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Programs

This review of the Job Corps, the Neighborhood Youth Corps, and the Work Experience and Training Programs, all established under the Economic Opportunity Act of 1964, was part of National Manpower Policy Task Force report requested by the Senate Subcommittee on Employment, Manpower, and Poverty. It was believed appropriate to examine, after nearly 3 years and a commitment of 4 billion dollars, the extent to which the Act had been implemented. Job creation and training were to be the principle means through which the three programs would help economically disadvantaged youth and adults achieve economic independence. A variety of published and unpublished materials were used in this assessment. In the process of critical evaluation, separate discussions are devoted to the enabling legislation, administration, needs and characteristics of clients, and resource utilization of each program. It was generally concluded that it is doubtful whether the programs have achieved the formal goals of the legislation-economic self-support. However, the experience of the three programs indicates the difficulty of designing and administering mass projects which lead to the economic self-sufficiency of the poort. Suggestions are spread throughout this review. (ET)



# Antipoverty Work and Training Efforts: Goals and Reality

POLICY PAPERS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS No. 3

Sar A. Levitan
The George Washington University

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THE INSTITUTE OF LABOR AND INDUSTRIAL RELATIONS

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August 1967



# ANTIPOVERTY WORK AND TRAINING EFFORTS: GOALS AND REALITY

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August 1967



#### **PREFACE**

In connection with its study of the federal antipoverty effort, the Senate Subcommittee on Employnent, Manpower and Poverty requested the National Manpower Policy Task Force to apparise the operations of federally-supported manpower programs in aid of the poor. This review of the Job Corps, the Neighborhood Youth Corps and the Work Experience and Training programs was part of the NMPTF report to the Senate Subcommittee. It represents only the view of the author.

Advance copies of the manuscript were circulated among officials responsible for the administration of the programs. Needless to say, exceptions were taken to some observations and judgments. It is hoped that the divergence of views will lead to strengthening the efforts under discussion.

I am also grateful for helpful ritical comments by Professors Roger H. Davidson (Dartmouth College), Louis Levine (Pennsylvania State University), Garth L. Mangum (The George Washington University) and Arnold Nemore, Executive Director of the NMPTF. Mrs. Ethel W. Brandwein collaborated on Chapter 4, Jeffrey A. Burt offered capable research assistance and reviewed the final draft. Mrs. Ivis B. Steele served as administrative assistant of the project.

This paper is part of a study devoted to the evaluation of the Economic Opportunity Act. The project is finance oy a grant from the Ford Foundation.

The Author

The George Washington University August 1, 1967



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### 1

## AN EVALUATOR'S LAMENT

The Economic Opportunity Act was sold to the nation as a measure to rehabilitate the poor, placing them on the road to economic independence. "The days of the dole in our country are numbered," President Johnson declared on signing the law. Sargent Shriver also made it clear, even before assuming responsibility for the direction of the antipoverty program, that he was not "interested in running a handout program or a leaf-raking program . . . ."

After nearly three years and a commit. It of \$4 billion, it is appropriate to examine the extent to which the Act has been implemented. It is recognized that the impact of some antipoverty measures, no matter how successful, will not be discernible for years. As yet these measures will have had no effect upon stimulating economic independence. The economic benefits of Head Start, for example, may not be apparent for years since the senior members of this group have not yet passed their eighth birthday.

Fortunately, it is not necessary to delay a tentative assessment of the economic impact of the antipoverty program for another decade. In placing emphasis upon breaking the bonds of poverty, several programs inaugurated under the Economic Opportunity Act stressed job creation and training. An examination of these programs should be relevant to reaching some judgment about the extent to which the measures have led participants to achieve economic independence. The original Act made explicit provision for three such



programs: the Job Corps, Neighborhood Youth Corps and Work and Training. The first two are limited to youths while the third serves recipients of welfare and other needy adults. Other job creation and training programs have been added, but this paper is devoted exclusively to the three programs initiated under the original Act.

The separate discussion of the three programs reflects the provisions of the enabling legislation and their administration. The needs and characteristics of participants, however, are not as easily separable. Nearly one of every ten enrollees in Work Experience and Training might have qualified for participation in the Job Corps or Neighborhood Youth Corps. The latter two programs have drawn their clients from virtually the same universe.

Thus far, a total of \$1.8 billion has been allocated to these programs, distributed as follows:

Job Corps -- \$715 million;

Neighborhood Youth Corps -- \$773 million;

Work Experience and Training -- \$324 million.

One would expect that information would be available to estimate the contributions of these manpower programs to the economic independence of more than a million participants. Such information, however, is scarce and inadequate.

Only the Office of Economic Opportunity, under pressure from Congress, has undertaken sophisticated efforts to evaluate the Job Corps. The agency has initiated internal studies to measure the educational achievement of corpsmen while they are in training and the effect of the experience on the employability of enrollees after they leave residential centers. As a result of these studies, Congress and the public can make judgments on the need of residential training centers for disadvantaged youth.

Observations about the Neighborhood Youth Corps and Work Experience and Training, on the other hand, must be gleaned from inadequate statistics of doubtful merit. The Bureau of Work Programs in the Department of Labor, responsible for NYC, and the Bureau of Family Services of the Welfare Administration, responsible for work experience and training have conducted few evaluations. Although more



than a billion dollars of public funds has been committed to these two programs, only a fraction of one million dollars was devoted to evaluating the extent to which the programs are achieving their goals.

Moreover, officials responsible for the Neighborhood Youth Corps and Work Experience and Training Programs have not released any serious study evaluating their efforts. Indeed, the Bureau of Family Services has not yet taken steps to assure that an evaluation of its program would be available in the future.

The Neighborhood Youth Corps simply failed to develop an adequate operational reporting system, though the resources and talent were available within the Department of Labor. The Office of Manpower Planning, Evaluation and Research developed a comprehensive reporting system of MDTA programs which could have been applied to NYC. Apparently NYC did not desire to utilize the capability available in the Labor Department.

A number of factors have contributed to the paucity of information available on the three programs. Only the Job Corps conservation centers are administered directly by federal agencies—the Departments of Agriculture and Interior. Both the Bureau of Work Programs and the Bureau of Family Services distribute funds to diverse contractors at state and local levels who actually administer the projects. The small federal staffs, preoccupied with project approval and daily administrative chores, have placed low priority on program evaluation or the collection of program data.

The Welfare Administration's long tradition of permissive administration is also a formidable obstacle to evaluating program effectiveness. Funds appropriated by Congress for most Welfare Administration programs in the past have normally been allocated to the states on a formula basis, requiring the states to match federal funds. Federal administrators have usually had little control over project administration. In the case of the Work Experience and Training Program, the projects were 100 percent federally-financed and the Welfare Administration was not tied down by strict formula allocations. Despite the greater potential for federal program direction, the traditional practices prevailed. The reports submitted by most state and local project



administrators remain inadequate and incomplete, reflecting the laxity in central evaluation.

The development of computerized reporting systems, designed to gather uniform data for all projects funded by a program, has provided additional problems. The instructions for preparing reports have been misinterpreted or interpreted differently by project administrators. The information submitted, therefore, is often not usable by the programmed

computers.

Finally, the apprehension that a well planned and well conceived study might indicate that program objectives are not achieved can lead the administrators to opt for "evaluation" based on a few selected anecdotes rather than risking more rigorous objective analysis, which may be unfavorable. For nearly two years Job Corps officials attempted to justify their program with sketchy and carefully screened data, chosen to present a favorable picture of the program. The Office of Economic Opportunity embarked upon the development of sophisticated operational data to evaluate the program only after continued Congressional and public questioning of the effectiveness of the Job Corps and criticism of the highly subjective data presented in its defense. Literally, it took an act of Congress for the Job Corps to develop the data which have turned out to be quite favorable for the program.



### 2

#### **JOB CORPS**

The Mission

The Job Corps was created as part of the Economic Opportunity Act in order to prepare youths, aged 16 through 21, "for the responsibility of citizenship and to increase [their] employability... by providing them in rural and urban residential centers with education, vocational education, useful work directed toward conservation of natural resources, and other appropriate activities." (Section 101). The assumption underlying this mission was that many youths from impoverished homes must be removed from their home environment before they can be rehabilitated through training and education.

Although the antecedents of the Job Corps may be traced back to the Civilian Conservation Corps of the thirties, the contrasts between the two institutions are more significant than the similarities. The CCC was a product of the Great Depression, when deprivation and need were widespread; and the 2.5 million enrollees represented a broad cross-section of the population. It was terminated when the Armed Forces absorbed the bulk of its clients and acute labor shortages developed from wartime conditions. The Job Corps, on the other hand, focuses upon the special needs of a small minority of youths who because of educational deficiency and debilitating environment are at a competitive disadvantage in the labor The CCC was essentially a job creation program (though the term did not come into vogue until three decades later) which emphasized conservation work. The Job Corps stresses the needs of the individual corpsmen-though the



work experience of enrollees in conservation centers is also devoted to "useful social work."

The idea of reviving residential centers for disadvantaged youth was advanced by then Senator Hubert H. Humphrey in 1957. Although a bill authorizing conservation camps for youth passed the Senate two years later, the bill was not even taken up by the appropriate House Committee and attracted scant support. By 1963, however, youth unemployment was recognized as a pressing national problem which , as not responding to overall improvements in economic conditions. In that year, a coalition of conservationists and welfare organizations expanded the rural conservation bill proposed earlier to include federally-supported job creation programs in urban areas. The expanded bill, which included the basic features of the Job Corps and the Neighborhood Youth Corps, was again approved by the Senate. In the House, the Education and Labor Committee approved the measure, but the Committee on Rules prevented it from coming before the House. The opposition included segregationists as well as opponents of welfare legislation—the two were not, of course, mutually exclusive groups, but the fact that the proposed camps were to be racially integrated added force to the coalition.

In January 1964, the publication of *One-Third of a Nation* by the President's Task Force on Manpower Conservation confirmed that the Armed Forces annually rejected one of three potential draftees because of mental and physical deficiencies. Most of the rejectees came from impoverished homes. This gave impetus to the proposed program, which was included as part of the Administration's antipoverty bill.

