

KOSCIUSKO COUNTY LEADERSHIP ACADEMY  
Special Project

Unemployment in Kosciusko County

By  
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The headlines read "County Unemployment Rate still on the Rise". When does it stop? Kosciusko county, with a population of 59,555,<sup>1</sup> is located in the north central part of Indiana. It is a county that is highly developed agriculturally and industrially and has 97 lakes that are heavily used for recreational purposes. This would seem to indicate that Kosciusko county is free from the economic malaise that has plagued the nation the past few years. But an unemployment figure believed to be the highest all-time jobless rate, was experienced in the county this past year.

The objective of this article will be to take a look at current job needs and predicted shifts in unemployment and to look at what is being done to curb unemployment in Kosciusko county.

To examine the problem of unemployment in Kosciusko county, one needs to begin by looking at the situation as a whole. The decisions that are made in Washington and Indianapolis eventually affect employment here. So, throughout this discussion, I will attempt to show how those decisions are effecting Kosciusko county

What is the job outlook like now and in the future? Last month, the Labor Department said there were 74,000<sup>2</sup> jobs open at state agencies that went unfilled. Of those openings the best opportunities were for secretaries, cashiers, tellers, and in real estate and other sales. For the rest of the decade, jobs are expected to grow the most in the Southwest and Florida. As for the future, experts predict a shift from an industrial-based society to an information-based one,

the end of making things in America (the Third World will take over the manufacture of cars, appliances, and shoes) and the emergence of an economy based on the gathering, organizing and selling of information.

In the St. Joseph, Elkhart, Marshall, and Kosciusko counties about one out of every two jobs is in manufacturing; one out of every four in wholesale and retail trade; and about one out of every six jobs is in services. The unemployment rate in Kosciusko county for the past fourteen months varied from a high of 11.0 percent to a low of 7.2 percent and averaged about 8.8 percent. In February, there were 27,700 people in the labor force, 25,200 who were actually employed. But the Indiana State Employment Service had several jobs that went unfilled. There was not anyone with the necessary skills to fill the vacancies. The positions in Kosciusko county that need to be filled when an opening exists fall mostly in the areas of skilled machinists, programmers, accountants, and engineers in the medium to large industries; and secretaries, clerks, tellers, wholesale and retail salespeople in smaller firms.

It could be said that Kosciusko county's unemployment problem is not as acute as that of neighboring states and counties; but what is being done to prevent another all-time jobless rate such as the one set in January 1982?

On the national level, two things have been suggested to reduce present and future unemployment. First, President Reagan supports a reduction from the present \$3.35 minimum wage to \$2.50 an hour minimum wage for certain categories of young people. Those people under 25, who have never held a job of any kind make up the highest percentage of unemployed. The risk

of having this age group continuously unemployed or marginally employed is extremely risky for the nation. Unemployment for them may become a habit and stretch into adulthood, which presents an even greater cost to society.

A second suggestion that has been enacted is the Quayle-Kennedy Jobs Training Partnership Act. This plan has two basic target areas. To provide funds and administration of retraining for the displaced worker - the one who has years of experience and skills for a job that no longer exists or which anyone no longer needs. The second target area is the unemployed youth who has no job skills, and is unable to find employment to gain those skills because of no prior work experience.

At the state level, several programs have been undertaken to curb unemployment and improve long-range production. The emphasis of this plan is on the youth of Indiana. A report by the Governor's Committee on youth Employment in Indiana noted that the teenage young people are most adversely effected by downturns in the economy - the present being no exception. But it needs to be pointed out that business and industry of this state does create a large number of opportunities for young people of the 16 to 25 age group. Figures indicate that nearly 500,000 youth in Indiana had jobs.

Indiana University projections for 1985 indicate that the problem of youth unemployment will continue, but with some improvement in job finding because of the decline in the population in that age group. Kosciusko county, on the other hand, may have a harder time placing its young workers if the increased school enrollments are any indication of the number of job-seekers that will flood the market in a few years.

