even so, it was not until the late 1950's that we began in earnest to be concerned with manpower policy. The Department of Labor, under Secretary Mitchell, looked at the manpower challenge of the 1960's by projecting the entrance into the labor force of all those babies that were born following World War II. There was also Sputnik, which immediately threw the country into a major debate over the need for scientific and technical personnel. And then, in the late fifties and early sixties, the unemployment rate increased to about 7 percent. As a result, beginning with the Area Redevelopment Act in 1961 and the Manpower Development and Training Act in 1962, which together are the foundations of the modern-day manpower programs, Congress and the nation became concerned with the problem, and legislation was enacted which addressed skill-training needs of the population.

However, the emphasis in those years clearly was on meeting the effects of automation and technological change. The concern was with people who were out of work and displaced as a result of technological developments. Therefore, the ARA and the MDTA programs were designed to be retraining programs--to retrain workers who had been unemployed but who had skills. The West Virginia coal miner, for instance, who

was no longer mining coal would be taught a new skill so that he could compete in the labor market. Then, a little later in the sixties, we experienced the tremendous growth and upsurge in the economy and the unemployment rate began to drop. Concern then moved to the issue of poverty, and in 1964 we saw the beginnings of the war on poverty--The Economic Opportunity Act of 1964.

If one compares where we are today in relation to 1961, about 10 million workers have been added to productive employment. Employment has increased from roughly 66 million in 1961 to about 76 million today, and the overall unemployment rate has been cut in half from about 7 percent to 3.4 percent. But, as Mr. Aaron has indicated, there are very serious problems that manpower policy must address. Even at a rate of 3.4 percent we have close to 3 million unemployed people. And that's an overall national figure. If one looks at the unemployment rates in central cities and in some of the ghetto areas of the nation, they are as much as five to six times greater than the overall national average. Even worse is the unemployment rate for teenagers, particularly for minority youths. In 1961, when the overall unemployment rate for the work force was 7 percent, it was as high as 28 percent for nonwhite youths. Although the former has been cut in half, for nonwhite youths it is still 28 percent. And again, if one gets away from the national statistics and looks at the rates in some of the central cities and ghetto areas, the rate is as high as 40 percent for nonwhite teenagers. Furthermore, with the growth in the size of the labor force, this stable overall rate of 28 percent means that there are more unemployed teenagers from minority groups today than there were in 1961.

It is this population, the nonwhite youngsters, which has not been touched by prosperity. And what's even worse, the figures begin to suggest that as this age group moves into the 20-to-24-year-old category, this experience is going to stay with them. They seem not to be faring better as they are getting older. And to make things worse, in the decade ahead the increase in nonwhite youths will double the increase in white youths. We have a very serious situation in terms of manpower utilization as it relates to youth, and particularly as it relates to minority youth. This presents for the nation a manpower problem of basic social and economic dimensions that requires action not only by the Government, but by all sectors of the economy. It also raises, and I will just comment on this parenthetically, the whole question of the education system--the school system. I see that Dr. Dunlop will deal with the question of education, so I'll only make a few remarks about it.

One of the very critical elements we are facing, particularly with respect to unemployment of youths, is trying to make more meaningful or more relevant the kind of education that they're receiving in school, whether it is basic academic training or vocational education. Somehow we've got to increase our efforts and be a lot more imaginative in developing a much closer relationship between the world of school and the world of work.

This has been a description of the development of manpower policy, but where are we today? I indicated that when an active manpower policy was initiated in the early sixties, the concern was with technological change, providing skill training to individuals who were displaced as a result of automation or technological development. But

manpower programs and policy are no different from other basic national policies and programs; they're very dynamic and they continue to change. We've moved away from the concept of basic skill training in the classroom and on the job, again with the theory in mind that it was automation and technological change that accounted for unemployment and job displacement. We felt then that all one had to do was train people in new skills, put people through skill-training programs at the end of which they would be placed in employment. But now, with the emphasis on the problem of the disadvantaged, the hard core, we've come to realize that there are many other kinds of supportive services that are needed by this group. And so we tried in 1967 to put together something called a Concentrated Employment Program in major central cities in an effort to combine a full range of supportive services, from reaching out and identifying these people to providing them with orientation to the world of work.

However, while we can establish these programs and put individuals through them, we found that this is not really the objective. The objective is productive employment--a job! So the emphasis has been shifted again to placing these individuals directly into jobs, to provide employment. Our experience with the job-training program has been that we're much more successful than an individual is in a job on his first day.

The result has been the establishment, in 1968, of the JOBS program, Job Opportunities in the Business Sector, in which the Federal Government underwrites the cost to employers of making productive workers of the disadvantaged. The emphasis is hire first, then train and retrain.

The goals established were to have 100,000 people in jobs by June 1969 and 500,000 by June 1971. This is a high-priority program. The Nixon Administration is submitting a budget for 1970 which will double the size of the program from roughly \$210 million in fiscal 1969 to \$420 million in 1970. So the big emphasis now is on providing jobs in the private sector for the hard-core disadvantaged.

There is another development that is also part of the budget proposal for 1970: the initiation of a JOBS program in the public sector. Although many of the poverty programs did provide employment and work experience (the Neighborhood Youth Corps, New Careers, and Operation Mainstream, for example) these tended to be of short duration. The new emphasis in the public sector, therefore, is also on trying to get people into full-time, permanent jobs with the Federal Government underwriting the cost of this effort.

Needless to say, as the emphasis changes so do the problems and the issues related to that emphasis. Dealing with the disadvantaged creates problems of its own. There are many special programs and the agenda for tomorrow suggests that you're going to be talking about many of them. I'll just try to touch on some of them as they appear to me from an overall point of view.

First we've got to recognize that this is a very, very difficult job. And it is a job that we don't quite know yet how to handle successfully. The hard-core, the disadvantaged, particularly the youth, are unmotivated. They've had failure upon failure; they believe that they've been rejected by the system at every turn; they've got no skills; many of them have little or no work experience. So one of the issues is the whole question of whether the rules that have evolved or

developed for bringing ordinary people into the labor force still hold. And, if not, what kind of changes do we have to make in the ground rules under which we're operating? For example, hiring policy. Do we still require the high school diploma? What kind of test do we administer to prospective employees and particularly to the disadvantaged? What is the significance of such testing? And what is its relationship to success on the job? What about discrimination?

We have one evaluation contract with an outside consulting firm, which has said that the theory of our manpower program is all wrong. The theory is that you go and find the disadvantaged, you clean them up, you tell them how to get to work on time, you give them a little skill and then put them in a job. However, so much of our experience in the past points to the fact that we have a discriminatory system, and that therefore we are starting at the wrong end. We ought to make efforts to put more emphasis on trying to orient the work place to accommodate the disadvantaged. The attitudes of fellow workers, foremen and supervisors may be the critical element in success or failure for the disadvantaged.

There are also factors that affect the type and nature of the job, the quality of the job. We're beginning to see this even though the JOBS program is very new. We've begun to see that there is some relationship between the quality of the job that an individual receives and his retention of the job. One of the things that has come out of some assessments of the programs is that we may have to change our thinking about the functioning of the labor market. We have believed in the theory that on the one hand you have a supply of manpower for jobs, and that on the other you have a supply of jobs. There are, of

course, good jobs--let's call them preferred jobs--and you also have preferred workers, workers with skills, with education. The labor market functions very well between the preferred worker and the preferred job. There's really not a great deal that needs to be done. On the other hand, however, you have nonpreferred workers, the disadvantaged, who are also at the low end of the job category in the nonpreferred jobs. We have found in some of our programs, particularly with some of the adults, that although they are unemployed when they enter the program it does not mean that they have not had work experience. They have been in and out of nonpreferred jobs for a long time, but they don't need a program that will give them skill training and orientation, basic education and all kinds of supportive services. They do not need to go through a program for six months and then get placed in a nonpreferred job. They could have had that nonpreferred job from the very beginning.