The 1964 Administration proposal differed substantially from the 1963 bill. While the earlier bill emphasized conservation work, the antipoverty bill stressed the establishment of residential centers where youth could receive educational and vocational training. Although the 1964 bill did not preclude conservation centers, in deference to the conservation interests, it was intentionally vague to permit maximum flexibility in administration. Under pressure from the conservation groups, Administration witnesses testifying on the Economic Opportunity bill indicated they would establish two types of camps: urban centers emphasizing vocational training for youth with a reading achievement of sixth grade level or



better; and conservation centers emphasizing basic education and work experience for enrollees with more acute educational deficiencies. R. Sargent Shriver distinguished between the two types of centers as follows:

Let us say after six months or a year in the conservation corps [the] boy had reached the levels [of education] indicated ... he then could be transferred into the educational centers ... and get further training so that he could get a skill.<sup>1</sup>

Though many, perhaps most, corpsmen would be assigned to one camp for the duration of their enrollment in the corps, it was planned to offer training at two levels, with the objective of "... taking people where they are and advancing them as far as they can go in the time allotted."

The main opposition to the Job Corps centered about the establishment of conservation centers. Such work experience, it was argued, would have little relevance to preparing youths for the world of work, and the high cost of maintaining a youth in the conservation centers would not justify the work they performed. The conservation lobbyists were, needless to say, not persuaded. Unwilling to leave the size of the conservation component to the discretion of the Job Corps administrator, they succeeded in persuading Congress to specify that 40 percent of male Job Corps enrollees be assigned to conservation centers.

#### **Needs** and Resources

It is difficult to estimate the size of the Job Corps' potential clientele. Overall economic conditions, as well as the attractiveness of residential centers to potential enrollees, would be determinant. In 1966, there were about one million out-of-school unmarried youths from poor families, most of whom were eligible to enroll in the Job Corps. Even under ideal conditions, the majority of these potential candidates might not have been interested in residential centers, or even required such costly training. In fact, during its first two and a half years, the Job Corps had to maintain a continuous promotional effort to fill the available facilities—which by mid-1967 could accommodate some 42,000 youths.



It must be left to speculation whether the difficulties in attracting enrollees were caused by lack of interest on the part of potential clients, the quality of training and education offered in the centers, or inability to "reach" the youths. In large part, the problem may be traced to the decision of the Job Corps administrators to stress the needs of the most poorly educated, those who needed the Job Corps facilities most desperately. The Job Corps could have avoided a great deal of criticism and unfavorably publicity if the administrators had decided to attract the "cream" of the disadvantaged Whether they could have filled their quotas by youths. "creaming" is also open to speculation, since the expanding labor market and Armed Forces provided ample opportunities in most areas for "good," well-motivated youths. The initial negative image of the Job Corps, which still persists, may also have hindered recruiting. It is probable, therefore, that the Job Corps offered little attraction to youths who were able to obtain jobs on their own.

The record of the Job Corps is clear: it tried to attract youths who had difficulty finding employment even in a tight labor market. Two of every five enrollees in May 1967 had completed eight years of education or less. And actual educational achievement was much lower than the formal education would indicate. Reading and arithmetic comprehension for half of the enrollees was at about the fifth grade level. Nearly one of every three was unable to read a simple sentence or solve a second grade arithmetic problem. Three of every five came from a broken home, and two of every five from families on relief. (Table 1)

#### **Program Administration and Operations**

Although the Director of the Office of Economic Opportunity was charged by law with responsibility for administering programs created under the Act, he was also authorized to Gelegate administration of the programs to established federal agencies. In the case of the Job Corps, Secretary of Labor W. Willard Wirtz sought jurisdiction, but Shriver decided to retain this program in the Office of Economic Opportunity. The Labor Department's claim to the Job Corps was in line with its insistence upon jurisdiction over all training and job



TABLE 1
Corpsmen Characteristics as of May 1, 1967

		M	en	
	Total	Urban	Conser- vation	Women
Highest grade completed (%)				
8 grades or less	42	35	<b>54</b>	22
9-10	43	49	<b>36</b>	41
11-12	15	16	10	37
Median educational attainment				
Reading	5.3	5.6	3.4	<b>6.2</b>
Arithmetic	<b>5.4</b>	5.4	4.2	5.8
Family (%)				
Broken Home	60	n.a.	n.a.	n.a.
Unemployed Head of Family	<b>63</b>	n.a.	n.a.	n.a.
Relief	39	n.a.	n.a.	n.a.

Source: Job Corps, Office of Economic Opportunity.

creation programs. Shriver's claim for the Job Corps is not clear. It was reported that he expected the program to be innovative and highly visible—the latter an anticipation fully realized, though doubtless not in the way the Director desired. It is also probable that OEO decided to keep the Job Corps in order to beef up its operational responsibilities—especially since the Neighborhood Youth Corps was already to be delegated to the Labor Department. The competing claims for Job Corps were resolved by the President, who sided with OEO.

By June 1967 the Job Corps operated 122 centers with a total enrollment of 39,400. (Table 2) The administrative challenge of such a venture was formidable, and several serious problems developed.

#### Urban Centers

To operate the urban centers, the Job Corps turned to private contractors. In May 1967, universities or nonprofit organizations operated seven of the 28 urban centers. Private



TABLE 2

Job Corps Enrollment and Capacity

June 16, 1967

Ş

	Centers	Enrollment	Capacity	Percent of Capacity Utilized
Total	122	39,419	41,573	94.8
Men	<u>103</u>	30,776	<b>32,</b> 086	9 <b>5.</b> 9
Conservation	90	14,953	15,774	94.9
Urban	10	15,415	15,870	97.1
Demonstration	3 <sup>1</sup>	408	442	92.3
Women	<u>20</u>	8,643	9,487	91.1
Urban	<del>18</del>	8,473	9,087	$\boldsymbol{93.2}$
Demonstration	2	170	400	42.5

<sup>&</sup>lt;sup>1</sup> The Washington, D. C., project operates separate facilities for boys and girls but is counted as a single project.

Source: Job Corps, Office of Economic Opportunity.

firms—including such corporate giants as General Electric, IBM, Litton Industries, RCA and Westinghouse—operated the remaining 21 urban centers.

OEO welcomed corporate involvement because it gave the Job Corps and the rest of the war on poverty an image of respectability and acceptance by the business community. Corporate involvement resulted from a mixture of "dogoodism" and more traditional business interest. Though profits were small, contractors had no financial risk since they operated on a cost-plus-fixed-fee basis. Operation of a center provided, moreover, the opportunity to enter an expanding new market—education and training of the disadvantaged—and the centers could serve as laboratories for developing and testing new techniques and know-how. In addition, late in 1964 when the initial contracts were negotiated, some corporations viewed the activity as a hedge against the slackening defense expenditures; but their interest held up in the face of expanding defense needs in the following two years.

The social responsibility aspect of corporate involvement should not be minimized. The small profits involved could



hardly justify prestigious corporations putting "their names and resources on the line by operating Job Corps camps...."

It just happened that social responsibility and sound business complemented each other in the operation of Job Corps centers.

Initially, it appeared that corporations were better equipped than educational institutions to run the centers. And universities seemed to be the greatest failures in administering centers. Commenting upon one university-operated center beset by troubles, including a riot, an observer noted that the contractor "has been excessively cautious and slow in buying equipment for the enrollees. Food and food services were inadequate with 600 being fed in a dining hall that accommodated only 160 at a time." In the same vein, a Job Corps official stated that "on balance, private corporations have the techniques educational groups lack in tackling large organizational problems like setting up the basic structure of the camps. They can make decisions quickly without having to run through a faculty committee." Unencumbered by the red tape so common to institutions of higher learning, the corporation's got "the show on the road" in a minimum of time.

However, the talent to organize a restaurant or operate a center's facilities does not necessarily include the ability required to motivate, train and educate deficiently prepared youth. John H. Rubel, Vice President of Litton Industries and the man who first suggested that Shriver contact corporations to operate centers, is reported to have stated:

I think of the Job Corps as a complex transforming machine with many internal parts. The input—the raw material—that is fed into this machine is people. The output is people. It is the function of this machine to transform these people.<sup>6</sup>

There is no evidence that such a machine has yet been fashioned. Corporations traditionally engaged in personnel training and the development of complex defense systems were expected to have little trouble developing new approaches and techniques for educating and training the disadvantaged. It does not appear that the corporations have lived up to these expectations. The high cost of running centers has forced the Job Corps to cut operating expenses and has reduced budgets





for research and development in educational and training activities at the centers. With such budget constraints, corporate contractors have attracted few proven top-level educators or administrators, frequently having to settle for ordinary, garden-variety educators.

Perhaps the most successful contractor has been the Texas Education Foundation, an independent, nonprofit corporation established by the State of Texas to operate the Gary Job Corps Center. The success of the Gary Center, which with an enrollment of 3,000 is the largest urban center, was largely due to the active interest of Governor John B. Connally. He mobilized outstanding state educators to administer the center and business leaders to help develop curricula and place corpsmen. Interestingly, the Gary Center was run by the same educational establishment which presumably failed the youths in schools. The experience of Gary suggests that, given more adequate support (including money) from businesses and the community at large, the educational system might fare better in serving the disadvantaged.

#### Conservation Centers

The Job Corps delegated responsibility for the operation of its conservation centers to the Department of Agriculture and the Department of the Interior. The conservation centers were unique among the federally-supported manpower programs in that they were operated directly by federal agencies. The two departments assumed day-to-day responsibility for administration, operating the centers on a reimbursable basis. The Job Corps retained the authority to formulate policy and develop training and educational curricula.

The Job Corps has avoided contracting with states to operate centers, although the Economic Opportunity Act authorized such contracts. In June 1967 only seven of the 90 conservation centers, with a total enrollment of about 800, were operated by state agencies. None of the urban centers was operated by a state; for the operation of the Gary Center, Governor Connally established a nonprofit corporation. Job Corps officials admitted that they had not solicited state participation, but noted that the states were free to submit proposals the same as any other potential contractor. It is



clear, however, that the states received little or no encouragement to apply. In November 1965, the agency issued policy guidelines for the operation of state-related Job Corps conservation centers, though no mention was made of urban centers.

