

Oakland, Calif.

California. Department of Employment.

OAKLAND ADULT MINORITY PROJECT.

Formation of Project

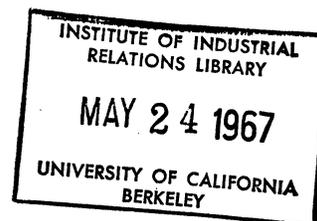
This project, which is aimed at attempting to bring into gainful employment hard-core long-term unemployed members of the minority labor force, with particular emphasis on the male head of household, had its beginnings in discussions held among key Oakland employers in 1963. This group of businessmen were concerned with Oakland's high tax rates that had resulted in industry leaving and little new industry coming in, resulting, in turn, in heavy unemployment and high welfare costs. The latter was particularly heavy proportionately among Negro members of the community. The group felt that there were numerous qualified Negroes among the unemployed who were not being exposed to existing job vacancies. Further, they believed that most of the employers in the group were anxious to integrate or further integrate their work force. Their discussions then centered on how to reach into the Negro community, identify those with unused skills (either among the unemployed or the under-employed) and take to them offers of employment.

The group headed by a Mr. Sol Gilberg (now deceased), an Oakland Real Estate Broker, first approached the Urban League for assistance and were told that that organization could not help them. They then sought advice from the University of California and made contact with Dr. Ida Hoos. This was in late 1963. Dr. Hoos was aware of the fact that in San Francisco the Department of Employment had undertaken a "skill survey" among Negroes in mid-1963. She, therefore, suggested that the Department be contacted for advice and possible assistance. This was done.

After considerable discussion and consultation by representatives of the employer group with key leaders in the minority community and Department representatives, the following course of action was agreed upon:

1. The Department agreed to apply for special funds to finance such a project, both to the Ford Foundation (through the Oakland Inter-agency Committee) and to the Office of Manpower and Automation in the U.S. Department of Labor. It was designated as an "Experimental and Demonstration Project" with funds eventually being granted on the basis that there was no similar activity being conducted anywhere in the United States.
2. The project would consist of opening offices in both the West Oakland and East Oakland areas in the heart of the Negro ghettos. (It was later extended to the Fruitvale area where emphasis was placed on the Mexican-American and other Spanish-speaking groups.) It was agreed that, rather than a "one-shot skill survey", the offices would register minority workers on a continuing basis. Placement services would be provided those who met minimum qualifications on work orders placed with any Oakland Employment Service Office. Counseling services as needed would be provided.
3. Key persons in the minority communities would assist in encouraging persons from their communities to take advantage of the project. They also agreed to assisting in recruitment of volunteer help as needed.

[Sacramento, April 27, 1966]



4. Representatives from organized labor must be invited to join the project. Department of Employment Area Manager, Marc Johnson, stipulated that unless this request was agreed upon, any further negotiations would be fruitless. He was fully supported in this position by the Director of Employment.
5. The Employer Group were committed to seeing that job openings were made available to the project and doors would be opened to members of the minority work force.
6. The project would be under the direction of an Advisory Committee consisting of representatives of management, labor and the minority community. This committee would set overall policy and give general direction to the project, with the Project Manager reporting to the committee. Only required Department rules and regulations would apply.

As agreed, the Department of Employment submitted to the Department of Labor on January 20, 1964, a request for funding of the Project. However, the approval of funds was not forthcoming until January 1, 1965.

Concerned with the delay in starting the Project, the Department of Employment, through Mr. Johnson, diverted funds from regular operations so that offices could be opened in the two ghetto areas with limited staff in August of 1964 prior to funding of the project. Ford Foundation funds had been granted during that month which provided for such non-personnel expenditures as rent, telephones, etc.

Staffing of Project

The Project offices in East and West Oakland opened in August of 1964 with eight employees in each location. As stated above, these sixteen employees were diverted from other operations. After funding in January of 1965, the Project staff was increased to a present total of forty-two, distributed as follows:

Central administrative staff	5
West Oakland office	15
East Oakland office	13
Fruitvale office	7

Job Placement Activity

Attached as Exhibits 1 through 4 are reports giving placement and referral information by occupational category and race for the Oakland offices for 1964 and 1965.

