

MAINE STATE LEGISLATURE

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A Report to
The State Planning Office
and
The Legislative Research Committee

A PROPOSED DEPARTMENT
OF
MANPOWER AFFAIRS

by

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Reorganization Study

Manpower

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I. PURPOSE OF PROPOSED DEPARTMENT OF
MANPOWER AFFAIRS

The aggregated mission of the proposed Department of Manpower Affairs is to achieve the most effective utilization of the manpower resources in the state by developing and maintaining an accountable state employment (manpower) policy; by insuring safe working conditions and protection against loss of income; and by enhancing the opportunities of the individual to improve his economic status. A more detailed explanation of employment (manpower) policy is available in Appendix A.

Agencies proposed for inclusion in the Department of Manpower Affairs:

DEPARTMENT OF MANPOWER AFFAIRS (4)

Maine Employment Security Commission
MESC Advisory Council

Department of Labor and Industry
Apprenticeship Council
Board of Arbitration and Conciliation
Board of Construction Safety Rules and Regulations
Board of Occupational Safety Rules and Regulations
Minimum Wage Construction Projects Board
Public Employee Labor Relations Appeals Board
Panel of Mediators

Maine Manpower Advisory Committee

CAMPS (Cooperative Area Manpower Planning System)

Manpower Training Division of the Bureau of Vocational Education

II. STRUCTURE OF PROPOSED DEPARTMENT OF MANPOWER AFFAIRS

HISTORICAL RATIONALE FOR PROPOSED DEPARTMENT

In practice, manpower programs and activities related to manpower cut across the whole range of state governmental functions. The principle state manpower agencies not in order of their creation, are the:

- Bureau of Vocational Education
- Vocational Rehabilitation
- Employment Security
- Bureau of Social Welfare

The programs for these agencies are funded primarily from federal sources, and few state funds are involved except as they are required for federal matching purposes. In all instances, state plans are submitted by the appropriate state agency, and federal funds go directly to those agencies, not through the governor. Thus such plans and their funding have minimal contact with state executive budget-making processes or with the legislative appropriations process.

The newer manpower programs either operate through these same four agencies, or they do not involve the state at all. The Manpower Development and Training Act of 1962 (MDTA) was the first of the newer manpower programs. It provides for both institutional and on-the-job (OJT), and the law requires that the institutional phase should be operated by state vocational education. OJT funds sometimes go to state but often go to local prime sponsors. WIN (the Work Incentive Program), adopted in the Social Security Amendments in 1967, is the only other program now run through state agencies. It is operated jointly by state welfare and employment security.

The Economic Opportunity Act (EOA) of 1964 created a number of other programs. The Job Corps began in early 1965, was operated by the federal office of Economic Opportunity through contracts with private business organizations and other federal agencies concerned primarily with conservation. Job Corps, however, was delegated to the Department of Labor in 1969 and its size and scope reduced. Thus state and local governments were not directly involved in Job Corps operations except that employment service, and some Community Action Agencies (CAAs) did some of the Job Corps recruiting and placement. Other EOA national manpower programs including Neighborhood Youth Corps, Concentrated Employment Programs, Operation Mainstream, Special Impact, New Careers and Jobs are funded directly through local sponsors and do not usually involve the state system.

One of the first efforts to tie the pieces of the manpower system together was the development of the Cooperative Area Manpower Planning System (CAMPS) in 1967. Under this system state and local CAMPS committees were created consisting of representatives of public agencies operating federally-assisted manpower programs.

CAMPS was originally set up by the state employment service, and its representative chaired the state committee. However, in 1969, governors were given the option of naming the chairman. CAMPS has now gone through three cycles of planning and one cycle of evaluation. Virtually no examples of how CAMPS has led to the allocation of program funds exist with the exception of a couple of instances where the CAMPS committee recommended the shift of MDTA funds from OJT to institutional training. On the other hand, there are repeated

instances of state and local agencies, represented on CAMPS, dealing directly with federal agencies for new projects and budget changes in current projects, and of federal agencies funding projects within the state without notifying, much less conferring with the CAMPS committee. CAMPS can generally be viewed as a failure as a system in this State for either planning or coordination of manpower programs for three reasons: First, because it is a committee of agency representatives and thus a committee of equals, no one is in a position to make and impose a plan for coordinated system of resource expenditures; second, the committee has no authority to prevent various federal agencies from funding programs without regard to the CAMPS plan and the real problems of the state; third, the system is organized from the top down so that Congress appropriates and the federal agencies allocate funds for categorical programs without considering how much of each program will be needed or even realistically used at the state and its local levels.