#### Girl Problems

In addition to operating centers for men, the law also required that residential centers be established for women. The Administration's original proposal limited Job Corps to men on the theory that they would be the future family breadwinners; conversely, returns on money invested in training girls would be short-lived, because they would soon marry and assume family responsibilities. However, Congresswomen Edith Green insisted that the high unemployment rate among non-white teenage girls justified the inclusion of women in the Job Corps. Deficiently educated girls brought up in deprived homes, it was further argued, are likely to raise children who will remain in poverty. Thus, the Job Corps experience should help future mothers break the cycle of poverty, even if they did not continue as lifetime wage earners. Congress accepted the Green amendment and opened the Job Corps to women.

This decision resulted in operational difficulties for the Job Corps. Though the women did not necessarily cause any more difficulties than the men, a number of factors hindered efficient operation of women's centers. Female enrollees could not, of course, be assigned to conservation centers where the training emphasis was on physical labor. At the same time, on professional advice, OEO decided to limit women's centers to a few hundred women—a condition which conflicted with the desires of private contractors who operated urban centers and favored larger units to achieve economies of scale and to provide diversified training. It was also difficult to find suitable sites for women's centers, in view of the early decision to locate them in urban areas. Thus, the Job Corps resorted either to renovating old hotels or finding adequate facilities in YWCA's.

Aside from administrative obstacles, it appears that Job Corps officials were less than enthusiastic about the women's Job Corps program. In addition to the breadwinner argument,



they were evidently influenced by the Moynihan thesis concerning the deterioration of the Negro family. This thesis suggested that, by improving the educational attainment of the Negro boy and enhancing his employability, the cohesiveness of Negro families could be strengthened. It was therefore concluded that the limited resources of the Job Corps should be directed largely to males—the majority of whom were Negroes.

Not satisfied with the slow progress of the Job Corps in enrolling women, Congresswoman Green succeeded in amending the Act in 1966 to require that women enrollees constitute 23 percent of total enrollment. As a result, the Job Corps did a lot of "girl chasing" during the latter part of fiscal 1967 to live up to the Congressional injunction. As late as May 4, 1967, women accounted for only 17.3 percent of total enrollment; but by mid-year the Job Corps had enrolled enough women to meet the statutory requirement. In the progress, the Job Corps was forced to utilize abandoned military facilities and to discard its earlier decision to limit women's centers to only a few hundred girls. Enrollment in several of the older centers was expanded, while a new center, in Poland Spring, Maine, was opened with a capacity in excess of 1,100. In addition, a male center in Oregon was converted to a female center.

#### Size and Location of Centers

Job Corps centers ranged in size from less than a hundred to 3,000 enrollees. The National Association of Training and Juvenile Agencies and the American Psychiatric Association recommended that a 150-bed facility would provide maximum individual attention and avoid the dangers of institutional rigidity. The Job Corps has generally followed this norm for conservation centers, where the capacity ranges between 100 and 250. But budget considerations have made the 150-bed standard impractical for urban centers. The capacity of male urban centers has varied from 600 to 3,000 and women's centers from 300 to 1,100.

To obtain the best of both worlds—gaining economies of scale while meeting the individual needs of corpsmen—the larger urban centers have experimented with small subdivisions, or communities, within the center based on the voca-



tional interests of enrollees. This practice parallels the experience of a number of universities which have created small commenties within the larger institution.

Clc ly related to the centers' capacity is the question of their location. Having decided not to encourage state operation of centers, the Job Corps had to locate most conservation and urban centers on federally-owned lands confined largely to sparsely populated areas in the western states. Since corpsmen depended upon neighboring towns and cities for much of their recreation and social leisure-time activities, the relative isolation of many conservation centers has been unfortunate. This remains a problem of the Job Corps; and if it continues, the Job Corps may be forced to abandon the more isolated centers in favor of those near urban areas.

Urban centers for men were located on abandoned military installations, and the Job Corps therefore had to accept whatever sites were available. Some selections proved unfortunate because the communities, or at least influential sectors of their population, did not welcome the corpsmen in their midst. This symbolized the inherent tension between community and center-reminiscent of town and gown problems, except that in the case of the Job Corps these frictions were accentuated. For example, the 1,500 or more corpsmen at the Custer Center in Michigan found that they were not welcome in the nearby cities of Kalamazoo and Battle Creek. Following several incidents and one riot, both cities were placed off limits to corpsmen, who then had to travel 100 miles or more for Similar problems developed in New Bedford, recreation. Massachusetts, where the Rodman Center was located. In this case, as in several others, city fathers unanimously requested the closing of the center, following clashes between corpsmen and local youth, but reversed themselves as a result of a successful community relations campaign instituted by the center director and OEO. The experience of Rodman was typical.8 With the passage of time, most of the centers and communities have learned to co-exist.

Some communities were no more chivalrous and opposed the establishment of women's centers. Several sites during the early days of the Job Corps reflected lack of experience or poor judgment on the part of the administrators. An illustration was the selection of St. Petersburg, Florida, as the



site for a women's center. The hotel selected was in the midst of a residential-hotel area populated mostly by retirees. They were not happy about the newly-arrived youngsters, particularly when local swains came a-calling and the noise decibels rose above the oldsters' threshold of tolerance. The mayor and other community leaders declared that they supported the Job Corps in principle, but not in the midst of a hotel district catering to retired guests. While public criticism of the center rested on the boisterous activities of the residents and their visitors, another objection, normally rot voiced publicly, was the center's racially integrated population. After repeated community protests, the Job Corps moved from the "hostile environment" before its lease expired.

The St. Petersburg experience was unique, for it was the only case where the Job Corps was forced to close a center. Even there the community did not speak with one voice, and some residents pleaded for continuation of the center.

During its first year of operation, the Job Corps suffered from an extremely bad press. Every incident involving a Job Corps enrollee appeared to merit national attention, The Job Corps was even blamed for polluting caves in Kentucky—the conservation center near the Mammoth Cave National Park was attacked by the National Speleological Society for spoiling the underground wilderness. Like the opponents in St. Petersburg, the members of this Society declared formally that they did not object to the Job Corps. They just wanted it moved somewhere else.

Although the Job Corps did have its disciplinary problems—including fights, stabbings, and even riots—most of the incidents hardly merited national publicity. Part of the unfavorable publicity resulted from the failure of the Job Corps and its contractors in preparing communities for their newly-acquired neighbors. This oversight was understandable during the early days when there was little time to do this kind of groundwork. But the Job Corps' initial poor public relations cannot fully explain its problems with the news media. The answer must be sought elsewhere. Part of the answer lies undoubtedly in the high costs of the Job Corps.



Costs

The total funds allocated to the Job Corps during the first three years of operations amounted to \$715 million, divided as follows:

Fiscal year 1965 - \$196 million Fiscal year 1966 - 308 million Fiscal year 1967 - 211 million

Underlying much of the discontent over the Job Corps was the undeniably high cost of the experiment. The annual cost per enrollee was more than \$8,000 in fiscal 1967. Opponents were quick and persistent in exploiting this fact. Appealing to middleclass prejudices, opponents stressed that the cost to the taxpayer of supporting a corpsman was higher than the cost to parents supporting their children at the best American colleges. Pundits and Congressmen entered into the debate; and the Congressional Record carried detailed analyses of the cost of supporting a student for a year at Harvard College compared to that of an enrollee in a Job Corps center. The fascination with this subject might deserve the close study of social psychologists, but it was as useful as all the debates about the number of angels that can stand on the head of a pin. Few raised questions about the germaneness of the comparison. Dr. Otis Singletary, former Director of the Job Corps, when confronted with the unfavorable comparison of costs between the Job Corps and Harvard College, offered to pay personally for any Job Corps enrollee accepted by Harvard. The offer, to no one's surprise, was not taken up.

Regrettably, the Job Corps added to the confusion over costs by being less than candid with the public and with Congress. Their failure to explain the reasons for the high costs added to the impression that there were grounds for the charge that the centers were "country clubs for juvenile delinquents." Most cases where the Job Corps spent public funds on "frill" activities were attributable to inexperience or errors of judgment on the part of some center personnel. Providing enrollees with occasional bus transportation to attend a dance several hundred miles from their center may be classified in this category. There was also room to question some of the continuing practices, such as the payment of corpsmen's transportation costs for home visits during the



ristmas season. The Armed Forces are not as generous with their enlisted men.

Conscious of the widespread attacks upon the cost of maintaining the Job Corps, OEO has trimmed its costs to the point where further belt tightening could not be effected without damaging the training and education of enrollees. The maintenance of residential centers which provide education and training is a costly affair, and the program, if it is to continue, must be judged on its merits and not on the hopes that the expenditures per enrollee will decline. In response to public criticisms of the high cost of operating Job Corps centers and sniping by officials of competing federallysupported programs, Congress in 1966 imposed a ceiling on Job Corps expenditures of \$7,500 a year for each Job Corps enrollee. Though Congress may get credit for cutting the costs, the action was unnecessary since the Job Corps had already taken steps to eliminate some of the more expensive training programs, reduce the number of training occupations and eliminate most of the "frills."

The latest available figures on annual cost per enrollee are presented in Table 3. Based on the experience during the first 10 months in fiscal 1967, the total average annual cost per enrollee of operating established centers (in operation more than nine months) averaged \$8,100, ranging from \$7,300 for conservation centers to \$9,700 for women's centers. Although the average exceeded the statutory limitation by nearly \$600 per year, the Job Corps did not ignore the limitation imposed by Congress. The law excluded from the \$7,500 limitation overhead costs—enrollee recruitment, screening, placement, and Job Corps headquarters and regional expenses—which averaged \$600 a year per enrollee; the cost of amortizing the \$141-million capital investment (\$600 per enrollee); and the cost of materials expended on conservation work (\$854 per conservation center enrollee).

