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MEMORANDUM

## OFFICE OF THE VICE PRESIDENT

WASHINGTON

May 15, 1975



## MEMORANDUM FOR THE PRESIDENT

FROM: The Vice President

SUBJECT: Summer Jobs for Urban Youth -- Status Report

As you know, the rate of unemployment among youth is currently hovering at about 40 per cent. This rate is expected to climb significantly as the summer months approach.

Faced with this summer youth employment crisis, I believe it is imperative that we make the most effective use of existing Federal funds and programs designed to provide employment, recreational and cultural opportunities for young people.

An immediate Domestic Council-sponsored, low-key reconnaissance of key cities in order to gather information and establish lines of communication would enable you to ensure maximization of existing Federal, State and local summer employment, recreational and cultural programs for youth.

This idea has been discussed in detail with the Secretary of Labor, who supports the idea. It has also been discussed with the Community Relations Service within the Department of Justice, which is equally supportive. We are presently awaiting the Attorney General's reaction. As soon as this is received, I will be in a position to make a specific recommendation to you.

THE WHITE HOUSE  
WASHINGTON

May 23, 1975

*Summer Youth  
Program*

MEMORANDUM FOR: THE HONORABLE ALEXANDER ALDRICH  
Consultant to the Vice President

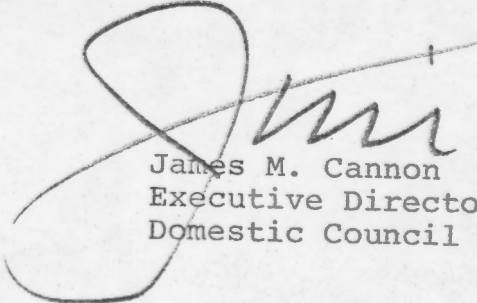
SUBJECT: Summer Urban Youth Project

This will confirm our telephone conversation today in which we agreed to implement the Summer Youth Liaison and Coordination Project, under the auspices of the Domestic Council, by an initial visit to Chicago, Illinois during the period of May 27th to the 29th.

In directing the initial visit of this project, your per diem, as well as the per diem for Evelyn Cunningham and Pat Armstrong, also consultants of the Vice President, and Thaddeus Garret, Special Assistant to the Vice President, will be paid from Domestic Council travel funds.

Following the Chicago trip, I would like you to submit a detailed operational plan for carrying out the remainder of the project.

Thank you very much.

  
James M. Cannon  
Executive Director  
Domestic Council

JMC:jm  
cc Dick Parsons  
Warren Hendriks



FOR IMMEDIATE RELEASE

JUNE 16, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT

UPON SIGNING

H. J. RES. 492

THE URGENT SUPPLEMENTS FOR SUMMER  
YOUTH EMPLOYMENT AND RECREATION

THE CABINET ROOM

3:37 P.M. EDT

Before signing the summer youth employment recreation and transportation supplemental appropriations bill, I do want to thank the Members of Congress, both the House and the Senate, both Democratic as well as Republican, for the quick action in getting this supplemental appropriation bill through.

It amounts to about \$473 million. It will provide approximately 840,000 job opportunities for young people in the summer of 1975.

We do have a very high unemployment rate, particularly among the youth, and the youth not only need the jobs to keep active, but they also need the employment and the compensation in order to return to school, if they are in college, or otherwise in the educational process.

I think this legislation administered by the Department of Labor, primarily under Secretary Dunlop and by the Community Services Administration, will do a fine job. The funding that comes from this appropriation bill will make a good many jobs available for the youth of America in the summer of 1975.

So, I thank the Congress. I am grateful for the good job I know will be done by the Department of Labor and the Community Services Administrations,

So, it is with great pleasure that I sign this supplemental appropriation bill.

Thank you very much.

END (AT 3:39 P.M. EDT)





*Summer Youth*

To: James M. Cannon, Executive Director of the Domestic Council

From: Alexander Aldrich

*Alexander Aldrich*

Date: June 16, 1975

*File*

Subject: Community Relations Service of the Justice Department

As you requested, the Summer Urban Youth Project Study Team has been working extremely closely with the Community Relations Service of the Justice Department. During our two visits, I have been enormously impressed with the caliber of the people associated with the Community Relations Service and the almost staggering work load they are confronted with.

Without attempting to define precisely their needs for additional man power, I would warmly recommend a substantial restoration of their work force.

If you wish me to be more specific, I would be happy to do so.



JUN 16 1975

THE WHITE HOUSE  
WASHINGTON

Date June 23, 1975

TO: JIM CANNON

FROM: JIM CAVANAUGH

X FYI

           For appropriate action

COMMENTS

Dick Parsons and I have discussed  
the Boston situation mentioned  
on page 2.

