

Pg. 18-1990

INTERVIEW

A NATION AT WORK

Industries, businesses and job requirements are changing, and most new jobs will require increased skills and education. Many entering the work force lack the basic education skills needed to become flexible and productive performers.

THERE'S good news and bad news about the American work force, says Labor Secretary Elizabeth Dole. Unemployment levels are low and more than 1 million new jobs are created every four months, providing opportunities to the disabled, veterans and minorities. The grim news is that the nation also faces a shortage of skilled labor, as it continues to shift more to the service industry.

"There's a critical need to reduce the current skills gap in this country," Dole says. "If allowed to go unchecked, it could act as a powerful drag on the economy." Dole, who served as Transportation Secretary during the Reagan Administration, leads a \$31 billion-a-year department that helps keep America at work. She discussed the job and skills market, and other trends in the workplace in this recent interview.

American Legion Magazine: The unemployment rate in America has dropped in recent years from double digits to near 5 percent. What do you attribute to this favorable trend?

Secretary Dole: While the problem of unemployment hasn't gone away, tremendous progress has been achieved. And I don't intend to rest until every American who has the necessary skills and who wants a good job is able to find one.

Our economy has generated an average of about 250,000 new jobs each month for seven straight years. This is more jobs than have been created in Japan and the nations of Western Europe combined. The unemployment rate is hovering at its lowest level in 15 years, and the proportion of working-age Americans both in the labor force and with jobs is at an all-time high. These accomplishments reflect highly on the American worker and our economy. Our policies have resulted in the longest peacetime employment expansion in

U.S. history. Maintaining a healthy economy is the key to improving the standard of living and increasing job opportunities for all Americans.

Q. What's behind this amazing change and the 20 million new jobs the economy created in the 1980s?

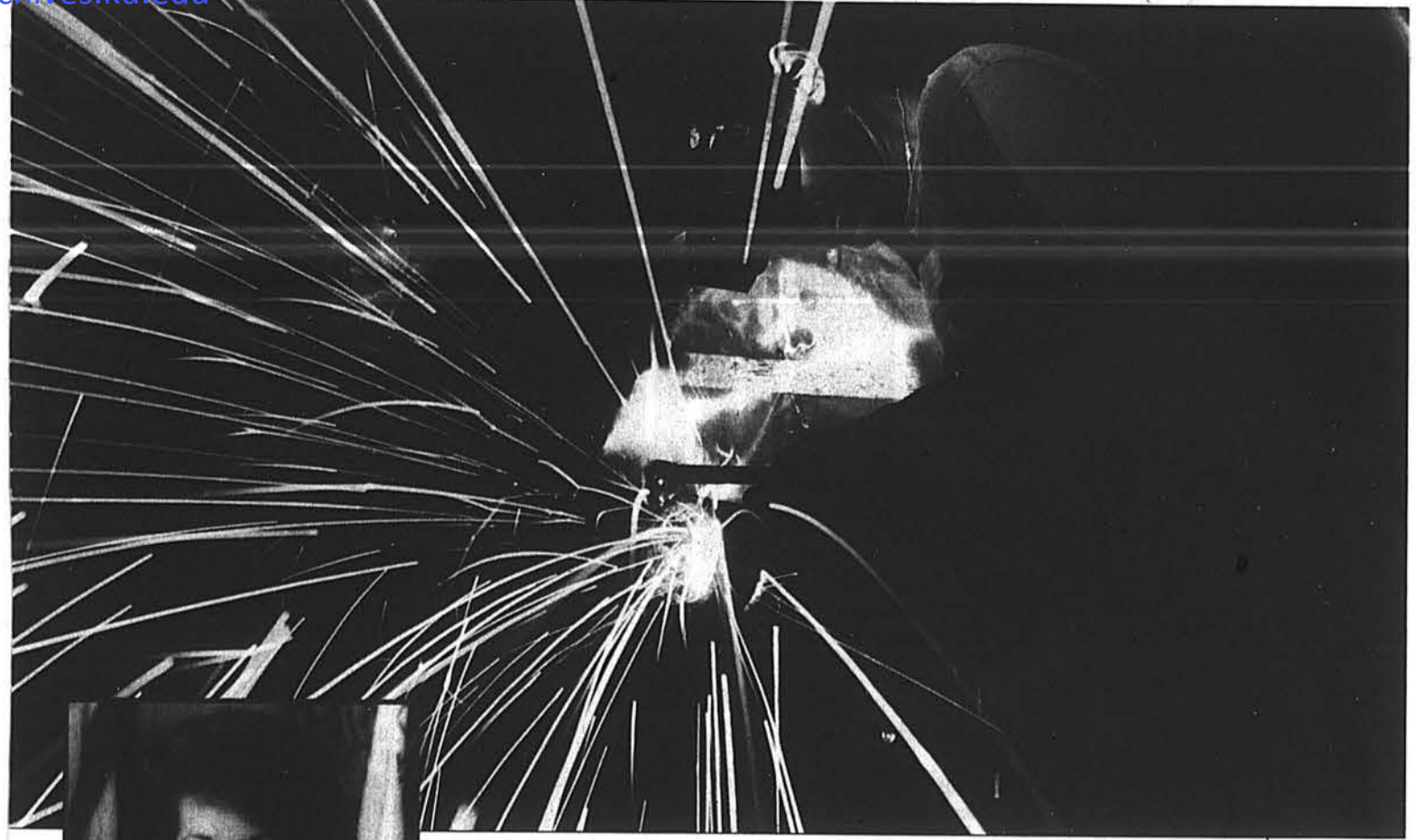
A. The 1980s saw the longest period of sustained job growth in American history. This accomplishment can be attributed in large part to the successful implementation of a number of economic policies. Three that come to mind include: tax reform that improved incentives to produce, save and invest; slower growth in federal spending that increased resources available for the private sector; and policies that brought inflation under control and thereby stabilized the economy.