In some central-city labor markets it looks as though we've got a phenomenon of these people moving in and out of the market. They opt in and out depending upon what their interests or motivations or personal circumstances are at a given time. Also, one of the things that we've been concerned about in the JOBS program is that even though it involves the young, the retention rate in employment of the disadvantaged in the program is running somewhere near 60 percent. We were interested in knowing whether that rate was high in relation to the experience of employers in entry-level jobs, and we conducted a survey using a sample of 20 percent of our JOBS contractors. We asked them to state whether or not they felt that the turnover or the termination

rate in the program was high. Forty-seven percent of the employers said that the termination rate was higher than usual, 32 percent said that it was lower, and 21 percent, that it was normal. We then asked the employers what the reasons were, in their view, for the termination rate. Forty percent of the reasons given could be put under the rubric of trainee social problems. They're the kinds of problems that one would expect from this special group of employees: absenteeism, lack of motivation, unsatisfactory adjustment to fellow employees. Thirty percent of the reasons given involved low wage rates and type of work. Transportation was given in the responses only 10 percent of the time and another 20 percent was a catch-all category of health reasons, pregnancy, that kind of thing.

There are also issues beyond those of the quality and type of job and wage rate, issues involving problems on the job. Again, we've been doing a fair amount to try to prepare the individual for the place of work, but we haven't been doing very much about preparing the place of work to receive the hard-core, disadvantaged individual. Many times the commitment for participation in the JOBS program is made by a corporation executive, while the program may not be particularly well received by the plant manager. And we know very well that the success of the program to a large extent will depend upon the kind of relationship and the kind of environment and attitudes reflected by the plant manager, the foreman, the shop steward, and fellow workers.

Then there are problems of discipline and attendance. Disadvantaged individuals as potential employees are a difficult group to deal with, and there are questions of what changes, if any, need to be made in our

normal operating practices. Take, for example, probationary periods. Should they be changed? Should they be lengthened? And should that be done for these employees as a special group or for all employees? What about seniority? What about issues that relate to provisions of contracts with international unions? What about layoffs? What kind of retention would these individuals have in those situations?

Clearly, I have no solution to any of these problems except to say that these are some of the issues at the local level that need to be considered by the individual plants, the unions, etc. They have to be identified and dealt with beforehand, because if JOBS ends up just being another program in which the individuals' frustrations are increased and their last hope is gone, we may face even greater problems.

Let me be parochial, since my field is evaluation, if I can for just one minute and say that I think there are also issues of evaluation. Social programs such as the manpower programs now underway have been getting a lot of critical assessment. And indeed they ought to. They ought to be the subject of great public scrutiny. But one of the things that is unique about manpower programs and social programs generally is that we have different attitudes towards evaluation and assessment of these programs than we have toward evaluation of many of the older programs. In the past we've had programs for veterans' benefits, for agriculture, aid to education, health programs, recreation programs, national parks; all of which tend to be accepted instinctively as being wise and in the public interest, or it is decided on an a priori basis that we ought to pursue these programs. But when you are talking about some of the manpower programs that I've mentioned, for example the Job Corps, we are faced with a great deal of scrutiny and

have to answer questions about cost effectiveness, which programs work and which don't, which services or what combination of supportive services seems to offer the most likely chance for success or failure. What are the characteristics of the individuals who tend to be in successful programs as opposed to unsuccessful ones? What is the difference in kinds of occupations, kinds of training opportunities provided?

This requires that answers to these questions be provided, and the answers require that data be reported. One of the problems we've run into is the attitude that the Government wants to know too much. It is said, "There is too much government red-tape, and all you want to do is ask questions. We don't want you talking with our employees; we don't want you to know about wage rates; we don't want to tell you something about the progress that the individuals have made." But if we're going to operate in this kind of a fish bowl of public policy and program evaluation, these are some of the things that we need to know to be able to provide some answers as to what works and what doesn't work, and what we ought to do to change it.

In summary, I would say that manpower concerns and policies are now accepted as an important part of national policy-making. In spite of the great strides that have been made over the past decade in the vigorous growth of the economy, we have very serious problems of effective utilization of manpower resources, particularly of youth and among them particularly of minority youth--the hard-core unemployed. The problem that this group represents in underemployment and unemployment is a basic national, social, and economic issue requiring

attention and cooperative efforts between the government and the private sector. I think we have learned that these issues and problems cannot be solved by the government alone, nor do I think they can be solved by business alone. Somehow we've got to find the mechanisms, the arrangements, and the procedures to make a cooperative effort to see whether or not we can provide some solutions to these basic problems. The key emphasis in manpower policy and programs at the moment is on employment: put people into jobs now and provide whatever support is needed to retain them. If we have learned one thing, we've learned that this job is not an easy one, and no easy slogans are going to help us do it any better. And in the process of doing the job, there's going to be an awful lot of stress and strain. Yes, there will be suspicion and criticism, but as a nation, the problem needs to be faced and the job has got to be done.

EDUCATION AND WELFARE ASPECTS OF MANPOWER POLICY

John T. Dunlop

When I am outside the university, I normally regard my role in mediation and arbitration as that of a peace-maker, to settle things down. But in an academic environment the local working rules at this research conference sponsored by the University should specify that my assignment is to stir things up. I confidently expect that not everyone will agree with all I have to say. In this spirit of defining one's role, I recently was handling a major mediation case, and while I was in caucus with one side, the other side left me a little momento which I would like to read. It says, "Nobody is perfect. Each one of us is a mixture of good qualities and some perhaps not so good qualities. In considering our fellow man, we should remember his good qualities and realize that his faults prove that he is after all a human being. We should refrain from making harsh judgments of a person just because he happens to be a dirty, lousy, rotten, no good son-of-a-.... ."

I would like to make five or six points and then go more intensively into what I regard as the area of experimentation, the area of creative change in institutions, both private and public, that is essential if we are to have a manpower policy in a world of full employment.

The first point is to ask you to draw a distinction between manpower policies in the large, and manpower policies in the narrow and

strict sense. The failure to make this distinction often gets us into all kinds of problems. An economist would say, "We've got to know what is given and what is variable for the problem at hand." In the broad sense, of course, almost everything affects manpower policy: educational policy, military training policy, economic policy, welfare policy, health policy, transportation policy, expenditures on research and development in our community, all of these have significant impacts upon manpower, and one must start here and recognize these partial effects.

But you cannot swallow all of these things at once. You must deal with a few variables at a time in orderly discussion. Therefore, I want to distinguish a second meaning of manpower policy, which is, more narrowly, labor market policy: policies related to information about jobs, changing the character of labor demands by job development programs, training programs which affect the character of labor supply. These are the types of activities to be designated, more narrowly, as manpower policy, as the more inclusive programs of educational, military, and economic policy are given. I don't wish to appear in the statements I've made to preclude our talking about the effect of the draft, say, upon manpower policy. I just want to say that when we do so, we're reaching out of the narrower definition of manpower policy into the larger variables that have impact upon manpower policy.

A further observation which helps to define manpower policy, is to point out that the discussion this morning--and in much of our country--tends to identify, for understandable and sympathetic reasons, manpower policy with the disadvantaged. I think it's a great mistake

to do so because there is a host of major manpower policies that have to do with technical and professional jobs, with the whole concept of upgrading that was discussed earlier. While one may choose to put priority in one's emphasis and in one's expenditures, I think it is important to recognize that we are dealing with a full range of occupations in any full manpower program.

The second observation I want to make is to interpret the very accurate statement Mr. Zuck made this morning about the evolution of manpower programs in the United States. In the early 1960's, in the narrow sense of manpower policies, we were spending about \$300 million a year, in fiscal 1968 we were probably spending in the neighborhood of \$2.8 billion. And the projections, as you know, may go to \$3.5 billion for fiscal 1970. I cite that in part to make the point that there has been a very substantial expenditure indeed, although it may not have grown as rapidly as in the health field where in fiscal 1960 we have moved from \$3.5 billion to \$18.5 billion. The question of whether you can develop institutions to increase expenditures wisely from \$300 million to \$2.8 billion in less than ten years, and at the same time give due regard to finding the right developments of policies is one of our problems in this area. I shall come back to this later and say more about it.