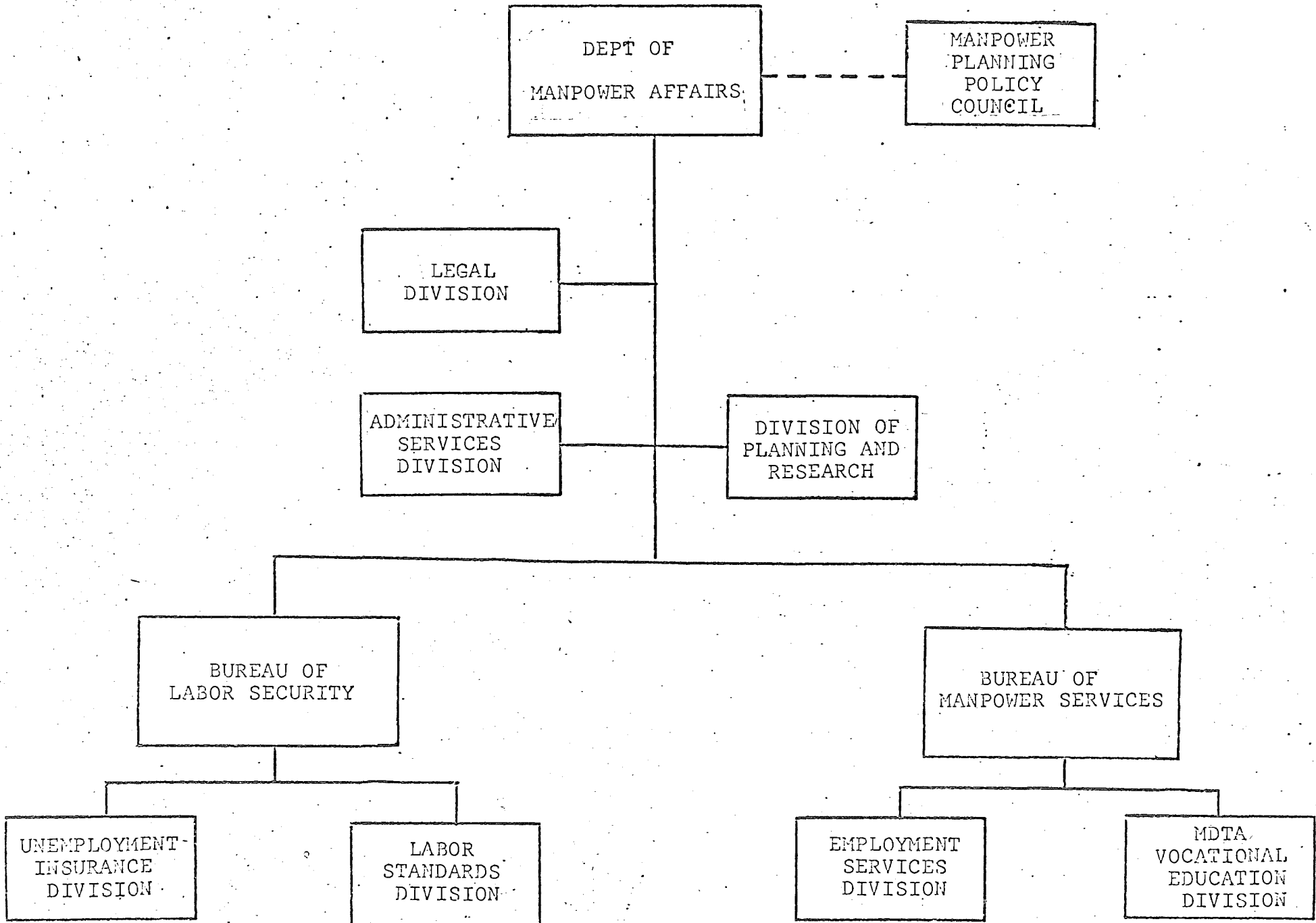
Congress now has under consideration two major bills that would consolidate authority for manpower programs; a bill proposed by President Nixon (H.R. 13472, S. 2838) - - usually referred to as the Manpower Training Act, or MTA; and S. 3867, introduced by Senator Gaylord Nelson -- usually referred to as the Nelson Bill.

