

percent of the central city residents commute to suburban jobs (1960 data). Part of this unemployment differential is undoubtedly due to the higher proportions of low-income families, nonwhites, and household and service workers who live in the central cities. In many cases, nonresidential renewal may be able to create jobs for these people within the central cities and thus help to reduce central city unemployment. Arbitrary limitations on nonresidential projects can hobble unnecessarily the planning of renewal projects designed to meet social and economic needs of the metropolitan area as a whole.

7. The Commission recommends that Governors of the several States and the Secretary of Labor take steps to assure that public employment services are provided to all job applicants and employees within metropolitan area labor markets regardless of State lines. These steps should include interstate agreements and action by the Secretary to assure that such arrangements are being carried out effectively as a condition of Federal grants for employment security administration.

Under the Federal-State employment security program, maintenance of a public employment service is a joint responsibility of the State and Federal Governments. The U.S. Employment Service helps establish and maintain systems of public employment offices in the States, assists in staff training, develops and disseminates employment information, provides coordination of the State systems, develops and prescribes minimum standards of efficiency, and maintains a system for clearing labor among the States. The Federal Government pays all administrative costs of the State agencies and approves their staffing. State agencies submit detailed operating plans for approval of the Secretary of Labor and are subject to regulations of the Secretary in administering their employment service programs.

In metropolitan areas covering parts of two or more States, problems of coordination are created by the existence of divided administrative responsibility within an essentially single labor market. These problems tend to obstruct the most effective matching of job applicants and job vacancies. In 1963, there were 32 such interstate standard metropolitan statistical areas, with a 1960 population of 40.9 million.

The U.S. Employment Service has taken a number of steps to overcome this arbitrary division of the labor market in interstate metropolitan areas. Most of these measures are directed toward improved coordination within metropolitan areas in general. The Federal agency is carrying on an educational campaign, for example, to persuade State employment agencies to establish employment offices in metropolitan areas on the basis of industry and occupation specialty rather than geography, mainly for the higher skills and professions. With this procedure, an applicant would register in just one office to be certain of being tapped for all jobs available in the area or at least within that portion of the area within his State. Under the older system of setting up numerous offices on a geographic basis and having each one responsible for all type of skills, the problems of coordinating job and personnel information were more complicated and uncertain. Forty-four of the fifty-five metropolitan areas over 500,000 had undergone this reorganization by the fall of 1964.