

## CONGRESSIONAL EXPECTATIONS FOR MANPOWER RESEARCH UNDER THE MANPOWER DEVELOPMENT AND TRAINING ACT

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## I. Research and the Manpower Act

There is, I submit, very little that can be said directly on this subject. The formal action of Congress as reflected in Title I (see appendix A) is certainly impressive and suitably broad. Title I is permanent and represents a significant extension of the underlying commitment of the Employment Act of 1946 to a full employment economy. In the 1962 Act manpower policy was elevated to the level of aggregative economic policy. As one vivid indication of this new status Congress required the President to furnish an annual manpower report that is comparable in scope and importance to the older annual economic report of the President. Moreover, the record is clear that this was a congressional innovation since the Senate Committee on Labor and Public Welfare featured this as one of the changes it had made in the bill as introduced.

In reviewing the record I could find no better summary of the balance of Title I than that contained in the statement by Seymour Wolfbein, Director, Office of Manpower, Automation, and Training, Department of Labor before the House Appropriations Subcommittee on February 6, 1963. I quote:

"The act imposes the obligation on the Department of Labor to carry out one of the most extensive and meaningful research programs ever required by law. Specifically, the Secretary is directed to: (1) Evaluate the various factors of the problems created by automation, technological progress, and other changes in the structure of production; establish techniques and methods for detecting in advance their potential impact; develop solutions to these problems and publish relevant findings. (2) Establish a program of studies of practice of employers and unions which affect the mobility of workers and to report on the results of these studies. (3) Appraise the adequacy of the Nation's manpower development efforts to meet foreseeable manpower needs and recommend necessary adjustments for the most effective utilization of its manpower. (4) Promote, encourage, and engage in programs of information and utilization, and the amelioration of undesirable manpower effects. (5) Develop, compile, and make available manpower information regarding skill requirements, occupational outlook, job opportunities, labor supply, and employment trends. In addition, the statute requires the Secretary to 'arrange for the conduct of such research and investigation as give promise of furthering the objectives of this act.' The problems to be investigated under this research program are

huge in scope with constantly shifting dimensions. During a period in which an industrial revolution of broad magnitude and significant implications is taking place it becomes necessary to obtain as much manpower and related information as possible so that both immediate and ameliorative measures and long-range solutions can be developed without creating additional problems and dislocations during this period."<sup>1</sup>

It seems remarkable that a program requiring "one of the most extensive and meaningful research programs ever required by law" could have been adopted by Congress with so little apparent discussion. The record is exceedingly sparse and I have discovered no source that would indicate any more extensive background consultation or debate. The Senate held only four days of hearings on the bill and the House three. It should be remembered, however, that in the immediately preceding years, Senator Eugene McCarthy and Representative Elmer Holland had headed special committees which had been probing deeply into our manpower problems. The stage had been set by these investigations and presumably the time for action had arrived. Therefore the fact that the concern of both the Senate and House at the Committee stage and during subsequent floor debate seemed to be focused more on the operational (Title II) aspects of the program, becomes more understandable. Nevertheless it remains surprising that the totality of Congressional discussion on manpower research could be reproduced in a few pages. I will sketch the highlights even more quickly.

Senator Clark in his committee report on the bill almost seemed to be taking pains to de-emphasize Title I when he wrote:

"To a considerable degree, title I of the bill is a restatement of existing responsibilities of the Department of Labor. The Secretary of Labor now possesses the authority to evaluate the impact of automation, the mobility of labor, and conduct research and information activities in the manpower field. What is added is a specific directive 'to appraise the adequacy of the Nation's manpower development effort' as a while and analyze manpower requirements, resources, and use to provide a sound basis for public and private training efforts throughout the country. That the Secretary undertake these tasks is in the interest of avoiding waste, providing a focus for the coordination

1. Seymour Wolfbein, Hearings Before a Subcommittee of the Committee on Appropriations, House of Representatives, 88th Congress, 1st Session, Subcommittee on Departments of Labor and Health, Education and Welfare and related agencies appropriations, p. 168.

of Government activities affecting manpower requirements, development and utilization, and making it possible for the Nation to meet the staffing requirements of the struggle for freedom."<sup>2</sup>