But more important than this notion of the rate of expansion is the point Mr. Zuck was making about the transformation in the content of manpower policies. In the narrow sense of manpower policy, and particularly with regard to the policies that were begun in the early 1960's, we added one program on top of another. We added one set of

initials on top of another. We added one set of services on top of another, until in 1968 we reached the stage where we had the most complicated administrative monstrosity that you can imagine--with certain arrangements to do certain functions but no arrangements to do other essential functions. I will not take the time now to elaborate; the consensus of all of us who have looked at this from an academic point of view or, with some government experience as well, is that by 1968 major changes are essential in the delivery of manpower services.

One should not be too critical of the state of affairs in 1968. In American democracy you could not in 1962 or 1963 have set down and enacted a rational, total, full-blown manpower program, and have gotten from our political system the support or the expenditure for it that we now have. In the way that we do many things in this country, right or wrong, we started with the notion that the people who most needed attention in the Sixties, as Mr. Zuck rightly said, were the regionally underemployed and those who Mr. Aaron looked at in his work on the automation commission. These were people who were going to be displaced: white, good, solid citizens who had been skilled workers but who were likely to be displaced by that great bugaboo--automation. As a result, the MDTA Act was passed and gradually the Administration sought to say that you ought to spend your money more on disadvantaged groups, more on black groups, more on minority groups. And we then went through the process of trying to get added support for a different kind of program in the country. Other programs were added, such as the New Careers and finally, just before the election

of 1968--indeed, one might almost say politically for the election of 1968--there was the attempt to involve business more directly in the program through the National Alliance of Business.

It does seem that the time had come by the end of 1968 to consider a restructuring of our total manpower arrangement, to use a phrase very prominent these days in the universities. And without trying to spell out in detail what should be done, the major objective would be to provide a total sum of money which might be used for a wide range of services, with major responsibility in local areas to put together the particular package of services that would make most sense there. Western Kentucky is different than the center of Iowa, and the mix of programs, the mix of agencies and the mix of needs are quite different. The central idea is to let each area set forth a plan, submit that plan for approval, and let the community in the area have a much greater role in the running of a decentralized manpower program. That's the philosophy, and I would have thought that its broad outline has now been accepted in principle. But performance is another thing at both the Federal and local levels.

The third observation I want to make is that we need to be a lot sharper and clearer, more rigorous, about the fact that even narrow manpower programs have been advocated for a lot of different and often conflicting objectives. We ought to be clear about what those objectives are, and we ought to recognize that when we choose one form of manpower program as against another, it may be because one is seeking to use these manpower programs for quite different goals. Let me state some of the principal objectives for which manpower programs are

advocated in the world. The Swedes, for example, would say, we have manpower programs as a device to control inflation. We do not have formal income policies, we only have manpower policies. We believe we should even have a little unemployment, and what we do with it is to give people work fellowships--we don't call it unemployment compensation anymore--we call it work fellowships. And we're going to have these people take training, and this is the way we shift people from low-productive jobs in the Swedish society to high-productive jobs.

In our country there are those who think of manpower programs in the same terms. For a great many other people, manpower programs have come to be an understandable and justifiable right, the principal mechanism or one principal mechanism for access to good jobs by minority groups. Other people look at manpower programs as a way of creating educational reform. Our educational systems, particularly in the high schools and primary schools, are unhappy and need change and we should use manpower programs as an instrument of educational reform. There are others who see our manpower programs as really a substitute for income, a kind of income maintenance through manpower. It must be said that many of our recent manpower programs have not been much more than providing money to people who needed it. It's a type of income provision. Then there are those who think of manpower programs as a tool in the War on Poverty in raising people permanently above the poverty line. Finally there are those who think of manpower programs primarily in terms of the shortages of skill that go with high employment. Now, these are not necessarily illegitimate objectives--they are not always contradictory objectives, but in some respects they may be, and you need to be very clear in your own mind what objective you pursue.

My fourth point is concerned with evaluation. (I'm going to invade a little into Mr. Zuck's topic and I hope he won't mind unduly.) I must start my discussion of evaluation with the first sentence of a recent paper by Dr. Garth Mangum. Garth is a friend and colleague. He says in his paper on evaluation, "No manpower or anti-poverty program has ever been evaluated." I could not agree with him more in any full sense of evaluation. We all have judgments about these programs; some of our judgments may be well founded and others may be poor. But, in any careful evaluation of our programs, we have only begun to develop the techniques that are necessary. There are very complicated problems of data, of concepts which it seems to me we are only beginning to understand. The conceptual problems especially are highly difficult. Let me illustrate a little bit what I mean.

Take this question of the definition of the disadvantaged. The Labor Department at one time has told us that there are some twelve million people disadvantaged. Well, that's probably true, if you take the definition that they use. A large number of them are people who hold full-time jobs, working two-thousand hours a year, but their income is below the poverty level. The question of whether your manpower programs, then, are designed to improve the employment of people who already are employed or to provide training and other services for people who do not have jobs is a very difficult area of comparability. What we don't know is how many people who went through these manpower programs on which the \$2.8 billion have been spent would have had the jobs they did have anyway, or would have just as good jobs. Until you can answer that question, you are in no position to do much scientific

evaluation at all. And the results of studies that have been made are not very encouraging about what our programs have thus far been able to do, and what would have happened in their absence. Even more discouraging to me is that we don't know whether, if we had another billion dollars, it would be better to spend that billion dollars on health or housing or on transportation. Or would it be better to spend that billion dollars on improving the educational system? Or would it be better to spend it on another manpower program? We have almost no perception of the possibilities of substitution and effectiveness among programs.

The fifth observation I want to make is more responsive to the title of these remarks that Mr. Aaron indicated I preferred. One of our problems in the communities of the United States is that we have not yet been able to adjust our thinking in many institutions to an economy of continuing high employment. We have all grown up in a world in which unemployment--a substantial amount--was a normal feature of the society. And there is great misbelief or disbelief in many segments of the economy--among many labor people and management people--that we have really crossed the Rubicon into a world of continuing high or near high employment. Many habits of mind, a host of institutional arrangements, the ways of looking at problems are different, depending upon whether you believe a good deal of unemployment will follow or whether you believe that we really are going to keep unemployment in the economy between 3 and 4 percent in the future. Let me briefly suggest some of the consequences that follow from a world of continuing high employment.

Ten years from now we may wake up and say, "Why, yes, we do have that kind of world, but we only know it retrospectively." A full-employment economy that continues over years has a number of features that are not well understood. One clearly is that a much higher proportion of resources must go into training and skill development, upgrading, and the like. Historically, in loose labor markets, management could reach out into the street and find a man to do a job; it did not have to train him. It spent almost nothing on training! It could line off the front of the employment queue, to use the words of the automation commission. Now, if that world does not exist any more, then the proportion of expenditures in our enterprises and institutions that must be spent for training, skill development and upgrading will rise very appreciably. From this point of view, one will in the future look at business enterprises not merely as producers of goods, but as joint producers of education and training. While it is true that the company that I now cite is in the forefront of technology, I would remind you that it has been said that the educational budget of the IBM Corporation is larger than the annual budget of Harvard University, which purports to be an educational institution. In a world of continuing high employment, there will be much greater expenditures, there will be many more people devoted to education and training in the enterprise and the community, and these functions will be recognized as a much larger and important activity of management and collective bargaining.

I would like to see a collective bargaining supplement added to every agreement devoted to training, to the parties' jointly working

out issues of upgrading in ways they do not now think about. It's clear that a world of continuing full employment will do more than any amount of government directives, or pieces of papers stacked to the height of this room, related to hiring standards, the selection process, testing and the like. I am not saying they have no place. I am saying that it is this sense of consciousness among decision-makers on all sides that is crucial.

A world of continuing full employment, I may also say, involves a world of very different wage differentials. Our wage differentials have been set on the presumption of continuing unemployment. Maybe Adam Smith was right when he contended that in a world of full employment, the garbage collectors will be among the highest paid occupations because those of us who do other things find them much more interesting intrinsically. In a world of continuing full employment it will be necessary to pay people to divert their energies to these dismal and somewhat unsatisfactory jobs.

Although I am going outside my scope of our discussion, may I say that a world of continuing full employment means that the ordinary member, the ordinary employee, is bound to be vastly more independent of his union and vastly more independent of his manager than ever before, because he can say good-bye and walk across the street and find a job with greater certainty than ever before. This will affect attitudes and points of view as nothing you have seen. One could go on a long time, but the point I am trying to make is that a world of continuing full employment is a very different world than the one we have known.

