

levy on firms having no training program of their own, the legislation represents the first Government effort to spread more equitably the cost of training workers.

The planning and direction of individual industrial plans has now become the responsibility of the Government—through Industrial Training Boards to be set up under the law. In addition, the new law provides for the formation of a Central Training Council and Appeal Tribunals . . .

Before this act, industrial training was chiefly the responsibility of individual firms . . .

Under the 1964 act, Industrial Training Boards are to be created by order of the Minister of Labour after consultation with representative organizations of employers and employees. Each board will be composed of a chairman, educational personnel, *and an equal number of employer and employee representatives*, all appointed by the Minister. Industry jurisdiction will also be defined in the order establishing a board . . .

The Minister of Labour has general direction over the boards, which must periodically submit a general plan of operation for his approval. The duties of a board are (1) to determine the job skills needed by industry and the nature and length of training to provide these skills, and (2) to make provisions for courses and other facilities (including residential accommodations) for the training of persons now employed or planning to be employed in the industry. The boards must also determine the qualifications of trainees and their instructors and *publish recommendations concerning both standards to be attained through training and methods of ascertaining whether the standards have been met.*

For these purposes, a board may not only establish industrial training centers but may also approve the courses and facilities provided by other agencies and firms within its jurisdiction. *It may subsidize the training programs of these firms by extending them: loans and grants.*

Firms without training programs of their own will be penalized; they are subject—with the right of appeal—to orders issued by the Labour Minister at a board's initiation to pay a levy.

Individuals become trainees either by entering into a contract of service or apprenticeship with a board or working with a firm having a board-approved plan. Trainees will be entitled to maintenance and traveling allowances and may also be subsidized if they take more advanced training given or approved by a board.

The boards will operate under grants and loans made to them by the Minister of Labour and approved by the Treasury. Initially, the law set aside £50 million (US \$140 million) for this purpose. The boards will also be permitted, with the Minister's consent, to borrow from other sources.

The Central Training Council, an advisory body to the Minister of Labour, has yet to be formed. Of its 32 members, *6 each will be appointed from employers and employees by the Minister of Labour*, 2 from nationalized industries, not more than 6 chairmen of Industrial Training Boards, and 12 other members, 6 of whom will be appointed after consultation with the Minister of Education and the Secretary of State for Scotland. The Council must submit an annual report on its activities to the Minister, who will present it to Parliament.

The act provides that any firm may appeal the levy order imposed on it for lack of a training program to special tribunals established by the Ministry of Labour for that purpose. A tribunal will have the power to rescind a levy order or to reduce the amount levied. [Emphasis added.]

Chairman PROXMIRE. Senator Percy?

Senator PERCY. Mr. Reuther, may I say I have found this morning at least one case of what is good for General Motors would be good for the country? I share your enthusiasm for profit sharing, and I like your term "democratization of industry." My own experience in seeing over 15 years of profit sharing build up for a company indicates that people become enthusiastic about capitalism when they are capitalists, and not just in theory but in actual practice.

In your prepared statement at the beginning, you declare: "Our urban cities are blighted by decay and spreading slums."

I would like to ask you whether we could not democratize our cities by seeing that more ownership of property is made available