

I would like to point out four points of emphasis within the manpower area.

The first is the importance of being sure that our manpower programs are targeted to reach these groups whose employment problems are sizable and serious.

We talked about youth, particularly Negro youth. There is much emphasis now in the manpower programs in that direction. But the problem persists. And it is serious, somewhat baffling. And it calls sharp attention to itself.

But we are studying a variety of things that we think may be helpful here. There is a possibility of some shift in emphasis in the case of the older, out-of-school teenager from enrollment in NYC programs to enterprise employment training where they have better career income possibilities. I think there is some possibility in having a shift in emphasis a bit in the JOBS program run by the National Alliance of Businessmen, and an expansion in coverage of that program, which has worked very well.

It seems to me, also, we should be giving more attention to the whole problem of the transition from school to work. While I have not been one of those who has felt that you could look at the European countries—and Sweden particularly gets a lot of attention in this area—and transpose their programs to our much more complicated and larger environment, we, nevertheless, can learn some things. It is particularly interesting to note that the youth unemployment problems are greater in the United States than they are, say, in Japan, or in the European countries generally. It is also important to recognize that three-quarters of the unemployed youth are accounted for by those who are newly entering or reentering the labor force in search of work. This transition problem is an important and large one.

There are some things that we can do about that. We can improve the relations between the Employment Service and the schools. We can expand the cooperative education programs in the schools. We have an opportunity for a considerable expansion there.

Some part of the youth unemployment problem will be influenced by what we do about the military draft. As new programs are developed to meet the Nation's military manpower obligations, we should be able to find ways of removing the uncertainties which today make some employers reluctant to employ young people with future possible draft obligations hanging over their heads. This is an additional burden on youth.

We are concerned also about seasonal problems, particularly in construction. There are some things underway that should help us do something about that problem. This is an area where we want to work aggressively.

Second is the importance of building skills that will increase the productive capacity of the economy and improve its ability to meet the heavy demand for goods and services which prosperity induces—a demand which can lead, unless offset by output, to price rises.

The medical and construction areas are two that have severe shortages in them. The manpower programs need to be directed more into these areas.

We intend to put more emphasis on upgrading. This builds skills and can help in meeting labor shortages.