The rationale for excluding the last item is persuasive. The materials were utilized on useful public works and therefore do not represent a real training cost. Indeed, a case could be made, as the Jcb Corps did, for subtracting the value of the work performed on public projects from conservation center enrollee expenditures. The rationale for the exclusion of the overhead and amortization costs is less convincing and



TABLE 3

Job Corps, Annual Cost Per Enrollee, Fiscal 1967

Job Corps, rundar Cost 100		Men's	Women's	Conser- vation
		Urban	Urban	Center-
Category	Total	Center	Center	<u>Federal</u>
Total	\$8,076	\$8,664	<b>\$</b> 9,735	\$7,315
	2,761	2,617	2,619	<u>2,931</u>
Enrollee Expense	1,188	1,220	1,150	1,177
Pay and Allowances	324	267	248	396
Travel	276	226	203	331
Clothing	435	323	394	540
Subsistence Medical and Dental Supplies				
	256	195	342	<b>29</b> 6
and Services	80	92	156	57
Educational Supplies	156	309	95	31
Vocational Supplies Recreation and Welfare	105	113	75	103
Recreation and wenare	- 59	- 128	- 44	
Less Receipts <sup>b</sup>	1,129	1,350	2,078	782
Operations and Maintenance	2,220			
Center Administration,	346	426	490	252
Supplies and Services	178	193	273	1 <b>4</b> 9
Center Facilities and Maintenance	129	129	120	130
Utilities and Fuel	77	76	115	71
Communications	110	<b>4</b> 6	30	180
Motor Vehicle Operation and Maintenance Other General Purpose Equipment	12	24	17	
Legal and Accounting Services	14	25	42	
and Insurance	25		311	
Lease Costs	118	221	298	
Contractor's Fees	120	210	392	
Contractor's Expenses	120			
Center Staff Expense	2,983	<u>3,494</u>	<u>3,835</u>	2,399
Educational Personnel	452	408	675	454
Vocational Personnel	269	487	317	70
Safety and Recreational Personnel	137	211	264	52
Guidance and Counseling	698	740	843	638
Management and Other Personnel	997	1,420		554
Medical and Dental Personnel	104	151	200	48
Work Project Personnel	242			494
Staff Travel	72	55		84
Staff Training	12	22	4	(
Overhead	603	603	603	60
Total <sup>c</sup>	000			
Capital Costs Total <sup>c,d</sup>	600	600	600	600

<sup>\*</sup>Based on experience of centers in operation for nine months or longer during first ten months of fiscal 1967.



 $<sup>^{\</sup>mathrm{b}}$ Includes payments made by visitors for lodging and other receipts.

<sup>&</sup>lt;sup>c</sup>Breakdown by types of center not available.

dAmortization costs calculated independently and not based on Job Corps estimates. Source: Job Corps, Office of Economic Opportunity.

appears to be an arbitrary decision on the part of Congress. A calculation of true costs cannot ignore these expenditures.

Other difficult considerations obscure the true cost of operating the Job Corps. Past experience indicates that more than 40 percent of all enrollees drop out or are discharged from the program within three months of enrollment. It could be argued that for those who stay such a short time, the Job Corps experience constitutes another failure with little, if any, positive impact upon the life of dropouts. If this is true, and the limited available evidence supports this argument, then the calculation of average real costs should exclude early dropouts. Spokesmen for the Job Corps, however, insist that even a short stay in the Job Corps is not a total loss since the enrollees receive counseling, medical treatment and are fed and housed. Job Corps officials also maintain that average annual costs exaggerate the true investment per enrollee because most corpsmen complete their course of study in less than a year. This claim that the prescribed curriculum can be mastered by deficiently educated youth in less than a year, however, raises questions about the quality and quantity of education and training offered at the centers.

Turning to the statutory expenditures, the Job Corps succeeded during fiscal 1967 in pushing average costs per enrollee well below the limit imposed by Congress. The Administration has proposed that the ceiling on average cost per enrollee be cut to \$7,300 during fiscal 1968. Some of the "savings," have been lost, however, as the proportion of women enrollees reached 23 percent of total as required by law. The higher cost of operating centers for women did not reflect higher living standards. Almost a third of the total \$1,071 annual differential between female and male urban centers was accounted for by lease costs, whereas no rental was paid for the male centers which are located on government property. Economies of size accounted for most of the balance.

The higher average costs of female urban centers have important policy implications. Some advocates of residential centers opposed the Job Corps because of its policy of sending youths far from home, frequently to isolated areas. According to this view, it would be better to place the youths in small residential centers, preferably in the communities in which



they live. If such a policy is adopted, however, the cost of male Job Corps centers is likely to rise significantly since many such centers must be leased from private concerns and would be too small for economical operation.

#### Screening of Candidates

The cost per Job Corps enrollee could be justified if enrollment were limited to youths whose needs could not be met by a less costly alternative program and if the enrollees remained long enough to benefit from their experience. The evidence on both points is not conclusive.

The record of the Job Corps is clear—at no time was there an attempt to "cream" applicants, a common feature of other federally-supported training programs. The Job Corps extended the welcome mat to all youths from impoverished families. The agency was even willing to take chances with youths convicted of a felony, if an appropriate review board decided that an applicant was willing to conform to Job Corps standards. It does not follow, however, that Job Corps enrollees were carefully screened or that adequate care was taken to offer alternative programs for applicants when appropriate. At first the screening of enrollees was necessarily haphazard and chaotic. Although improved, it still leaves much to be desired.

A great many of the difficulties were caused by the Office of Economic Opportunity. Even before opening its first center, the Job Corps embarked on an extensive national advertising campaign to interest young people. Concerned that the Job Corps could not attract an adequate number of enrollees and that the potential clientele would have to be sold on the idea, interested youths were invited to complete "opportunity cards" indicating an interest. The response of about a quarter of a million was better than the most enthusiastic advocates had hoped. Though many of those who responded were neither qualified nor really interested in the Job Corps, a large proportion were potential candidates. It took the Job Corps months to respond to the deluge of inquiries, some of which were never acknowledged. When the campaign started, the Job Corps had facilities for only a few hundred.

Under the circumstances, it is hard to understand the need for the extensive advance publicity. Indeed, knowledgeable



advisers cautioned Shriver not to embark upon the campaign. In this manner the Job Corps disappointed many potential clients even before it opened for business. The performance also antagonized some of the program's best friends. For example, Congressman William F. Ryan (D-N.Y.), a consistent advocate of the antipoverty war, complained publicly that as of June 1, 1965, 1,600 New York youth had applied but only two had been selected for the Job Corps.<sup>9</sup>

To screen applicants, the Job Corps turned to several agencies. Most of the screening of men was delegated to the United States Employment Service and its affiliated state agencies. In addition, 14 Community Action Agencies were designated to undertake the job in their communities. The task of screening women was turned over to WICS (Women in Community Service), a volunteer agency whose members were the National Council of Catholic Women, the National Council of Negro Women, the National Council of Jewish Women, and the United Church Women. As the recruitment of girls was stepped up to meet the statutory requirement, WICS could not meet its quota and the USES was asked to provide half of the female enrollees. In addition, the Job Corps expanded its contracts for outreach and screening with Community Action Agencies, Urban Leagues and the AFL-CIO Appalachian Council. Between July 1966 and April 1967, USES accounted for two-thirds of the 63,000 youths that were screened. Future plans call for private screeners to play a more active role.

The agencies were reimbursed for the cost of screening applicants, which averaged \$73 per qualified youth screened and referred to the Job Corps in fiscal 1967. The costs ranged from \$83 per persons for USES to less than half of that amount for WICS—whose members not only screened the candidates for women's centers but also provided numerous volunteer services for the selectees, including clothing and other needs.

Having little previous contact with such youth, most of the local employment services were poorly prepared to screen Job Corps enrollees. Some counselors oversold the Job Corps in order to fulfill their quotas. A study of former Job Corps enrollees showed that half felt they had not been given a true picture of "what the Job Corps would be like." The major complaint was that they didn't receive the training or money



promised by the counselors. Although there was considerable room for misunderstanding about the former, disappointments concerning Job Corps allowances are more difficult to explain and would suggest that applicants were misinformed by the screeners.

During its first two years, the Job Corps experienced difficulty in filling its available capacity. By the spring of 1967, with expanded recruitment activities, OEO expressed confidence that it had licked this problem. Diverse factors contributed to the difficulty in recruiting enrollees. OEO underestimated the rate of enrollee turnover and consequently planned for a lower level of recruitment that the needs indicated. Aside from the initial ineffectiveness of local employment offices, extraneous factors complicated the job of Expanding job opportunities and increases in recruiting. military manpower needs provided alternative opportunities. Congressional action, or more precisely inaction, further complicated recruitment plans. During the summer of 1966, OEO was prevented from planning future size of the Job Corps, pending Congressional approval regarding the authorized enrollment level. When passed, the law allowed the Job Corps to expand to a capacity of 45,000. Finally continued attacks on the Job Corps marred its image and probably discouraged potential applicants.

Altogether, one of every seven youths interviewed by the screening agencies ended up in the Job Corps. The vast majority of those interviewed either showed no interest in enrolling, were referred to other programs or received no help at all. Of those who indicated interest in joining a center and who qualified on the basis of income and age, nearly one of every eight was rejected during 1966. Previous behavior patterns accounted for the bulk of the rejections. About three of every ten who were selected never reached a center, having lost interest between the time of the interview and notification of acceptance; a few were never assigned to a center. With experience, the Job Corps has succeeded in reducing the time elapsed between the initial interview and final acceptance from an average of six weeks to less than half that time. Another two or three weeks normally elapsed before the youth was assigned and scheduled to arrive at the center.



#### Center Experience

Away from Home

In the spring of 1967, the average enrollee had to travel nearly a thousand miles to reach a Job Corps center. Distances between homes and training centers have been a focal point of controversy, and in 1966 Congress specified that wherever feasible youths should be placed in centers within their own region. As a result, the average distance enrollees had to travel to centers was reduced from 1,300 miles to 943 miles between June 1966 and April 1967. Compared with the total cost of the program, the savings realized by placing enrollees closer to home were miniscule. Congressional concern over this question, however, was apparently not shared by the enrollees themselves. A survey by Louis Harris and Associates found that almost as many enrollees would prefer to be farther away from home as would prefer to be sent to a center closer to home.

A more significant issue is whether enrollees should be placed in centers within commuting distance of their homes, if such centers are available. At first, the Job Corps made a conscious effort to remove youths from their homes to preclude weekend visits, on the theory that frequent contacts with the pre-enrollment environment would interfere with the enrollee's "rehabilitation." More recently, however, the Job Corps has bent this policy; and some agency spokesmen have even argued in favor of placing younger enrollees nearer their homes. But the agency continues to insist that corpswomen not be placed within 50 miles of their home. The explanation is that removal from the home environment helps the enrollee to concentrate on her studies, reducing distractions from home problems. This position was presented by the Job Corps to the Senate Committee on Labor and Public Welfare without explaining the basis for differentiating between male and female enrollees.

