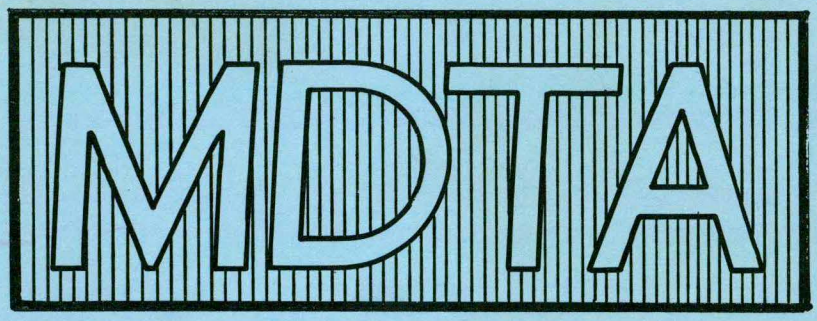
MDTA . PROGRAM . PLANNING . FOR . FISCAL 1967



IOWA . EMPLOYMENT . SECURITY . COMMISSION

IOWA
EMPLOYMENT SECURITY COMMISSION
IOWA STATE EMPLOYMENT SERVICE
UNEMPLOYMENT INSURANCE SERVICE
1000 EAST GRAND AVENUE • DES MOINES 50319

COMMISSIONERS
HENRY E. CARTER, CHAIRMAN
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June 2, 1966

Donald W. Warren
Acting Regional Director
United States Employment Service
Bureau of Employment Security
U.S. Department of Labor
2200 Federal Office Building
Kansas City, Missouri 64106

Dear Mr. Warren:

We are including this letter as an introduction to our MDTA Program Plan for Fiscal 1967. We will forward 12 copies of this Plan to your office, and if it meets with your approval, please forward these copies to the B.E.S. National office.

On Tuesday, May 10, 1966, the first Coordinating Committee Meeting was held at the Iowa Employment Security Commission building. Agencies represented at this first meeting were the Division of Vocational Education, the Bureau of Apprenticeship and Training, the Iowa Manpower Development Council, the Board of Control, and the Iowa Employment Security Commission. Plan responsibilities were assigned and tentative agreements were reached on the kinds of Institutional Programs that would be developed during this next fiscal year.

On Thursday, May 13, 1966, Mr. Benandér, the State Manpower Training Coordinator, met with the Chairman of the State Advisory Committee, Mr. Don Sheriff, in Iowa City. We discussed the new program direction for MDTA and also, the kinds of Institutional Programs and OJT Programs that probably would be continued during this next fiscal year. The next meeting of the State Advisory Committee is scheduled for July 11, 1966, and the plans for Fiscal 1967 will be discussed at this meeting.

On Thursday, May 19, 1966, Regional Representatives of B.E.S. and H.E.W. met with State Representatives of the Division of Vocational Education, the Bureau of Apprenticeship and Training, the Manpower Development Council, the Office of Economic Opportunity, and the Employment Security Commission

to review and discuss fiscal plans for 1967. This meeting was extended until Friday noon on the following day to go over Institutional OJT Projects and Coupled Projects for this next fiscal year. A thorough discussion was held on the new direction of MDTA and the necessity for MDTA to reach the "hard core" unemployed. We also discussed the feasibility of the establishment of a Pre-Vocational Center in order to better evaluate individuals for readiness to participate in MDTA Programs.

On Tuesday, May 24, 1966, Representatives from Vocational Education, the Bureau of Apprenticeship and Training, and the Iowa Employment Security Commission met to finalize plans for Fiscal 1967 and to assign specific areas that need to be completed for the submission of this MDTA plan.

The Iowa Employment Security Commission wishes to thank all of the cooperating Agencies for their part in making this Plan possible. We fully realize that all of these Agencies are very busy and that it took special effort on the part of all concerned to get all this material collected. Iowa's Plan for MDTA for Fiscal 1967 would not have been possible without the complete cooperation of all individuals concerned.

Sincerely,

Henry E. Carter
Chairman

ATB:mb

TENTATIVE DRAFT
IOWA ECONOMIC ASSUMPTIONS

Fiscal 1967
July 1, 1966-June 30, 1967

Since this material is provided for internal administrative use only and is based, in part, on assumptions it is not to be released outside of the Agency or published in any form.

Nationally the economy has shown more than four years of practically continuous expansion in general business conditions.

Industrial production based on an index using 1957-59 as 100 showed gains from 1961 through 1965. The index for August 1965 based on preliminary data was 144 seasonally adjusted. A comparable index for various segments of industrial production for August 1965 showed that durable goods manufacturing had an index of 150; nondurable goods manufacturing 141; mining 118; and utilities 163.

The industrial production index given above is one of the more widely followed U. S. Business statistics. This index is a composite of over 200 basic monthly series on industrial activity weighted in accordance with their relative importance. The movement of the index reflects changes in the physical volume of output in manufacturing, mining, and utilities industries.

Gross national product (GNP) represents, in general, the current market prices of the nation's total output of goods and services based on an accounting period of one year. It is tentatively estimated that GNP during the second quarter of calendar year 1965 reached an annual seasonally adjusted figure of nearly 660 billions after a rise for several years. Unemployment, according to the Federal Reserve Bank of Chicago, averaged 4.7 percent of the work force in the second quarter of calendar year 1965 - the lowest in almost eight years. In each of the states of the Seventh Federal Reserve District (Illinois, Indiana, Iowa, Michigan, and Wisconsin) the unemployment rate averaged less

than 3 percent in the quarter, and many employers experienced unusual difficulty in staffing their firms adequately. Some labor areas were tightest in a decade or more, with unemployment at very low levels and business firms making extensive efforts to recruit workers. More recent data provided by the Bureau on January 12, 1966 indicates that the GNP is continuing to expand and has reached a seasonally adjusted annual rate of nearly 678 billions during the first quarter of Fiscal 1966.

Wholesale prices which have been relatively steady for the past several years began to show a definite uptrend during calendar year 1965 according to the Bureau of Labor Statistics wholesale price index. This index is based on quotations for approximately 2,000 raw, semifinished and finished commodities selected to represent all commodities sold on primary markets in the U. S.

The consumer price index measures change in prices of goods and services brought by city wage earners and clerical workers and it is based on prices collected for about 400 items in 50 cities. This index also is used to indicate the change in the purchasing power of the consumer dollar. Based on 1957-59 = 100 the index was 110 for August 1965. This index has been showing a relatively steady rise over the past several years, while the purchasing power of the consumer dollar has been declining.

For the last several years the index of the prices paid by farmers has tended upward, while the index of prices received by farmers through 1964 has followed a less favorable course. However, in 1965 the prices received index showed a substantial improvement for the first time in several years. The index for prices received is an index composed of 55 commodities which account for most of the total cash receipts from marketings of all farm commodities. The index of prices paid by farmers (often called the parity index) measures

the changes in prices being paid by farmers for a list of commodities and services used in family living and farm production.

Recent news continues to feature signs of concern over inflation with attempts to hold prices on key raw materials. In addition, the increase in the Federal Reserve Systems rediscount rate may be taken as a sign that future use of money will now cost more. That is, the interest rate to borrow will be higher.

Nationally realized net farm income is estimated at around $14 billion for 1965. This is an increase of over a billion dollars from the $12.9 billion realized in 1964, and the highest since 1952 according to a November 1965 release of the U. S. Department of Agriculture. The greatly improved farm income picture results mainly from the very favorable price situation for livestock and livestock products. It is also expected that cash receipts from farm marketings in 1966 may continue at the 1965 level but that Government payments to farmers will be up substantially. Most of the gain in Government payments in 1966 would be for cotton to offset an 8-cent reduction in the loan rate. A new "cropland adjustment" program has also been authorized in which 5 or 10 year contracts can be made with farmers calling for conversion of cropland into various conservation uses.

