

Federal aid to these communities covers a wide range of programs—from income maintenance, employment information, and retraining, to low-cost loans and community planning.

The Department of Labor has been conducting demonstration projects to determine how best its resources can be used in meeting problems of industrial dislocation. This work should provide valuable guidance in the post-Vietnam period. The Manpower Training and Development Act has established numerous programs of training or retraining to aid either economic development or transition and its programs are available to skilled and professional employees. Additional assistance is provided by the use of surplus Federal property and equipment in these training programs.

In addition to employment and training programs, the Federal Government provides aid to economically distressed communities through the Economic Development Administration. Technical assistance and planning grants are available to communities for planning economic development. In addition, if the area has been designated a redevelopment area or economic development center, long-term, low-cost industrial and commercial loans are available to finance the development. Federal aid is also available for the construction of necessary development facilities—such as the access roads, water supply and sewers necessary for the operation of an industrial park. For example, a development association in Portsmouth, N.H., is now using EDA technical assistance to plan for the phasing out and redevelopment of the facilities of the Portsmouth Navy Shipyard, scheduled for closing in 1975. EDA technical assistance is being used to assist in the conversion of the Brooklyn Navy Yard into an industrial park.

Recent legislation now makes it possible to designate areas as redevelopment areas if the closing of a plant or military installation could be expected to make the area eligible for such designation within 3 years if assistance were not provided.

The Federal programs mentioned so far are available to any community experiencing local economic distress, whatever its cause. In addition, there are several Federal programs specifically associated with the Office of Economic Adjustment of the Defense Department which is concerned primarily with the closing of installations. The Department has established a central employee referral system which matches the information on displaced Defense employees with available job openings. A cooperative effort has also been developed to retrain displaced employees if their current skills cannot be utilized. The employee referral system attempts to keep employees in the same general geographic region but there are problems of relocation and housing. Limited travel and moving expenses are available and recently the Defense Department has been authorized to purchase employee housing if the loss can be expected to exceed 10 percent.

Federal programs are available to assist localities to adjust to future reductions in defense-related employment and these can be improved. Much also depends, however, on the initiative of State and local governments, private business, labor unions, and other interested groups to utilize the programs and to develop community plans for the transition period. The Federal Government can provide assistance but the people most directly affected can better analyze the potential of local resources,