Some educators have questioned the assumption that it is necessary to remove youths from their own home environment to benefit from the education and training provided by centers. Professor Francis P. Purcell of Rutgers University has been a chief critic of the Job Corps and his views have received national attention. He has argued that the Job Corps has "...



relied on the rather naive belief that removing young men from their home communities would enable those youths to partake of middle-class education." Instead, he advocated "that the Job Corps use existing educational facilities and create new ones within the area where the youngsters live." Purcell's conclusion was that the center experience had the opposite effect upon enrollees than that anticipated by the Job Corps because "paramilitary" camp life may actually encourage antisocial behavior. Evaluating the first six months experience of the Kilmer Center, Pursell and a number of his colleagues at Rutgers University concluded:

It should never be thought that removing youth from their homes and communities is other than a stop-gap solution to youth employment problems. Indeed, such act may be socially debilitating, and produce extremely undesirable results.<sup>13</sup>

Needless to say, spokesmen for the Job Corps responded that the educators' findings had no basis in fact and questioned the appropriateness of describing life in a center as "regimented" or "paramilitary." It would be more correct, in the view of Job Corps officials, to compare the centers to school-like dormitories where the student body participate in developing rules of behavior. The new environment, they conclude, is beneficial to the future development of enrollees.

#### Education and Training

Though the debate persists, Job Corps experience has shown that enrollment in a residential center can help youths improve their education and acquire training useful for securing and holding a job. Data developed by the Job Corps show that nine months of enrollment raises the average reading ability of corpsmen about 1.5 grades of schooling and improves average arithmetic comprehension by 1.8 grades. In the absence of any reliable standards for comparison, it is difficult to appraise such a gain in educational achievement. It is known, however, that the reading level of entering Job Corps enrollees was appreciably below expectations based upon the number of school years completed and therefore achievement level gains of one to two years for enrollees who had earlier been school failures seems meaningful. On the



other hand, officials of the Job Corps have candidly questioned the significance of the corpsmen's educational achievements. "Some of the 'gain'," they acknowledged, "is simply the recovery of skills once possessed but lost through disuse." The wide variation between average rate of gain in the reading level achieved in the different centers indicated that many centers had not reached the optimum teaching potential. The average achievement in the best centers was nearly double that of the average.

It is even more difficult to assess the quality of vocational training received in centers. In the absence of standards, the impressions and views of former enrollees and their employers must suffice. According to a survey by Patricia A. Goldman, prepared for the Chamber of Commerce of the United States, employers thought that four of every five former corpsmen in their employ received satisfactory to excellent training in centers. The views of the employers were corroborated by 90 percent of the former corpsmen who, according to the survey, found that the training was "excellent" or "good." And nearly the same proportion considered the entire program "great" or "good." "I had only one chance in life," was a typical response, "and found it was in the Job Corps." Nevertheless, nearly half of the corpsmen felt that the training they received was of no help to them to obtain a job. 15

The duration of training, rather than its quality, explains in part why many corpsmen found the training no help in obtaining a job. A survey by Louis Harris and Associates of enrollees who left the Job Corps in August 1966 found that the longer a youth stayed in the Job Corps, the more likely he was to use the training he received at the center: 42 percent of those who stayed longer than six months used their Job Corps training, compared with only 5 percent of those who stayed less than three months.<sup>16</sup>

As to the overall evaluation of the Job Corps experience, the Harris study showed that six months after they left 56 percent of the former corpsmen thought that they were better off as a result of their Job Corps experience, 16 percent thought they were worse off and the balance either were not sure about the impact of the experience or thought it had made no difference. Significantly, those who remained in the Corps



for longer periods of time gave a more favorable evaluation. Three of every four corpsmen who stayed in the Job Corps for more than six months thought they were "better off," compared with 44 percent of those who stayed in the center for less than three months. This study concluded:

There is clear evidence that a successful stay in the Job Corps can improve a youth's chances. The graduates and those in centers over six months have not only improved their employment situation and their pay rate more than the other groups, but they also sensed this improvement. Whether these groups will maintain their advantage in the future is a question that, at this point, cannot be answered.<sup>17</sup>

#### Duration of Stay

Assuming that the former corpsmen are reliable judges of the value of their Job Corps experience, the retention rate of the Job Corps becomes crucial in evaluating the institution. Based on this criterion, the record of the Job Corps leaves much to be desired. The law authorized a two-year enrollment, giving the OEO Director discretionary power to allow a youth to remain to a center even longer. Experience clearly indicates either that the authorized length of stay in the Job Corps was excessive, or that centers failed to hold youths for a sufficient length of time. Only one of every nine corpsmembers remained in the center for as long as one year. Indeed, the Job Corps curriculum was designed to allow a youth to complete his course of training in nine months or less.

The decision to "graduate" youths from the Job Corps in this short a period was based on pragmatic considerations: few enrollees apparently indicated an interest in staying longer, and the Job Corps has even had difficulty retaining them long enough to complete the abbreviated course of study and training. Thus, the "quickie graduation" served a double purpose: while it established a reachable goal for some enrollees, it also provided the Job Corps with a justification for calculating costs per enrollee on less than an annual basis in response to widespread criticism of the high cost.

A sample survey of enrollees who left the Job Corps in the



fall of 1966 showed that the median time spent in the centers was 4.3 months. Only 29 percent stayed longer than six months. Thirty-four percent left within three months, and most of these terminated their experience within the first month. The survey revealed other significant findings. The length of enrollment varied directly with age for both sexes. The older the youth, the longer he stayed in the Job Corps. The median length of stay for 16- and 17-year-old enrollees was 3.0 months; only one of every 10 stayed there for more than six months. For older corpsmen, aged 20 and 21, the median stay was 5.6 months. (Table 4).

TABLE 4

Median Length of Time in Job Corps
(Enrollees Who Left Centers in the Fall of 1966)

	Months	Percent			
	<b>Medi</b> an	Less Than 3 Months	3 to 6 Months	More Than 6 Months	
Total	4.3	34	37	29	
Men	4.4	33	37	30	
Urban	5.3	24	34	42	
Conservation	<b>3.</b> 6	42	41	17	
Women	3.7	40	41	. 19	
Race					
Negro	4.7	28	40	32	
White	<b>3.</b> 9	40	34	<b>2</b> 6	
Age					
16-17	3.0	50	40	10	
18-19	4.6	30	<b>3</b> 8	32	
20-21	<b>5.</b> 6	22	22	46	

Source: Louis Harris and Associates, A Continuous Study of Job Corps Terminations, May 1967 (mimeographed).

The difficulty of retaining younger enrollees (below 18 years of age) in the Job Corps has important policy implications for the future direction of the program. Not only do the younger enrollees tend to drop out more quickly, but child



labor laws and arbitrary age restrictions prevent them from securing employment in many of the trades for which they were trained. The problem has become more acute because the percentage of 16- and 17-year-olds has been increasing. Since the escalation of the war in Vietnam and the ensuing tightening of the labor market, the proportion of 16- and 17-year-olds in the Job Corps has steadily increased. During the last quarter of 1966 they constituted 55 percent of new enrollees in the Job Corps, compared with 43 percent a year earlier.

Job Corps spokesmen have argued that the difficulty experienced in motivating enrollees to remain in centers until the completion of their assigned course of study and training was to a large extent due to lack of experience by center staffs. While half of the enrollees departed within two months during fiscal 1966, the median length of stay doubled the following year (Table 5). Moreover, the average length of stay increased with the age of the centers.

TABLE 5

Length of Time Spent in Job Corps
Fiscal 1966 and 1967

Duration in Months	Fiscal 1966	Fiscal 1967
Median	2.0 months	3.9 months
Average	3.3 months	5.3 months
	Per	cent
Less than 1	33	22
1 to 1.9	17	11
2 to 2.9	13	10
	18	24
3 to 5.9	12	15
6 to 8.9		8
9 to 11.9	5	10
12 to 17.9	2	10
18 and over		

Source: Office of Economic Opportunity.



#### **Placement Record**

In the final analysis, the effectiveness of the Job Corps will be measured in terms of the education and the training it provides enrollees and the lasting impact of the experience. No doubt the Job Corps experience many yield other benefits to enrollees. These may include social development and the family stability resulting from higher income and additional education achieved by enrollees. Unfortunately, these benefits cannot be measured at this time; and, in fact, longitudinal studies over many years would be required to gain insights about the extent of these additional effects.

As of May 1, 1967, 75,400 youths had enrolled and left the Job Corps. Based on sample studies conducted for OEO by Louis Harris and Associates, the agency has estimated that 70 percent were either working, in the military or enrolled in school, and the balance were "not placed." (Characteristically, OEO does not use the term "unemployed" in connection with former corpsmen.) Also typically, the OEO information was not precise. The Harris studies, conducted under contract for OEO, limited the follow-up interviews to sample enrollees who had left centers six months earlier. These interviews yielded details on various aspects of the Job Corps placement record, offering possibly the most comprehensive follow-up data on any federally-supported manpower program. (Table 6)

As suggested earlier, these studies indicate a close correlation between the employment status of former corpsmen and the time they spent in the Job Corps. The Harris study observed:

The longer a corpsman stays in the Job Corps, the more likely he is to have worked since leaving the center and the less likely he is to have changed jobs. Longer exposure to the Job Corps thus leads to higher employment and greater job stability.<sup>20</sup>

Job Corps graduates or those who stayed for six months or longer—as contrasted with dropouts or youths discharged from centers—displayed advantages in securing employment immediately upon leaving the Corps, and the advantages were even more pronounced six months later. That the immediate



TABLE 6
Labor Force Status of Corpsmen, May 1967
(Left Centers September-November 1966)
Percent

			•						
		Working		U	Unemployed		In Sch	In School and Other	her²
			Six	Refore	Imon	Six	Before	Upon	Six
	Belore	Upon I oarring	Months	Futering	Ι	Months	Entering	Leaving	Months
	J.C.	J.C.	Later	J.C.		Later	J.C.	J.C.	Later
Total	44	53	28	44	33	34	12	6	Ξİ
100	:	1 8	5	49	38	27	11	7	11
Graduates	4.	000	3 7	47	40	38	12	10	10
Dropouts	41	22	# L	49	30	88	12	10	11
Discharges	46	53	22	7.	3	3			
Sex	!	1	ć	49	3.7	33	11	œ	10
Men	47	22	60	75	- (	3 5	16	13	15
Women	27	34	<b>4</b> 6	25	96	£.	9	3	3
Race		;	í	ć	30	23	13	10	11
Negro	48	25	28	80	60	3	9	α	10
White	39	22	23	25	£	40	מ	•	2
Length of Time									
in Job Corps			;	ć	C	27	13	11	11
Less than 3 mos.	37	<b>7</b> 5	49	20			2 5	10	12
3-6 months	44	25	60	04	2	96	13	c	œ
More than 6 mos.	25	22	67	30	41	9	3	,	
Age	ç	8	ď	ĄŁ	37	40	16	15	16
16-17	ŝ	00	000	C# *	. 6	33	12	10	10
18-19	43	51	54	40	7.	8 6		7	g
20-21	25	29	89	42	38	63		, 	

<sup>1</sup> Figures may add up to more than 100 percent because some were both in school and working.