The Nelson bill has more flexibility than the MTA in which agencies must be involved in administering programs. While the MTA guarantees a role for the state employment service, the Nelson bill has no mandatory agency assignments. It does, however, clearly state that the community action agency may have a role, a topic on which the MTA is silent.

What is not clear in the Nelson bill is the state-local relationship. Both the state and local government may be a prime sponsor for similar programs. How competing claims for programs in the same geographic territory are to be resolved is not specified. On this relationship the MTA is quite clear. MTA uses an incentive system to stimulate the state to organize according to the bills model. A state government can gain control of 25 percent of the funds to be apportioned to the state when it has: (1) a suitable comprehensive plan, and (2) a "lead agency," designated by the governor. To be eligible to administer 66 2/3 percent of the apportionment, the state must: (1) establish a "comprehensive planning organization" to review plans and advise the governor, (2) establish a "comprehensive manpower agency" to serve as the state prime sponsor, (3) designate local prime sponsors, and, (4) assure that there are area advisory bodies.

Regardless of the legislation (national) mentioned the resolve of this report is to recommend the organization of state government for the purpose of performing comprehensive manpower planning and statewide administration (including evaluation) of a consolidated manpower program. The organization structure of the proposed Department is diagrammed on Page five (5) of this report. The description of the functions to be included in any box of this organization chart and the recommended elimination, consolidation and changes in function, etc., is detailed in A through H of this section of the report. The basic entities to be initially affected by the proposed Department are: (1) Department of Labor and Industry and its associated program divisions, boards and councils; (2) CAMPS; (3) Maine Manpower Advisory Committee; (4) Manpower Training Division of Bureau of Vocational Education; and (5) Maine Employment Security Commission -- associated programs, agency divisions, and advisory council.

ORGANIZATION CHART FOR PROPOSED DEPARTMENT OF MANPOWER AFFAIRS



PROPOSED STRUCTURE OF MANPOWER AFFAIRS

A. Office of the Secretary

It is recommended that a position be created titled Secretary of the Department of Manpower Affairs, to be appointed by the Governor and to serve at his pleasure. The Secretary would be responsible for the planning, coordination and evaluation for both effectiveness and efficiency of all the activities of the agencies, councils, boards panels and committees absorbed by the Department; including the hiring of any additional personnel, the preparation of budgets, the handling of moneys and the maintenance and compilation of all records and reports required. He shall be the executive director of the Manpower Planning Policy Council and shall be responsible for carrying out its recommendations. (See section D)

In order to carry out the above responsibilities it is recommended that legislation be drafted forming this Department along the general organizational lines of the preceding chart (page 6) and the succeeding description of the proposed Department and recommendations for eliminations, consolidations and function changes of entities involved.

B. Bureau of Labor Security

This proposed Bureau would consist of two divisions: an Unemployment Insurance Division and a Labor Standards Division. All of the functions of these Divisions are now carried out by existing departments, boards or commissions.

Division of Labor Standards

This division would contain most of the now existing Department of Labor's program divisions (generally authorized as activities to be performed by Labor and Industry under present Title 26 of state statutes), i.e.: (1) Industrial Safety program, (2) Minimum Wage - Women and Child Labor program, (3) Payment of Wages program, and (4) Industrial Accident program. The following boards and/or panels are recommended to be directly associated with this Division for phase I (See section 3 for recommendations concerning implementation phases of proposed Department): (1) Board of Arbitration and Conciliation, (2) Board of Construction Safety, (3) Board of Occupational Safety Rules and Regulations, (4) Minimum Wage Construction Projects Board, (5) Public Employee Relations Board, and (6) Panel of Mediators. This Division would carry out staff functions and activities associated and required by its ancillary boards and panel.

2. Division of Unemployment Insurance

This Division would be the present Unemployment Compensation division of MESC without its management analysis section which, it is recommended, should be placed in the Division of Planning and Research (See G of this section) of the proposed Department. It would be responsible for systematic accumulation of funds during periods of employment from which benefits could be payed during periods of unemployment and all associated activities of this responsibility. It is recommended that the present adjudication function of this division (served by the Commission) be served by a tripartite board of review.

C. Bureau of Manpower Services

This proposed Bureau would consist of two divisions: Employment Service Division and a MDTA Vocational Education Division. All the functions of these divisions are now being carried out by existing state entities.

1. Division of Employment Services

This Division would be the present Employment Services Division of MESC. It would be responsible for the implementation and administration of programs designated by the Manpower Administration of the Department of Labor to the proposed Department of Manpower Affairs.