The change in our employment picture has been led by an incredible growth of jobs in the service sector, particularly in retail trade, and health and business services. The job increase in the service sector is also having a moderating effect on the business cycle, as evidenced by the duration of our current economic expansion. As the service sector continues to grow, the threat and severity of recession are greatly reduced.

Q. What's the outlook for the future?

A. A solid continuation of current growth trends, if we are able to strengthen the skills and productivity of our labor force to compete in an increasingly competitive world economy. I say, if because there is a critical need to reduce the current skills gap in this country, which, if allowed to go unchecked, could act as a powerful drag on the economy.

Industries, businesses and job requirements are rapidly changing. Most new jobs have higher skill requirements—at least one year of post-secondary education or training.



ELIZABETH DOLE

'The toughest challenge we may face is expanding the number and quality of skilled workers.'

Three-quarters of the work force of 2000 are already on the job. Many of these workers, as well as those who will join the labor force between now and the turn of the century—mainly women, minorities and immigrants—lack the basic education skills necessary for a flexible, productive work force. Many newly discharged veterans are in this category. I encourage The American Legion, through its Economic Commission, to continue and even increase its efforts in this task.

Q. What is the status of veterans employment?

A. The overall veterans unemployment rate has dropped dramatically during the past three years. We still see, however, that the hardest-to-place veterans—those with significant disabilities, especially combat veterans, minority veterans, young veterans and the older veterans—are still experiencing some difficulty in securing long-term employment. We are also concerned with the large number of homeless veterans who require even more assistance to place them back in the mainstream of society.

Our Veterans' Employment and Training Service has a new assistant secretary, Tom Collins, a former POW in Vietnam. He really cares about veterans, and I expect that you will see increased efforts to assist our hardest-to-place veterans as a principal goal of the agency under his leadership.

I might also add that in 17 cities we have been funding model programs which provide assistance to homeless veterans under the McKinney Act. We will continue those projects because they greatly facilitate the re-entry of hard-to-place veterans into the work force.

Q. The proportion of veterans among the nation's homeless seems disproportionately high. Why is this, and what can be done to supply decent shelter for homeless veterans?

A. I would agree that there is a high proportion of veterans among the homeless population, particularly among the under-45 veteran population. It is estimated one-third of the homeless are veterans. We don't really know why this phenomenon has occurred, and continues to occur, but we are concerned. To have so many people outside the work force is a tragedy. We want and need to encourage everyone who desires a job to get one. But too many still "drop out."

We want as many as possible to "drop back in." For this to happen, the veteran must believe the government is sincere about providing assistance, counseling and employment. The McKinney Act projects we are funding to help veterans are doing just that. Outreach is conducted by veterans who have experienced homelessness. The programs integrate federal, state and local benefits, employment assistance, counseling, medical care and shelter with a goal of stabilizing homeless veterans and bringing them back into the mainstream. Over the long term, we hope that this process will be emulated by others. The problem, then, is not just decent shelter but an

Please turn to page 60

MAY 1990

27

26

SECRETARY DOLE

Continued from page 27

integration of services that will make shelter life unnecessary.

Q. Some data show that up to 25 percent of workers without jobs because of layoffs and bankruptcies are veterans, but veterans make up only 16 percent of the work force. Yet JTPA Title III, the Labor Department dislocated workers program, does not specifically target veterans. Can't we get more attention and funding for these veterans?