In later floor discussion Senator Clark became somewhat more expansive in his description of Title I as follows:

"First, the Secretary of Labor is directed to find out where job opportunities are. This is a most important part of the proposed legislation and is set forth in full in title I. We do not really know today what our manpower requirements are. We do not know really what skills are in short supply. We do not know what the requirements for everything from ditchdigger to nuclear physicist are likely to be in the years ahead. In short, we do not know how to staff freedom, man our economy to meet the worldwide challenge it faces. Title I of the bill directs the Secretary of Labor to find out how to staff freedom."<sup>3</sup>

The only full explanation of Title I was given in a speech by Senator McCarthy. I will quote one section that caught my fancy.

"For a long time there has been a serious gap in our knowledge about our working population. One can open the Statistical Abstract of the United States and learn, for example, that on January 1, 1961 there were 28,688,000 stock sheep and 55,305 000 hogs in the country; yet, we do not know with the same exactitude how many tool and die makers, electricians or physicists we have.

"Too few people realize that the only comprehensive detailed occupational statistics in this country are those collected every 10 years in the decennial census of population. The data from the decennial census, even when first available, are about 2 or 3 years old and are about 12 or 13 years old before the next set of data is published."<sup>4</sup>

2. Senator Joseph S. Clark, Manpower Development and Training Act of 1961, Report No. 651, Committee on Labor and Public Welfare, 87th Congress, 1st Session, pages 8-9.

3. Senator Joseph S. Clark, Congressional Record, August 23, 1961, p. 15688.

4. Senator Eugene McCarthy, Congressional Record, August 23, 1961, p. 15696.

Still later in his speech supporting the conference version of the bill Senator Clark alluded to another possible dimension of Title I in these words:

"I believe this action today to recognize manpower planning as an element of national policy is one to which we shall look back upon in the years to come with merited pride.

"I believe this function of manpower planning, which appropriately belongs in the Department of Labor, will make an enormous contribution toward overcoming unemployment in the days ahead and will better enable us to staff freedom in the constant cold-war struggle with our Communist opponents."<sup>5</sup>

Representative Powell for the House Committee on Labor and Education in his report described Title I somewhat more fully and I quote:

"One of the important elements of this proposal is the assignment to the Secretary of Labor, in order to further the broad training purposes of the bill, of additional responsibilities in the overall manpower field.

"Title I of the bill will enable the Secretary of Labor to establish a continuing review of the national skill development effort and to recommend actions needed to achieve improved balance between occupational resources and requirements. Combining these manpower functions in one agency will give much needed overall unity to the Federal Government's responsibility for leadership in the field of skill development. It will also more effectively relate the separate activities of the various agencies in this field to an overall program of optimum development and employment of manpower resources.

"To assist the Nation in accomplishing the objectives of technological programs, while avoiding or minimizing the harsh and tragic consequences of labor displacement, title I also requires the Secretary of Labor to evaluate the impact of automation on the utilization of the Nation's labor force, to appraise the adequacy of the Nation's manpower development efforts to meet foreseeable manpower needs, and to arrange for the conduct of such research investigations as give promise of furthering the purposes of this proposal.

5. Senator Joseph S. Clark, Congressional Record, March 8, 1962, p. 3353.

"Many of the beneficial practices that have evolved as a byproduct of labor-management relations (e.g., pension plans and other fringe benefits) have introduced rigidities that impeded labor force adjustments and mobility, thus contributing to unnecessary unemployment. Title I, therefore, directs the Secretary of Labor to make intensive factual studies of what causes lack of occupational mobility and to encourage the voluntary adoption of equitable means by which these impediments might be removed. It also directs the Secretary of Labor to study and report on how the gradual retirement of long-service workers, the vesting of pension rights, and the development of other devices freeing the laid-off workers from equity losses incurred by moving might be encouraged by Government and private actions.

"Title I authorizes the Secretary of Labor to develop, compile, and make available information regarding skill requirements, occupational outlook, job opportunities, the labor supply in various skills, and employment trends on a National, State, or other area or appropriate basis. This is in effect an inventory of the occupational resources and needs of the Nation which will be used in the educational, training, counseling, and placement activities performed under other provisions of this act.

