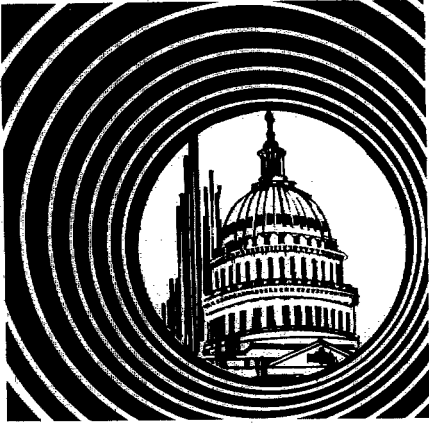


WASHINGTON REPORT

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FRINGE CONTRACT BENEFIT: Education is emerging fringe benefit in collective bargaining contracts between unions and industry, according to study by Dr. Herbert A. Levine, director of labor education at Rutgers University.

Study points out that provisions appearing in union contracts call for joint labor-management responsibility and sometimes government cooperation in programs ranging from worker training and re-training to educational opportunities for worker's children.

Recent General Electric contract, for example, will make 144,000 GE workers eligible for \$57.5 million worth of education annually. Plumbers and Pipefitters union contract provides \$11 million in grants for apprenticeship training. Fund negotiated by Chicago Joint Board of Clothing Workers provides money for children of union members to go to college.

Levine predicts that, by 1980, "the American worker and his children are likely to have won educational opportunity as a collective bargaining benefit...as inextricably woven into the labor-management relationship as are the social welfare provisions and pension and health insurance."

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ACCOUNTABILITY EXPERIMENTS SET: Office of Economic Opportunity has hailed proposed voucher tuition plan and already contracted accountability experiments as revolutionary steps that could upgrade education for all children.

Announcement of projected performance (accountability) contracts and of study recommending tuition voucher project came at press conference called by Donald Rumsfeld, OEO director. Rumsfeld was especially enthusiastic over potential of performance contracts to be awarded next month to some six learning firms.

Performance contracts will be similar to that granted Dorsett Corp. for dropout program funded by USOE with Elementary and Secondary Education Act money for Texarkana, Tex., school district. Under performance or accountability contracts, contractors are paid according to results. Programs like that in Texarkana are expected to use system of incentives to award responsive pupil performance.

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JOBS PROGRAM ATTACKED: Staff report of Senate subcommittee on JOBS program (Job Opportunities in Private Sector) gives National Alliance of Businessmen program something less than passing grade.

Program, funded in part by federal government, was hit for "evidence of apparent fraud or incredible mismanagement."

Nixon Administration earmarked \$420 million for JOBS program for current fiscal year. Of this, only \$59 million had been expended as of March. Some 84,000 hard-core disadvantaged persons have been hired under program since 1968, according to staff report, but only 34,000 are still on jobs.

However, many NAB firms have hired without benefit of federal support and businessmen's group claims to have 200,000 still on-the-job. This, however, is only third of 614,000 June 1971 target and, with present economic slowdown, there is indication of further slowdown in hiring.

Report quotes Zenith Radio as having laid off 61 percent of 110 trainees supported by federal funds because of economic tides. Major blow came when Chrysler cancelled contract for 4,450 trainees to be supported with federal training money, and by temporary cease-hiring at Ford.

Much of criticism in staff report is aimed at subcontractors retained by prime contractors to supply counseling and basic education. Report indicates some fly-by-night education subcontractors performed few if any services, while collecting substantial payments from federal support funds.

"Measured by the goals the Administration has set for it, the program has failed," according to William R. Bechtel, staff director, for Senate Subcommittee on Employment, Manpower and Poverty, which released report.

Labor Department has released rebuttal to Senate subcommittee staff report which calls charges "colored," "misleading," "at variance with the facts" and "out of context."

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