After these five observations, I come to the more programmatic and less philosophical approaches to our problem. On the public side there is a shift away from specific categorical programs with specific sums of money for specific agencies to a sum of money devoted to provide a range of services through a mechanism whose plans have been approved. That idea seems to me to be central, and I applaud the new Secretary of Labor and his associates in achieving the understanding, political in part, which enabled the reorganization of the manpower administration. I imply no criticism of the past, but it seems to me that this reorganization is essential to the direction that I have just cited. There are two agencies in the public sector, taking the country as a whole, which are central to any manpower program. I refer particularly to the employment service and to the vocational education system. If I were asked what I thought business should be doing over and above its immediate workplace or in its own plants, I would say there were three things it should most particularly be doing: First it should join with like-minded employers in getting the kinds of changes in our vocational education system that are desperately needed. I am talking about the training of people who are needed today, rather than those who were needed a decade ago. Second, it should cooperate in the modernization and in the improvement of the employment service. While this has been going on in many states--I'm not too familiar with California--much remains to be done; in my own state, for example, I am inclined to think that the record is not so good. Third, it should work through the National Alliance for Business with area planning groups that must be developed in the future. We need to find a way to

bring labor and management people together with government agencies into this type of three- to five-year plan of manpower program, area by area. These are the three most urgent things in my view for managements to do outside of their own establishments.

Inside their establishments, managements are beginning to devote resources to the development of manpower projection techniques. It has been my pleasure to meet on two occasions within the last three years with a group of twenty companies, some of which are represented in this room, discussing the development of statistical techniques to estimate the forward demands for manpower by occupation. A report of some of that work appeared in the August, 1968, The Conference Board Record. (Peter B. Doeringer, Michael J. Piore, James G. Scoville, "Corporate Manpower Forecasting and Planning") We must find much better techniques for estimating forward demands and supplies if we are to run a full employment economy.

In the private sector and in cooperation with the public sector, it is my view that the greatest energies ought to be devoted to the development of new institutions which meet the new training opportunities and requirements. Let me illustrate. On January 30 of this year, a small conference was held at Harvard at which we had detailed reports on what I regard as among the eight most interesting cases in the United States of managements, or managements and labor together--sometimes alone and sometimes in cooperation with government--devising new methods and new approaches to training the hard-core. Those reports will be published in a book that is now in the press. (Peter B. Doeringer, Ed., Programs to Employ the Disadvantaged, Prentice-Hall, Inc., 1969)

One of these cases concerns what might be called the mini-plant. This device is used by Western Electric in Newark, where they have a main plant and in the ghetto area two mini-plants. A mini-plant for this purpose is one which hires a hundred people or so for real production, although the operations are simpler than in the main plant. People are allowed to come up to performance norms at their own pace; the normal period of probation of six weeks or so is set aside and one can stay up to eight or nine months if necessary. In the mini-plant the supervisory ratio is twice what it is in the main plant with more customary employees, and in this type of a plant people are brought up to standards that allow them to transfer into the main plant. They worked out the complicated problems of seniority on transfer very well, and I suggest to you that specialized supervision and the individualized rates of advancement were most helpful.

Another illustration that has interested me a good deal is an arrangement in Cleveland that was worked out between the public school system and General Electric and a number of other companies. A building was designed, one-half of which is a school and the other half a workplace. Put in philosophical terms, what one needs are managers who are part-time teachers and teachers who are much more like managers. The separation in our society between work and schools is inappropriate for some people; work and schooling should be mixed in a much more homogeneous way than is conventional. Indeed, certain types of people might find it more convenient to work part time and go to school part time in the same day.

Mention might also be made of programs designed to bring disadvantaged groups into apprenticeship programs. The "outreach programs" pioneered by the Workers Defense League have now been funded by the Department of Labor in more than 50 cities. These programs reflect the need for an innovation in recruitment, in orientation, in motivation and in follow-up, in order to bring minority and other groups into the mainstream of apprenticeship and craft employment in highly skilled occupations. Traditional methods of recruitment and training are not adequate; new institutions are needed to produce results.

Large-scale business enterprises in our economy seem to carry a distinctive responsibility and opportunity to take the leadership in the development of manpower policies within the enterprise and in local communities in an effort to advance the position of the disadvantaged. Job development as done by community people, paid for by government, has often proved inadequate since community representatives have too little knowledge about jobs and the workplace. I would plead for more interchange between business people working for community groups on loan for specified periods, so that there can develop greater mutual knowledge and understanding. Similarly, community representatives can profit from such experience within large-scale business organizations.

The hard questions of manpower policy relating to the disadvantaged in the enterprise, particularly the large-scale enterprise, turn on how to attract, develop, and train a somewhat larger proportion of the disadvantaged and minority groups into the relatively better jobs, both in entering positions and in promotions and upgrading.

LEGISLATIVE AND POLITICAL OUTLOOK

Howard J. Anderson

Shortly after President Kennedy was inaugurated in 1961, I spoke to a group on the legislative and political outlook under the New Frontier. As an introduction, I told about a massive search that was taking place on the White House grounds. All members of the Kennedy clan were participating, from the father, Joe, on down to the baby, Caroline. There were suggestions that they were looking for a football or perhaps for some golf balls that were left by the previous tenant.

Neither was correct. They were looking for the mandate. Since the margin of victory was less than one percent of the total vote, there was indeed a question of the mandate.

The cliff-hanger election was reflected in cliff-hanger votes in Congress during the Kennedy tenure. Now we have a similar situation. Although his margin of victory was slightly larger than that compiled by Kennedy, President Nixon still is a minority president. Moreover, he will have to work for a Congress in which both houses are controlled by the opposition. Every committee has a Democratic majority and a Democratic chairman.

But there are countervailing factors that make this Democratic domination somewhat illusory.

First, the Republicans already had made substantial gains in the 1966 congressional elections, picking up 47 seats in the House and three in the Senate, thus cutting into the overwhelming majorities the Democrats

had in the 89th Congress. And the Republican gains were reflected in the legislative records of the 90th Congress. While President Johnson could get almost any measure he wanted from the 88th and 89th, he emerged virtually empty handed from the 90th Congress. Although the 20,387 bills introduced into the first session set an all time high, only 207 of the measures became law and they included few of the great society variety.

Second, a theory now is being circulated by some congressional analysts that a new breed is being elected to Congress, a breed characterized by independent thought and action. More and more members are voting independently and expressing their personal views on major issues with no apparent attention being given to party labels and allegiance. The particular issue being considered often is the axis around which the decisive vote revolves.

Third, another theory being expressed is that major legislation often has nothing to do with party alignment in Congress, but is a result of the exploitation of external factors and conditions. The adoption of the Taft-Hartley Act in 1947, for example, was triggered by the wave of strikes that followed the end of World War II. The 1959 Landrum-Griffin Act grew out of the disclosures of corruption and racketeering in the hearings conducted by the McClellan Committee.

Finally, there is a conservative coalition in Congress, a coalition that had a dramatic resurgence in the 90th Congress. The potential strength of the coalition in the House was 278, 187 Republicans and 91 Southern Democrats. In the Senate, it was 55, 37 Republicans and 18 Southern Democrats.

During the first session, the coalition formed on 54 of 245 roll-call votes in the House. It prevailed on 37, a winning percentage of 73.

In the Senate, the coalition formed on 56 of 315 roll-call votes. It prevailed on 36, a winning percentage of about 80.

In the second session, the coalition formed in the House on 51 of 233 roll-call votes. It prevailed on 32, a winning percentage of 63.

In the Senate, the coalition formed on 70 of 281 roll-call votes. It prevailed on 56, a winning percentage of 80. This included the rejection of the nomination of Justice Fortas to become Chief Justice of the United States.

The potential strength of the coalition will be slightly augmented in the 91st Congress, and it could play an extremely important roll in the type of legislation that is then adopted.

With this introduction, let us sort out some of the facts in what at best is a mixed, tangled, and confusing picture.