I. Farm total employment assumptions.

During 1950 the average monthly farm employment count, adjusted to meet Bureau work force concepts, was 281,400 and for 1964 the comparable figure was 231,300 for an average monthly loss of more than 50,000 over the 14 year span. Thus, over this 14 year period Iowa farm jobs were declining at an average rate of more than 3,500 a year.

It should, however, be pointed out that farm employment data are based on two components. The first group includes the self-employed and unpaid family

workers which make up the major portion of the farm work force. Among this group, the loss in the monthly average number of jobs over the 14-year period was in excess of 54,000.

On the other hand, the second component in the farm employment figure is the number of hired farm workers and this count showed a rise of more than 4,000 in the monthly average number of jobs over the 14-year period or about 300 per year gain.

This pattern may vary from year to year because weather conditions and because the supply of qualified farm workers will change. However, we are assuming that there will be in F-1967 about 3,800 workers in agriculture that were self-employed or unpaid family workers who will become part of the potential labor supply. It is also assumed that there will be a small increase in the number of hired workers needed. It may be expected that part of the new jobs for hired workers will be filled by self-employed and unpaid family farm workers who have been displaced by consolidation of small farms into larger operating units. On the other hand, some farm jobs may not be filled if the economy continues on the high level expected since the demand for workers in industry will probably reduce the supply of well qualified farm workers who have the knowledge and skills required on a modern farm.

The assumed net effect of the farm segment on the work force supply is that about 3,500 potential workers will be available in F-1967 in Iowa if suitable jobs can be found in the Iowa industrial economy.

II. Manufacturing wage and salary employment assumptions.

The average monthly employment for wage and salary workers in Iowa in 1950 was 154,400 and the comparable figure for 1964 was 181,800 for an average yearly gain of nearly 2,000 over the 14-year period. Manufacturing

employment, however, does not follow a steady growth pattern and the employment level tends to follow the general business cycle. In fact, in the three most recent business cycle declines the employment levels in manufacturing in Iowa followed a similar down-trend. On the other hand, when the national economic trends are on the rise, the level of Iowa manufacturing employment also tends to rise.

During the current business cycle starting in 1961, Iowa monthly manufacturing wage and salary employment averaged 171,200 and for 1964, the comparable figure was 181,800 for an average yearly growth rate of about 3,500 jobs. We assume that this rate will continue and that, in addition, there may be further boost in the number of jobs in Iowa due to expected new plant locations and expansions, in particular, the moving to Iowa of the Massey Ferguson Plant and their U. S. Headquarters. We, therefore, feel that the number of new manufacturing wage and salary jobs in Iowa in F-1967 may reach 4,500. Nationally, the trend in manufacturing employment may be less favorable.

A. Industry outlook - Durable goods manufacturing.

The general trends during the upswing of the business cycle in Iowa since 1961 indicates that most of the employment gains in manufacturing has been found in the durable goods segment, and we assume that with the economy holding at high levels, that this situation will continue during F-1967. Under our assumptions that the farm income will remain high, we expect the demand for farm machinery and related products will continue to expand. In addition, the planned location in the Des Moines area of the Massey Ferguson organization should also substantially increase employment opportunities in the farm machinery industry in Iowa. It should also be pointed out that nationally, shipments of agricultural machinery, including tractors are expected to be up in value in 1965 by 4 percent over 1964. Exports in 1965 are expected to be up

by 10 percent over 1964. We assume this trend will probably continue into F-1967.

The construction and mining machinery industry in Iowa has also been showing employment gains for the last several years, and this trend is expected to continue during F-1967. It is assumed that as many as 500 additional workers may be needed.

The primary metals industry and the fabricated metals industry may also add some additional workers to their staffs during F-1967 if they follow the trends of the past several years. In addition, the electrical machinery industry which is dominated by Collins of Cedar Rapids could make major employment shifts either way depending on the variations in Government procurement requirements for their specialized electronic products. We, however, assume that further expansion in employment may be the pattern if qualified workers are available.

B. Industry outlook - Nondurable goods manufacturing.

The yearly average data for this industry for the past several years has shown a relatively stable employment level. However, the chemical industry has shown some gains in the number of jobs, and there has been some indication of possible expansion in the printing and publishing industry and the food processing industry, but automated processes will tend to hold down employment levels. However, under our assumptions, we expect most of the gains in manufacturing jobs in F-1965 to be in the durable goods segment.

III. Nonmanufacturing Industrial Wage and Salary Employment Assumptions.

The employment trend usually follows the national cycle. However, the last national downturn, which occurred in 1961 was not reflected in the Iowa series. In 1950, the monthly average employment in the Iowa nonmanufacturing

industrial wage and salary segment was 455,100, and the comparable average for 1964 was 535,700 for an average yearly gain of about 5,800 over the 14-year period. However, for the more recent years from 1961 through 1964, the average yearly growth rate has exceeded 9,000. Under the assumption that the economy will continue at a high level of activity through F-1967, we expect that 9,000 additional jobs may be added during that period in this industry segment if qualified job seekers are available. The expected outlook for F-1967 by industry group is as follows:

The employment level in the mining industry has held at a little over 3,000 workers per month on the average for the past five years, and we do not expect any significant change in the level.

The number of workers employed in the construction industry varies substantially from year-to-year, but residential construction has risen somewhat above the 1964 level in the North Central region. However, it may be that the change in the Federal Reserve rediscount rate may result in less favorable financial terms for the mortgage market, and this fact may tend to hold down residential construction during F-1967.

However, it is assumed that total construction worker needs will continue to expand in F-1967. This does not mean that the jobs will all be filled as there have been reports according to the Chicago Federal Reserve Bank release on Business Conditions in October 1965, of large construction projects being delayed because of inadequate supplies of skilled workmen. Virtually all types of construction workers (except laborers), that is, carpenters, masons, glaziers, plumbers, electricians, steamfitters, and sheet-metal workers, have been in short supply during the summer months of peak employment in the major industrial centers of the midwest.

The Transportation, communications and public utilities industry has shown a declining employment trend since 1959, and it is assumed that some further small declines in the number of jobs may occur through F-1967. Nationally, however, some job gains are expected.

The trade industry has continued to show rather substantial employment gains over-the-year for all months back through 1962. It is assumed that several thousand additional workers will be needed by F-1967 if this trend continues.

The finance, insurance and real estate industry has shown a steady gain in employment each year since 1949, and it is assumed that this same pattern will continue in F-1967.

The service industry has had a rising employment trend for the past 12 years, and we assume this trend will continue through F-1967.

The employment trends in Government have been rising for a number of years, and we assume that this trend will continue, due in part, to the growing needs for services, mainly in the educational system due to growing enrollments and to greater stress on length of schooling.

IV. Other nonagricultural employment.

In addition to the wage and salary employment in industry, there is also a segment of the employed work force in the group usually listed as "nonagricultural all-other". While this segment is not easily measured, it is a substantial part of the total work force. This group is the sum of the nonfarm self-employed, the nonfarm unpaid family workers, and the domestic workers in private households.

We do not know what effect this segment of the workforce will have on the demand for workers in F-1967, but there probably will be some net gains in job openings in the domestic worker classification. Our estimates of the nonfarm

self-employed and unpaid family worker classification has varied from 119,200 for January 1965 to 131,100 for May 1965. The estimate for Iowa domestic workers has ranged from 27,100 in January 1965 to 29,700 for May 1965. Thus, this group of workers taken as a whole, accounts for about 150,000 of the workers tallied in the Iowa work force series.

V. Replacement Needs

It is also necessary in trying to determine the demand for workers to consider the number of replacements that will be required for those workers who are removed from the work force because of death, retirement, or for other reasons. This is not practical with the limited data available, but in a state like Iowa with an older than average population profile, the replacement number is probably substantial. An estimate based on data in a 1965 study by the Northern Natural Gas Co. indicates that the annual replacement rate may be about 3 percent.

VI. Work force assumptions

From 1950 to 1960 Iowa gained population at a rate that was substantially less than the national rate. In fact, for this decade ending in 1960, there was a net loss in population due to migration of 229,721 persons. If the state had held its natural increase, the average yearly gain would have been about 36,600 rather than the average gain of about 13,600 which occurred. Thus, for the decade ending in 1960, the average yearly net out-migration was about 23,000 from the State of Iowa.