CC: Evelyn Cunningham  
Ann Whitman  
Susan Herter  
Thad Garrett  
Dick Parsons  
Dick Allison  
Ben Holman



To: James M. Cannon, Executive Director of the Domestic Council

From: Alexander Aldrich

*Alexander Aldrich*

Date: June 16, 1975

*File*

Subject: Summer Urban Youth Project-Boston Trip

On Monday and Tuesday, June 9 & 10, the Summer Urban Youth Project Study Team visited Boston. Working with the Community Relations Service of the Justice Department, we followed roughly the same modus operandi as in our Chicago visit, and found most of the same concerns which were expressed in my first memo to you dated May 30. I will provide you with a fuller and more detailed report following my California trip which starts tonight.



Four special areas emerged from the Boston trip which did not exist significantly in Chicago. They are as follows:

1. Cape Verde Islanders. In Southeast Massachusetts, there live some 100,000 immigrants from the Cape Verde islands. They are listed on the federal census as White Caucasians of Portuguese descent. While they speak a Portuguese dialect, they are clearly Black Africans. They claim all of the disadvantages of a standard Black bilingual community, as well as the problems of being disqualified from some programs because of the census listing. I will try to get a better handle on this rather complex issue by my next report.

2. American Indians. The American Indians in New England number 20-25,000. Scattered in small tribes along the eastern shore, they face very urgent problems: 1. The question of termination; wherein the U.S. Government may terminate their charter of existence by congressional action; and 2. The question of recognition as a tribe, which is the basis for any federal funds and services to be disbursed to the Indian community. These groups face a recurring battle with the Bureau of Indian Affairs over the eligibility criteria for many programs. BIA does not recognize most of these Indian tribes in the Northeast, therefore, any other agency using BIA criteria in distributing funds, will exclude New England Indians. A more detailed analysis will follow.

3. Urban Chinese. There is a small, very closely knit "Chinatown" in Boston. It numbers about 2500 people. In recent months there has been a startling increase in juvenile delinquency among children of this ethnic group. Two weeks ago a white Irish girl in Charlestown was stabbed to death by two Chinese youths.

The problem is analogous to the Latino situation in Chicago, and is made more difficult because of the small number of people involved. A full scale bilingual education program would be hard to support for such a small group, but it is nevertheless needed.

4. School Desegregation. There can be no discussion of urban youth in Boston without first coping with the federal court school desegregation decision arrived at a year ago by Judge W. Arthur Garrity, Jr. Instead of trying to avoid or downplay it, our study team met it head on, interviewing Judge Garrity at length, spending a morning at South Boston High School with its beleaguered principal, and meeting with other groups including a delegation of Irish mothers from South Boston; Dr. Parks, the Secretary of Education for the Commonwealth of Massachusetts, and other individuals.

Phase II of Judge Garrity's desegregation program starts with the opening of the next school year on Tuesday, September 2. Phase II involves a much wider selection of schools and individuals to be bussed, and for the first time will affect large numbers of grade school students. South Boston and Hyde Park, the areas of principal disturbances last year, will continue to be problem areas. A far worse situation is expected in Charlestown, an Irish ghetto surrounding the Bunker Hill Monument, greatly exasperated by the Chinese murder mentioned above and eager to show "Southie" how much tougher Charlestown can be.

The explosive nature of the situation is reflected in the blunt statement Dr. Parks made to me at dinner last Monday night: "You get the 82nd Airborne Division to Camp Devens over Labor Day and I guarantee we can hold Charlestown."

Special Recommendation on School System. Massachusetts has only roughly 2500 men who can cope with civil disorder of the size anticipated in early September. They include: 300 State Troopers; 100 Metropolitan District Commission officers; 140 tactical patrol force officers (city police); and 2000 specially trained guardsmen, all of them members of local municipal police departments throughout the Commonwealth.

If more men are needed, everyone seems to agree that federal troops will be required.

I therefore recommend that representatives of the Justice Department and Defense Department meet as soon as possible with Boston and Massachusetts authorities to plan for possible federal intervention. I also recommend that the President or Vice President consider making a strong statement of principle backing Judge Garrity's Phase II order, and holding out no hope for political reversal of the process of school desegregation in Boston.

Paradoxically, the need for a Presidential statement was pleaded for most eloquently by the Irish mothers we met with on our study visit. These women dislike bussing and have no special love for Black children. More important to them, however, is sending their children to school without harassment from their neighbors. They are conservative, law abiding people in support of the desegregation process.





To: James M. Cannon, Executive Director of the Domestic Council

From: Alexander Aldrich

Date: July 7, 1975

Subject: Summer Urban Youth Project: New York City Trip

Three major threads emerge from the first New York City trip of the Youth Project Team.