Governor Robert Orr has also announced an educational program that will prepare students for the changing world of employment. The emphasis for the public schools is intended to be in the field of mathematics and science and the growing field of computers. The state program would increase the number of computer units in the schools even though their use has already quadrupled in the last two years. These recommendations would increase the opportunity for students to get acquainted with computers early in their school life. His plan also calls for a minimum school year of 180 days, financial incentives for teachers specializing in math and science, and tax breaks for businesses hiring teachers during the summer months or donating computer equipment to schools.

Another organization in Indiana seeking to reduce the jobless rate is the Indiana Employment Security Division. The main function of the Employment Service is to match job applicants and job openings. But the role of the Employment Service is more complex than simply referring job-ready applicants to existing openings. When jobs are in short supply, the Employment Service interviewers contact employers in an attempt to locate positions for the qualified, available applicants.

In Kosciusko county the Employment Service places about fifteen workers a month. Located in the Cardinal Center, the local branch serves both Kosciusko and Whitley counties. Only 20 to 25 percent of the applicants registered with the service are those eligible for unemployment insurance. Others are looking to change jobs or are the unemployed, who are not eligible for unemployment insurance. There are jobs, but no one to fill them. Either the applicants do not have the necessary

skills or like many applicants in this county they are too specialized. For example, as of April 3, the local Employment Service office had four professional positions, a word-processing opening, as well as temporary openings. There are needs for skilled workers in the right areas.

The Job Training Partnership Act is taking shape locally. Kosciusko county is currently included in a four-county Service Delivery Area with Marshall, LaGrange, and Elkhart counties. Local businessmen from Kosciusko county will submit the names of representatives to a Private Industry Council - at least eight of which must be from the private sector and a minimum of seven from non-private areas (vocational-technical, employment services, state rehabilitation areas, economic development, organized labor and the like). These names are then given to the county commissioners. Those which are approved are then sent to the Elkhart county commissioners, who make the final choices that are sent to Governor Orr. If all activities move on schedule, the plan will be announced in July. In August, the governor will act on the plan. If approved by the governor, the statewide program will be implemented by October 1, 1983.

The four-county Service Delivery Area which Kosciusko county is a part is based on the number of unemployed and economic disadvantaged in that area. Of the \$100 million which Indiana is targeted to receive, \$3 million will be channelled into this Service Delivery Area. According to Michael Martin, a member of the Indiana Job Coordinating Council, 78% of this money goes for retraining in the Service Delivery Area and 16 % is for special activities and administration of the program.

It should be stated that this program is intended not just to be a CETA program with pretty make-up. The bulk of the money for this project is to be used for re-training.

The Job Training and Partnership Act is attractive not only to the unemployed but also to medium and small sized business. It is a good opportunity for them to obtain funds for training its workers, especially when it does not have a formal training program.

The Warsaw Chamber of Commerce has also implimented a plan to combat unemployment. The program is centered around maintaining and creating jobs and generating more disposable income in our market area. Throughout 1982, Chamber represenatives hosted seven groups of industrial prospects. The prospects were given a tour of the area, highlighting the extensive recreational facilities and the diversity of the existing industrial base.

Eighty percent of their efforts will be concentrated in helping existing industries in cost containment, productivity, and expansion plans. There have been nine industrial inquiries in 1983 with on undisclosed firm locating in the county. This represents the best hope for new business and industry since 1979. And the outlook is very good. There is an anticipated number of small businesses (between 15 and 50 workers) expected to be moving into the county within the next two years. These had been in the planning stages for two or three years, but were delayed due to a depressed economy and high interest rates.

As for the youth unemployment in the area, there are two significant programs currently active in Kosciusko county. The first of these is Youth Opportunities. Under this organization, the Youth Employment Council and the Adult Basic Education

programs have attempted to provide youth between the ages of 16 - 25, basic skills to enhance their employability. Students not enrolled in a vocational program, or who had no plans at further education beyond high school, were found to have received very limited training and were likely to experience difficulty in making a transition from school to work.