"Finally, title I will require the Secretary of Labor to report to the President on manpower matters, and the President to transmit an annual manpower report to the Congress."<sup>6</sup>

Title I remains, therefore, something of a mystery. The Department of Labor appears to have played the major role in developing the concepts and the language. Yet no historian then or later has reconstructed the sequence of events. I am informed the process was chaotic and that the structure was built in a series of meetings. Much of the language reflected an awareness of some of the Congressional concerns. Thus the references to automation and the mobility consequences of private pensions are two such examples. Aside from these attention getters it would appear that Congressional concerns lay elsewhere. After all three million dollars for research and related activities must have seemed small alongside a total of 161 million dollars being requested for the operational program. Not only was the money request here a large one in the eyes of the economy bloc but there were also doubters who questioned the wisdom or the practicality of the program. Research, it would seem, simply slid through under the umbrella of larger controversies.

6. Representative Adam Clayton Powell, Manpower Development and Training Act of 1961, Report No. 879, Committee on Education and Labor, 87th Congress, 1st Session, pp.8-9.

More, I suspect, could have been accomplished if it had not been for the timidity of the Labor Department. This department has not fared well historically in Congress when it comes to research and I'm sure this has contributed to its low expectations. I can cite two bits of evidence for what may be the larger pattern in this respect. During the House consideration of the Manpower Act in 1963 several efforts were made to interest the Labor Department in opening up Title I for expansion in the budget and possibly an enlargement of functions. Every time the suggestion was made great fears were expressed that Congress if it really considered research questions on their merits would end by reducing the level of activity. Similarly when the proposed Automation Commission was before the House, labor department representatives informally suggested that only a modest amount of money, possibly a quarter of a million, would be needed. The House committee settled on two million dollars as being more appropriate and this figure was not questioned on the House floor. Nonetheless a key representative of the Department expressed a view at Senate hearings on the bill that such an astronomical sum of money could not be used. Such an admission, though recanted, proved to be fatal.

One consequence of the department's exceedingly modest view of the resources required for manpower research is now becoming evident. Congress in the Vocational Education Act of 1963 provided for an allocation of ten per cent of the funds off the top for research and demonstration projects with additional amounts to be set aside from state allocations. For the current year the amount is 11.8 million and this sum could grow to 22.5 million. Much of this will go for manpower research and since the Labor Department is the repository of trained personnel in this area one can predict an inevitable shift in personnel. The Labor Department will continue to play a role, no doubt, through coordination, but it will now be the tail on a much larger dog.

## II. Congressional Needs

If Congress bought manpower research largely on faith and without any constructive discussion, as I believe to be the case, then we need to ask how manpower research can meet Congressional needs. Without attempting to be exhaustive let me suggest some of the elements of an answer.

First, we need to recognize that Congress stands at the apex of our policy making institutions. Yet there are few in Congress who have the time or the interest to become manpower experts. Even those who serve on the appropriate committees are pulled in dozens of different directions and can devote little time to the area. They, and ultimately the balance of the members, are heavily dependent upon the flow of ideas and information from the administration. To some extent this channel may be supplemented by outsiders but even here a pro-

cess of selection may often be at work ensuring a relatively narrow range of information. At times the process may be leavened by the turmoil and eddies of conflicting political pressures. But in that event the demands for information from research sources becomes even more pressing.

Second, individual congressmen are keenly aware of the unmet social and economic needs of our system. The effects of racial discrimination, the problems of older workers, the forthcoming surge of unemployed youth, to mention a few, are all aggravated by the persistent high levels of unemployment we have been experiencing. Letters and other contacts of constituents personify these problems and lend urgency to the desires of congressmen to find solutions. Quick, easy, and complete answers are sought and manpower experts are expected to provide guidance.

Third, this means that research efforts are welcomed to the extent that they provide useful guides to policy or suggest ways for improving the operations of our institutions. Congressmen recognize the problems are complex but they are impatient with elucidations of these facts and want to jump beyond to the answers. Here again I can cite two examples.

