

ACTION COUNCIL ACTIVITY ON PUBLIC SERVICE EMPLOYMENT LEGISLATION

The Urban Coalition Action Council has strongly supported public service employment legislation since the Council's formation last year. Public service employment was a primary goal of the Urban Coalition's Statement of Principles, adopted in August, 1967.

The Action Council is now preparing for a major effort to secure enactment of this legislation, and will give public service employment top priority this fall.

There are three central phases required to assure success:

- 1) Preparation of testimony for Senate and House hearings to be scheduled in late September or early October;
 - 2) Overall coordination of educational and legislative activity; and,
 - 3) Development of strong business support.
1. Hearings - Work is now underway to obtain the most current employment facts which prove the case for public service employment. We wish to provide up-to-date information to the appropriate Congressional committees.

Information is being obtained to show that:

- (a) Unemployment and underemployment still loom large in major cities as well as rural areas; and,
- (b) Jobs needed by cities, counties, states and nonprofit institutions of all kinds can be matched with the available unemployed and underemployed willing and able to work.

To demonstrate the reality of "matching," we are probing three major cities through resources available to the Action Council such as the League of Cities, Conference of Mayors, and municipal employees' unions. Using the same resources, we will develop testimony that shows that to do the job properly and now, Federal funds must be provided for wage subsidy or supplementation as well as for training and supportive services.

2. Coordination - By frequent contact with the Action Council constituency, we plan to coordinate the overall activity in order to have the greatest impact on Congress and the public.

Conversations to date with segments of the Action Council have indicated a strong measure of support for the effort we are undertaking. Many of these groups predate the Action Council in their commitment to greatly expanded public service employment opportunity. The somewhat newer concept of underemployment as a critical factor has enhanced, rather than diminished, the interest and commitment of most of the groups.

3. Business support - Despite the clear commitment of the Coalition convocation that included many prominent members of the business community, we are uncertain about the support of business as we go down the road.

The uncertainty rests on one major ground. Preliminary and limited conversations with several business representatives pinpoint the issue of wage subsidy.

Most who have been contacted would support a JOBS type program transferred to meaningful work in the public sector with Federal support for training and supportive services (such as those programs embodied in MA-3 and MA-4 contracts). Beyond that, however, shoal waters seem to appear.

Resistance to wage subsidy or supplement seems to be based on fear of creating uncontrollable inefficiencies in cities and public service institutions, supported by Federal dollars. The specter of WPA seems to come to mind as the idea of wage support triggers reaction.

The cities regard any public service program as meaningless without the wage component.

Therefore, we seek advice on this issue from all segments of the Action Council constituency, but particularly from the business community at large and from the business members of the Executive Committee.

We have had preliminary discussions with representatives of organizations such as the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Retail Merchants Association, and the American Trucking Association. In addition to the national business organizations, we have been talking with representatives of corporations such as AT&T, Kennecott, and Sears Roebuck.

We are now intensifying our contacts with the business community on this issue.

* * * *

We are closely watching other types of legislation and particularly that receiving Administration blessings. If alternative solutions to the same problems appear to be emerging, we will be prepared to reassess our own position in the light of such developments and make appropriate recommendations to the Action Council Executive Committee.

We are particularly mindful that the Administration proposes to announce a large 'package' on August 8. Although the contents are closely guarded, it is assumed that it will include some tie-in between income maintenance and enlarged employment opportunity. Whether this program will satisfy the demand and need for public sector jobs, and whether it will reach sufficient numbers of the unemployed and underemployed remains to be seen. We will scrutinize the program carefully.