It may be that the out-migration of the Iowa population is still substantial. At least we assume from data supplied by the Bureau of the Census, in their series P-25, #317 of S-27-65 that the Iowa population from 1960 to 1965 has increased about one-tenth of one percent while the national rate of gain was estimated at 8.1 percent. The tentative population estimate for the total

resident population in Iowa was 2,760,000 as of July 1, 1965, which was only a gain of 2,000 in population since April 1, 1960. However, if the growth rate had been 8.1 percent as it was for the nation, the population gain would be about 223,000. Even if the growth rate had been similar to the experience of the State of Iowa for the 1950 to 1960 period, the gain in population would have been 183,000.

Since the gain shown was only 2,000, it appears that net out-migration is still a factor.

In addition to the Bureau of the Census estimate for Iowa population trends, the Division of Vital Statistics of the Iowa State Department of Health also prepares Iowa population figures. Their most recent estimate is for July 1, 1964, and this estimate was 2,775,000 for a gain of 17,000 in population since the 1960 Census or an average yearly population gain of about 4,200.

If we assume that the Iowa population should grow from 36,600 to 44,600 per year on the average based on natural increase alone, it would seem that we still would have a net out-migration loss of 32,000 or more per year during the last several years. It is assumed that part of this loss in the natural increase in the population is the result of the work force "entrants" not being able to find suitable job opportunities without leaving the state.

One rough "rule-of-thumb" is that the work force will be about 40 percent of the total population. Using this assumption the Iowa work force would increase by more than 14,500 if the natural increase in population were retained. In addition, some expansion in number of work seekers would also be likely among the women in the population even if the population did not grow. This increase in supply of women workers results from an upward trend in the "participation rate" of women in the work force over recent years. The "participation rate"

refers to the number of the population in a given age group that have jobs or are seeking work.

VII. Supply and demand for workers.

This section will be in terms of numbers only. Structural unemployment will, no doubt, be a major factor that will not show up in study of this type.

On the demand side for Fiscal 1967, we assume that there will be an increase of 300 in farm hired workers; a gain of 4,500 in manufacturing wage and salary employees, and calls for 9,000 additional wage and salary workers in nonmanufacturing industries. This group of projections includes all new jobs expected for all groups of wage and salary workers in Iowa except for domestic workers.

In summary:

Hired farm workers	300
Wage and salary	
Manufacturing	4,500
Nonmanufacturing	9,000
TOTAL	13,800

In addition to the above classifications, there will, of course, be some demand for domestic workers; some replacement needs for those who leave the work force; some need for nonfarm unpaid family workers, and finally some persons will join the ranks of the non-farm self-employed.

On the numerical supply side of the picture, there will be a potential work force growth based on the expected natural increase in the population of 14,500 or more before out-migration. In addition, there will be a supply of workers of 3,500 displaced from the farm self-employed, and unpaid family worker group.

In summary, the supply of "entrants" "plus" former agricultural workers will exceed 18,000, and may even reach 21,000. In addition, with the trend toward a greater participation rate of women in the workforce, we assume that there will be an additional supply of "entrants" from this source.

It would appear that the potential work force supply will continue as it has in the past several years, to exceed the number of new job plus replacement opportunities by several thousand. If this occurs, and the unemployed job seeker and his family were to leave the State, this would account for a major part of the net population loss which has been the apparent pattern in Iowa in previous years. Of course, some job seekers would find jobs in domestic service or for replacement needs, or enter business for themselves, but we do not have an estimate for this segment.

VIII. State UI insured unemployment assumptions.

We assume that the insured unemployment rate will continue at a low level, but may be slightly higher in F-1967 than in F-1966. We have reviewed the Iowa trends of the insured unemployment rates from 1950 by month through September 1965. The data selected was for the calendar week that contained the 19th to eliminate the problem of combining data from months of various lengths. The data was also deseasonalized to better expose the business cycle and secular trends, if any. The final deseasonalized series of UI State unemployment followed, in general, the national business trends. We assume that this correlation will continue during F-1967. The real problem, of course, is how long will the national business trend continue upward.

We are assuming that the national business trend will hold at a high level, but that further growth will begin to slow down, as we begin to reach a temporary ceiling imposed by manpower supply limitations.

In the second place, the current business cycle has outlasted its expected life and based on our more recent business cycle experience, it would seem that some adjustment could occur in F-1967. These potential changes in the economy could result in a small upward change in the insured unemployment rate in F-1967 in Iowa, compared to F-1966.

IX. Summary

On the basis of the generally favorable economic assumptions for Iowa for F-1967 we expect that more than 18,000 new job and replacement job opportunities will be needed, but our tentative estimate of new wage and salary jobs is that they probably will not exceed the 14,000 figure. Thus, out-migration will probably continue at the present level based on national expected gains in job opportunities.

However, the numerical figures only tell part of the story, since it is expected that many of the newly created jobs may require skills not available in the supply segment, hence we expect "structural unemployment" to continue to be a major problem. This may also be a problem in many of the replacement jobs that are expected to be available; such as older workers retiring from skilled occupations.

Thus, it appears that many of the "entrants" who will probably be mainly in the younger age groups, may find problems qualifying for the available jobs. This would indicate a continuing demand may exist for increased training, counseling and guidance services with emphasis on services to youth and other disadvantaged groups.

In addition, there is a possibility that the State U. I. Claims load may increase above its present (F-1966) very low level. Nationally, however, the outlook is for a further reduction in the claims load.

MANPOWER SUPPLY

Iowa has been experiencing one of the lowest unemployment rates in the country, and we believe that there will not be any significant change during this next fiscal year. We do experience seasonal unemployment in Iowa, and the unemployment rate does vary from month to month. Listed below is a chart indicating the number of unemployed in Iowa as of March, 1966.

Unemployment Component Estimates - IESC

Iowa - March 1966

Total Covered Unemployment	11,316
Unemployed (Excluding Entrants)	16,361
Unemployed Entrants	9,369
Total Unemployed	25,730

We have prepared two charts which indicate the characteristics of the insured unemployed for the same month of March, 1966.

Overall no occupational category showed much fluctuation in percentage distribution. Unskilled workers showed the greatest decrease over the month and over the year. Unskilled workers receiving benefits dropped 700 from February and 1400 from last March. However, unskilled workers still made up 39 percent of the total weeks of unemployment claimed in comparison to 29 percent for semiskilled workers and 18 percent for skilled workers. Professional and clerical workers continued to account for less than 10 percent of the total weeks of benefits claimed.

Men comprised 72 percent of the insured unemployed compared to 75 percent in February and 77 percent in March, 1965. The number of women

receiving benefits showed comparatively little change. However, 1493 fewer men were receiving unemployment insurance than in February and 2700 fewer men were receiving benefits than a year ago in March.

Characteristics of the Insured Unemployed

Age and Sex by Current Duration

Total Experienced Unemployed

March 1966

	Total		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
Total	9,202	100.0	6,609	100.0	2,593	100.0
45 yrs. & over	4,259	46.3	3,133	47.4	1,126	43.4
Under 25	833	9.0	571	8.6	262	10.1

15 Weeks and More of Unemployment

	Total		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
Total	760	8.3	461	7.0	299	11.5
45 yrs. & over	418	-	252	-	166	-

Iowa's population has been increasing at a substantially slower rate than national population since 1900. By 1954 Iowa population declined to 1.65 percent of the national population. And by 1974, estimates place Iowa population at only 1.31 percent of the total national population.

A large part of this decline is due to out-of-state migration, particularly the age group from 25 to 44. Since 1930, this group has accounted for 75 to 80 percent of total migration. And unless industrial development is accelerated, lack of economic opportunity will force many men and women 25 to 44 years of age out of the state. Because of this migration, older age groups will make up a larger portion of the total population in 1974 than in 1964.

