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Millions of America's poor never get a shot at good jobs in affluent areas because horse-and-buggy government employment offices often don't trade job orders, a two-month Bee investigation shows.

Moreover, employers have kicked in more than enough money through their federal payroll taxes to cure part of the problem. But the Reagan administration won't spend it because it would make the federal deficit appear greater, according to a lobbyist for state employment directors.

The crux of the problem is that most of the federally funded state employment offices from coast to coast say they lack either the personnel or computers to immediately notify their sister offices across town or across the state of job listings phoned in by local businesses.

Thus, millions of jobless people registered with state employment offices in their own depressed area quality jobs listed with offices in the more prosperous parts of their city or state.

The result is that people who use only state employment offices because they are too poor to advertise in the newspapers or pay private job agencies are frozen into their cycle of poverty, critics of the system charge.

Ron Wildee, 26, lives in Sacramento's south area, where jobs are not as plentiful as in other parts of Califor-



nia's capital city. Faithfully every week for the past year-and-a-half, Wildee said, he's been going to the state employment office in his neighborhood to check the job orders on the bulletin board.

"If I see a job I think I can do, I fill out a yellow card and drop it in the box and wait for them to call me. But they haven't found much for me," he said. Wildee said he was unaware that more than twice as many jobs were posted in the midtown office, about 10 miles away.

The story's the same throughout California and the nation, according to people interviewed by The Bee who are familiar with the program.

In Los Angeles' economically distressed south downtown area, the employment office listed only 10 jobs, state officials told surveyors last month. But across town in the East Los Angeles office, about 1,100 jobs were posted the same day, according to the survey by the Coalition of California Welfare Rights Organizations.

In San Diego, a westside office had 90 job orders on its bulletin boards, 1,000 in its southside office and about 100 in its south bay facility, according to coalition surveyors. Large differences also existed in San Jose and Fresno, according to a September coalition memo.

Job-seekers kept in dark

Employment offices shortchange poor areas

According to the memo, the coalition may file a lawsuit to require California's Employment Development Department field offices to share job orders from employers, a practice the EDD claims it began May 29.

The Bee checked Sacramento's three main job service offices one day in September and found 66 job orders posted at its south area office, 142 at the midtown office and 68 at the north area facility.

Philip Crawford, manager of Sacramento's north area office, said that not all job orders are automatically posted on bulletin boards. Instead, orders that come in daily are first given to placement personnel to see if they can be matched with job-seekers already in the file. The ones that remain unfilled are posted, he said.

However, employment service officials, who asked to remain anonymous, said interviewers seldom go back into the card files to see if there are any applicants who could fill a job order received that day.

"Job orders generally remained open until they were filled by walk-ins even though qualified persons had applications on file," according to a 1980 U.S. General Accounting Office report to Congress.

The California department's effort to have its field offices share job listings is not working either, according to an August 1984 EDD report written for internal use. In metropolitan areas where there are several state employment offices, the report

says, "jobseekers are not provided immediate access to all job openings for which they are qualified."

The report also notes that even though the offices send lists of job openings to one another, the job descriptions are so skimpy that they cannot be used.

Mark Sanders, a deputy director of the California department, said he didn't know why the numbers of job orders differed from office to office.

Jean Mount, an EDD official who oversees the Los Angeles area, said she thinks the East Los Angeles office had about 100 job orders instead of the 1,100 reported to the welfare coalition surveyors, implying that the surveyors misunderstood the number. Kevin Aslanian, the surveyor who took the numbers for the Los Angeles area, said 1,100 jobs "was exactly what they told me. The person told me twice."

The EDD's Mount conceded that the reported differences in the numbers of jobs posted could be attributable to the varying ways that California offices handle job orders from employers.

With the exception of offices in Santa Clara County, California's offices still operate without computers, forcing job-order sharing to be done by courier or telecopier.

Without a computer system to flash job orders from one employment office to another, California's

service simply lacks the capacity to tell people from low-income areas where the better jobs are, said state Sen. Bill Greene, a Los Angeles Democrat.

Greene, who is black, said he thinks the lack of job sharing stems from a desire to keep blacks and other minorities from bettering themselves economically.

"The system perpetuates and helps to structure a welfare state. When a group in society is singled out for second-rate jobs or no jobs, you have to draw that conclusion," Greene said.

Mark Abramson, executive director of the San Francisco Lawyers' Committee for Urban Affairs, said, "To the extent that poor people may be from minority groups, or disproportionately from minority groups, the failure of the employment service to adequately match people to jobs that exist may be discriminatory."

And Samuel Wright, national labor director for the National Association for the Advancement of Colored People, said he thinks government should provide a job-order exchange service so that out-of-work people could learn of job openings in other states.

"It would be extremely helpful in these times when people are more mobile," Wright said. "The NAACP will do everything in its power to push this issue."

Wright, Greene and other critics of the system appear to have allies from the other end of the political spectrum.

"To have such a heavily industrialized country and not have a national labor exchange seems ridiculous," said Herb Roach, chairman of the Employers' National Job Service

Over-more-more

The poor get frozen in their cycle of poverty

Committee, which claims 22,000 businesses in its membership.