First, let us consider the President himself, his views, his method of operation, and what changes he may seek in the area of manpower and labor relations.

Second, let us consider the administrative structure the President has inherited and what changes he may make in it.

Third, let us move into the principal areas of discussion--what Congress may do in the area of manpower and labor legislation.

For those of you who remember well the Nixon of 1960 and 1962, I want to stress at the outset that the Nixon of today is not the Nixon of those years. He has matured as a politician and he has become more moderate in his thinking. In an interview shortly after his election, he compared himself as a politician with O. J. Simpson as a broken field-runner; and he said, "I have all the moves."

For the first two months of the new Administration, there was a general wonderment about when things would start happening. The first 60 days of the Kennedy Administration were characterized by dramatic changes and far-reaching legislative proposals, but it appeared that the Nixon way was to make haste and hay slowly.

Then the Nixon style and pattern of action began to emerge. He sent 94 top priority directives to cabinet officers and other high government officials, calling for in-depth studies of a number of ticklish problems. The implication was that when all the facts are assembled and the President had had a chance to make a thorough appraisal, the sparks then would begin to fly. One government official has characterized the directives as turning the ignition key of governmental action.

Of these directives, 16 went to the Secretary of Labor, and they called for in-depth studies in the area of manpower and training, occupational health and safety, national emergency strikes, extension of Taft-Hartley coverage to farm employees, and minimum wages.

Then, on March 13, the Secretary revamped the manpower organization within the Labor Department. He established a direct line of authority from the manpower administrator to eight regional offices and an office for the District of Columbia and he added a new component, a United States Training and Employment Service which will administer a variety of programs. He followed up this action on April 11 by restructuring the Job Corp. He announced plans to close some training centers and to integrate others into the Labor Department's manpower program. He estimated that the changes would save about 100 million dollars.

What will be the Nixon legislative program in the area of manpower and labor relations?

In a little-noticed address delivered on October 21, 1968, candidate Nixon outlined the policy he would follow in the labor area, should he be elected. He stressed these points:

First, in the next four years the government must help create 15 million new jobs, and in such a way that it would help--not harm--the man with the job today.

Second, the most harmful tools in the economist's kit are wage and price control. If controls are invoked, the bargaining table will become a bureaucrat's desk; there will be no bargaining at all.

Third, something has gone terribly wrong with relations between government and public employees in far too many of our states and cities. We must all recognize that there is no right of public employees to strike in a manner that will endanger the public health or safety.

Fourth, the government ought not to intervene in the give-and-take of collective bargaining unless there are compelling reasons. But when it is forced to intervene, it should intervene as a neutral.

Fifth, a watchdog committee will be established to give the President the facts on which he can base such action as is required to conform the actions of the National Labor Relations Board to the intent of Congress. Since Senator Ervin wants to establish a congressional watchdog committee for the NLRB, we are going to have a lot of Board watchers during the next four years.

This is about all we knew about the Nixon Administration's legislative program in the manpower-labor areas until shortly after the Easter Bunny and the brawling children and distraught mothers evacuated the White House grounds. Then the President sent to what amounted to a mini

State-of-the-Union message to Congress. It was five pages in length.

The proposals in the manpower and labor field were the following:

First, a comprehensive labor and manpower program including job training and placement, unemployment insurance and health and safety.

Second, an increase in social security benefits to take account of the higher living costs.

Third, a measure to improve the effectiveness of the program for equal employment opportunity.

This is a skeleton of Nixon's legislative program in the manpower and labor area.

Let us now look at the administrative structure. At the outset it should be emphasized that Nixon is locked-in in two important respects:

First, the social programs that have been established by previous Administrations have become an integral part of our social and economic structures. With the composition of Congress as it is, the new Administration has little chance of eliminating them or drastically changing them.

Second, the Administration is looking ahead to the congressional election of 1970 and does not want to do anything to antagonize large voting blocks.

The Administration is also locked-in to a substantial degree so far as changing the administrative structure is concerned. The members of two key agencies in the labor area, the National Labor Relations Board and the Equal Employment Opportunity Commission, have fixed terms of office and may not be replaced before the expiration of their terms except for misfeasance or malfeasance in office. The same is true of the

general counsel of the NLRB. The President may designate a new chairman of both the NLRB and the EEOC, and he already has stated he will do so for the EEOC; but a similar announcement long expected for the NLRB has not been forthcoming.

At this point I might ask you where the rumor about Sam Zagoria started. I understand it's been from coast to coast, but he denies it vehemently. If you haven't heard it, it is that he is resigning to become president of Glassborough College and that the President will name a new member and designate him as chairman. But so far there has been no indication of this.

The Labor Department is another matter. Nixon has a completely new team there. It is a combination of businessmen, union officials, and career government employees, and this could have a substantial effect during the next four years. This brings us to Congress and what it may do in the manpower and labor area. If the usual pattern is followed, about 20,000 bills will be introduced in this first session of the 91st Congress. Many will be carry overs from the 90th Congress, and many of these will probably be carried over to the 92nd Congress. These are the perennials.

While Nixon was making haste slowly, the Congressmen and Senators were proceeding to fill the hopper with a variety of proposals. Here is a synopsis of the action.

January 9: Congressman Thompson, Democrat of New Jersey, introduces the first labor bill of the session, HR 100. It is a hardy perennial, a measure to legalize common situs picketing in the construction industry. There have been similar measures introduced in every

Congress since 1948, and they have had the support of three Democratic and one Republican President. And there are indications that some form of common situs bill will get the backing of President Nixon.

January 12: For the third time, Congressman Martin, Republican from Nebraska, introduces a bill to prevent the application or exercise of monopoly power by employers and labor organizations in representing labor.

January 14: Senator Griffin, a Republican of Michigan, introduces another repeater to replace the NLRB with a 15-member labor court and to establish a joint congressional committee to study and make revisions in labor laws applying to industry-wide strikes and bargaining.

January 23: Senator McGovern, Democrat of South Dakota, introduces a full-opportunity bill to have adequate employment, housing, and education free from racial and other discrimination. Senator McCarthy, Democrat of Minnesota, introduced the same bill last session.

January 24: Congressman Thompson introduces HR 4134 to permit employers to contribute to jointly administered trust funds to finance scholarships and day-care centers for children of union members. This also is a repeater.

January 24: Congressman Helstoski, a Democrat of New Jersey, introduces a bill to raise the minimum wage to \$2 an hour--one of the prime objectives of the AFL-CIO.

February 10: Senator Fannin, a Republican of Arizona, introduces a bill to abolish the Office of Federal Contract Compliance and to make the Equal Employment Opportunity Commission the exclusive federal agency in the area of equal employment opportunity.

Meanwhile, there was the usual spate of bills to give the EEOC cease-and-desist powers to amend the Taft-Hartley Act, to repeal Section 14(b) of the Taft-Hartley Act, and to amend the Fair Labor Standards Act.

Several key committee chairmen already have taken the next step in the legislative process. They decided not to wait for the Administration's recommendations and have proceeded to schedule hearings on measures already introduced.

Congressman Perkins, Chairman of the House Education and Labor Committee, has been conducting hearings on whether the Office of Economic Opportunity should be continued, the amount of operating funds that should be authorized for it, and whether the OEO should retain all of its original areas of responsibility.

Hearings are being held in both the House and Senate on safety and health bills for coal-mining, and hearings are being held in both Houses on construction safety bills.

Hearings are being held in the Senate on whether to extend Taft-Hartley coverage to farm workers. And incidentally, to show you the difference in the feeling of the employers and the unions in the area, the American Farm Bureau Federation has recommended that, if any legislation is passed, the administrative agency should be the Department of Agriculture, rather than the NLRB, while the AFL-CIO Organizing Committee for Farm Workers is seeking a measure that would follow completely the pattern of the original Wagner Act and not include any of the amendments inserted in the law by the Taft-Hartley Act and the Landrum-Griffin Act. So you can see, there will be some real controversy before any measure is adopted in this area.

Finally, hearings will begin tomorrow on common situs picketing, while hearings on the general occupational health and safety bills have been deferred until June for a very good purpose. Following the pattern of the Building and Construction Trades Department, the Industrial Union

Department of the AFL-CIO has scheduled a legislative conference in Washington in June, which will give all of the members attending a chance to lobby on behalf of the occupational and safety bill at the time the hearings are being held.