Economists have certain concepts about mobility of resources and many manpower experts have been contending that labor mobility should be facilitated through subsidies. Other voices have strongly condemned these ideas. Faced with this welter of contending ideas Congressmen become uncertain. They welcomed the 1963 Manpower amendment which provided up to 4 million dollars for experiments with labor mobility demonstration projects. It removed the idea from the arena of controversy for awhile at least. More important it offered the opportunity to find out if subsidies or other assistance could be made to work and whether these would be useful. With information in hand the Congress would thereafter feel more secure in tackling the difficult task of writing new law in this area.

The proposal for an automation commission provides another example. There were heavy political pressures for this proposal and strong, although unexpressed, doubts. Key members of the House committee recognized these political overtones and yet sought to convert the proposal into a mechanism that would, as a by-product, produce some solid new knowledge in the area. This was basically the reason for the high authorization on the House side. In the end, however, I am sorry to say the concept of the commission as a political maneuver appears to have won out.

Fourth, I think it important to note again that the President's Manpower Report is a creation of Congress. Nevertheless, Congress has done little with the report so far. What

is needed is a vehicle for Congressional hearings on this report each year along the lines of the reception Congress gives the annual economic report. This could be of enormous value in stimulating a dialogue at the Congressional level of manpower problems. From this we might begin to get more indications of Congressional needs and expectations. There is good reason for believing that such a pattern may be followed and we have been close to it this past year. However, a new vehicle in the form of a Joint Committee may ultimately prove necessary. For this potential to be realized, however, leading members of the profession would have to persuade Congress by attesting as to its value and by signifying their willingness to participate.

### III. Contributions of the Scholarly Community

With the cooperation, perhaps acquiescence would be better, of Congress we are now committed to an active manpower policy. The exact dimensions of this policy have not been prescribed by Congress. We are only at the threshold of an uncharted future. In a very real sense, I would argue, Congress by necessity must rely heavily upon the scholarly community for the further evolution of this policy. The bureaucracy will be of assistance but it is well to recognize its contributions over time will tend to be limited by built-in caution, concern with jurisdiction and absorption of time in operations. The strategic contributions will, I believe, have to come from outside government although in most instances fruitful vehicles for inter-meshing the two can be used.

Because time is limited I will simply sketch some possibilities here. First, I think caution is needed in seeking to exercise our proclivity for basic research. The definition of this term is, I know, partly a matter of taste and yet much of what many would include in this area falls within the province of what is already the obligation and commitment of academia. At the other extreme we have government agencies geared to undertake the massive and routine data collection activities our society requires. There is an intermediate area where in view of my remarks on the policy needs of Congress major contributions can be made by the scholarly community. That is to take the emerging ideas stemming from basic research that now exist and will continue to develop and translate these into useful hypotheses for applied research.

Second, I have noted that present resources for manpower research are relatively meager. Yet we are fortunate in having in being an infrastructure for research that can be adapted to our needs with only modest effort. These are the industrial relations centers that were established after the war. Here we have an opportunity for labor economists to once again use the second half of their title.

Third, beyond these centers now in being there may be justification for the creation of some new kinds of research centers that will utilize different sources of research talent and knowledge. Title II of the manpower act brings together for the first time in operational harness education and labor agencies. It might be useful to consider new centers in those colleges that now specialize heavily in research and training for our educational complex so that at this level both education and labor market analysis are tied together.

Research centers, however organized or located, will as a by-product be producing a new supply of trained personnel to staff the emerging manpower programs and to undertake continuing research. In both respects we are finding that our pool of talent is extraordinarily thin given the new demands we are placing on it. This is even more remarkable considering the rather meager 2.1 million dollars a year so far allocated to outside research under the manpower act. And when the new vocational act research funds are added the picture becomes extremely bleak.

These talent shortages are more critical than is generally realized.<sup>7</sup> New programs have followed one another with dazzling speed. Each competes for essentially the same basic pool of trained manpower and the resultant shortages have been predictable. The need for trained employment counselors, for example, now appears to be double the supply. Similar, though less dramatic, shortages exist for other skill categories. The scarcity of these resources may spell the difference between success or failure for an active manpower policy and yet awareness lags as political sex appeal lies with the new programs and not the operational necessities. For these to secure the attention they deserve may require persistent pressure from the scholarly community.