*Good point on Housing*

1. Housing in the Bronx. If the destruction of the apartment dwellings in the central and south Bronx had happened all at once, it would have been a national incident followed by the designation of the area as a disaster area. As it happened, the buildings have been destroyed one by one by fire often set by the tenants themselves. Nevertheless, the overall effect of driving through areas of the central and south Bronx is that of driving through Berlin shortly after the Second World War. Shell after shell of empty burned out buildings greets the eye, relieved here and there with empty lots which are left after the buildings themselves have been completely demolished. An occasional packing case in which people are actually living punctuates this dreary landscape.

One of the people we interviewed estimated that 60,000 dwelling units would be needed to replace the housing already destroyed. The magnitude of the problem cannot be overestimated.

Short of a total national effort, it is difficult to see how the necessary resources could possibly be assembled to rescue what appears to be a community of 1,600,000 people which is rapidly dying.

2. The Methadone Maintenance Programs. Another nearly insoluble problem is the Federal Drug Program in the Bronx. The study team visited two major community service programs, amending our normal pattern of operation so as to get out into the street and see some of the programs themselves. While the local officials were reluctant to talk about this aspect of the program, it appears that the Federal narcotic authorities insist upon a certain commitment to methadone maintenance programs as a price for other funds for total detoxification of narcotic addicts. The result in the street, appears to be that some people who are not addicted at all are beginning to find their way into methadone maintenance programs, thereby becoming addicted to methadone. Further research on this terribly difficult area is indicated, and I will look into it in considerably more detail.

3. Private Industry Assistance. Among the Black leaders with whom we met, there seemed to be a new emphasis on the need to support private industry in its hiring programs. While this is not surprising, since we were meeting with successful Black businessmen, it does point the way to an alternative to more and more government spending for government jobs.

Conclusions from New York City Trip. Our visit coincided with the garbage strike. This may have added to the sense of enormity which pervades New York City's problems. It would appear that at least two more visits would be appropriate to New York before the end of the summer, in addition to the planned trips to Detroit, San Antonio and Miami. I will be in Washington to discuss these further visits this week.

CCL Evelyn Cunningham

Ann Whitman

Susan Herter

Thad Garrett

Dick Parsons

Ben Holman

Dick Allison

Roger Hooker



202-700-8 6W 5 42

Summer Youth [Sept. 1975]  
Albion File

## SUMMARY OF RECOMMENDATIONS

1. Negative Income Tax p. 2
2. Three Federal Pockets approach to Federal Assistance in Social Service Area p. 3
3. Hurricane Agnes Honchos where needed p. 3
4. One-Shot review of all Federal Social Service Programs. Eliminate those not working p. 5
5. Continuous program review of those which will continue, from White House p. 5
6. Continuous community contact with minority staffing, from White House p. 5
7. President Makes Statement of Policy p. 7
8. Inventory of Jobs and Needs p. 7
9. Urban CCC p. 7
10. Domestic Urban IBEC p. 7
11. Urban Housing Program p. 7
12. Self-help Programs for people with special problems p. 7
13. Review of Minimum Wage Laws and Union Practices p. 8



To: Nelson A. Rockefeller

From: Alexander Aldrich

Date: September 2, 1975

Subject: Urban Youth Employment: The Survey of Community Leaders'  
Attitudes in Ten Major Cities

Introduction. Since May 1, 1975, a small study team consisting of Evelyn Cunningham, Patricia Armstrong and myself has been traveling to the big cities of the country\*, meeting with community leaders selected by the Community Relations Service of the Justice Department, and discussing with them their concerns, attitudes and suggestions about the unemployment problem among innercity young people. Our focus was particularly aimed at the federal presence in this area. We asked community leaders how the federal government responded to their problems relating to youth unemployment, whether these responses were effective and how they could be improved.

At the same time, in Washington, Jeff Krolik and Cindy Whiteman were researching relevant statutes, and conferring with us regularly on Federal programs we were encountering in the field.

This report summarizes the salient impressions gained on these trips and in the research. It should be read with the clear understanding that the method of gathering the data is far from scientific. In many cases there is no way of judging the real truth of a person's statement, screening out bias or self-interest. Nevertheless, we are firmly convinced that by and large in the cities visited, the Community Relations Service of the Justice Department came up with a very high percentage of real community leaders. Their input, while often not focused or well-organized, is strongly felt and sincere. Their opinions must be considered when Federal officials are developing new programs for social services, since often they are the means for service delivery, and they also speak for those who receive the services. If these community leaders are troubled (and they are, nationwide), then there is something wrong!