General Population Characteristics

Table 15 - 1960 Census

	Total	Male	Female	Nonwhite		
				Total	Male	Female
Total (All Classes)	2,757,537	1,359,047	1,398,490	28,828	14,114	14,714
Urban	1,462,512	704,172	758,340	27,309	13,381	13,928
Rural	1,295,025	654,875	640,150	1,519	733	786

We are listing one table on this page and the continuation of this table on the next page giving the numbers of individuals in the different age brackets and also the break out of urban and rural in Iowa population according to the 1960 Census. This does not coincide exactly with the age brackets used in MDTA, but estimates of the number of individuals in the age bracket for MDTA can be made from this material.

Iowa

Table 16 - 1960 Census

	Total	Male	Female	White			Non-White		
				Total	Male	Female	Total	Male	Female
19 Years -									
Total	34,465	16,441	18,024	34,027	16,251	17,776	438	190	248
Urban	22,516	9,908	12,608	22,096	9,728	12,368	420	180	240
Rural	11,949	6,533	5,416	11,931	6,523	5,408	18	10	8
20 Years -									
Total	32,374	15,168	17,206	31,966	14,978	16,988	408	190	218
Urban	20,828	9,201	11,627	20,437	9,021	11,416	391	180	211
Rural	11,546	5,967	5,579	11,529	5,957	5,572	17	10	7
20-24 Years -									
Total	155,335	73,845	81,490	153,340	72,905	80,435	1,995	940	1,055
Urban	95,929	44,616	51,313	94,013	43,712	50,301	1,916	904	1,012
Rural	59,406	29,229	30,177	59,327	29,193	30,134	79	36	43

Iowa

Table 16 - 1960 Census

	Total	Male	Female	White			Non-White		
				Total	Male	Female	Total	Male	Female
21 Years & Older									
Total	1,664,371	804,826	859,545	1,648,526	797,110	851,416	15,845	7,716	8,129
Urban	897,854	421,981	475,873	882,913	414,672	468,241	14,941	7,309	7,632
Rural	766,517	382,845	383,672	765,613	382,438	383,175	904	407	497
45-49 Years									
Total	157,392	78,065	79,327	155,986	77,396	78,590	1,406	669	737
Urban	80,442	38,603	41,839	79,116	37,973	41,143	1,326	630	696
Rural	76,950	39,462	37,488	76,870	39,423	37,447	80	39	41
50-54 Years									
Total	145,111	72,170	72,941	143,919	71,589	72,330	1,192	581	611
Urban	74,938	35,798	39,140	73,818	35,250	38,568	1,120	548	572
Rural	70,173	36,372	33,801	70,101	36,339	33,762	72	33	39
55-59 Years									
Total	134,918	65,904	69,014	133,745	65,294	68,451	1,173	610	563
Urban	69,793	32,333	37,460	68,708	31,765	36,943	1,085	568	517
Rural	65,125	33,571	31,554	65,037	33,529	31,508	88	42	46
60-64 Years									
Total	124,343	59,943	64,400	123,368	59,459	63,909	975	484	491
Urban	64,776	29,626	35,150	63,865	29,170	34,695	911	456	455
Rural	59,567	30,317	29,250	59,503	30,289	29,214	64	28	36
65 & Over									
Total	327,685	149,241	178,444	133,486	148,115	177,296	2,274	1,126	1,148
Urban	176,042	75,036	101,006	60,061	73,999	99,947	2,096	1,037	1,059
Rural	151,643	74,205	77,438	53,425	74,116	77,349	178	89	89

Table 47 - 1960 Census

Persons 25 Years of Age and Over

Number of Persons 25 and Over	None	Years of School Completed								
		Elementary School				High School		College		Median School Years Completed
		1 to 4	5 and 6	7	8	1 to 3	4 or more	1 to 3	4 or more	
Total 1,541,333	7,695	38,534	71,180	93,282	374,099	242,582	467,013	148,398	98,550	11.3
White 1,526,749	7,282	37,218	69,847	92,190	371,556	239,129	464,318	147,450	97,759	11.3
Male 745,604	4,204	23,043	40,430	54,721	196,139	115,449	196,011	56,666	58,941	10.4
White 738,658	3,962	22,282	39,699	54,140	194,963	113,980	194,961	56,199	58,472	10.4
Female 795,729	3,491	15,491	30,750	38,561	117,960	127,133	271,002	91,732	39,609	12.0
White 788,091	3,320	14,936	30,148	38,050	176,593	125,149	269,357	91,251	39,287	12.0

The table listed above indicates the amount of schooling completed by persons in Iowa over the age of 25 according to the 1960 Census. Iowa has always ranked high when compared to the small percentage of illiteracy among its citizens. During the past five years, much has been done to reduce the number of high schools in the state through consolidation. We now find more and more young people from the rural areas completing high school and also a high percentage of individuals who go on to college.

Labor Force participation rates which denote the percentage of the total population of a specific age group is indicated below according to the 1960 Census. The Labor Force relative to population in Iowa has remained quite stable showing only slight increases in the proportion of the population in the Labor Force. The female labor force is increasing substantially but the male labor force is declining slightly because of compulsory education and early retirement.

Table 54

Labor Force Status - Iowa 1960

Percent of Population in the Labor Force

Age Group	Male				Female			
Total:	Total	Urban	Rural Non-Farm	Rural Farm	Total	Urban	Rural Non-Farm	Rural Farm
14 & over	78.1	77.3	72.9	84.4	31.9	37.8	29.3	19.3
14-17 years	39.5	37.9	35.7	44.1	19.9	25.0	17.7	13.7
18-24 years	81.5	77.7	85.9	87.9	45.2	50.5	38.0	32.5
25-34 years	96.0	95.1	96.3	97.8	29.3	34.1	28.2	17.8
35-44 years	96.7	96.3	96.2	98.0	37.9	44.8	39.9	22.1
45-64 years	90.6	90.1	86.8	94.6	39.8	47.9	40.4	20.6
65 & over	34.0	30.7	26.8	55.1	11.8	14.1	9.3	7.2

Age and Sex Distribution of Job Entrants

Table 1

	June 1964			December 1964		
	Total Number Unemployed	% of Total That Are Entrants	Entrants (Estimate)	Total Number Unemployed	% of Total That Are Entrants	Entrants (Estimate)
Total:						
14 & over	4,692	51.8	2,430	3,466	37.9	1,314
Male	2,631	46.2	1,216	2,140	31.9	683
Female	2,063	59.0	1,217	1,326	47.6	632
Male						
14-17	701	90.7	636	250	76.4	191
18-19	320	70.6	226	214	53.3	114
20-24	440	47.5	209	351	36.2	127
25-44	572	14.9	85	708	15.8	112
45-64	514	6.8	35	558	19.5	109
Female						
14-17	510	90.6	462	168	83.3	140
18-19	354	80.8	286	193	67.9	131
20-24	324	56.0	181	210	46.2	97
25-44	501	35.3	171	482	37.8	182
45-64	338	29.3	99	254	29.5	75

The target trainees for MDTA Training for Fiscal 1967 includes both institutional and OJT trainees. We have estimated that there will be 1,200 referrals made in Iowa to OJT Training. We have estimated that the total number of institutional trainees will be 1,500. This makes a grand total of 2,700 referrals to MDTA Training during the next fiscal year.

Every effort will be made in Iowa to refer only those individuals to MDTA Training who can be considered to be disadvantaged. However, for planning purposes, we have estimated that 75 percent of the trainees will be disadvantaged. This means that 2,025 disadvantaged individuals will be referred by the Iowa Agency and that 675 individuals can be considered as non-disadvantaged. All youth in the special Youth Project, located here in Des Moines, will be from the disadvantaged group. The number of individuals referred to the mentally retarded program at Glenwood, Iowa, will also be from the disadvantaged group. Several of the coupled OJT Projects that call for Pre-Apprenticeship Training will include youth who are non-disadvantaged. This is why 25 percent were included as non-disadvantaged.

