

These total about 322,500 at the end of February (slightly less than the year-ago level of 344,400). Unfilled job openings generally range between a quarter and a third of the total vacancies in the areas included in our pilot program.

(b) *How many persons are now participating in Federal job training programs?*

In 1966 the number of trainees, in thousands, were as follows:

Manpower Development and Training Act program-----	273
Institutional training-----	160
On-the-job training and other-----	113
Job Corps-----	10
Neighborhood Youth Corps:	
In school-----	106
Out of school-----	55
Summer-----	209
Work experience-----	64
Total-----	771

(c) *How many persons need job training or retraining and are not now participating in a private or public training program?*

Any estimates we could make on this point would be highly tentative and speculative. We have requested \$500,000 in our fiscal year 1968 manpower research budget to collect information about the adequacy, extent, and quality of training in the United States. With these funds we hope to find more statistically reliable answers to the kind of question you have raised.

2. *What are your views on the tax credit approach as a means for inducing private employers to increase their training efforts?*

It is clear that we are both very much interested in new methods which will induce private employers to increase the training efforts they now undertake.

The problem is one of finding suitable means. I have not given up the search for a suitable proposal which can operate through the tax system and would be very much in favor of one if we could find a practical approach.

Although we have examined carefully and sympathetically the bills which have been introduced by members of the Congress, we have not yet seen one which is not deficient in one respect or another. Some might involve great windfalls. Others would probably not reach the people who are the primary objectives of our manpower program or our public concern, or are deficient for other technical reasons that affect both the Nation's tax and manpower policies.

I do want to assure you, however, that we have not given up the search for an appropriate method. Members of our staff are in active consultation with representatives of the Treasury Department and are exploring a number of avenues involving both the tax system and other methods which can increase training.

I am confident that we will be able to find a method which we can recommend to the Congress.

3. *From the point of view of economy and efficiency would you not think it wise to begin to think in terms of a block grant program to the States for training programs?*

The Labor Department has explored block grant programs thoroughly. Our present grants to the States are based on their budgeted needs, subject to review by the Secretary of Labor for administrative efficiency. The States present to us their broad program requirements broken down by functions, and the grants are made on the basis of function. The Department is additionally moving in the direction of greater delegation of responsibility, to give the States greater authority to shift funds from program to program within the broad functional allocation within which they have evaluated their needs, and within which funds have been allocated.

The chief objection to the block grant is that it does not give the Department enough discretion to allocate among States by need, to assure efficient administration, and above all, to move in the direction of national (as compared with State) goals. The executive branch of the Government would be less than responsible if it did not maintain some flexibility in fund allocation to enable it to be most effective in meeting national needs and objectives, as well as sufficient control to protect the Federal purse.