A second major problem with the method of gathering the information was the inability of the people interviewed to limit themselves to the principle topic of concern, that is, jobs for young people in the urban setting. Social concerns being indivisible, we continuously found ourselves

\* Boston, Chicago, Detroit, Los Angeles, Miami, New York, Oakland, San Antonio & San Francisco

Nelson A. Rockefeller  
September 2, 1975  
Page 2

talking about housing, discrimination, various social welfare services, education and practically every other matter touching upon youth unemployment. The result is that our own suggestions which follow go considerably beyond the basic mission we assumed at the beginning of the study.

For purposes of discussion, the major conclusions we arrived at seem to cluster in three general areas:

I. The Federal System doesn't work very well in the social service area. To begin with, there is a country-wide impression among community leaders that the bureaucracy in many areas costs more than the benefits which finally find their way to the recipients.

In some other programs, the policies at the federal level are being subverted at the local level. Outstanding in this regard is New York City which compounds its own complexity with a severe fiscal crisis. Money intended for local programs has trouble getting out of the hands of the city bureaucracy.

On the other hand, some of the people we have spoken to who deal directly with the federal government would infinitely prefer to deal with local government. The outstanding example of this is the impact of the Chicano community of the Immigration and Naturalization Service. Local control would be bound to be better in their judgment.

It would appear that there are three general solutions to the problems of the complexity of the federal system:

a. A Negative Income Tax. Categorical grants, block grants and revenue sharing are so complex and so difficult to administer and so much of the money is diverted before it gets to the client, that most of the groups that we dealt with believed that a negative income tax is an important resolution of the problem.

Briefly, a Negative Income Tax (NIT) program consists of a Federal guaranteed minimum income in the form of a cash transfer. If the recipient is also receiving income aside from the cash transfer, his incentive to work is maintained by reducing the cash transfer by a percentage of his other income, rather than the exact amount of the additional income. A chart shows how it would work, assuming a minimum income of \$4,000 and a 50% credit for other income.





<u>Other Income</u>	<u>Cash Transfer</u>	<u>Net Income</u>
0	\$4,000	\$4,000
2,000	3,000 [4,000 minus 50% of 2,000]	5,000
4,000	2,000 [4,000 minus 50% of 4,000]	6,000
6,000	1,000 [4,000 minus 50% of 6,000]	7,000
8,000	0 [4,000 minus 50% of 8,000]	8,000

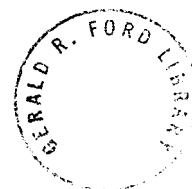
Were such a program to be adopted, the eventual elimination of costly and cumbersome programs such as food stamps and public housing assistance can be envisioned. For an authoritative discussion of the alternatives, see Redistribution and the Welfare System, by Edgar K. Browning, American Enterprise Institute for Public Policy Research, Washington, D. C., 1975.

b. Three Federal Pockets. In searching for ways in which the problems of federalism can be remedied, we explored ways in which a local program agency could bypass or avoid a level of government which was giving it a hard time. The precedent of park funding under the Land and Water Conservation Fund is useful; it sets up three alternative funds, or "pockets", from which parks can be built: federal, state and local.

Extending this principle to the social service area, we recommend that, for example, LEAA funds be offered directly from Washington, through the state and through local governments.

This device might service as an audit function, useful to the continuous program auditors (see § II b) and to the community liaison people (see § II c). If local action agencies consistently avoid one area of government, or if only Irish ethnic groups get local money (as alleged in Chicago), then such evidence will show up in practice.

c. The Hurricane Agnes Approach. One of the problems attendant upon federalism appears to be its enormous complexity, and the terrific gulf between different departments and different levels.



Nelson A. Rockefeller  
September 2, 1975  
Page 4

The need for services is so pressing, and the cumbersome nature of the machinery so oppressive, that in some communities it calls for a dramatic knifing through of the bureaucracy to make it work. The problem is reminiscent of that posed by tropical storm Agnes in 1972, when you assigned one person to be the "honcho" in Elmira, and channeled all decision-making through that one person. This suggestion could be applied at the federal level on a community basis. For example, the City of Fresno, California, could be singled out by the President as an area where the Hurricane Agnes approach would be implemented. Thus the Hurricane Agnes Honcho (HAH) would become the agent for executive program implementation so sorely needed in so many places, a role now increasingly discharged by Federal District Courts.

The HAH could operate under existing programs, simply making sure that they were working according to announced Federal Policy. For example, if HAH found, as alleged in Miami, that the Cuban refugee impact grant that Congress appropriated to the school system was only being spent on high-income white suburban schools, the grant could be redirected at HAH's order.

HAH could also serve as a positive creator of new social technology, designing and applying pilot programs with new Federal program money.

Caveat: HAH is an emergency, short-term device. It concentrates Presidential Power into one person at a local level. It should be used sparingly, and probably only in response to an emergency.