The percentage distribution of adult MDTA trainees is estimated for the 22 to 44 year old individuals to be 50 percent and the 45 and over is also estimated to be 50 percent. Iowa's experience in referral of individuals to MDTA Training for those individuals 45 and over has been 11.3 percent. We feel that an increase of almost 40 percent will be a real challenge for our local offices and we did not think it realistic to use the National target figure of 60 percent. We fully realize that the age structure of the Iowa population tends to be older than most states. Therefore, the National target figure should be more realistic than for any other state. However, our experience has shown that motivating individuals over age 45 to participate in re-training is extremely difficult. We also believe that individuals over age 45 are less mobile and more reluctant to leave their home surroundings to take training or jobs in other areas. Every effort will be made to try to

interest individuals in this age bracket to avail themselves of training opportunities. We have not experienced any difficulty in the placement of individuals over age 45 who have completed training.

Iowa's experience in referring non-white individuals to MDTA Training has been 5.6 percent. The National referral ratio has been 29 percent and the National target is 33 percent. We have increased our experience ratio by 4.4 percent for a total of 10 percent for the referral of non-whites. On page 16 you will find the chart which indicated the general population characteristics of Iowa's population. Our complete total of non-white residents is 28,828, which is slightly over one percent of our population. We have already been referring over four times the percentage of non-whites as indicated by our population percentage. We are striving for almost nine times the percentage found in our population for this next fiscal year, and this is the reason we cannot follow the National target percentages.

We do not disagree with the National targets for the level of education of MDTA trainees. Iowa's experience in referring individuals to training does not reach this target, and if you will refer to page 19 and see the median school years completed by persons 25 years of age and over, you will note that this level is fairly high. We presently only have two MDTA programs that require high school education, and these are in the area of Electronic Data Processing. The training occupations for women are generally found at a higher educational level, and this makes it difficult to stay with the National target percentages. Special effort will be made to reach the eighth grade and below educational level during this next fiscal year.

On page 14 and 15 will be found tables on unemployment in Iowa. Iowa has been experiencing one of the lowest rates of unemployment during its history, and since we also experience seasonal unemployment, the National targets for long-term unemployment appear to be much too drastic for Iowa.

Every effort will be made to seek out the long-term unemployed, and we have estimated that our referrals will be half and half or 50 percent.

On page 16, 17, and 18 our tables indicate the division of urban and rural population in Iowa. A study made of referrals to specific training classes indicate that we are referring about 50 percent of our trainees from each area. Iowa is composed of many small towns and rural areas and individuals from these areas go to our Employment Service offices in these small towns and cities. We believe that it would be more realistic for Iowa to make these percentages on a 50-50 basis rather than using the 80 percent urban and 20 percent rural found in the National targets.

The National MDTA targets for training disadvantaged youth appear to be realistic in all areas except white and non-white for Iowa. Since our special Youth Project is located in Des Moines and the non-white population in Des Moines is estimated to be 5.1 percent of the population, we have increased our target to 20 percent. Our experience has shown that it is more difficult to interest youth under 19 in training than it is to interest youth over 19 to attend training. However, we do not disagree with the percentages and will make every effort to reach the group under age 19 in our special Youth Project. Since special efforts are being made to assist disadvantaged youth in urban areas, we believe the 80 percent urban and 20 percent rural percentage to be realistic targets.

State Plan Table B — State of Iowa

Target Trainees for MDTA Training--FY 1967

Characteristics	Number of Trainees	Percent Distribution
Total Number	2,700	xxx
1. Disadvantaged	2,025	xxx
Percent of Total	xxx	
a. Adults	1,575	xxx
Percent of Total	xxx	
Age:		100
22 to 44 years		50
45 and over		50
Color:		100
White		90
Nonwhite		10
Level of Education:		100
Less than high school graduate		75
High school graduate or higher		25
Duration of Unemployment:		100
Long-term Unemployed (15 weeks or more)		50
Other		50
Location:		100
Urban		50
Rural		50
b. Youth	600	xxx
Percent of Total	xxx	
Age:		100
Less than 19 years		50
19 to 21 years		50
Color:		100
White		80
Nonwhite		20
Level of Education:		100
8 years or less		25
1 to 3 years high school		66
4 years high school or more		9
Location:		100
Urban		80
Rural		20
2. Non-disadvantaged	675	xxx
Percent of Total	xxx	

The MDTA Training Plan

The MDTA Training Plan for institutional training will be found in the charts following this write-up. The OJT Training Plan will be found at the end of the over-all plan as the last section of this report. The first charts includes the carry-over referrals from Fiscal 1965 and Fiscal 1966. In addition, the following two pages list the MDTA Programs that are funded and which will be operating in Fiscal 1967. None of these programs were included in planning for Fiscal 1967. One program that is listed is IA (R) 6030, which has been submitted during this fiscal year, but as of now has not been funded. Iowa would want to include this program during Fiscal 1967 if it is not funded during Fiscal 1966.

Iowa's Plan for 1967 does include more programs than can be handled with the present allocations of institutional money for this fiscal year. Priority will be given to projects as they are developed during the fiscal year. The present Pre-Vocational Training Project, we believe, should have the highest priority for development, and we are presently working with the Office of Economic Opportunity, the Division of Vocational Rehabilitation, the Division of Vocational Education, the Bureau of Apprenticeship and Training, the Manpower Development Council, and the Iowa Employment Security Commission. This project should assist us in finding disadvantaged individuals for next year's program. Since no commitments have been made by any agency, the cost presented by Vocational Education and Employment Security are only rough estimates. Careful evaluation will be made by the agencies involved of each project that is submitted for approval during this next fiscal year. It is our belief that we will be better off to list more projects so that alterations will not have to be made in this plan in order to operate during this fiscal year. In addition, we have added some projects that will not be high priority projects, but ones that will be developed in case additional monies would

become available. At this time, it is very difficult to give priority to the projects listed because practically all of the projects are renewals of projects already in operation or have been operated in the area at some prior date. Our experience in selecting disadvantaged individuals for a course of study and their ability to absorb this training will be the criteria for determining whether or not such projects are continued. The development of area vocational schools in Iowa will also affect the direction of MDTA since some of the courses that are presently offered under MDTA will be transferred to the area school and will be available for MDTA students on an individual basis. This, too, will affect the continuation of projects under MDTA. We do not anticipate that many of these area schools will actually be in operation during Fiscal 1967, but the present plans call for organization of these schools on July 1, 1966.

We have also added a State Summary of RAR Projects that we plan to develop during Fiscal 1967. Since we have only one county designated as an RAR area, we do not anticipate any additional training activity during this next fiscal year.

The new projects listed are primarily those for State Institutions. It is our understanding that Congress is considering special MDTA legislation for Institutions. Should this be passed in the near future, the Educational costs listed in our plan for Institutions would be substracted from our expenditures. Every effort will be made by all Agencies in Iowa to conserve on costs and to train as many disadvantaged individuals as possible with 27 limited funds.