<sup>2</sup> About four of every five were in school. The survey fails to include former corpsmen who entered military service. If the 7 percent of all former corpsmen who were in the military were included, the overall distribution of their labor force status would have been: working, 54%; in school, 8%; in military, 7%; unemployed, 32%; other. 2%.

Source: Louis Harris and Associates. A Continuous Study of Job Corps Termination, May 1967.



effect of a longer stay in the Job Corps upon securing employment was not greater probably reflected the limited assistance that centers offered to youths upon completion of their Job Corps career. Only 6 percent of the youths who obtained jobs immediately upon leaving the centers reported that they secured employment through the Job Corps-though, as might be expected, Job Corps exerted a greater effort for the graduates than for the dropouts or those discharged. State employment agencies also exerted greater efforts for graduates placing 28 percent of those who were in centers more than six months but only 12 percent of those who stayed less than three months. The employment advantages of those who remained for more than six months became more pronounced six months after they left the Job Corps. Two-thirds of those who stayed for six months or longer were working half a year after they left the Job Corps, an increase of 12 percent over their employment status immediately upon leaving the centers. On the other hand, the employment rate of former corpsmen who stayed less than three months actually declined six months later. Apparently, a short stay in the Job Corps had little lasting effect, and these corpsmen lost ground a short time after returning to their old environment. On the basis of available data, therefore, it would appear that enrollment of less than three months brought limited advantage to the corpsmen. Although it is true that half of those who stayed in the Job Corps for less than three months were unemployed prior to entering centers, while six months after leaving these centers their unemployment rate declined to 37 percent, this may be a function of age rather than the Job Corps experience itself.

A longer stay in the Job Corps was related to higher gains in wages as well as more stable employment. Although prior to enrollment both groups had identical wage rates, the median hourly wage gain of youths with a longer experience in the Job Corps was 32 cents, compared with only 15 cents for those who dropped out within three months.

# An Assessment

This analysis of Job Corps achievements has been based largely on data gathered by Louis Harris and Associates.



Assuming that the information supplied by the former corpsmen was accurate, the overall results would still be subject to some reservations. The sample interviewed by Harris and Associates might not properly represent the total universe of former corpsmen. For example, one apparently significant bias of the survey was its under-representation of younger enrollees. While 55 percent of all former corpsmen were under 18 years of age, only half that proportion in the same age group was represented in the Harris sample. The bias may have been serious, for the data clearly indicated that older youths were more likely to gain employment and to receive higher wage rates. The Harris sample also contained a higher proportion of graduates than the total Job Corps universe. Given these biases it might be reasonable to conclude that the findings tended to over-estimate the total achievements of the Job Corps experience.

Nevertheless, the data clearly revealed the major problem of the Job Corps—the inability to keep enrollees in the centers for an adequate length of time to affect their future employability. Even in the Harris sample, one-third of all respondents (or interviewees) departed from the centers in less than three months; the actual number, as was suggested earlier, probably exceeded 40 percent. Another third of the Job Corps population stayed between three and six months.

Six months represents the crucial cut-off period needed to make the Job Corps experience a "success." This judgment is based upon a comparison of the labor force status and hourly rate for former corpsmen compared with the control group of "no shows"—accepted applicants who did not go to a training center. Since the "no shows" displayed characteristics similar to those of youths who actually entered the Job Corps, it is reasonable to consider them an appropriate control group. Only former corpsmen who stayed in centers longer than six months had a better employment record and received a higher hourly rate of pay than the "no shows." (Table 7).

Both the "no shows" and former corpsmen improved their employability, reflecting possibly their increased age—since the employability of youths increases as they mature. Indeed, some might argue upon an examination of the pre-employment record of former corpsmen that youths who remained in the Job Corps for six months or longer could possibly have made



TABLE 7

Labor Force Status and Wages of Former Corpsmen and "No Shows"

Percent<sup>1</sup>

Corpsmen <sup>2</sup>	Em- ployed	Unem-	ĩn School	Other	Hourly Rate of Those Employed
More than 6 months	69	27	7	1	\$1.50
3-6 months	56	<b>3</b> 6	11	1	1.40
Less than 3 months	49	43	7	1	1.39
No Shows <sup>2</sup>	60	27	14	6	1.42

<sup>1</sup> Figures add to more than 100 percent because some were both working and in school.

Former corpsmen were interviewed in February 1967, six months after leaving Job Corps; no shows (accepted by Job Corps but not enrolled during 1965 and 1966) were interviewed January and February 1967, within 16 months after screening. Wage data may therefore not be comparable because federal minimum wage was raised from \$1.25 to \$1.40, effective February 1, 1967, after some no shows were interviewed. The extent to which the boost in minimum wages affected wage rates of former corpsmen is not known.

Source: Louis Harris and Associates, A Study of August 1966 Terminations From the Job Corps, March 1967, and A Study of Job Corps "No Shows": Accepted Applicants Who Did Not Go To A Center, February 1967.

it on their own, without the aid of the Job Corps. Fifty-two percent of this group was employed prior to entering the Job Corps and 26 percent were unemployed; while of those who stayed less than three months, 37 percent were employed prior to entering the Job Corps, and an identical percentage was unemployed. The group that stayed the longest thus demonstrated increased employability from the very start.

The argument is not persuasive. It can be argued that boys who qualify for Harvard (or Muddy Gulch University) could also make it on their own. The need is to establish institutional arrangements which would help eligible candidates of the Job Corps to acquire a basic education and rudiments of a trade, helping them to gain employment and to advance at a pace commensurate with their ability and motivation.

A closer examination of the record indicates that it would be a grievous mistake to underestimate the value of the Job Corps training. The median hourly rate of former corpsmen who worked prior to entering the Job Corps, both among those who stayed more than six months and less than three months, was identical—\$1.19. Six months after they left centers, the median hourly rate of former corpsmen who stayed longest in the Job Corps increased by 32 cents, while the median hourly rate of those who dropped out in less than three months increased by only 15 cents. And not only did those who stayed in the Job Corps more than six months receive higher hourly rates, but of those who were employed, 90 percent had full-time jobs with the balance working in part-time or seasonal industries. The comparable rates for former corpsmen who stayed less than three months were 79 percent and 21 percent.

A sophisticated cost-benefit analysis by Dr. Glen G. Cain of OEO, on leave from the Institute of Poverty at Wisconsin University, produced an affirmative answer to the question, "Does the investment in the Job Corps pass the economic test of efficiency?" The study examined two potential sources of benefits to enrollees (and to society) as a result of Job Corps experience: educational gains and increased earning power.

- 1. Education. Level of educational attainment is correlated positively with earnings. Job Corps studies have indicated that the educational achievement of a corpsman who spend nine months in a center equalled 1.6 years of schooling. The Cain study assumed that every month spent in a center resulted in proportionate gains in education.
- 2. Gain in Hourly Earnings. Comparisons of hourly earnings were available from the Louis Harris and Associates studies discussed earlier. The data showed that the weighted average hourly wage gain of former corpamen exceeded that of 1966 "no shows" by 12 cents.

Relying upon these two sets of data, Cain concluded that the "realistic" ratio of benefits over costs was 1.18, ranging from 1.05 to 1.69, depending upon a variety of assumptions made.

A careful reading of the meticulous and highly competent



study raises some questions about the results obtained by Cain. Even the best cost-benefit studies—and the present one is certainly to be included in that group—are subject to certain reservations, depending upon the availability of appropriate data and the assumptions made in preparing the study. Adequate data are hardly ever available for conclusive cost-benefit studies. Also, the assumptions made in calculating costs and benefits are necessarily arbitrary. The Cain study and its conclusions are therefore subject to a number of reservations, most of which were recognized by the author.

- 1. The study was careful to include all costs related to running the Job Corps at a liberal discount rate of 5 percent, thus possibly over-estimating the true total cost per enrollee. However, the author reasoned that transfer payments-clothing, subsistence and allowances-amounting to \$1,930 per year should be excluded from cost calculations. "Transfer payments," Cain explained, "are not included because they do not require any net increase in resource use: rather they involve expenditures and consumption that would be spent if there were no program .... "The argument is persuasive, particularly since the author added opportunity costs—the potential earnings of corpsmembers had they not entered a center. The transfer payments exceeded the opportunity costs by \$320. Since the treatment of both items is crucial to the results, it must be left to the reader to judge whether the assumptions were appropriate in measuring the costs of the Job Corps.
- 2. More bothersome is the assumption that a corpsman who spent one month in the center learned one-ninth as much as a corpsman who spent nine months. Cain recognized the difficulties inherent in this assumption of linear relationship. However, no data were available to measure the educational attainment of the average corpsman by length of stay. It might be speculated that the 43 percent of corpsmen who stayed in a center for less than three months learned very little, if anything, and that this was soon forgotten. If this were the case, then the conclusions concerning the increased educational attainment lose their validity and the cost-benefit ratio is increased proportionately.



3. The comparisons between earnings of former corpsmen and "no shows" might be invalid due to a fortuitous raise in federal minimum wages from \$1.25 to \$1.40, effective February 1, 1967. The survey of former corpsmen was conducted in February, after the statutory minimum wages were boosted, while the 'no shows' were interviewed in January and early February. (The proportion that was interviewed prior to the data when the minimum wage rates were raised was not published.) The precise impact of the boost in minimum rates upon the hourly earnings of former corpsmen is not known, but Harris' survey showed that the latter received an average hourly wage raise of 50 cents between the time they left the Job Corps and the time of the survey. Part of the earnings advantages of this group in comparison to the "no shows" may therefore have resulted from statutory increases in minimum wages.