With all these measures being introduced, what ones appear to have a chance of adoption?

First, there are the three occupational health and safety bills-- one for the coal mining industry, one for the construction industry, and one applying to all industries. They provide an illustration of the effect of outside circumstances. If you hadn't had the coal mine disaster in West Virginia and some other serious industrial accidents, these measures might have been put off for the future. But it appears almost certain that some measures in this area will be adopted. They have the support of both the Administration and the Democratic leaders in Congress.

The second area in which we will probably get action is manpower and training. There is pressure on Congress from any number of sources to adopt such measures, and the Administration has already gone on record in favor of new manpower and training legislation. And it is urging a comprehensive program.

Third, there is another perennial measure that appears to have some chance of adoption at this session. That is the measure to establish fiduciary standards for private pension funds. This was considered at the last session, and was not adopted. But its chances appear very good at this first session at the 91st Congress. There is one complication, however. Many of the sponsors of such legislation want to attach provisions to it that would provide for portability, vesting, and funding

under private pension plans. If this should happen, the measure likely will be put over at least until the second session of the 91st Congress. So far as social security benefits are concerned, the Administration has proposed what would amount to a $7\frac{1}{2}$ percent increase. My guess is that this will go over to the second session. It has been traditional to adopt social security improvements during election years, and I don't think the tradition will be broken in this case.

There's another area in which we may get serious consideration of legislation. It is the area of equal employment opportunity.

Ever since Title VII of the Civil Rights Act of 1964 was adopted, there have been proposals to give the Equal Employment Opportunity Commission cease-and-desist powers. Under these proposals, the Commission would be authorized to cease-and-desist orders that would be enforceable in the federal courts of appeals. This would be akin to the powers that the National Labor Relations Board exercises under the Taft-Hartley Act.

Last year there was a bill reported by the Senate Labor Committee, the Clark bill. It went way beyond the original proposals. In addition to giving the EEOC cease-and-desist powers, it would have given EEOC authority to seek pre-decision injunctions to enjoin suspected unlawful conduct until a decision could be reached. It also would have provided for a tightening of the rules on employee testing and for a revision of the provisions relating to discrimination in pension and retirement plans. The bill never got a call on the Senate floor, and a similar bill was not reported in the House. In 1966, the House actually passed the bill to give the EEOC enforcement powers, but no action was taken in the Senate. So there now is a possibility that a measure, probably not the

comprehensive Clark bill, but one that would be limited to the cease-and-desist powers will get floor consideration at this session of Congress.

There are, however, some factors that may tend to minimize the needs for such an amendment to the law. First, the Supreme Court last month denied review of three decisions by the U.S. Court of Appeals at Richmond holding that conciliation efforts by the Equal Employment Opportunity Commission are not a prerequisite to the filing of a suit by an aggrieved individual. This is extremely important because other courts have held that an aggrieved individual had to wait until conciliation efforts were completed and he was notified by the Commission that they were unsuccessful before he could file a suit in court.

With the backlog that the Commission has, the conciliation efforts now extend far beyond the period provided by the law. So these decisions eliminate some of the urgency for cease-and-desist powers for the Commission.

A second factor that may have an influence is the power that is being exercised by the Office of Federal Contract Compliance. In contrast to the EEOC, the OFCC has very effective enforcement powers, and it is starting to utilize them. It has power to cancel contracts, to suspend contracts, and to put an offending employer on a blacklist for future contracts.

Just before the Johnson Administration left power, it found that the Allen-Bradley Company had violated the equal employment opportunity provisions of its contract and recommended that some action be taken. The question of the penalty was put over to the Nixon Administration.

Now the Administration is trying conciliation, and it's still not known whether a penalty will be invoked for the first time by the OFCC.

Another factor that minimizes the urgency of this legislation is that the Justice Department has become active in filing pattern-or-practice suits. It now has filed 42. Decisions have come down in three, although they generally were more favorable to the accused employers and union than they were to the Justice Department. So all of these factors may tend to minimize the chances of adoption of legislation in this area.

There is one more factor and probably the most important of all. This is Senator Dirksen. The reason there were no enforcement powers in Title VII as originally adopted was simply that Senator Dirksen agreed to go along with breaking the filibuster in the Senate only if he could rewrite the bill, which was accomplished through the cooperation of Senators Dirksen, Humphrey, and Mansfield and the Justice Department. The bill that emerged did not contain enforcement powers. And it is unlikely at this stage that Senator Dirksen will help break another filibuster to insert the enforcement powers in the law that he denied in 1964.

So far as your other usual measures are concerned, there appears to be no chance of any amendments to the Taft-Hartley Act at this session. This would have to be a case again of outside developments triggering action, but about the only outside developments that could do this would be a wave of major strikes. With the limited bargaining that is scheduled for this year, this does not appear to be in the cards. There is one counter consideration, however, they are holding hearings

on extending coverage to farm workers. These may be expanded to consider other measures, and if so, there is a possibility that some action will be taken.

In the next area, that of national emergency strikes, the Administration has directed a full-scale study of the present procedures under both the Taft-Hartley Act and the Railway Labor Act. With this study being engaged in, it is likely that no recommendations will appear until late in this session or early in the next session of Congress. So I think you can put over any national emergency strike legislation until the second session of the 91st Congress. The perennial bill to provide federal standards for unemployment compensation already has been introduced in both Houses. It has some backing by the Administration, at least it was mentioned in general by Nixon in his mini State-of-the-Union message. However, such measures have been considered in almost every Congress since the early 1950's and none has ever been adopted. So chances for legislation in that area would appear very slim indeed.

A new measure of that type has emerged, one that would establish federal standards for workmen's compensation. It is new, hearings have not been held on it, and no study has been made. So it probably will be carried over until the second session.

In summary, we are in a period in which there will not be a tremendous burst of activity in either the legislative or the administrative area. It will be primarily a period of consolidation and digesting of previous legislation.

We will have a revamping of administrative structures as was done first in the manpower setup in the Labor Department.

There will be little change in the direction of decisions of the National Labor Relations Board. The terms of the Board members begin to expire first with Sam Zagoria next December and then there is an expiration each year for the next four years; but before there can be any real change in the direction of the decisions, there will have to be the appointment of at least two new members.

We safely can say that this is going to be not quite as exciting a period as you ordinarily will find under Democratic Administrations, but with the start that has been made, we can be quite certain that it will not be a dull period.

Thank you.

II. PROBLEMS AND PROSPECTS IN UTILIZING MINORITY GROUP MANPOWER

CURRENT STATUS OF THE NEW CAREERS CONCEPT

J. Douglas Grant

Non-college trained persons who have been clients of human service agencies can serve on the staffs of those agencies without having the agencies blow up. Further, within the limits of any social agency's data concerning effectiveness, it can be stated that agency effectiveness can be improved by the use of such staffing. It is estimated that we now have over one-half million such people working in the professional fields. At present there are more data to support increased effectiveness through use of the non-professional than there are data to support increased effectiveness through upgrading the professional.

In addition to the case to be made from the work of 265 self-help organizations (23), of which Synanon and Alcoholics Anonymous are the best known, there are a growing number of agency in-house programs, which demonstrate the positive impact on clients of the use of non-professional staff.

The Los Angeles County Probation Department is demonstrating that a team of two new careerists and one probation officer working with juveniles on probation can not only bring increased effectiveness and cost-benefits over incarceration but over regular probation supervision as well (20).

Several studies in the health field have shown that outreach efforts for immunization and the utilization of clinic services can be greatly extended by the use of indigenous non-professional personnel (1, 3, 11, 12, 19, 22).

The Navy has trained dental technicians in seven weeks to insert restorations in cavities prepared by dental officers

(14). The amount of dental service given in this demonstration program doubled and, when using such teams of dentists with technicians, the quality of service remained comparable to that given by dentists alone.

Improvement in student achievement and cost-benefit advantages have been reported in elementary and secondary education programs through the use of non-college trained assistants (15, 16, 17). A secondary benefit is the educational improvement shown by the assistants as a result of working at teaching others (2, 5).