During the period September, 1964, to January, 1966, the Project offices received 2,946 job openings. However, 90% of these openings were extended to the Project offices from the regular downtown Employment Service offices. Only 10% were placed directly with the project offices by management and labor job developers and these were overwhelmingly the traditional unskilled jobs paying from \$1.50 to \$2.00 per hour. This despite the fact that management and labor representatives had pledged to make meaningful jobs available to the Project; and despite the fact that two full-time persons were employed by City of Oakland Human Rights Commission whose sole job it was to develop job opportunities for the Project. Of these two persons, Mr. Lew Blix was selected by the Oakland Central Labor Council and Mr. George Miletich by the Industry Representatives. The Project staff had no administrative control over the activities of these two persons.

The 2,946 job openings had the following characteristics:

1. Many of them were at skill levels which did not exist among any of the applicants registered with the Project.
2. There was no indication that basic qualifications were lowered by either employers or unions.
3. Most of the minority applications were not qualified and could not be referred to the openings without intensive training.

NOTE: The Advisory Committee was advised of the results of a study made in April, 1965 which showed that 90% of the job orders required high school graduation while 90% of the applicants did not have a high school diploma.

4. These job openings were representative of the gamut of job skills in the Oakland area.

The occupational mix of the job placements which have been made is the best that can be expected considering the lack of qualifications of the unemployed minority workers in Oakland. At the outset, the Department warned that there were probably not any significant numbers of qualified Negroes among the unemployed, nor were there any sizeable numbers who were working under their highest skill and who would be willing to take jobs at the higher skill level. Such has proved to be the case.

Training Activity

The Department has been concerned and disappointed over the low number and low-skilled types of MDTA courses which have been developed in the Oakland area in the past two years. Labor's support in opening the way for more meaningful training has been questionable and in too many cases lacking. For example, about two years ago, a training project was proposed for training of appliance repairman. It was fought to a standstill by several unions, each of which claimed jurisdiction and opposed the training on the basis that the occupations were apprenticeable. Similar situations can be cited in other occupational groups. This pattern of dissension, distrust and control by unions in the East Bay has been a major feature in our inability here-to-fore to provide a reasonable number of training opportunities.

Also, for some individual applicants, training for work as a wardmaid or taxi driver is distinctly upgrading and is considered an attainable and desirable occupational goal. At the worst, it is better than subsisting on relief. At the best, it does provide dignity and a feeling of participation in the work force.

"OAKLAND SKILLS BANK"

What was referred to in Mr. Groulx's testimony as the "Oakland Skills Bank" is actually the Oakland Skills Center.

Need for Skills Center

The original 1962 Manpower Development and Training Act provided that training could be authorized only in those occupations where the demand out-stripped the supply--literally, where there was a "reasonable expectancy of employment"--which actually was interpreted to mean all but a guarantee of a job upon completion of training. In a city such as Oakland which was a highly depressed area, the numbers of occupations in which training met this criterion and might be offered were extremely limited would be in low-skill areas considered traditional by the minority community.

Another difficulty in establishing training for the Oakland minority community was the inability of the public school system to promptly set up training in those occupations which were approved due to lack of facilities in their on-going campuses.

Still another difficulty was the fact that the original MDT Act did not provide sufficiently for remedial education. It soon became clear that basic remedial education simply had to precede any attempt at vocational training for the minority community. This weakness was corrected by Congress in their 1964 amendments to the MDT Act which extended training to two years and specifically authorized remedial education. However, (Oakland's public school system's problem--lack of facilities--still remained.

This led to a proposal on the part of the Mayor of Oakland that a separate facility, adequately housed, be created--a "Skill Center" which would concentrate on the training needs of Oakland's minority community. This was strengthened by a new interpretation of the MDT Act where training of disadvantaged groups could be set up in occupations where there is an on-going demand, but where shortages do not necessarily exist. In other words, members of the minority community could be trained in occupations where openings exist on an on-going basis and where they could, by training, compete on an equal basis with others in the labor force.

Thus, the Oakland Skills Center was conceived to meet an urgent need of the minority community. The Oakland Adult Minority Project, as a demonstration project, has clearly established the need for the Skills Center. (The findings during the operation of the Project to date show that the minority work force is critically ill. Only with massive doses of antibiotics--in this case training--can we hope to solve the problem.)

Formation of Skills Center

Following the Watts riot, Oakland had been designated as one of the "hot" communities in the United States. A task force from the Department of Labor, including Mr. Ed Salner, visited the Bay Area in October, 1965, to determine what steps could, or should, be taken in Oakland to avert an explosion. The concept of a Training Center for Oakland was discussed with Mr. Groulx and Mr. Ash of Central Labor Council at that time.