Carry-Over Referrals

Project Number	Occupation	Funding Date	Section Dates	Number of Trainees
5030	Meat Cutter	5-20-65	September 19, 1966	10
			September 26, 1966	10
5033	Appliance Repair	5-20-65	November 14, 1966	14
5034	Office Machine	5-20-65	December 5, 1966	12
5036	Machine Operator	6-7-65	July 11, 1966	20
			August 22, 1966	20
			January 2, 1967	20
			February 13, 1967	20
			June 26, 1967	20
6003	Farm Hand	7-29-65	July 18, 1966	20
6005	Multi-Youth	7-29-65	July 1 to October 31, 1966	75
6010-001	Nurse Aide	2-23-66	October 17, 1966	12
002	Laundry		October 17, 1966	12
003	Auto Station		October 17, 1966	12
004	Kitchen Helper		October 17, 1966	12
6015	Machine Operator	11-19-65	October 3, 1966	15
			December 5, 1966	10
6017	Auto Mechanic	11-19-65	September 19, 1966	22
6018	Draftsman	12-17-65	October 10	15
6021	T.V. Repair	1-10-66	December 10, 1966	10
6022	Auto Body	3-31-66	November 28, 1966	22
6023	Computer Mechanic	3-31-66	September 6, 1966	20
			November 28, 1966	20
6028	Draftsman	3-28-66	November 7, 1966	20
			TOTAL:	443

State of Iowa

MDTA Programs that are Funded and
will be Operating in Fiscal 1967

Project Number	Location	Occupation	Starting Date	Ending Date	No. of Trainees	Allowance Costs	Education Costs	Length of Training
IA (R) 5033	Sioux City	Household Appliance Repairman	7/26/65 3/21/66 11/14/66	3/11/66 1/4/67 6/30/67	14 14 14	56,145.00	47,497.00	33 Wks.
IA (R) 5034	Sioux City	Office Machine Serviceman	6/28/65 3/14/66 12/5/66	3/4/66 11/18/66 8/11/67	12 12 12	53,100.00	61,343.00	36 Wks.
IA (R) 5036	Waterloo	Machine Operator General	1/17/66 2/28/66 7/11/66 8/22/66 1/2/67 6/26/67 8/7/67 12/18/67 2/13/67	7/8/66 8/19/66 12/30/66 2/10/67 6/23/67 12/15/67 1/26/68 6/7/68 8/4/67	20 20 20 20 20 20 20 20 20	190,800.00	355,522.32	25 Wks.
IA (R) 6004	Cedar Rapids	Draftsman Mechanical	8/9/65 1/3/66	12/24/65 5/20/66	15 15	22,740.00	19,694.00	20 Wks.
IA (R) 6015	Sioux City	Machine Operator General	12/20/65 2/21/66 10/3/66 12/5/66	9/23/66 11/25/66 7/7/67 9/7/67	15 10 15 10	114,500.00	66,972.00	40 Wks.
IA (R) 6018	Waterloo	Draftsman Mechanical	1/17/66 10/10/66	10/7/66 6/30/67	15 15	65,104.00	25,313.00	38 Wks.
IA (R) 6021	Sioux City	T.V. Service & Repairman	2/28/66 12/12/66	12/2/66 9/15/67	10 10	26,080.00	39,319.00	40 Wks.

State of Iowa

MDTA Programs that are Funded and
will be Operating in Fiscal 1967

Project Number	Location	Occupation	Starting Date	Ending Date	No. of Trainees	Allowance Costs	Education Costs	Length of Training	
IA (R) 6022	Davenport	Auto Body Repairman, Metal	6/20/66 3/13/67	2/25/67 8/5/67	22 22	88,632.00	96,233.00	36 Wks.	
IA (R) 6023	Ottumwa	Electronic Computer Mechanic	6/20/66 9/6/66 11/28/66	5/19/67 8/18/67 11/10/67	20 20 20	164,220.00	151,628.90	48 Wks.	
IA (R) 6030	Ottumwa	Programmer, Tabulating Machine Operator	5/31/66 11/28/66	5/13/67 11/10/67	40 40	110,750.00	183,716.00	26-50 Wks.	Not Funded

Proposed Manpower Development Plan
For Training Under MDTA-FY 1967
State Summary

Occupation and/or Occupational Group	Number of Trainees	Labor Market Area(s)	Average Wks. of Training	Est. Total Federal Cost	Estimated State Contribution	Training to Start Quarter I, II, III, IV
Automobile Body Repairman	24	Eastern Iowa (Waterloo)	25	59,660.00	2,400.00	I
Nurse Licensed Practical	18	Western Iowa (Sioux City)	48	33,152.00	650.00	I
Key Punch Operator	80	Statewide (Ottumwa)	18	77,220.00	2,880.00	I
Automobile Mechanic	30	Eastern Iowa (Ft. Madison)	40	98,550.00	4,300.00	I
Clerk, General Office	30	Ia-Neb-S.D. (Sioux City)	24	52,780.00	2,880.00	I
Welder Combination	48	Eastern Iowa (Waterloo)	16	70,976.00	3,072.00	I
Farm Equipment Mechanic	48	Eastern Iowa (Davenport)	37	200,660.00	9,600.00	I
Varied Occupations (Less than class group basis)	150	Statewide (34 local offices)	6-104	359,560.00	11,500.00	I
Multi-Occupational (Adults)	200	Statewide (Des Moines)	26	438,700.00	22,500.00	I
Automobile Service Station Attendant	30	Eldora (Des Moines-Marshalltown)	26	15,000.00	1,500.00	I

Proposed Manpower Development Plan
For Training Under MDTA-FY 1967
State Summary

Occupation and/or Occupational Group	Number of Trainees	Labor Market Area(s)	Average Wks. of Training	Est. Total Federal Cost	Estimated State Contribution	Training to Start Quarter I, II, III, IV
Machine Operator, General	60	Eastern Iowa (Davenport)	26	155,100.00	6,240.00	II
Farmhand	30	Statewide	18	52,976.00	2,160.00	III
Farmhand Dairy	12	(Earlham-Des Moines)	12	14,360.00	576.00	II
Clerk General or Stenographer	20	Mason City	30	33,380.00	1,200.00	II
Cook	60	Statewide (Ottumwa)	26	126,520.00	4,500.00	II
Meat Cutter	30	Cedar Rapids (Anamosa)	30	20,000.00	2,000.00	II
Welder Combination	45	Ia-Neb-S.D. (Sioux City)	16	66,240.00	2,880.00	II
Multi-Occupational (Youth)	300	Statewide (Des Moines)	52	426,500.00	22,500.00	II
Dentist Asst.	30	Anamosa (Cedar Rapids)	26	15,000.00	1,500.00	II
Veterinarian Aide	30	Eldora (Des Moines-Marshalltown)	26	15,000.00	1,500.00	II
Business Occupations	20	Rockwell City (Ft. Dodge)	26	15,000.00	1,500.00	II

Proposed Manpower Development Plan
For Training Under MDTA-FY 1967
State Summary

Occupation and/or Occupational Group	Number of Trainees	Labor Market Area(s)	Average Wks. of Training	Est. Total Federal Cost	Estimated State Contribution	Training to Start Quarter I, II, III, IV
Prevocational (Youth)	200	Statewide (Des Moines)	10	183,000.00	12,500.00	II
Prevocational (Adult)	200	Statewide (Des Moines)	10	229,000.00	12,500.00	II
Automobile Body Repairman	20	Ia-Neb-S.D. (Sioux City)	36	71,348.00	2,880.00	III
Nurse Licensed Practical	15	Eastern Iowa (Davenport)	48	27,898.00	500.00	III
Farm Equipment Mechanic	20	Ia-Neb-S.D. (Sioux City)	37	57,142.00	2,500.00	III
Automobile Mechanic	15	Ia-Neb-S.D. (Sioux City)	42	61,668.00	2,520.00	IV
Multi-Occupational	48	Statewide (Glenwood-Co. Bluffs)	25	100,380.00	4,800.00	IV
Meat Cutter	30	Ia-Neb-S.D. (Sioux City)	24	66,440.00	2,880.00	IV
Automobile Mechanic	22	Eastern Iowa (Waterloo)	39	64,957.00	2,300.00	IV
TOTAL	1,865			3,208,167.00	151,218.00	

State Plan Table A (1)

State of Iowa

Proposed Manpower Development Plan
For Training Under MDTA-FY 1967
State Summary

(Depending on Availability of Funds)

Occupation and/or Occupational Group	Number of Trainees	Labor Market Area(s)	Average Wks. of Training	Est. Total Federal Cost	Estimated State Contribution	Training to Start Quarter I, II, III, IV
Tissue Technician	45	Statewide (Des Moines)	24	$117,460.00	$6,000.00	I
X-Ray Technician	10	Statewide (Sioux City)	104	$ 81,712.00	$3,300.00	I
Welder	60	Dubuque	16	$ 65,330.00	$3,840.00	II
Medical Secretary	30	Statewide (Sioux City	37	$ 70,350.00	$3,996.00	II
Horticulture Aide	30	Des Moines (Eldora)	16	$ 20,000.00	$2,000.00	II
Bookkeeper	15	Ia-Neb-SoDak	30	$ 41,800.00	$2,300.00	II

State Plan Table A(2)

State of Iowa

Proposed Manpower Development Plan
For Training Under MDTA-FY 1967
State Summary RAR

Occupation and/or Occupational Group	Number of Trainees	Labor Market Area(s)	Average Wks. of Training	Est. Total Federal Cost	Estimated State Contribution	Training to Start Quarter I, II, III, IV
Welder Combination 4-85.040	10	Appanoose County	16	$15,703.00	None	I
Welder Combination 4-85.040	10	Appanoose County	16	$15,703.00	None	II
Welder Combination 4-85.040	10	Appanoose County	16	$15,703.00	None	III
Varied Occupations (Less than class group basis)	50	Appanoose County	6-104	$119,853.00	None	I, II, III, IV

The Redevelopment Area in Iowa is presently limited to a one (1) county area (Appanoose). The proposed number of trainees is slightly less than the percentages set out in the National goals due to this condition.