II. Specific Federal Program Weaknesses. The overwhelming proportion of concern expressed in our community meetings focused on the weaknesses in existing Federal Programs and how they could be remedied. Rather than analyze each suggestion, we have compiled them and hold them ready to turn over to a review team for in-depth analysis and corrective action.

The topics covered a very broad range, in the areas of Education, Human Rights, Law Enforcement, Housing, Human Services, Economics, Health and Mental Health and Other.



Three major remedial approaches are suggested:

a. A one-time review of all federal programs in the social service area to determine their effectiveness and make a judgment as to whether they should be discontinued. This should be done by outside consultants, not by the departments concerned.

b. With those which should be continued, a continuous program audit should be implemented and should be staffed out of the White House, not out of the agency concerned with the program. (note: this should be distinguished from a financial or statistical audit, and should focus on real goals rather than on dollar savings.)

c. Along with the program audit, continuous community contact with the White House, with representative minority staffing (Black, Latino, Asian, native American, etc., but appointed by the President, not elected) should be developed.

### III. A Domestic Policy for Youth Employment.

a. The Scope of the Problem: Statistics. During the first quarter of 1975, the official bureau of labor statistics showed a 5.7% unemployment rate generally, with a 9.5% rate among Blacks and 30% among Black youths. The National Urban League claims that the real figures are roughly double those, or: general, 11.2%; Blacks, 18.9%; and Black youths, 60%.


There are no figures on urban minority youth that are reliable, but estimates range consistently over 50% and are probably higher during the summer months.

b. The Reasons Why. Youth unemployment is a complex area, with multiple causes crying for a variety of imaginative solutions.

i. No Full Employment. First of all, it is a part of the larger national problem of the shortage of jobs for all people, especially the untrained.

If our economy were in a "full employment" situation, much of the youth employment problem would be solved. Thus the first priority should be an effort to reach a full employment goal. The definition of such an effort is beyond the scope of this study.





Nelson A. Rockefeller  
September 2, 1975  
Page 6

ii. Special Problems Facing Youth. Even with full employment, the young people of this country would still have job problems, for the same reasons which put them at a disadvantage now:

1. Their education and training has not prepared them for today's jobs.
  2. Many of them do not have enough English language to survive in today's competitive job market.
  3. Many of them are unmotivated. They could hold down a job, but they don't want to. In a more subtle fashion, many youths are "paycheck" oriented rather than "work" oriented.
  4. Many of them are physically or emotionally handicapped in some way.
  5. Many young people are discriminated against because of race, creed, color, national origin or sex.
  6. Labor laws and minimum wage standards make it difficult for young people to hold jobs in today's economy.
- c. Areas of Opportunity. The present breakdown of innercity services, while serious and debilitating, might well be the opportunity of the century to do something bold and dramatic for youth employment on the federal level. Some community leaders in Chicago referred to this as the opportunity for a "domestic Mayaguez". The problems are all so enormous and so expensive that only the federal government can supply the coordinated effort and the financial resources to take care of them all. They fall into the following areas:
1. An accelerating deterioration of housing and transportation facilities in all of the major cities of the country.
  2. A flight of private enterprise, involving both the capital resources and the entrepreneurial expertise necessary to provide jobs.
  3. An ecological deterioration, particularly focused on parks and rivers.

4. An electric power shortage, compounded by the fuel crisis and by the need to transmit electric power from deeply rural sites to the urban sites.

5. Human despair, especially compounded where the persons involved are discriminated against or have a prison record or have other problems beyond simple economic problems.

6. Restrictive union practices, especially in the construction trades, but now extending into the civil service arena.

d. Program.

1. A Statement of Policy. We recommend that the President adopt and announce a national policy for the employment of youth: to provide employment for all young people between the ages of 16-21 who wish to have a job.

2. An Inventory of Jobs and Needs. Concentrating on the areas of opportunity in paragraph III c, study teams should enter each city to determine housing, industry, recreational, transportation and other human needs which can be served by a combination of existing labor forces and young people.

3. The Program Itself. Youth between 16 and 21 should be recruited and trained to work in the following areas:

A. An urban CCC should be started to dress up the parks and river banks of our cities, and to upgrade the nation's railroads to A-1 condition.

B. A domestic urban IBEC should be started to encourage the revival of private enterprise, from the building of new atomic plants to the establishment of new "mom and pop stores".

C. A new rehabilitating domestic urban housing program should be initiated, building new housing and providing tenant relocation services.

D. New human self-help programs should be begun, especially for handicapped and ex-offenders.





Nelson A. Rockefeller  
September 2, 1975  
Page 8

E. A review of minimum wage laws and union practices which tend to discourage youth employment should be undertaken, drawing on youth and minority community leadership as well as management and labor. Especially in the urban areas selected for the programs A through D, new practices should be agreed upon to support the operating programs.