Rehabilitation counseling and welfare services have been extended and improved through the use of briefly trained non-professionals (4, 13).

There is increasing corroboration, both in formal studies and agency experience, of the original NIMH-sponsored research done by Art Pearl at Howard University (7) and by the Grants in the California Department of Corrections (9, 10). The use of the non-professional as advocated in New Careers for the Poor (18) is now an extensive and established fact. Over twelve pieces of federal legislation now provide some funding--though not adequate--to assist in the implementation of new careers (8). California, Pennsylvania, and Washington have established state offices to assist in modifying personnel procedures to allow the employment of the non-professional in state human service agencies.

However, the employment of non-professionals, those now screened out of our colleges, is but one piece of the new careers concept. Initial employment is seen as the peg which will allow a continuing, paid internship to be a part of a new higher education delivery system, a system that is needed to screen persons now excluded into an educational participation in our culture.

With our changing technology, our culture has to change. We no longer need school dropouts to dig ditches, lay railroad ties, or till

the soil. Rather, we desperately need people who are sophisticated enough to help our human and social development keep pace with our technology.

The new careers concept calls for realistic promotional and developmental opportunities for the non-professional through the linking of continual education with paid work experience. Further, the new careers concept calls for continual change in our social agency programs as expressions of our culture's development. If employment is not linked with promotional opportunity, relevant education, and agency change, we are in trouble. Second-class jobs for second-class citizens is no answer to anything.

The current challenge of the new careers concept is the ability to link long overdue modifications in higher education with paid participation in our culture's development. Viewed this way, the concerns of new careers merge with the concerns of men like Saslow, who has shown that most of what medical students learn in medical school is forgotten at the same rapid rate as nonsense syllables are memorized (21). He states, only somewhat facetiously, that this is probably a good thing because M.D.'s would be subject to malpractice suits in many cases if they practiced what they were taught in medical school only five years after graduation.

Human services, like the field of electronics, are--or should be--in the position where "if it works, it's obsolete" and where agency practitioners--again like the electronics engineer--must be retrained every five years. Education must be modified not only to screen in those now screened out but to keep pace with the changing demands of our culture.

One of the most promising modifications in higher education is Howard Higman's "junior year in the field" program at the University of Colorado. His third-year undergraduate sociology students go out in small teams of three to seven to work on Indian reservations, in urban ghettos, or in prisons. They take with them a microbus load of reference material and a graduate-student assistant. They meet with the graduate student daily in a continuing seminar, in which they try to link their work experience with systematic knowledge. They are joined once a week by a senior professor.

Several schools are now experimenting with other than a corrections model of accreditation. (In most schools degrees are now granted largely on the basis of "time served" credit hours.) These new approaches include the negotiating of a contract between a student and the university, in which the student's educational goals and the methods he proposes to reach them are stated. These methods may or may not include taking formal courses.

My organization is now working, with the help of a federal education grant, to develop a model spanning the third year of high school through the four undergraduate years of college, which links continual work experience in the administration-of-justice field with education using this experience as a peg for introducing and developing formal knowledge (6).

Here it must be apparent that the new careers concept merges with continual total agency staff development, and that staff development--very much including that of the new careerist--must be linked with the agency's own change and development.

It is sad that under the guise of scientific integrity universities and social agencies have developed our professional manpower system without any concern about evaluation and the demonstration of effectiveness. At this time we have more data about the effect of alcoholics on their fellow alcoholics than we have on the effects of M.D.'s and social workers on alcoholics.

Another sad development is that our professional schools and their graduates are contributing to our agencies' resistance to change. Many agency staff members will agree that what they themselves are doing, as well as what their agency program is doing, is not effective in meeting the needs for which the agency was created. Yet they defend the routine, putting in their time, applying what they were taught in the last or preceding decades to the problems of today.

The model of learning the absolute truths of a discipline during the first thirty years of one's life and then applying them for the next thirty was never very useful and now is certainly completely obsolete. We must find a way to keep education and operation in tune with the need for change.

But there is hope for the future. Lest we become too discouraged, Secretary Finch is talking of the need for change in our universities. He also is talking about the need to find more financial resources to meet the human and social development demands that we place upon HEW. Students and new careerists are beginning to exert organized pressure for change. Again, it is sad that the pressure has to come from the clients, such as students and the poor, along with politicians, rather than from the professionals themselves.

However, the case can be made for a contagion phenomenon which, along with the other growing pressures of the times, may give us more movement in the relatively immediate future than might be expected from a straight extrapolation from the last few years. Of the eighteen felony offenders developed as social change agents in the study sponsored by NIMH referred to earlier (9, 10), only one was reconfined. Twelve are active and effective in program development and social policy change. In three years their average annual salary has moved from \$6,000 to \$12,000. Two are consultants for HEW and OEO and are affecting policy concerning youth affairs and education as well as crime and delinquency. Three are under contract with the Department of Labor as new careers development consultants. One is very active with new careers and new careerist organization development in Los Angeles; he also flies to New York every fourth week to serve as a training consultant for a community mental health program in Harlem. One is administering a new careers program in San Francisco. One is active in program development for the state of Washington. Four comprise the core staff operating five projects run by our organization in Oakland, which includes directing a new careers program of one and a half million dollars for the city of Oakland.

Contagion was operating in these men as they helped develop one another. Now this contagion is spreading to hundreds of others. It is reaching the poor, the professional, and the politician. (They have helped draft both state and federal legislation.)

It should be possible to put more change forces into operation. What we need more basically than a new careers concept or a staff and

agency development program is a science of social change. Good people like Allport and Lewin were working on it in 1945. They spoke of the need for a psychology of participation and the role of social science in making democracy live. We are just catching up with them. We have lots of homework to do. And, it is getting late.

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SUPERVISORY TRAINING

Carl B. Kludt

First let's look at the preparation and follow-up program for managers, supervisors, instructors, and fellow workers in the areas in which the new workers will be employed. The best and most practical place to start is with a short orientation to the community or communities from which the workers come.

Executive Overview

For the executive level of your organization it is recommended that a two to four-hour session be set up in the following format:

The first part (about 20 percent of the session time) can be a presentation by minority leaders from the communities where the workers live. This presentation should have to do with the cultural difference between the minority community and the community as a whole, the minority environment in which the worker lives, and insights on how each minority group sees the employer.

The second part (about 10 percent of the time) can be spent in open discussions, questions and answers regarding the presentation.

The third part (about 25 percent of the time) can be spent in a group-task or problem-solving session. This is done by the group moderator setting up a question or an incident relative to the subject of the presentation. (Brainstorming or creative discussion activity.)

The fourth part (about 40 percent of the time) can be productively spent by bringing in some representative minority persons from the community and mixing them into small discussion groups in different parts of the room to have discussion and sharing of insights and knowledge between industry and the minority community.

The last 5 percent of the time should be spent by making closure as to insights and understanding what was gained in that session.

Supervisory and Staff Training

The preparation of the supervisors, instructors, and key fellow workers can include an eight to ten session workshop, plus significant participation in the interviewing and selecting of the workers to be assigned to their areas.

These sessions should last approximately three hours and should be conducted both inside the plant and in the community. The supervisor/fellow worker needs exposure to the way an inexperienced person seeking employment is processed by the various agencies.

One excellent exercise for giving the supervisors/coworkers insights is to have them dress in old clothes and go to a state employment office to ask for work; or, to give him a dollar and put him in the middle of the community with his old clothes on and no identification. Then give him a task to perform, such as make his way to the other side of the city and apply for a job in a company; or, work out some way that he can earn another \$5 by being a day laborer, etc.

The group should also visit at least one Welfare Center, State Employment Service Office, Childcare Center, Community-based Skill Training Center run by blacks and browns or other community service locations through which the new employees may have been processed.

The in-plant sessions should take on a similar format to that given to the managers, except each area should be explored in more depth. At least half of these should be spent in training group activity, sometimes called T Grouping. These are the rules of a creative group discussion, or T Grouping:

1. Talk about the "real world" here and now; not how it ought to be or how you wish it were.

2. Express feelings and don't make speeches.

3. Accept in-put from others in the group without protesting.

Accept their ideas as "the way I see you and the situation."

