

1188 ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

The language in this bill, more clearly spelling out the purpose and design of the Special Urban Unemployment Impact Program, represents President Johnson's determination to get help to the hardest cases. In his message on Urban and Rural Poverty to Congress last March, the President described this program as one providing concentrated assistance, both public and private, to those with the greatest need. By increasing the size and scope of the present Special Impact program this will give substance to that promise.

A special survey conducted last fall disclosed an unemployment rate in slum areas about three times the average for the rest of the country; 10% compared to 3.8%. A "subemployment index," which gives a more accurate picture of the slum employment situation, indicates that one out of every three residents (34%) in the slum has a serious employment problem.

To meet the needs of these people, the concentrated employment program was launched in the slum areas of several cities and rural communities in March.

The basic concept of the concentrated employment program is to provide in a single contract with a single sponsor, in a well defined area, whatever is necessary to enable a man or woman or boy or girl to find and hold a decent job at a decent wage. It takes the "hard cases" first—and takes no other cases. It recognizes their unemployment as a personal rather than a general economic problem. And it draws directly on the resources and cooperation of employers in the community.

The initial development phase of the program, presently being carried out in 21 areas (19 urban and 2 rural), is now complete. Proposals have been developed and reviewed for each of these areas. Approximately \$100 million from FY '67 manpower program resources has been allocated to this program and will have been obligated by June 30. Approximately 40,000 job opportunities—20,000 in the work experience programs (NYC, Nelson-Scheuer, Special Impact) and 20,000 in the private sector—will have been provided. Up to 25,000 training slots under MDTA will be provided. By mid-summer, 20,000 people will be involved in one way or another in the program.

Local business and industrial leadership, and the leadership of organized labor, is backing this program.

In some cities involvement is through business organizations such as the Business and Industrial Coordinating Council in Newark, and the Board of Trade in Washington; in others the involvement is direct and personal. Top corporate officials are serving on the boards of the nonprofit agencies set up to administer these programs.

In Cleveland, several companies are providing expert staff on a lend-lease basis to assure top quality management capability to the program.

In Boston, the General Dynamics Corporation has offered to equip one of the program orientation centers and provide instructors and instruction at no cost to the project.

In St. Louis, local businessmen have formed a non-profit group, Work Opportunities Unlimited, to develop on-the-job training projects and find jobs for the disadvantaged.

Another encouraging aspect of the program is the healthy cooperation which is developing between the State Employment Service agencies and the local Community Action agencies. In San Antonio, for example, not only will the Texas Employment Commission and Community Action agency personnel be working side by side, but in the same centers orientation programs will be run by SER, the organization devoted to helping the Spanish-American poor, and a Negro civil rights group called FREE.

We expect to extend this concentrated employment program next year to from 25 to 50 additional areas.

I report next on the conduct of the four EOA work-training and work-experience programs for which responsibility has been delegated by the OEO to the Department of Labor.

The Neighborhood Youth Corps, in the last two and a half years, has provided work opportunities for more than 900,000 young men and women in over 1,200 communities, in every state, the Virgin Islands, Guam and Puerto Rico.

The young people enrolled in the NYC come from families with a poverty income and a poverty of expectation. They need jobs, and a variety of supportive services.

NYC is the story of hope for those who had no option but despair:

45% of the enrollees have come from non-white groups.

57% of the enrollees are young men from low income families; 43% women.