THE WHITE HOUSE  
WASHINGTON

April 8, 1976

MEMORANDUM FOR: BILL SEIDMAN  
FROM: DAVID LISSY *DL*  
SUBJECT: Summer Youth Employment Program

After speaking with you, I checked further to see what we could claim in terms of what we propose for this year as related to last.

It turns out we do not really know enough about what happened last year to say that we will be providing the same number of people with more weeks of employment this year. There are no "average weeks of employment" figures available for last year. There is a guess -- but no documentation -- that the average last year was less than the 9 weeks projected for this year.

cc: ✓ Jim Cannon



THE WHITE HOUSE  
WASHINGTON

May 2 , 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JIM CANNON/JIM LYNN

FROM: JIM CONNOR

SUBJECT: SUMMER YOUTH PROGRAM APPLICATIONS

The following was received in the President's out-box this morning with the request that it be followed up and responded to as quickly as possible.

Mayor Tom Moody of Columbus, Ohio, told me yesterday that Summer Youth Program applications must be in by May 31st, but no 1976 forms available from Regional Office. Mayor Moody therefore made application on 1975 form or application.

What is problem?

We can have a bureacratic scr ew-up.

Please follow up with appropriate action.

cc: Dick Cheney





OFFICE OF THE VICE PRESIDENT  
WASHINGTON

May 20, 1976

MEMORANDUM FOR JIM CANNON

FROM: JACK VENEMAN

A large, stylized handwritten signature, likely of Jack Veneman, written in dark ink over the typed name.

During their meeting today, the Vice President discussed with the President the desirability of establishing a legislative program for youth employment.

The Vice President would like for us to get together to discuss this. We will check with Jennifer for a convenient time.

Attachment

*Unemployment  
Copy to  
Queen*





THE VICE PRESIDENT  
WASHINGTON

May 20, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT  
SUBJECT: YOUTH UNEMPLOYMENT PROBLEM

The unemployment problem for youth, especially minority group youth is very serious with the unemployment rate for minorities between 16 and 19 hovering around 40 percent. Your proposal for \$528.4 million will substantially ease this situation, especially in conjunction with other Administration initiatives. However, we still have a major problem which should be addressed.

I suggest ~~we~~ <sup>you</sup> consider the establishment of a public program for youth similar to the Civilian Conservation Corps of the 1930's. The program would hire youth, especially those from disadvantaged backgrounds to work on projects benefiting our parks, cities, sea-shores, and other public facilities. They could also assist in energy conservation by helping install insulation in public and private buildings, by developing energy conserving recreation facilities such as bike and hiking trails, and by assisting in education programs to promote energy conservation. The youth would develop work habits and learn job skills useful for employment in the private sector.

With the cooperation of city and county employees the youth could be assigned the responsibility of maintaining specific blocks or areas of urban centers. A spirit of comradeship and community identify would be important features of the project.





I would suggest that we negotiate with labor unions and the National Alliance of Businessmen to help organize and oversee the projects. Wages paid for such work should be no more than \$200 to \$300 per month, thus providing an incentive for youth to seek more permanent private employment.

We tried a program similar to this in New York and it worked very well.

If you agree that this might be an effective addition to our programs addressing this problem, we <sup>2</sup> will work with the Domestic Council to develop a more specific legislative proposal.

Agree

\_\_\_\_\_

Disagree

\_\_\_\_\_



cc: Quinn

Unemployment



OFFICE OF THE VICE PRESIDENT

WASHINGTON

May 27, 1976



MEMORANDUM FOR JIM CANNON

FROM:

JACK VENEMAN

SUBJECT:

Youth Unemployment Problem

The Vice President took the attached memorandum into the President and he has approved pursuing the two youth job program approaches we discussed yesterday. Art is familiar with the details.

I am leaving now for California and will be back in the office on Wednesday.

Is this  
on  
monday  
report?

Art is  
what  
the next  
step!

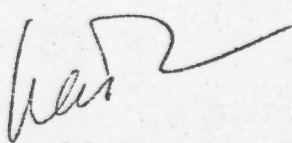
Ford



THE VICE PRESIDENT  
WASHINGTON

May 27, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT   
SUBJECT: Youth Unemployment Problem

This memorandum outlines two proposals to deal with the youth unemployment problem. Both of these are compatible with the Administration's summer job program.

A "School-Work" experimental program is proposed for youth attending school, and a "Job Scholarship" program could be developed for those out of school but seeking employment. The alternatives are discussed in more detail in the attachments.

The following is a summary:

a) "School-Work"

An experimental "School-Work" project would be established in five cities to provide jobs in schools. Students would be assigned to projects to restore the damage caused by vandalism to the school facility.