4. Give feedback to others in a congruent and "leveling" manner.

A typical format of an in-plant, three-hour training session set up around the issue of bringing minority workers into your workforce who have limited or no work experience could be:

The first 20 percent of the time in presenting a problem. This can be done by a presentation from the community or a presentation from the side of the supervisor or fellow worker, who feels strongly about bringing "these people" on board.

30 percent of the time as the second part being used for a group task which can be a problem census or a problem-solving session, or a combination of both. (A problem census is nothing more than gathering a quantity of opinions from the group as to what they see as incidents and problem situations that will arise from bringing persons with limited or no work experience into their particular work group.

The result is a list of concerns that the individuals in the group are harboring. Again, the "group implementor" attempts to keep to the rules stated above to facilitate the elimination of time consuming evasions of the real concerns that the individuals in the group may have. The last 50 percent of the time of this in-plant session should be spent in selecting problem areas to deal with and then T Grouping around what are some of the solutions.

The design of each unit or session would look something like this:

20 percent	40 percent	40 percent
Stimulating presentation	Small group-task or problem-solving (30%) Report back-- Total group (10%)	T Group and Summing-up closure by moderator

In order to successfully run these sessions, the person with the training responsibility in the company will need to make contact and utilize the services of these kinds of resource persons:

1. Community-based manpower training program staff persons: A community-based manpower training program is one that is located in the minority community and is run by a staff consisting mostly of members of the ethnic group in that community. Its purpose is to prepare, train and place persons with limited work experience from that community in the workforce.

2. Community action minority projects: These are projects that are started by action-oriented organizations from a minority-group base that have bended together to help community residents lift their own social economic base. Among such organizations in the Southern California area are: the Black Congress member organizations, e.g., the Sons of Watts, Mexican-American Opportunities Foundation, the Brown Berets, SER, the Urban League, NAACP, League of United Latin American Citizens, LUCHA, County Commission of Human Relations, Youth Incentive Through Motivation, Concentrated Employment Project (CEP), Youth Training and Employment Project (YTEP), All Nations Black Student Union, Union of Mexican American Students, etc.

3. Professional societies and special professional projects: These are organizations of professionals in areas that apply to the problems and objectives of such a program; organizations like the American Society for Training and Development, Social Welfare Workers Association, Personnel and Industrial Relations Association, Public Administrators Association, etc.

4. Special projects found in the ghettos and barrios: These are projects to improve the educational opportunities, the economic status, the transportation facilities, etc. in the community. Examples are the Teacher Corps, Narcotics Prevention Project, Urban Transportation Project, etc.

5. Educational institutions: special projects within universities and colleges such as the Urban Studies Division, Inner City Teacher Training Programs, Youth Study Centers, etc.

6. Private-public partnerships: These are organizations such as the National Alliance of Businessmen, Urban Coalitions, Community Affairs Programs of Professional Societies whose members are based in the industrial community, etc.

The methodology recommended as the most effective for the various portions of this type of session is the following:

1. A provocative stimulating presentation by a community expert (approximately 20 percent of the session time).

2. Breaking the group of supervisors and fellow workers into small groups of three to ten with a specific task to perform (approximately 30 percent of the time).

3. Report back by spokesmen of small groups to the total group (approximately 10 percent of the time).

4. A creative discussion group led by a discussion facilitator (approximately 40 percent of the time).

This is how each of the components could be conducted:

Model of a Conference for Managers, Instructors, and Staff
to Prepare Them for Adding Minority Employees with Limited Work
Experience to Their Work Group

SESSION I: Commitment (3 hours or more)

Speaker-Challenge for Commitment (30 minutes, including question period)

The speaker in Session I on Commitment should be a researcher from the ethnic background involved, who has startling facts regarding the need for commitment.

A challenge to hire, prepare, train and put into full employment status Mexican-Americans, Negroes, and other minority workers with limited experience. This should include a look on the situation really faced by the minority worker with limited or no experience, and a look into the past--why it is the way it is. Then, why there should be a commitment on the part of managers and supervisors.

Small Group Discussions (45 minutes to one hour)

A creative group discussion on what are the problems of managers and supervisors becoming committed to the hiring and training of minority persons with limited work experience, a problem census.

The group moderator should appoint a recorder and spokesman (or allow the group to elect one), whose job it will be to document the problems as the individuals in the group see them and to report to the total group what his group has come up with.

Report Back to Total Group (10 to 15 minutes per group)

Each spokesman will report back to the total group what the list of priority problems are as far as his small group's feelings are concerned.

This gives the small group and the group moderator an opportunity to see what the other groups have come up with in the form of problems

as to commitment. The group moderator then makes notes, and at the end of the presentations the small groups reconvene for the rest of the period. They T-group on the problems that they have chosen as being most critical to them as individuals.

T-Grouping and Closure (approximately 90 minutes)

This activity consists of a training group implemented by a group facilitator who should be the same person as the group moderator of the task group that was held before this. The purpose of this group is to find solutions to the problems which have been put forth by the total group.

When the creative discussion group meets following the speaker to outline what the problems of commitment are, the group moderator of the creative discussion group (free wheeling discussion group) facilitates the group process by making members adhere to the following disciplines:

1. Talk about the real world, not the way it ought to be or the way you wish it were.
2. Speak your feelings in a constructive way. Don't make a speech or lecture people.
3. Accept in-put from others and learn from it. Don't refuse to consider the viewpoints of others.
4. Give feedback by "leveling" to others regarding their points of view. Be congruent in what you say is what you feel and what you are.
5. Recognize that feelings are not "set in concrete," but that a negative feeling may lead to a very positive understanding.

The rules of T-Grouping or Training-Grouping are:

1. Confine your discussion of solutions of the problems to the "here and now."
2. Adhere to the rules set forth above for a Creative Discussion Group.

SESSION II: Cultural and Community Insights (3 hours or more)

For the second session, the speaker should be an implementor from the community of Mexican-American, Negro, or other minority persons with limited work experience. Following the speaker and the question-and-answer period, a group problem census should be taken. This means, as before, breaking up into smaller groups (from three to ten) and taking as a group task the listing (in order of their importance) of problems that arise from the cultural and community background for workers with limited experience in becoming part of a work group in the individual companies. One effective way of introducing this group problem census is to give a "cultural test," a listing of terms commonly used "in the streets" of the ethnic community that you are trying to expose supervision and management to. These terms are presented with five multiple-choice answers; the test quickly tells a person from industry how little he understands the cultural and community factors of workers with limited work experience.

Again, the last 40 percent of the session is spent in T-Grouping on problems dealing with cultural and community differences of workers with limited work experience.

SESSION III: The Racial Environment (3 hours or more)

This session is designed to bring understanding and insight to the managers and supervisors of the Mexican-American, Negro, or other minority group environment.

The speaker should be someone who has an anthropological understanding of the ethnic group, someone who understands the family relationships of the ethnic group. It might also be desirable to show one of the good films that have been made on Mexican-American, Negro, and other minority groups regarding the environment in which they live, their family, their church, their school, their educational opportunities or lack thereof, etc. The speaker, film and/or other presentations, and the discussions that follow in a total group may take up to 50 percent of the session time.

The rest of the session should be spent in a T-Grouping activity helping individuals to make closure on their understanding and insights on what they have been exposed to so far.

SESSIONS IV AND V: Community and Cultural Experiences (3 hours or more)

These sessions should be held in the community and should consist of experiences with the resource people in the community (such as agencies and other help services available to the community's residents). They also should include some social activity such as a fiesta in a Mexican-American community or a live-in (where a day and a night is spent with a typical family in the community) or some other typical experience that a community resident has as a part of his daily life.

These experiences can also include a "plunge": the manager or supervisor is given a small amount of money to make his way into the community and is "dropped off" there, wearing old clothes with little or no identification. He has to shift for himself to find out what it is like to be a person with no work in a minority community.

SESSION VI: Commitment Follow-Through (3 hours or more)

This is a closure session where a successful industrial program is presented; where sources of help in the community and in the "community as a whole" are made known; and, where the T-Grouping and closure at the end has to do with "What can I as an individual do to facilitate the successful entry of workers with limited experience into my work group."