The United States is the only industrialized country in the Western world that does not have a truly national job-sharing service. The U.S. Department of Labor's so-called "national job bank" in Albany, N.Y., contains only 8,500 jobs, mostly professional and highly skilled positions.

Roach said he and business leaders in his group would like to see many of their job orders — with the exception of casual labor jobs — listed throughout a state and in some cases throughout the country.

Job applicants would have to be properly screened, Roach said, "so that an employer would not be swamped with 400 applicants. But generally speaking, exposure to 100 applicants is better than 10 and 10 is better than two," said Roach, a vice president of Basler Electric Co. in Highland, Ill.

Without a huge infusion of money for computers and personnel, such a system would be impossible, according to the Interstate Conference of Employment Security Agencies, which lobbies for state employment directors in Washington.

In most states, government-run employment offices operate with such outmoded computer systems that they lack the capacity to share job orders regionally or efficiently match out-of-work people with jobs outside of the local area, according to Alan Lafferman of the lobbying agency.

The agency estimates that \$283 million from the employment service's special federal fund would be needed to replace obsolete computer hardware and software in state job offices throughout the country. Only \$20 million is contained in the Reagan administration's budget for the current fiscal year.

Ironically, the fund that feeds the nation's network of state employment offices with business payroll taxes is building toward a huge surplus that can't be spent — some say because the Reagan administration wants the excess to stay in the coffers to make the federal budget deficit appear smaller.

By Oct. 1, 1986, the fund will have a \$980 million balance, according to the U.S. Department of Labor. That's about \$400 million more than most experts think is necessary to fund the job-finding service and pay unemployment insurance — the second purpose of the fund — across the nation, according to the Roach of the employer group.

Lafferman said Missouri is the only state with a computer system that can instantly tell a job seeker about job openings anywhere in the state.

Alan Aubuchon, Missouri's assistant director of employment services, said the "Show Me" state augmented federal funds with state money in the late 1970s to develop a computerized job-sharing system.

Despite the federal slash beginning in 1982 that dropped Missouri's job placement staff from 705 to 451 this year, job placements stayed fairly steady — 87,000 in 1981, 69,800 in '82 and 83,000 last year, he said.

Jiro Doy, an aide to Aubuchon, said only Kansas, Connecticut, Texas, Pennsylvania, Nevada and Oregon had made serious attempts to automate their job placement programs, but that none has complete statewide job matching like Missouri.

Although some state employment offices can share job listings that come from across town and a few share regionally, anything beyond that is unusual, Lafferman said. An April 1984 report issued by the employment directors' lobbying group warns that both the job-finding program and unemployment insurance

Steve McManners, public affairs director for the Employment and Training Agency in the U.S. Department of Labor, said the debate over how the fund should be spent "has been going on for ages," laying blame for the controversy on a squabble among the states as to how the money should be apportioned. He also noted that there have been a number of different spending formulas prescribed by Congress over the years.

Beginning with President Johnson's War on Poverty legislation of 1966 and continuing until President Reagan's second year in 1982, the employment service functioned with an essentially frozen budget, records show.

Congress and various administrations took the funds from a payroll tax on employers, passed it through the U.S. Department of Labor and back to the states to pay the salaries and overhead of 30,000 job-finding personnel in state employment offices. The service's staffing level was capped at 30,000 for 16 years.

Then in 1982, at the height of the recent recession, the Reagan administration slashed employment service staffing by 24 percent. Across the country, 8,000 job-finding slots were abolished and 500 employment offices were closed. The job finders' budget was cut from about \$879 million to \$729 million, and has not increased much since.

Administration spokesman McManners said that when the economy is on a downturn there are fewer jobs available and fewer job placement personnel are needed.

Even with a revived economy, job placements nationally have fallen by 15 percent since the cuts, Lafferman said.

operations in most states are limping along with "obsolete data processing equipment and aging, patched-together computer programs."

Without adequate computer systems, the job-order sharing necessary to give people from low-income areas an equal chance at all job openings is not likely to occur, according to most people interviewed by The Bee.

Democratic Assemblywoman Maxine Waters' budget subcommittee considers California's Employment Department budget. "I feel overwhelmed by what appears to be systemic discrimination in the employment service," said Waters, who represents a predominantly black area of Los Angeles County.

Waters said she is so frustrated with California's Employment Department bureaucracy that she will see that Director Kaye Kiddoo and his deputies don't have any money for their salaries in the 1985-86 budget if they fail to draft a job-sharing plan for their offices by next spring.

Years of neglect in Washington by both Republican and Democratic administrations have allowed the nation's government job-finding program to wither, according to people on all sides of the issue.

"On Capitol Hill, they say it just doesn't have a strong advocate," said David Stevens, a Missouri University economics professor under contract to study the employment service for the congressional Office of Technology Assessment.

By 1983 the loose national network of state employment offices found jobs for only 3.2 million people. In 1946, without computers, a well-staffed employment service placed 12.5 million people.