Employment Services basic function is to provide employment services to those in need of employability and employment development. It also provides manpower support services for the following manpower programs: (1) MDTA, (2) Job Corps, (3) NYC, (4) JOBS/OJT, and (5) CEP; processes orders under Immigration (Neutralization Act) (farm, wood and compliance); prepares and distributes job inventories and labor and demand summaries; and provides counseling and testing to High School youth.

2. Division of MDTA Vocational Education

This Division would absorb the existing Manpower Training Division of the Bureau of Vocational Education; the Apprenticeship program and the Apprenticeship Council of the existing Department of Labor and Industry. Manpower Training Division presently provides and/or procures the prevocational and vocational training requested by Employment Service for the MDTA program -- and to any other Manpower Administration program requesting its services (CEP, JOBS, WINS, etc.). Labor and Industries Apprenticeship program works to increase apprenticeship opportunities and evaluates programs approved by the Apprenticeship Council whose function it is to serve youth of Maine by promoting apprenticeship.

D. Manpower Planning Policy Council

It is recommended that this council be created and that it shall be the primary manpower planning organization for Maine and shall have the responsibility for developing comprehensive manpower plan for the State of Maine. The Secretary of the proposed Department shall be Executive Director of this council and have authority to hire additional staff.¹ It is recommended that the Council consist of the following members: (1) Director of Bureau of Social Welfare; (2) Chairman, Maine State Board of Education; (3) Director, Bureau of Vocational Education, (4) Director, Bureau of Rehabilitation Services; (5) Director, Division of Adult Basic Education; (6) Director, State Office of Economic Opportunity; (7) Director, proposed Bureau of Employment Services; (8) Director, State Planning Office; and (9) Secretary of the proposed Department of Community Affairs. These members would be serving as ex-officio members.

1. It is recommended that the present state CAMPS secretariate be the start of this staff.

In addition to the ex-officio members it is recommended that the Governor appoint twelve (12) other members, including at least: (1) three representatives of employer groups, (2) three representatives of employee groups, (3) three representatives of the general public, (4) one state Senator, (5) one state Representative, and (6) one representative of minority groups. It is further recommended that of the three (3) first stated representative groups that these members shall be appointed to a four (4) year term, except when the council is first appointed, one member from each category shall be appointed for a two (2) year term and one member from each category shall be appointed to a three (3) year term.

This council would act as the nucleus for the present Federal requirements of a state CAMPS committee and a state advisory committee for MDTA. This, of course, would necessitate the elimination of the entities which perform these functions now. This total council should be given the following functions and every precaution should be exercised to insure absence from state statutes of a "notwithstanding provision of law to the contrary":

- (1) Formulate goals, objectives and policy to govern the development and administration of manpower programs in Maine.
- (2) Evaluate the objectives, activities, budgets, delivery systems and staffing patterns of all state agencies engaged in manpower programs to determine program effectiveness, efficiency, duplication of effort and deficiencies in service;
- (3) Prepare a comprehensive manpower plan for Maine defining agency roles and allocating available resources to provide optimum manpower and skills training to those citizens requiring such services;
- (4) Approval of any modification of or new manpower program, including but not limited to staff organization and numbers, physical facilities, services offered, and interagency agreements;
- (5) Review and approve all applications for federal assistance in manpower programs in Maine which require either state matching funds or state delivery of services;
- (6) Direct that duplicating activities of one or more agencies be harmonized by requiring modification or termination of activities which are found to be duplicative

Furthermore, it is recommended that this Council be empowered to receive and disburse federal, state and private funds and may require, within reasonable limits the contribution of staff from the agencies on the Council to carry out its operations.

E. Legal Division

This division of the proposed Department would be the present legal division of MESC. As it now exists and is contemplated to function in the proposed Department, the Division would have two sections -- a legal unit and an investigation unit. The legal section would: (1) represent the Secretary at court (This unit presently represents the Commission of MESC); (2) collect delinquent contributions; (3) advise Secretary on questions of law; (4) advise and drafts for the Secretary on higher appeals. The

investigation section would: (1) represent Secretary at court; (2) collect monies other than delinquent contributions (i.e. overpayment, etc.); (3) investigate fraud and overpayments by unemployment compensation claimants.