Following Mr. Salner's visit, the City of Oakland requested the Department of Employment to quickly pursue the possibility of a training center, and arranged for a public meeting on the subject on December 2, 1965. Within three days, we had conducted a survey of Oakland to determine occupations in which training could be given, as a first step in establishing the Skills Center. (As previously stated, there was a general lack of "shortage" occupations in Oakland. Therefore, in developing this proposal, the Department looked to the only remaining chance for minority employment and training--the occupations which were not declining and in which normal attrition and turnover accounts for hundreds of job openings each day, but in which the minority applicant was not competitive. The following "training fields" were proposed:

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|----------------------------|---|
| Electro-Mechanical Repair | Floor Covering Installation & Maintenance |
| Machine Tool Operator | Drafting |
| Appliance Repair | <u>Construction Trades</u> |
| Automobile Maintenance | Metal Fabricating & Repair |
| Dental Technician | Optical Technician |
| Food Preparation & Service | |

Ten days prior to the public meeting, a "white paper" was sent to a dozen key leaders in the community, including Mr. Ash of Central Labor Council, indicating the need for a Training Center. Included in the "white paper" were the projections of labor demand and a listing of potential occupations in which training could be given. Mr. Ash was present at this public meeting. He stated he had no objection to the concept of the training center; however, he did attack the figures given in the "white paper."

Shortly following this meeting, the area office completed the outline of the tentative training proposal and mailed copies to the labor council secretaries and to all affected unions one week prior to the next regular meeting of the MDTA Advisory Council on December 17, 1965. Four days prior to the meeting, the Oakland Adult Minority Employment Project manager and his field supervisor called in person upon Mr. Groulx and Mr. Childers of the Building Trades Council, spending several hours in discussion with each of these gentlemen, entirely on the subject of the Training Center proposal.

At that time, both indicated their approval of the concept of the training center; however, they would not sign a statement to that effect. Mr. Childers took the matter up with his Council at a regular meeting that day, following which he reiterated the Council's position as not being in favor of training in any occupation relating to the construction industry, primarily because of the decline in employment opportunities due to automation.

Mr. Groulx's reaction was not as calm, nor could he state a rational point of rejection. He was upset because he felt the area manager and the Department had "made a fool of our boss" (Mr. Ash), and that the area office was not capable of carrying out the responsibilities involved in the proposal.

Normally, labor representatives in the Bay Area are given 30 days advance notice on any occupation for which we intend to propose training. In this particular case, the speed with which it was necessary to prepare the proposal precluded this 30 day advance notice. It is possible that this, in large part, prompted Mr. Groulx's charge that there was no consultation with union officials.

usual reaction because would oppose upon plan from union rather than employees after more than 100 days

To date, the Director of Employment has met with Mr. Ash to work out a resolution of differences between the labor movement and the skill center program. In addition, a number of follow-up meetings have been had--with the same purpose-- by the Deputy Director and the Assistant Director for Manpower and the Area Manager with Mr. Ash. Agreements have been reached to form a working basis of resolution of differences and the skill center program is proceeding on schedule. It can't be minimized that underneath it all labor feels government training programs constitute a threat to their goals and objectives. On the other hand, their active opposition has been minimized to the point where the program can proceed in the mission of training the disadvantaged and making them employable and competitive in today's labor market.

DEPARTMENT OF EMPLOYMENT

CALIFORNIA STATE EMPLOYMENT SERVICE

SACRAMENTO 95814



April 27, 1966

REFER TO:

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Honorable George N. Zenovich, Chairman
Assembly Interim Committee on
Finance and Insurance
Room 5159, State Capitol
Sacramento, California 95814

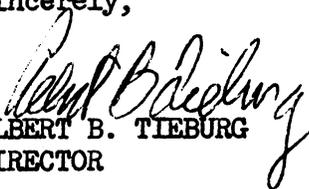
Dear Mr. Zenovich:

In the hearing which you held on January 20, 1966,
Mr. Richard Groulx testified concerning the Oakland Adult
Minority Project. For your reference a copy of Mr. Groulx's
testimony of that date is attached.

The Department was requested at that time to prepare an
analysis of Mr. Groulx's testimony. Attached is that requested
analysis.

I hope that this will clarify the situation with respect to the
Oakland Adult Minority Project.

Sincerely,



ALBERT B. TIEBURG
DIRECTOR

Attach



HIRE THROUGH THE STATE EMPLOYMENT SERVICE

REPORT TO THE ASSEMBLY COMMITTEE

ON FINANCE AND INSURANCE

by Richard K. Groulx
Executive Assistant Secretary
Central Labor Council of
Alameda County, AFL-CIO

Gentlemen:

On behalf of the Central Labor Council of Alameda County, I would like to express our appreciation for this opportunity to present our views concerning the need for improvement in attacking the problems of job placement and the upgrading of skills, particularly as it applies to minority employment.