A school-based work project would develop in the student a sense of pride for his school and community. Respected authority figures from the schools, such as the coaches or principals, would provide the leadership and supervision. This experiment could be financed by redirecting funds in existing programs at a cost of less than \$5 million.



b) "Job Scholarships"

For youth no longer in school who are seeking full-time jobs, a "Job Scholarship", similar to an Education Scholarship, would be made available to the youth. The youth would give his scholarship voucher to a private employer in exchange for a skilled job and training. The "Job Scholarship" approach eliminates many of the problems of minimum wage and training costs that employers have when they hire youth for skilled jobs. It is estimated that the cost of this program would be \$110 million for 100,000 scholarships.

Congressman Marvin Esch has developed legislation for a Youth Incentive program which is similar in concept to the "Job Scholarship" approach.

If you like the concept for the "Job Scholarship" program, we will explore it further with the Domestic Council and the Office of Management and Budget to develop a legislative proposal for your consideration for introduction within a month.

Agree ME

Disagree \_\_\_\_\_

If you approve the approach for the "School-Work" experiment, we can work with the Department of Labor, the Department of Health, Education and Welfare and the Office of Management and Budget to find sources of funds. If you concur, we can start to identify existing sources of funding.

Agree ME

Disagree \_\_\_\_\_



# THE SCHOOL-WORK DEMONSTRATION PROJECT

## Proposal

Establish a project in five cities to demonstrate the advantages of providing part-time and summer jobs for youth within the neighborhood school setting.

## Background

The Administration has developed programs which will supply summer jobs for over 1.5 million youth, including \$528.4 million for 888,100 jobs through the summer youth program.

There is a need to provide to youth attending school jobs which can be continued during the school year, as well as in the summer months.

## Description

A demonstration project, financed with funds from existing programs, would examine the feasibility of providing part-time and summer jobs for youth in their own schools.

Five cities have been suggested for such a project:

Washington, D.C.  
Gary, Indiana  
Detroit, Michigan  
Los Angeles, California  
Chicago, Illinois

Up to ten schools in each city would be proposed for the project.

The students would engage in full-time jobs at the minimum wage during the summer, and quarter-time work during the school year. Approximately 500 to 600 students would participate in this demonstration, which would last one year.

The youth would be trained to perform such jobs as cleaning and painting the schools, repairing broken windows, restoring furniture, building new facilities, etc.

The proposal is based upon the concept that the school is more than a learning facility. It is also a community institution that can serve as a recreational facility and a community center. The jobs are provided at the school site to increase pride in the school and provide a strong sense of community identification for the youth.

The projects would be directed by the coaches, the school principals, or other respected faculty members. A coach is generally recognized and respected as an authority figure within the school and can successfully instill both a sense of discipline and a sense of self-confidence.

### Evaluation

The projects would be subject to continuous evaluation to determine the feasibility of implementing the model nationally, and to determine its effects on the youth.

### Cost

It is estimated that the project could be funded for less than \$5 million: \$2-3 million for jobs, \$750,000 for administration and overhead, and \$550,000 for evaluation.



## JOB SCHOLARSHIPS

### Proposal

To provide unemployed youth seeking permanent full-time work with a "scholarship" to acquire a private sector job and on-the-job training.

### Background

Youth unemployment continues to be a very serious problem. Among youths 16 to 19, the unemployment rate is 19.2 percent, or 1.75 million persons; among minority youth, the unemployment rate is 39.2 percent, or 375,000 persons. The labor market is geared to taking in employees who already have job experience, rather than taking in persons and training them.

### Description

An approach to alleviating these problems is to provide to the youth "Job Scholarships" in the form of vouchers. The youth would give these "scholarships" to employers in exchange for a skilled job and training. The concept is similar to the Basic Opportunity Grant with which disadvantaged youth can obtain a college education. The "scholarship" could be \$1,000 and could be for one year of training and employment at the minimum wage. It could be renewable for one additional year if training and employment were successful the first year.

The Program could be coordinated by a Youth Employment Service, working in conjunction with the National Alliance of Businessmen and the unions. The Youth Employment Service would designate the minimum skill level of jobs eligible for Job Scholarships and would also be responsible for funding new jobs for youth in order to assure that youth do not displace current full-time workers.

The Job Scholarships could be used for private employment or for apprenticeship programs managed by unions.

Built into the program would be protections against employers firing older workers in order to hire a young person with a "scholarship", or from firing youth and then rehiring them in order to obtain a scholarship.



Cost

Costs would depend on the number of scholarships. The program could initially be tested on an "inner city" basis in areas of high unemployment among youth 16 to 21. Nationally, its costs could be approximately \$110 million to provide 100,000 scholarships a year.