A survey taken in an area high school showed that 12th grade students lacked employability and job seeking skills.<sup>3</sup> It also revealed a lack of knowledge on the students' part for putting together a personal data sheet, writing a resume, determining where to look for a job, writing employment letters, filling out applications, properly terminating a position, and the importance of good grooming.

The major objectives of the Youth Employment Council were then developed. These are to improve the employability skills of the Kosciusko county youth, provide a link between business and industry and the schools as a liaison, provide pertinent information on the "world of work" to students through this liaison effort, and to coordinate a volunteer "Task force" from the private sector to provide a job counselling source.

Obviously, dropouts do not simply disappear from society. All too frequently, they appear in arrest reports, unemployment statistics, and on the income maintenance programs. To address this problem, the Adult Basic Education program was formed. In October of 1981, it was incorporated under the administration of the Youth Employment Council. From October 1981 through June 1982, the Adult Basic Education program has served 226 students.

The second program that is actively involved in



increasing youths opportunities for employment is the career education program currently serving the Warsaw Public School system. The key word that seems to characterize this program is "coordination". Coordination in that from kindergarten through 12th grade the career education program builds upon the previous stage of career learning. Elementary students are counselled along the line of good work habits, punctuality and other areas related to the "world of work". The middle school student has at his access the Career Occupational and Information Network (COIN). This system gives the student an opportunity to explore careers - ones which he already knows and ones that he does not. It also gives them an outlook as to what opportunities certain jobs might hold in the future. High School students follow up on previous training. They also are given an opportunity to take a two week mini course of Employability skills that was developed by the Youth Employment Council.

Adaptability for the student to choose a career that best suits him and his needs is a goal as well as giving the student an opportunity to explore different careers.

Several things need to be pointed out. Kosciusko county probably will not need all the help which other counties will need along the lines of job programs. But, there is still a need for more job training and retraining programs in this county. Hopefully, the Jobs Training Partnership Act can accomplish this. We need to be careful not to put this program down, as was the case with the old CETA program. More time was spent criticizing it than was spent trying to make it work. We can't afford to do that again.

The Private Industry Council needs to be wary about duplicating the efforts of groups like the Youth Employment Council and Adult Basic Education. At the very least, there needs to be cooperation between groups such as these, or they will not be profitable to the unemployed, the youth of Indiana, or the possible employers.

One of the strongest points that seemed to show forth in researching this article, was the need to prevent the youth of today from being the unemployed of tomorrow. Continued efforts in Kosciusko county by the business community, political leaders, school corporations, and the Chamber of Commerce to increase employment opportunities needs to be followed.

When this community has a program such as the Career Education program, which is losing all their Federal financial support, there needs to be active support given by the school corporation and the members of this community in general to keep it alive.

With all the programs, Federal, State, and local that are aimed at reducing unemployment, they will not work unless they are supported by you.

## FOOTNOTES

1. 1980 Census - Warsaw Housing Authority
2. "Jobs: More There for the Taking", USA Today, April 3, 1983.
3. Final Report of the Governor's Committee on Youth Employment, p. 7.

## DATA SOURCES

Newspapers - Warsaw Times Union, USA Today, Ft. Wayne News Sentinel

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Personal Interviews with -

Beth Lentz - Executive director Youth Opportunities, Inc.

Michael Martin - President, Cardinal Center, Inc. and  
a member of the Governor's Job  
Coordinating Committee

Deborah Wiggins - Executive Vice President - Warsaw  
Chamber of Commerce

Jeanne Schutz - Coordinator of Career Counselling -  
Warsaw Community Schools

Bob Westerhof - placement counselor - Kosciusko County  
Branch of the Indiana Employment Service

Personnel Managers - DePuy, R.R. Donnelley's, United  
Telephone Company

Dave Simpson - Personnel Manager - First National Bank

Neal Carlson - President - First National Bank