Fourth, the experimental and demonstration projects under the manpower act have proven to be a most promising vehicle. Outsiders can play an important role by proposing new projects, developing concepts to be tested and otherwise assist in maximizing the research potential of these activities. Aside from their obvious advantages, I have argued elsewhere that these projects can prove to be a strategic vehicle for stimulating change in established bureaucracies because to a limited extent they pro-

7. See for another version of the needs, Margaret Gordon, "Training Programs at Home and Abroad", Proceedings of The Annual Meeting Of The Industrial and Labor Relations Association, December 1964.

vide a competitive challenge.<sup>8</sup>

Fifth, I would commend for your attention the suggestion of Frederick Harbison that we need to constitute a group of manpower planners for the purpose of developing unifying ideas that can begin to tie together in some cohesive form the bits and pieces that will emerge from discrete research.<sup>9</sup> If this proves too ambitious it might still be possible for groups of manpower planners to begin the process of selecting some key areas where current research permits a sharp focus on policy possibilities but hasn't yet done so.

Alternatively, each of us might consider devoting some time to one of our existing manpower institutions where conditions are ripe for reform. We could take our existing knowledge, add some dashes of healthy revolutionary zeal and go to work. We might be surprised by the ease and success of these endeavors. My particular target at the moment is the Employment Service. The woods are full of others.

Finally, let me close with a modest note of optimism. I have implied that present research funds may be more meager than perhaps they could have been. Yet I would suggest that the real need is for truly creative ideas. These, while rare, may not require much research hardware. As a case in point let me remind you of the study One Third of a Nation. This is one of the most profound studies of the recent past. Its cost was only \$30,000.

8. See Summary Report of the OMAT Training Conference, Manpower Administration, August 24, 1964.

9. Frederick Harbison, "Problems in American Manpower Policy and Practice", Proceedings of The Annual Meeting of the Industrial and Labor Relations Association, December 1964.

## APPENDIX A

Excerpt From Title I, Manpower Development and Training Act of 1962

Sec. 101. . . It is therefore the purpose of this Act to require the Federal Government to appraise the manpower requirements and resources of the Nation, and to develop and apply the information and methods needed to deal with the problems of unemployment resulting from automation and technological changes and other types of persistent unemployment.

Evaluation, Information, and Research:

Sec. 102. . . To assist the Nation in accomplishing the objectives of technological progress while avoiding or minimizing individual hardship and widespread unemployment, the Secretary of Labor shall:

(1) evaluate the impact of, and benefits and problems created by automation, technological progress, and other changes in the structure of production and demand on the use of the Nation's human resources; establish techniques and methods for detecting in advance the potential impact of such developments; develop solutions to these problems, and publish findings pertaining thereto;

(2) establish a program of factual studies of practices of employers and unions which tend to impede the mobility of workers or which facilitate mobility, including but not limited to early retirement and vesting provisions and practices under private compensation plans; the extension of health, welfare, and insurance benefits to laid off workers; the operation of severance pay plans; and the use of extended leave plans for education and training purposes. A report on these studies shall be included as a part of the Secretary's report required under section 104.

(3) appraise the adequacy of the Nation's manpower development efforts to meet foreseeable

manpower needs and recommend needed adjustments including methods for promoting the most effective occupational utilization of and providing useful work experience and training opportunities for untrained and inexperienced youth;

(4) promote, encourage, or directly engage in programs of information and communication concerning manpower requirements, development, and utilization, including prevention and amelioration of undesirable manpower effects from automation and other technological developments and improvement of the mobility of workers; and

(5) arrange for the conduct of such research and investigations as give promise of furthering the objectives of this Act.

Skill and Training Requirements:

Sec. 103. . . The Secretary of Labor shall develop, compile, and make available, in such manner as he deems appropriate, information regarding skill requirements, occupational outlook, job opportunities, labor supply in various skills, and employment trends on a National, State, area, or other appropriate basis which shall be used in the educational, training, counseling, and placement activities performed under this Act.

Manpower Report:

Sec. 104. . . The Secretary of Labor shall make such reports and recommendations to the President as he deems appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1963) a report pertaining to manpower requirements, resources, utilization, and training.