The Iowa Manpower Development Council has been, and will continue, exerting their OJT efforts in this area. It can be assumed that the Bureau of Apprenticeship and Training with their goal of 1,024 disadvantaged to be trained on OJT will also expend efforts in this Redevelopment Area.

In view of the situation existing with respect to Area Redevelopment it is felt that the programs charted above will be sufficient to satisfy the demands in this area.

United States Government

MEMORANDUM

TO: Al Benander, Chairman
Iowa State MDTA Coordinating Committee

DATE: June 1, 1966

FROM: R. V. Kelso, Iowa State Supervisor
USDL, Bureau of Apprenticeship and Training

SUBJECT: State Plan for OJT
FY 1967

1. Reference is made to the National MDTA Program Planning Guidelines for FY 1967 set out in Manpower Administration Notice No. 3-66, and establishment of the National-State Manpower Development System as set forth in Manpower Administration Order No. 6-66.

2. In compliance with the above mentioned documents, I have prepared a State-wide Plan for OJT in behalf of the Bureau of Apprenticeship and Training and submit it herewith for consideration and inclusion in the Consolidated MDTA State Plan.

3. Based on National-State Manpower Development Planning System, the percentage factors set forth for on-the-job training allocations are shown in Appendix A. The allocations have been prescribed for the following types of programs:

National Coupled Programs
National OJT

Community Projects Coupled
Community Projects OJT

Regular Coupled Programs
Regular OJT

4. Emphasis in FY 1967 will focus more on coupled programs, i.e., institutional coupled with on-the-job training. While OJT, on a Community contract basis, has been quite successful in Iowa, some reflection is necessary in considering over-all plans for 1967.

5. Inasmuch as National OJT and National Coupled Projects are established at the Washington Office level, I have not considered allocations to these programs within my province for comment.

6. However, the following information and recommendations are made on the other types of programs in light of the desired goals of the Administration in relation to local and State needs and peculiarities.

EXPERIENCE IN IOWA

Regular On-the-Job Training and Regular Coupled Programs

7. To date, only 13 regular OJT contracts have been written in Iowa, accounting for 620 trainee slots and 1 coupled program accounting for 20 trainee slots.

EXPLANATION AND RATIONALE

8. Iowa has few large industries adaptable to regular on-the-job training programs. Many of these have existing company-sponsored training programs which provide for their employment needs. In these instances, the companies would have to experience a considerable increase in production to provide for additional on-the-job training above their present maintenance of effort. At the present time, Iowa's larger industries, on the whole, are not experiencing this growth -- consequently do not readily adapt to the program.

9. On the other hand, many small to medium-sized industries, processors, distributors and businesses are located throughout Iowa in great numbers. For the most part, these companies are expanding, are in need of trainees, and do not have formal training programs. They represent the greatest potential for OJT, either directly by subcontract with a prime contractor, or by a coupled program of institutional and on-the-job training. Experience has shown that companies of this size are not interested in Regular-on-the-job training, nor in Regular coupled programs because of the complexity of negotiating and the extra administrative duties and accounting required under such contracts.

10. In addition to the geo-economic and administrative factors above mentioned, several other problems are foreseen in meeting programming guidelines as set forth in the Manpower Administration Notice.

11. Regular OJT and Regular coupled programs have been programmed for 52% of Iowa's total on-the-job training allotment. (Reference Appendix A, Items 5 and 6) This immediately presents a paradox that will make it quite impossible to reach the target group -- the disadvantaged, the unskilled, the Negro and the long-term unemployed. For example:

    (a) Regular OJT and Regular coupled programs are oriented toward the needs of industry. Profit motives, rather than humanitarian, dictate the hiring policies of these companies.

(b) The employers, under the regular OJT contract, exercises greater selectivity of trainees. In fact, the recruiting, screening and selecting process rests almost exclusively with the contractor.

(c) The "hard core" disadvantaged applicant would seldom find his way into such a training facility, and quite probably would be "processed out" in the early phase of screening. In many instances the employer would be completely unaware of what constitutes a disadvantaged person.

(d) Compliance with certain federal statutes and regulations pertaining to civil rights, wage and hour, etc., are, in effect, self-policed under this type of contract. The limited field staff of the Bureau of Apprenticeship and Training cannot give more than token supervision to any appreciable number of regular OJT contractors.

12. Attached is Appendix B showing projected Regular Coupled Projects and Regular OJT Projects. This list represents projects in tentative development on the date of this report.

Community On-the-Job Training and Community Coupled Programs

13. To date, three Community type OJT prime contracts have been written in Iowa.--(Included in Paragraph 3 above) The Iowa Farmers Union for $62,892.00 to place 125 trainees in a five-county area in eastern Iowa: the Sioux City Community Resources Development Agency, Inc., for $101,034.00 to place 200 trainees in the Sioux City trade area; and the Iowa Manpower Development Council for $266,319.20 (as amended) to place 500 trainees in Iowa. The latter is a state-wide project, serving all 99 counties.

14. These programs show the greatest promise for on-the-job training in Iowa for several important reasons:

(a) As heretofore mentioned, Iowa's diverse and relatively small business and industrial community precludes large scale Regular OJT contracting. On the other hand, the simplicity of flat rate subcontracting has considerable appeal to these same companies. The Community type prime contractor is flexible enough to meet the many needs of these employers.

(b) The Community type program is "trainee" oriented. The needs of the potential trainee are given priority and more selective placement results.

(c) The Community type program is better equipped to reach the "hard core" target group through cooperative efforts with welfare agencies and other local service organizations.

(d) The prime contractor has definite commitments under his contract to supervise training, carry out government statutes and regulations, and directly service the subcontract. The Bureau of Apprenticeship and Training field staff can more readily supervise a few prime contractors than many widely scattered Regular OJT contracts.

(e) The Iowa Manpower Development Council, Prime Contractor No. 10-J-15, has demonstrated already that coupling institutional with on-the-job training can be accomplished under this type of contract. For example: On an individual basis, trainees now leaving institutional training at the Des Moines Comprehensive Training Center are being placed under subcontracts. The Council is likewise placing non-MDTA graduates from regular school Work-Study programs (for slow learners). Another example of community cooperation is the fine working relations between Title V OEO programs and the Council's On-the-Job Training project. Work-Experience trainees are being placed following pre-vocational experience under the Title V program.

15. It should be pointed out that one fault does appear in the local Community type prime contract in Iowa.

16. A prime contract proposal is based on several assumptions that, if correct, purport a need for on-the-job training in a particular locale. If any one, or more, of the assumptions such as the number of unemployed, underemployed, unfilled job orders, etc., are incorrect, the project will have difficulty in meeting its contract commitment. As a result, needed OJT dollars are tied up and cannot be utilized in other sections of the state where on-the-job training needs are expressed.