4. In estimating the benefits of the Job Corps, Cain calculated the increased earnings during the potential lifework of the former corpsmen over a period of 48 years. It would seem that this attempts to stretch the benefits over

too long a time span.

5. On the other hand, no gains are attributed by Cain to the probable side effects of the Job Corps experience—benefits resulting from social development and family stability. As suggested earlier, these benefits do not lend themselves to measurement at this time.

Regrettably, it must be inferred that no conclusive case has yet been established to justify the Job Corps on the basis of past performance. The issue is not whether participants require aid. Their high unemployment rates, low wages and deficient education offer ample evidence that Job Corps enrollees need help. However, alternative, less costly, programs are available. There is a need therefore for more convincing data to prove that the expansive Job Corps program is justified.

# The Future

Considerable progress has been made by the Job Corps during its first two and a half years of operation. Discipline



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in the centers has been improved as a result of more effective screening and experience gained by administrators, counselors and teachers; the duration of stay by enrollees has been lengthened; course curricula have been developed; and relations between centers and surrounding communities have improved. However, much remains to be done before the future of the Job Corps as a viable instution is ensured.

# Cooperation with Vocational Institutions

From the beginning, the Job Corps, decided to "go it alone" without involving the vocational education establishment and state vocational education institutions, even though a number of states had previously operated vocational residential centers. Spokesmen for the Job Corps have recognized that closer cooperation with state vocational authorities could have broadened support for the program and added to its available professional capability. Involvement of state institutions might have ameliorated some of the tensions between centers and their neighboring communities. State operated centers could also have provided vehicles for experimenting with new According to an unand different program approaches. published report submitted by the Office of Economic Opportunity to the Senate Committee on Labor and Public Welfare, "There is great flexibility for innovation and experimental approaches in program content and in management. If this flexibility is properly exploited, many valuable lessons of potentially wide application throughout Job Corps and other similar programs may result." Nevertheless, the Job Corps, has done little to achieve a rapprochement with state vocational authorities: only 2 percent of Job Corps enrollment were in state related conservation centers in May 1967.

Recent proposals (H. R. 10682, 90th Congress) to place the Job Corps in the Vocational Education Division in the Office of Education presents inherent problems, despite the indicated advantages. Since the residential centers would be operated by state vocational authorities, it is likely that some would not acquiesce to establishing racially integrated residential centers. While few Job Corps centers were located in the southeastern states, where the problem is most acute, youths from these areas can enroll in centers outside their state or region. State operation of residential centers would intensify

problems of integration and probably preclude some youths from enrolling. Past experience has shown that federal proscription of racial discrimination does not solve the problem.

The vocational education establishment might also lack experience in handling the special problems of operating residential centers for disadvantaged youth. The Job Corps has gained considerable expertise in this area from its two and a

half years of experience.

Although there is a need to expand the base of support for the Job Corps and to involve more vocational educators in its operations, transferring the Job Corps to HEW is a doubtful solution. On the other hand, ignoring the capability of state and local vocational authorities in the operation of the centers has been a serious shortcoming of the Job Corps. The issue is not a new one. In the spring of 1966 the Advisory Commission on Intergovernmental Relations recommended that OEO "take positive steps to interest states in acting as prime or supporting contractors for Job Corps facilities...." The Commission's recommendations were ignored by OEO. It might be necessary therefore for Congress to take steps to assure that the recommendation is carried out.

### Ethnic Mix

A major problem of the Job Corps has been the continued increase in the proportion of Negro and other non-white enrollees, a factor which has contributed to the tensions experienced in centers and to the early departure of some enrollees. During the first year of the Job Corps, whites constituted a majority of the enrollees. By January 1967, the ethnic distribution of Job Corps enrollment was:

Caucasian - 31.0 percent Negro - 55.5 percent Other - 13.5 percent

Average white enrollment did not differ much by type of center. They constituted 29.5 percent of conservation center enrollment, 32.5 percent of men's urban centers and 32 percent of women's centers. In men's urban centers, enrollment of whites ranged from 28 percent to 38 percent in March 1967.

Even a more experienced and knowledgeable staff might have found the problems of achieving the proper balance



between discipline and freedom of corpsmembers difficult, if not insurmountable. Inducing southern whites, for example, to live with Negroes in racially integrated dormitories on a voluntary basis and to motivate them to train and learn together on a equal basis is certainly no mean accomplishment, even for an expert in social psychology. Few of the Job Corps staff, at least in the early days, were fully prepared to handle such problems. Understandably, Job Corps spokesmen have been hesitant to speak publicly concerning the danger that the Job Corps was becoming a segregated institution. When queried about the problem in late 1966, an OEO spokesman commented that the racial problem was "not quite an acute at this point as it might have been.", Nevertheless, it appears that the Job Corps officials were concerned about declining white enrollment; and in the spring of 1967 they instituted a special drive to enroll youths from Appalachia, a region of predominantly white population. Whether this drive will succeed in changing the ethnic distribution of enrollees was not known at the time this study was prepared.

There is no evidence that the learning effectiveness of enrollees would be lessened by segregation. However, it is
doubtful whether the Job Corps could remain a viable institution on a segregated basis. Centers which are predominantly
Negro or non-white will be even less acceptable to most surrounding communities. They are also likely to make it more
difficult to attract a high caliber staff. And, needless to say,
such a development would diminish Congressional and public
support.

### Age Mix

Another containing operational difficulty was the decline in age of enrollees. By the end of 1966, the latest date for which data are available, 16- and 17-year-olds constituted 55 percent of total enrollment. The age distribution at that time was:

Enrollees Age	Percent	Enrollees Age	Percent
16 years	30	19 years	14
17 years	25	<b>2</b> 0 years	8
18 years	20	21 years	3



The problem was twofold: younger enrollees tended to drop out early—only 10 percent of 16- and 17-year-olds stayed in the centers six months or longer-and many found that child labor laws or arbitrary age requirements prevented them from utilizing whatever training they did receive. Conscious of the problems created by the changing age composition of enrollees and the difficulty of keeping the younger ones in centers, policy-shapers attempted to remedy the situation. Several proposals were considered. It was thought that assigning younger enrollees closer to their homes would increase home visits and alleviate problems of "homesickness." Another alternative was to concentrate the 16- and 17-yearolds in special centers, using older corpsmen in these centers in leadership roles and in performing chores the younger ones were not permitted to do by law (such as driving vehicles and handling certain equipment). A third alternative was to secure a commitment from enrollees that they would stay in the center for at least a year, and then designing special educational and training curricula suitable for a longer time period. A fourth, and probably most promising, alternative was to convert some conservation centers to experimental institutions stressing education to prepare 16- and 17-yearold enrollees to attain the equivalent of a high school education and to prepare those motivated for further educational advancement.

Other pressures seemed to intervene, however, and Job Corps operations were altered little to make the centers more attractive to younger enrollees. The statistics cited earlier indicate that little progress has been made to decrease the disturbingly high dropout rate among this group. Designing ways and means to keep, as well as educate and train, the younger enrollees remains a crucial problem for the Job Corps.

To provide incentives for enrollees to extend their stay, the Director of OEO exercised discretionary authority granted by Congress and gave center directors the authority to raise the basic monthly allowance from \$30 to \$50. However, relatively few enrollees benefited from the liberalized rates, as shown by the following tabulation for May 1967:



Monthly Pay	Distribution Authorized By OEO	Percent of All Enrollees (May 1967)
<b>\$</b> 30	<b>35</b> %	74
35	35	11
40	10	8
45	10	4
50	10	3

In addition, OEO proposed to amend the provision which entitles every corpsmember upon termination of his enrollment to receive \$50 for each month spent in a center. (The enrollee may use half of the readjustment allowance to support his family, in which case the government matched the amount; three of every four corpsmembers took advantage of this option.) By denying any readjustment allowance to a former enrollee who left the Job Corps before 90 days, the recommended change would use the allowance as a carrot to discourage youths from dropping out, at least during the initial three months.

### Viability of Job Corps

The experience of the Job Corps is reminiscent of the little girl with the curl: "When she was good, she was very, very good; when she was bad, she was horrid." For youths who stayed long enough to complete an assigned course of study, the experience has been meaningful and has helped them to gain employment at a higher wage level than they might have otherwise realized. But too few corpsmen remain in centers long enough so that the education and training they receive is meaningful in the outside world. Despite the current vogue of "the culture of poverty," studies have indicated that the aspirations of corpsmen are not very different from those of middle-class youth. Four of every five corpsmen stated that they enrolled in a center to "learn a trade," and more than half said they wanted to "get an education." Based on his extensive studies of aspirations by youths from impoverished homes, Dr. David Gottlieb concluded that: "... lower income youth do in fact seek a better life, a life which has the dimensions of what we come to identify with the middle-class."25



Not surprisingly, he found that poor youths discover this goal illusive.

The Job Corps is one institution with the potential of help ing poor youth to bridge the gap between aspirations and reality. The harsh fact is that it has helped only a minority of those who sought its aid, despite the relatively ample resources that were allocated to it. The future of the Job Corps as a viable institution therefore remains in doubt. It will depend upon its ability to perform the Herculean tasks of operating efficiently residential centers where poor youths will remain long enough to gain an experience meaningful to their future, and of persuading the dominant sectors of the population that the effort is worth the investment.

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# 3

# NEIGHBORHOOD YOUTH CORPS

The goal of the Neighborhood Youth Corps was stated by its originator, then Senator Hubert H. Humphrey, during the course of the Senate debate on the Economic Opportunity Act: "To put idle youth to work constructively and, in some cases, to help prevent high school dropouts by providing part-time work. This program ... would provide many needed community jobs." NYC thus had two separate but related components: a part-time job creation program for youths attending school and a separate full-time work program for idle 16-20-year-olds, mostly high school dropouts. As the program evolved, a third component—provision of summer employment opportunities—has been added.