F. Division of Administrative Services

This division would be made up of the present Administrative Services division of MESC and all similar services in administration portion of the present Department of Labor and Industry. The functions of this proposed Division would include: (1) Business management, i.e., Department purchases, accounts and budgets; (2) Personnel, i.e., payroll, staffing and records; and (3) Operating services, i.e., mail, local office, duplication and property maintenance. It is recommended that the function of management analysis, i.e., operations surveys, etc. now being performed by the existing division for the commission of MESC be transferred to the proposed Division of Planning and Research in the proposed Department and then this function would be done for the Secretary of Manpower Affairs.

G. Planning and Research Division

This proposed Division would absorb the Economic Analysis and Research Division of MESC; the management analysis section of the present Unemployment Compensation division of MESC; the management analysis section of the present Administrative Division of MESC; the Research and Statistic program of the present Department of Labor and Industry; the present state CAMPS secretariate positions; and the present Data Processing Division of MESC. This proposed Division would have three sections or units -- a research information analysis section, a data processing section, and a planning and management information analysis section. The research information analysis section would absorb the research and statistics program of the Department of Labor and Industry, and the Economic Analysis and Research Division of MESC. The data processing section would be the present Data Processing Division of MESC whose present functions are: (1) maintenance of cost accounting package 1 (2) maintenance of monetary determinations (UI), (3) maintenance of tax contributions, (4) maintenance of job bank (5) maintenance of ESARS (DOL Information Retrieval System). Its function in the proposed Department in addition to its present functions would be to advise the Secretary on the feasibility of any computer application contemplated for the proposed Department.

The planning and management information analysis section would be composed of the management analysis units of the Unemployment Compensation and Administrative Division's presently of MESC. It is recommended that the present CAMPS secretariate positions of the state be utilized to obtain planning and management information analysis specialists for this proposed Division of Manpower Affairs Department.

The functions of this proposed Division would be to institute and/or direct planning with consistant methodology within the Department, to fuse and coordinate inter-departmental plans, to relate planning needs to the manpower system of the state and budget needs, organizational format, and the evaluation of programs administered by the Department. In addition this proposed Division would contain the cadre staff required to perform the functions of the proposed Manpower Planning Policy Council (see D. of this section).

III IMPLEMENTATION OF PROPOSAL

There are two options in implementing this proposed Department -- one is to dive right in, start to field the hot issues which are inevitably present, and try to bring about some resolution of such issues on an "ad hoc" basis. This ability will be constrained by the level of existing functional knowledge the Secretary brings to the job, by his ability to perceive the true situation and sort out the cogent facts from the welter of material and opinions that will be presented him by the parties at interest, and by the capabilities of the staff he is allowed to assemble to help him. The other option is to provide the secretary with unlimited resources in order to construct as quickly as possible an accurate picture of who is doing what and at what cost, reorganization options, and personnel realignment possibilities.

It is recommended that a balance of the two options should be utilized. The objective of the Secretary is to put a planning and management system on a group of ongoing activities. He will not be able to duck all the hot issues and must find a way of acquainting himself with all these activities and their problems. The balance of options should be determined by the logistics of the task of installing the management system necessary to carry out the mission of the Department.

It is recommended that the implementation of this Department be done in two phases. Phase I would be immediate (12 mos. to 18 mos). During this phase the Secretary would institute a management system for the Department; familiarize himself with personnel and problems, and field particular high priority problems and study issues as the Governor and/or the Department's Council demands. During phase I the transferred entities would have no change in function or personnel. However, as it is considered imperative that the proposed Manpower Planning Policy Council be an operating body on the first day of implementation it is recommended that the Secretary be allowed to alter the present state secretariate staff by function and position to meet the needs of the Department during phase I.

Phase II would consist of re-deployment of Department personnel along functional lines.

Maine State Planning Office

DEPARTMENT OF MANPOWER AFFAIRS

- A. Page 5 of the Area Coordinator's Report for this department includes the following statement:

"It is recommended that the present adjudication function of this division (served by the Commission) be served by a tripartite board of review."

It is further recommended that this board consist of the Secretary of Manpower Affairs, a representative of labor, and a representative of employers, appointed by the Governor with the advice and consent of the Council. The Secretary should serve as chairman of this board, and the other two members need not be full time state employees.

- B. If the original proposal for a Department of Consumer Protection is not approved, then it is recommended that the Boiler and Elevator Division of Labor and Industry, the Board of Boiler Rules and the Board of Elevator Rules be assigned to the Department of Manpower Affairs.