A. Dislocated workers are a pressing concern for the department and for society in general. And we do have a program to help dislocated workers, including veterans. The Economic Dislocation and Worker Adjustment Assistance program (EDWAA) provides more than \$900 million in special assistance, information, counseling and other services. Further, I have signed a Memorandum of Understanding with Secretary of Veterans Affairs Edward

Derwinski to assure that dislocated veterans are provided appropriate information and assistance under the EDWAA program. In addition, we recently wrote to all the governors requesting that they include a Disabled Veterans' Outreach Program (DVOP) Specialist or a Local Veterans' Employment Representative (LVER) on the rapid response teams required under EDWAA. We are gratified by their responses. We intend to emphasize the special needs of the dislocated worker during the year.

Q. In last September's address at The American Legion National Convention in Baltimore, you said the toughest challenge we face is expanding the number and quality of skilled workers in our increasingly high-tech society. What are you planning to do about this?

A. We have recently put in place a comprehensive plan to make the quality of our work force a national priority. Veterans are included throughout these plans. All segments of our society, not just government alone, must be a part of a new partnership dedicated to assuring that our workers are the most skilled in the world. As part of this effort to provide workers with skills industry needs, we will appoint a Secretary's Commission on Achieving Necessary Skills that will include top leaders from business, labor and education who will develop workplace competency guidelines. These guidelines will define skills that business and industry need to stay competitive in the world and that workers need to cope with new technologies.

A National Advisory Board on Workplace Training will be established to guide the expansion of workplace-based training, building on the apprenticeship approach successfully used in many industries. The board will focus on developing "portable credentials" which accredit and certify skills acquired by workers and needed by industry.

We plan to sponsor research and demonstration projects on ways to increase workplace training. This includes examining options to increase employer investment in training; reviewing existing incentives for both employer and employee-financed training; exploring new and innovative ways of organizing the delivery of training programs in the workplace, including models based on the apprenticeship concept; establishing a national Work Force Quality Clearinghouse to promote policies that meet employee needs; and conducting research on

AMERICAN LEGION MAGAZINE

child care needs and alternative ways of meeting such needs.

We will emphasize the importance of building a quality work force and give special recognition and awards to those firms and organizations that have developed exemplary approaches to training their workers. To accomplish this goal, the Department of Labor will create a national School-to-Work Conference of employers, unions and educators to explore options for improving how we assist non-college-bound youths in their transition to the workplace. And the department will institute The Secretary's Lift America Awards to recognize exemplary practices which upgrade the quality of the work force. Awards will be given in four categories: Business/School Partnerships; Innovative School-to-Work Projects; Skill Training/Literacy Programs; and Outreach Efforts.

Q. What can be done about the dropouts at the lowest end of the job spectrum—those who either won't or can't be educated and trained?

A. I will not accept the notion that young people who drop out of school won't be or can't be educated, and that we must consign them to the welfare rolls. We must assure that each and every youth will have the opportunity to receive the basic skills he or she needs to function effectively in tomorrow's job market.

The Education Summit in Charlottesville, Va., marked an important milestone in building a quality work force through a national education strategy. There was a palpable sense of conviction that some basic changes are needed in our education system, and I intend to work toward such changes.

Many youngsters, seeing little relevance between their day-to-day studies and eventual employment, drop out of school. We must provide them with a powerful incentive to complete their educations and offer the prospect of a clear path to employment. Therefore, we must better connect school and work. There are a range of different, proven school-to-work models which can be put in place. I plan to work with schools and employers to demonstrate a variety of approaches to the school-to-work transition process.

Q. Coming worker shortages as foreseen in your milestone Workforce 2000 report show we should do more to encourage employment of older workers. What incentives will you pursue to achieve this, and will the

Please turn to page 62

MAY 1990 Pg. 61

Pg. 60

AMERICAN LEGION MAGAZINE

P-62

see how the earnings test could be eliminated without significant short-term costs. Therefore, given current budget constraints, the administration cannot support elimination of the earnings test at this time.

Q. Unions represent a shrinking percentage of the work force. What kind of future do you see for organized labor in America?

A. The entering work force will be made up of greater numbers of women, minorities and immigrants. New jobs will require more education. These differences will affect the way unions organize. In fact, many have already changed the way that they appeal to and represent the changing work force. Unions have begun to stress work and family issues, such as child care, maternity leave and care for the elderly.

Additionally, because many immigrants entering our workplaces are not fluent in English, more outreach programs will be needed on the part of unions. One example is a coalition between the International Ladies Garment Workers Union (ILGWU) and New York City area garment manufacturers. The ILGWU has established a program to teach basic English to immigrants, who compose a majority of the garment industry's work force. This will allow them to participate more effectively in both the union and their workplaces.

I believe the predictions that unions will represent only 5 percent of the private work force by 2000 may be premature. Just as companies can and must re-examine their methods of operations to adapt to the changing world to remain competitive into the 21st century, so should their economic partners in the unions. □