

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967 3333

With a rural community development district with an overall development plan it should be possible to eliminate the need for each local rural community to develop its own costly "Comprehensive Plan" to qualify for various Department of Housing and Urban Development grants.

In our 1967 Farmers Union Convention Resolutions, we say "to bring farm communities up to par economically requires recapitalization: expanded credit and Federal assistance, emphasizing the whole package of community facilities and services available with the help of rural development programs in cooperation with Federal, state and local agencies—schools, hospitals, housing, better access roads, highways, electric power and telephones. We urge enactment of the proposed Community Development District program to provide needed planning grants to strengthen the ability of rural areas to make use of these services where efforts are not being made. Through the cooperation of all concerned, recapitalization can help bring growth and new hope to replace stagnation and apathy."

Employment

During the past few years we have seen much greater interest in the state employment services for aiding rural areas. We have seen some improvement in the number of MDTA, OJT and the job development efforts in rural areas. Rural areas are still very slow to see the need for the Employment Service, but the need is perhaps greater than for areas where there are many large business which have their own personnel staffs. Many farm people and others in rural areas have more skills than are readily apparent. We have found this true on our Green Thumb program. Some older farmers have had a wider range of skills than even we estimated.

Community work service programs such as the Neighborhood Youth Corps, the Green Thumb and other Nelson and Scheuer Amendment programs are very popular in most rural areas and are probably the most successful rural programs developed thus far in the War on Poverty. Programs in which low income people are employed to develop the community and community services do double-duty in rural developments.

Community services

The fastest growing area of employment in urban areas is that of services both public and personal services. If a rural community had, in addition to the basically good agricultural situation, all the variety of services—both public and private—the economy of that town would be good.

If rural communities employed adequate personnel for their schools, library, social services, employment services, and local government personnel it would have a major positive impact on the community and its economy. In many cases the additional dollars of federal and state revenues and the new business and people these services would attract over the long haul would more than compensate for the initial cost of the community.

Credit

One of the most desperate needs is the need for more credit for rural areas. In general, interest rates for loans are 2% higher in rural areas than in urban areas. The tight money situation has not abated in rural areas. Farmers particularly have been hard hit by the lack of credit. An important step for rural development would be the doubling of the FHA loan program.

SPECIFIC DISCUSSION OF THE ECONOMIC OPPORTUNITY ACT OF 1967

Job Corps

This program, in our opinion, has definitely improved during the past year. I think they heard what members of this committee and Congress were hearing, and the agency has improved its operations. I do feel that closer cooperation with vocational education is desirable. However, unless the entire OEO is moved to HEW, we would oppose moving the Job Corps there by itself. We believe, as do members of the Job Corps staff, that the next big job is to follow-up with the job corps members after they leave the facility. I am happy to see that they are moving in this direction.

Work programs

Neighborhood Youth Corps. We believe that the Neighborhood Youth Corps is being very well administered and the new directions which have been given are excellent. We know that the Department of Labor is very much aware of what they have and are handling grants in a responsible, and we might add,