



WASHINGTON REPORT

Prepared by *Education-Training Market Report*

CEP DIRECTORS LOSE: Concentrated Employment Program in Winston-Salem, N. C., is reaching first anniversary without assurance of refunding, and similar experience is greeting several other of 82 CEP's around the country. Winston-Salem experience and that of other CEP's comes in face of added funds proposed by Labor Department's Manpower Administration.

Reports from Winston-Salem indicate credibility gap regarding accomplishments, and similar problem appears to face some other CEP's during present funding round. Winston-Salem CEP spent \$2 million last year and, according to accounts from area, has had little or no impact upon city's unemployment.

Winston-Salem CEP placed 300 persons in jobs and 377 more in work-training situations carrying stipends. It is anticipated that most of those in training will be employed. Most of Winston-Salem CEP clients are black and deeply disadvantaged. CEP's original goal was recruitment, training and placement of 1,370 disadvantaged unemployed.

CEP brings together all local manpower programs and associated services. In Winston-Salem, on-the-job training program had goal of 200 jobs for CEP clients but placed only 20. An MDTA program expected to train and place 180 persons never got off the ground. Best showing was New Careers, which placed 83 of targeted 175 in public agencies.

Part of Winston-Salem problem came from economic miscalculation. Two of city's largest employers--Western Electric and Hanes Corp.-- have laid off workers instead of hiring more.

Whatever the reason, Department of Labor is unhappy with CEP results. It is nonetheless projecting \$209 million expenditure of OEO and MDTA funds through CEP programs but this is dependent upon final Congress appropriation. While CEP prime sponsors will remain unchanged in most cases, much of program will be subcontracted to state Employment Services. ES will be "expected to provide under subcontract (and thus be totally and fully responsible for administration and control

of) the manpower services package." This will, in most cases, include outreach, intake, orientation, assessment and counseling, coaching, referral to employability development services including training, referral to supportive services, job development, placement and intensive follow up.

A regional manpower representative is being assigned to each CEP and will take part in negotiations. Where Regional Manpower Administration becomes convinced that an agency other than ES can better perform such services as outreach, coaching, orientation or follow-up, RMA may approve a subcontract.

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ALTERED MANPOWER PROGRAM: New manpower training program is being readied by Department of Labor. Known as MA-6, program is variation of previous MA-5. Under MA-5, associated with National Alliance of Businessmen's JOBS program, employers are paid training subsidy to meet added costs of hiring hard-core unemployed, including such supportive services as basic education and health.

While details of MA-6 are not yet known, it is expected that training period will be reduced to maximum of six months instead of usual 39 weeks. Under altered program, efforts will be made to speed payments to participating employers. Program also is expected to drop requirement that employers submit formal proposals and substitute direct negotiations. With development of MA-6, it is expected that better schedules of payment will also be arranged for basic education and other supportive service subcontractors.

According to Labor Department, some 105,000 jobs have been developed under MA-5 contracts, and another 224,000 have been pledged by companies that have not sought federal financial aid. Federal subsidies have dropped from average of \$3,000 per employe to \$2,500 and even greater economy is anticipated with further program changes.

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JUNIOR COLLEGE PLAN: New community college plan, which would see major financial boost for nation's two-year institutions, is in final drafting stages in Nixon Administration, but no unveiling time has yet been set.

Plan is seen as effort by Administration to carve own niche in educational field rather than merely revising, repackaging and redirecting mass of programs established under Johnson Administration. Idea being repeated in Office of Education and Department of Health, Education, and Welfare circles is that post-high-school education must be made available to all Americans who want it. Nixon is anxious to put his stamp on this development, according to rumors.

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