Such a presentation, out of necessity, must include an evaluation of the activities of the Department of Employment in this crucial area. While we have fully supported the Department's MDTA programs (the Chairman of our County MDTA Advisory Council is Norman Amundson, Assistant Secretary of the Central Labor Council) and have vigorously championed the improvement of the Oakland Adult Minority Project, we cannot, in good conscience, state that the Department of Employment is doing an adequate job in these fields.

A good example of the Department's inadequacy is the activity of the Oakland Adult Minority Project. Although this project presently has 16 employees in three locations in minority areas and has recently issued a report claiming 872 placements in the period between September 1, 1964 through September 30, 1965, any objective appraisal of the success of this project must lead to the conclusion that activities have been at best disappointing. The expectation of our Central Labor Council that this project would result in the placement of Negro workers in significant numbers

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and in jobs in higher skilled categories has never been fulfilled. Of the 587 permanent placements claimed by the Department in the 1964 to 1965 period, only 8 permanent placements were listed in the professional field. Only 31 placements were classified as skilled and the semi-skilled occupations amounted to only 96, even when the Department lists such jobs as taxi driver, insulating machine operator, assembler, tow bar driver and drive-away man as semi-skilled occupations.

In this report, the Department of Employment claims credit for placing minority people in such jobs as bellman, busboy, housekeeper, day worker, locker room attendant, charwoman, bootblack, chambermaid, wardmaid and yard man, all menial occupations of the nature which minority people are earnestly attempting to leave.

A recent report to the Advisory Committee, meeting of December 15, 1965, by this project, made a month by month breakdown for permanent placements for the period between September 1964 to November 1965. This report listed no placements for September, October and November of 1964 and only 23 permanent placements for the four-month period in that year. In the first seven months of this period, only 129 total permanent placements were made. The highest permanent placement in this report was 105, which occurred in September, 1965 and in November of the same year, only 64 permanent placements can be counted. (If the record of job placements by the Adult Minority Project is disappointing, the attempt to upgrade minority workers by the project has been an equally bleak undertaking.) The only two training courses completed between September, 1964 and September, 1965 were MDTA courses for wardmaids and taxi drivers. These are hardly the kind of jobs leading to permanent and rewarding careers for minority people. Perhaps the reason for the failure of the Department of Employment in this important field is the insistence of area representatives to enter any program where new Federal financing is available,

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whether or not the Department is equipped to do an adequate job in that field. In spite of the failure of the Adult Minority Project, which now has 16 employees and will soon have an additional 27, the Director of that Project and his assistants have now launched a vigorous attempt to capture positions for the Department under a proposal for an Oakland Skills Bank. The area office of the Department of Employment proposed to undertake the training of workers in various occupations on the basis of an obsolete and superficial survey indicating a need for trained workers in several fields where employment was either diminishing or where a surplus of workers already existed, rather than to chance not being first in line for the administration of this federally financed program.

The area office of the Department of Employment abandoned any attempt to consult with local management or Union officials concerning the community need for such a program and submitted a poorly conceived and hastily drawn up program and without consulting any of the Local Unions which would be affected by such a Skills Bank or even the Central Labor Council or the Building Trades Council of Alameda County. The result has been that our Central Labor Council, while in sympathy with the aims of such a project, has had to oppose the form of the present proposal. This has led to a great deal of unnecessary confusion and conflict.

After several meetings between ourselves and representatives of the Labor Department and the Department of Employment officials in Sacramento, prospects for a well run and realistic Skills Bank program in our area are, I think, considerably improved. During the brief period necessary for these discussions, however, the response of the area office of the Department of Employment has been to encourage the question of the motives of our Central Labor Council and its involved unions in daring to challenge a proposal which would obviously not solve the problems it was designed to attack. We consider this a deliberate attempt by the

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area representatives of the Department of Employment to cover their own bungling.

It is difficult to say what measures could be taken by the Legislature to improve this situation. (Perhaps the underlying problem is the complete insensitivity by the area office to the feelings of the community, which necessitates our going to Sacramento for any real communication, but we are grateful for this opportunity to bring the problem to your attention and hopeful that some avenue can be found.

Thank you.

1. - Not seeking to do away with emergency employment program - Replace it with a properly administered - *ED*

2. State somewhat better *BA & Local* when it is allowed - *Weights of Bureau* is such - *Skills bank + MDTA*