THE WHITE HOUSE

WASHINGTON

June 30, 1976

MEMORANDUM FOR:

JAMES CANNON  
JAMES CAVANAUGH  
ARTHUR QUERN

FROM:

BILL DIEFENDERFER

RE:

Allocation of Secretary of DOL's  
Discretionary Funds to CETA  
Summer Youth Employment Program

Attached is a press release issued by DOL today announcing the allocation of \$35 million from the Secretary's discretionary fund to the summer youth employment programs of 45 cities. Funds were given to cities of a population of 150,000+ which have had 9+% unemployment over the last year.

Under Secretary Moscow is mentioning this decision in his speech to the U.S. Conference of Mayors today.

Attachment



# News

United States  
Department  
of Labor



Office of Information

Washington, D.C. 20210

Employment and Training Administration

USDL -- 76-989

CONTACT: Jack Hashian  
OFFICE : (202) 376-6905  
AFTER HOURS: (703) 938-2343

FOR RELEASE: IMMEDIATE  
Wednesday, June 30, 1976

## USURY ALLOCATES ADDITIONAL \$35 MILLION FOR 60,000 SUMMER JOBS

About 60,000 additional summer jobs for youth will be provided immediately to 45 of the larger cities with unemployment of 9 percent or more, Secretary of Labor W. J. Usery Jr. announced today.

Usery said he was allocating \$35 million from discretionary funds available under the Comprehensive Employment and Training Act (CETA).

The funds are being allocated only to cities of 150,000 population or more that have 9 percent or more unemployment as of last ~~month~~ *year*.

Usery said the summer jobs funds will be used to provide jobs and training in the inner city only through the CETA prime sponsors.

"Even if a mayor (the prime sponsor) for a large city conducts programs for a metropolitan area or covering several adjacent counties, this special CETA Title I allocation will be restricted to core-city use," the Secretary said.

With the new funds, the total now available for summer jobs and training opportunities for youth amounts to \$563.4 million for a minimum of 946,000 jobs.

"This is a record high in both dollars and jobs in the 12-year history of the summer jobs program conducted by the Labor Department," Usery said.

(More)



The announcement was made for the Secretary at the meeting of the U.S. Conference of Mayors in Milwaukee today by Under Secretary of Labor Michael H. Moskow.

"Inner cities have the greatest concentrations of unemployed," Usery said. "And youth unemployment in these areas represents the largest share of the unemployed, with the rate for black youth invariably double the rate for persons in the 16 to 24 age bracket.

The 45 cities eligible for a share of the \$35 million will obtain their shares on the basis of a progressive formula. The higher the unemployment rate the city has over 9 percent, the more money it will receive.

The 45 cities and their allocations are as follows:

CETA Title I Discretionary Allocations Additional Summer Youth Jobs June 30, 1976		
<u>City</u>	<u>Allocation</u>	<u>Unemployment Rate</u>
Akron	\$ 243,798	10.68
Atlanta	963,855	11.88
Baltimore	403,169	9.97
Boston	1,451,097	12.87
Buffalo	1,367,659	14.67
Chicago	64,556	9.04
Cincinnati	426,175	10.69
Cleveland	859,922	11.65
Dayton	260,618	10.99
Detroit	5,372,746	17.47
Flint	616,047	15.15
Fort Wayne	218,991	11.00
Ft. Lauderdale	428,022	13.23
Gary	150,959	10.54
Grand Rapids	259,654	11.14

(more)



<u>City</u>	<u>Allocation</u>	<u>Unemployment Rate</u>
Jersey City	\$ 302,715	11.40
Long Beach	152,644	9.79
Los Angeles	3,047,061	10.88
Louisville	88,987	9.44
Miami	980,895	12.93
Milwaukee	332,412	9.90
Newark, New Jersey	1,703,152	17.71
New York City	6,046,318	10.60
Oakland	1,157,626	14.66
Philadelphia	576,130	9.67
Phoenix	423,777	10.06
Pittsburgh	78,568	9.30
Portland, Oregon	360,982	10.49
Providence	681,549	15.46
Rochester, New York	27,124	9.15
Sacramento	47,755	9.32
San Diego	1,249,975	12.10
San Francisco	1,415,516	12.11
San Jose	366,392	10.30
San Juan, Puerto Rico	1,047,693	14.23
Seattle	69,530	9.21
Spokane	82,169	9.87
Springfield, Mass.	367,216	12.87
St. Louis	209,502	9.90
St. Petersburg	104,510	9.81
Syracuse	35,436	9.32
Tampa	317,463	10.99
Toledo	184,442	9.86
Warren, Michigan	135,468	10.35
Worcester, Mass.	319,722	11.95
AREA TOTALS	\$ 34,999,997	11.06