17. Therefore, it is strongly suggested that consideration be given to one state-wide prime contract which will provide for flexibility in diverting OJT dollars to need areas, where identified. A further justification for this type of contract could be based on the reduction of administrative costs and the elimination of wasteful duplication of services.

Recommendation for On-the-Job Training Planning in Iowa

18. To carry out the intent of the Manpower directive, the following recommendations are made to apply in Iowa:

(a) That the Federal OJT programming percentages for Iowa be readjusted as shown in Appendix C attached to this report to provide for more money for one state-wide Community prime contract. Local Community contracts under this proposal would be discontinued as soon as possible or consolidated with the state-wide prime contract.

(b) Appendix D shows target trainees for OJT. The percentages on this planning table have been amended to correspond with the percentages shown in Appendix C.

(c) That the readjusted figures for Regular OJT and Regular coupled programs be considered tentatively based on projections we now have for successful programs. Should negotiations to use this allotment fail to materialize, that 50% of these funds be reallocated on January 1, 1967, to the prime contractor by amendment to the prime contract. If a balance remains in the Regular OJT and Regular coupled program allotments on March 1, 1967, that this balance be reallocated to the prime contractor (by amendment to such contract).

(d) That the state-wide prime contractor be primarily charged with the responsibility of carrying out the project goals for coupled projects in Iowa.

19. This may be accomplished by spelling out such responsibility in the language of the prime contract somewhat as follows:

20. The prime contractor shall, in conjunction with the Employment Service and the State Department of Vocational Education, enter into planning for coupled On-the-Job Training programs and shall set aside and allocate such funds as necessary to carry out coupled programs. The State Supervisor for the Bureau of Apprenticeship and Training shall participate in such planning and exercise final approval of the type of training proposed, the training facility and the training schedule. Coupling with on-the-job training will be on a negotiated, flat rate subcontract basis, eliminating the necessity of estimating material costs, scrap salvage, costs of on-the-job training instruction, etc. The subcontract itself will contain language identifying it as a coupled subcontract, as compared to a Regular community type subcontract.

21. Coupled programs shall constitute, as nearly as possible, 58% of the prime contractor's placements.

22. Other provisions can be made to place responsibility on the prime contractor to participate in pre-vocational planning and implementation in conjunction with other designated agencies.

23. It is felt if the above recommendations, essentially as proposed, can be approved, that Iowa can more nearly meet the projected goals set forth for Manpower programs in 1967.

Attachs.

State Plan Table A-OJT

APPENDIX A

State of Iowa

PROPOSED MANPOWER DEVELOPMENT PLAN FOR OJT UNDER MDTA - FY 1967

State Summary

(All Trainee-slot Percentages are Based on Total Number of Trainee Slots in State)

TYPE OF CONTACT	Trainee Slots		Ave. Terms Weeks	Est. Fed. Costs 1/			Labor Areas				
	No.	%		Tot. 100%	Allow.	Trng.	A.	B.	C.	D.	E.
Total all Contracts	1575	100	20	1,515,000							
1. National Contracts - Coupled	205	13		196,950							
1a. Shortage-skill occupations.	95	6		90,900							
1b. Other occupations.....	110	7		106,050							
2. National Contracts - OJT	158	10	20	151,500							
2a. Shortage-skill occupations.	63	4		60,600							
2b. Other occupations.....	95	6		90,900							
3. Community Contracts - Coupled	236	15	20	227,250							
3a. Shortage-skill occupations.	16	1		15,150							
3b. Other occupations.....	220	14		212,100							
4. Community Contracts - OJT	158	10	20	151,500							
4a. Shortage-skill occupations.	16	1		15,150							
4b. Other occupations.....	142	9		136,350							
5. Regular Contracts - Coupled	473	30	20	454,500							
5a. Shortage-skill occupations.	205	13		196,950							
5b. Other occupations.....	268	17		257,550							
6. Regular Contracts - OJT	347	22	20	333,300							
6a. Shortage-skill occupations.	158	10		151,500							
6b. Other occupations.....	189	12		181,800							

1/ In thousands of dollars

APPENDIX B

The following OJT Projects are in the planning stage. Total cost for each Project as shown here are estimates only.

COUPLED PROJECTS

SPONSOR	OCCUPATION	NUMBER TRAINEES	COST ALLOWANCES	COST INSTITUTIONAL	COST OJT	TOTAL
Operating Engineer	Heavy Equipment Operator	100	$52,780.00	$48,000.00	$45,000.00	$145,780.
Iowa Chapter NEA	Radio-TV Repairmen	50	34,300.00	32,000.00	10,000.00	
Iowa Automotive Wholesale Assn.	Auto Parts Men & Machinists	50	34,300.00	32,000.00	10,000.00	76,300.
Iowa Motor Truck Assn.	Diesel Mechanics	60	43,440.00	48,000.00	15,000.00	106,440.
Fisher Governor	Machine Operators	120	112,040.00	148,000.00	30,500.00	290,540.

REGULAR PROJECTS

Raid Quarries, Inc. Burlington, Iowa	Equipment Operators	10			8,000.00	8,000.
Victor Metal Products	Assemblers	8			6,000.00	6,000.

State Plan Table A-OJT

APPENDIX C

State of IOWA

PROPOSED MANPOWER DEVELOPMENT PLAN FOR OJT UNDER MDTA - FY 1967

State Summary

(All Trainee-slot Percentages are Based on Total Number of Trainee Slots in State)

TYPE OF CONTRACT	Trainee Slots		Ave. Terms Weeks	Est. Fed. Costs 1/		Labor Areas				
	No.	%		Tot. 100%	Allow. Trng.	A.	B.	C.	D.	E.
Total all Contracts	1575	100	20	1,515,000						
1. National Contracts - Coupled	205	13		196,950						
1a. Shortage-skill occupations.	95	6		90,900						
1b. Other occupations.....	110	7		106,050						
2. National Contracts - OJT	158	10	20	151,500						
2a. Shortage-skill occupations.	63	4		60,600						
2b. Other occupations.....	95	6		90,900						
3. Community Contracts - Coupled	394	25	20	378,750						
3a. Shortage-skill occupations.	47	3		45,450						
3b. Other occupations.....	347	22		333,300						
4. Community Contracts - OJT	268	17	20	257,550						
4a. Shortage-skill occupations.	32	2		30,300						
4b. Other occupations.....	236	15		227,250						
5. Regular Contracts - Coupled	315	20	20	303,000						
5a. Shortage-skill occupations.	110	7		106,050						
5b. Other occupations.....	205	13		196,950						
6. Regular Contracts - OJT	236	15	20	227,250						
6a. Shortage-skill occupations.	95	6		90,900						
6b. Other occupations.....	141	9		136,350						

1/ In thousands of dollars

State Plan Table B-OJT

APPENDIX D

State of IOWA

TARGET TRAINEES FOR OJT

Training-FY 1967

(Note: 65% disadvantaged is to be considered the minimum goal)

TYPE OF CONTRACT	Characteristics of Trainees					
	All Trainees		Disadvantaged		Other	
	No.	%	No.	%	No.	%
Total all Contracts	1575	100	1024	65	551	35
1. National Contracts - Coupled	205	13				
1a. Shortage-skill occupations.....	95	6			95	6
1b. Other occupations.....	110	7	110	7		
2. National Contracts - OJT	158	10				
2a. Shortage-skill occupations.....	63	4			63	4
2b. Other occupations.....	95	6	95	6		
3. Community Contracts - Coupled	394	15				
3a. Shortage-skill occupations.....	47	3			47	3
3b. Other occupations.....	347	22	347	22		
4. Community Contracts - OJT	268	17				
4a. Shortage-skill occupations.....	32	2			32	2
4b. Other occupations.....	236	15	236	15		
5. Regular Contracts - Coupled	315	20				
5a. Shortage-skill occupations.....	110	7			110	7
5b. Other occupations.....	205	13	205	13		
6. Regular Contracts - OJT	236					
6a. Shortage-skill occupations.....	95	6			95	6
6b. Other occupations.....	141	9	141	9		