Despite improvement in economic conditions since the Act was passed, the potential clientele of NYC remains about 2.7 million: more than two million attending school (including 1.2 million 14- and 15-year-olds made eligible by the 1966 amendments to the Act), and another half million unemployed who dropped out of high school.

# **Program Funding and Administration**

Given the large eligible population, it is not surprising that the resources allocated to the program were inadequate to meet total needs. The program has, however, enjoyed considerable popularity with Congress and a total of \$773 million



has been allocated to NYC during its first three years of operations, as follows:

Fiscal 1965 - \$130 million Fiscal 1966 - 271 million Fiscal 1967 - 372 million

In 1967 funding exceeded the Administration's request; at the same time recommended funding for the Job Corps was cut. Moreover, the initial NYC allocation of \$325 million in fiscal 1967, compared with the original budgetary recommendation of \$300 million, was supplemented in May 1967 by an additional appropriation of \$47 million to provide for the expansion of the program during the summer of 1967. Although the Administration requested only \$321 million for fiscal 1968, it is still too early to determine whether the program has reached a plateau.

The popularity of the program is understandable. As many as one million youths may have benefited from the program. The exact number is not known since the same youth may have been in several NYC programs. Many youths received aid from in-school projects and from summer programs; in addition, some in-school participants may also have enrolled in the out-of-school program if they had meanwhile completed or dropped out from school. A youth enrolling in a NYC project. regardless of the component, normally receives \$1.25 an hour, the federal minimum wage at the time the legislation was enacted. Some projects may pay a somewhat higher rate but rarely more than \$1.40 an hour. The number of hours for which a youth is paid depends upon the type of project. For in-school projects the maximum is 15 hours per week, for out-of-school 32 hours, and for summer programs 28. During 1967, the actual number of paid hours averaged about 4 below the maximum for each type of project.

The distribution of federal funds allocated to NYC by program component is presented in Table 8. Most of the increase between 1966 and 1967 went to the out-of-school component, which has been most difficult to develop. In most cases, inschool and summer projects were sponsored by school systems, which also provided ready-made work within the school system for the participants. The development of



TABLE 8

Funding of NYC
Fiscal 1967 and 1968

	196	5 <b>7</b>	Proposed 1968		
Program	Funds (Millions)	Cost Per Slot	Funds (Millions)	Cost Per Slot	
Total	\$325.0 <sup>a</sup>		\$321.0		
In-School	68.3	<b>\$</b> 650	67.8	\$ 640	
Summer	85.8	520	88. <b>0</b>	530	
Out-of-School	159.9	2,930	152.7	3,050	
Administration Research and	8.0	7 	9.0		
<b>Demonstration</b>	3.0		3.5		

<sup>\*</sup>Excludes \$47 million appropriated for 1967 summer programs. Source: Office of Economic Opportunity.

projects and assignments for out-of-school youth, on the other hand, has proved a time-consuming process.

At the federal level, the OEO Director delegated responsibility for NYC to the Secretary of Labor, who established a separate bureau to administer the program. As additional antipoverty manpower programs were delegated to the Secretary of Labor, they were combined with NYC to form the Bureau of Work Programs. Thus far the Bureau has been almost exclusively concerned with distributing federal funds and approving projects sponsored by local groups.

The sponsors of NYC projects have been about equally distributed among community action agencies, public schools, and other public agencies or private nonprofit agencies. Table 9 presents the distribution of sponsoring agencies during the first half of fiscal 1967. The use of public schools as sponsors of NYC projects decreased from the preceding fiscal year when they accounted for more than 40 percent of the nearly 1,500 approved projects, a fact which reflected the relatively greater emphasis on in-school projects.

Until October 1966, work assignments of NYC enrollees were limited to public and nonprofit organizations. The 1966 amendments authorized the extension of job training opportunities to private industry; but more than six months



TABLE 9

Distribution of Neighborhood Youth Corps Projects by Type of Sponsoring Organization (July 1 through December 31, 1966)

	Pr	ojects	Enrollment Opportunities		
Type of Sponsoring Organization	Number	Percent Distribution	Number	Percent Distribution	
All Types	937	100.0	257,721	100.0	
Community action agencies  Public agencies  Public schools  State agencies	327 524 330 39 50	34.9 56.0 35.3 4.2 5.3	79,636 153,602 89,171 17,783 13,402	30.9 59.6 34.6 6.9 5.2	
County agencies Municipal agencies Tribal Councils Other public	67 21	7.2 2.2	21,906 2,320	8.5 <b>0.</b> 9	
agencies	17	1.8	9,020	3.5	
Private nonprofit agencies <sup>a</sup>	86	9.1	24,483	9.5	
Religious- affiliated Other private	21	2.2	5,412	2.1	
nonprofit agencies	65	6.9	19,071	7.4	

\*Includes organizations which also may be CAA's.

Source: Bureau of Work Programs, U.S. Department of Labor.

elapsed until guidelines for the new program—called Work Training in Industry—were developed, and approval of the first project was delayed for another three months, until June 21, 1967.

Another 1966 amendment extended the scope of the inschool program, qualifying students in grades 9 through 12 to enroll in NYC projects. Formerly eligibility was limited to students aged 16 to 22. No information was available on the extent to which students aged 14 and 15 were enrolled in NYC projects.

The requirement that sponsors contribute only 10 percent of costs, which may be made in kind, presents a serious



problem for the program, particularly in connection with out-of-school projects. Agencies which provide jobs—work stations or work opportunities, in the parlance of the program—secure NYC labor at minimal or no cost and have little incentive to provide productive or meaningful work. Thus, only marginal employment opportunities may be provided, a fact which appears significant particularly for out-of-school projects. On the other hand, it is not at all clear that a sufficient number of sponsors could be found if they had to share significantly in the actual costs of running the projects. The fact that NYC labor is for all practical purposes free labor for the sponsors and cooperating agencies may seriously jeopardize a major goal of the program—"meaningful" work for the enrollees.

### **Characteristics of Enrollees**

By definition NYC enrollees come from impoverished families, though a number of project sponsors have been known to stretch somewhat the income qualifications of enrollees. A profile of the characteristics of enrollees indicates that they were drawn from the economically deprived sector of the population (Table 10). The typical enrollee came from a large family (six persons) whose median income ranged between \$2,000 and \$3,000; one of every four families was on public assistance. The enrollee completed 10 years of schooling, though no data are available on his actual achievement level. One of every four out-of-school enrollees had completed only eight years of schooling or less, while one of every five had completed high school. In-school enrollees had not yet completed their education, and it was hoped that with the aid of NYC they would at least finish high school.

## In-School and Summer Program

The NYC in-school program concentrates its resources on paying wages to enrollees. Though the regulations authorized a maximum of 15 hours paid employment per week, the program provided an average of only 11 hours of work. This decision reflected budgetary limitations and was aimed at spreading limited resources to a maximum number of





TABLE 10

Characteristics of NYC Enrollees
September 1965-August 1966

		Percent	
Characteristic	In-School	Summer	Out-of-School
Sex - male	53	59	57
Race - white	59	49	48
Age			
16	<b>2</b> 8	30	9
17	42	44	22
18	21	20	<b>2</b> 5
19	6	5	21
20-21	2	2	22
Marital status			
Married	1	1	9
Separated or divorced			3
Highest grade completed			
8 or less	9	6	19
9	18	17	19
10	35	35	21
11	35	37	16
12	2	4	19
Median	10th grade	10th grade	10th grade
Number of persons in family			•
1-2	5	4	11
3-4	22	21	25
5-6	<b>2</b> 8	<b>2</b> 8	23
<b>7</b> -8	23	22	19
Over 8	23	25	21
Median	6 persons	6 persons	6 persons
Percent families with			
income below \$3,000	69	n.a.	71
Youth lives with:			
Both parents	58	<b>57</b>	44
Father only	3	2	3
Mother only	<b>2</b> 9	31	29
Other	11	10	24
Family Living on Public			
Assistance	<b>2</b> 6	27	27

Note: Details may not add to 100 percent because of rounding. Source: Bureau of Work programs, U.S. Department of Labor.



participants. The \$68 million allocated for in-school programs during the school year 1966-67 was designed to provide 105,000 slots of 40 weeks duration at a unit cost of \$650, excluding the 10 percent nonfederal share normally contributed in kind. Although it is not known how long the average in-school enrollee remained on NYC payroll, for purposes of planning NYC officials assumed that over the school year the 105,000 slots would be filled by 188,000 youths, or roughly three youths for every two slots.

A total of \$106 million was allocated for the 1966 summer program from fiscal 1966 and 1967 budgets. The average project lasted 10 weeks and provided 26 hours work per enrollee, at a planned federal cost of about \$500 per slot. Based on these calculations, the summer program would have handled more than 200,000 enrollees. As a result of the \$47 million supplementary appropriation for the 1967 summer program, enrollment was expected to be higher than in the previous summer. Only minor changes in unit costs were planned.

Most in-school work assignments consist of performing diverse chores around the schools, including clerical work, teachers' aides, library assistants and various custodial work.

The crucial test of the effectiveness of the in-school program is whether it provides sufficient incentives for enrollees to complete their high school education. Thus far no conclusive data have been developed on this question. In response to an inquiry concerning the impact of the program on school dropout among enrollees, the Bureau of Work Programs maintained in an unpublished report to the Senate Committee on Labor and Public Welfare that "there is evidence to indicate that the NYC in-school program has had a decisive effect on helping to curb the increase of youth dropping out of school." Evidence cited for this conclusion consisted of a number of anecdotes and reports from project directors. On the other hand, an NYC-sponsored study of 15 in-school projects concluded that "a comparison of academic performance and absences among students prior to NYC enrollment and after one semester's enrollment in the program has revealed no significant change in either variable studied." The report failed to reach any conclusions about



the impact of the NYC enrollment in encouraging enrollees to remain in school.

According to another study sponsored by NYC, 86 percent of in-school project directors thought that participation in the program would contribute to enrollee "success"—which was defined as "helping the enrollees to stay in school and get better marks as well as stirring up their interest in school and future occupation." Nevertheless, the authors of this study apparently gave little weight to the project directors' impressions, concluding that additional research was needed to determine to what extent in-school NYC retarded school dropout.

A persuasive case for the program is contained in two separate surveys by the District of Columbia and Pittsburgh school systems. The Washington study examined dropout rate, attendance, scholarship and deportment of 122 NYC youths during the 1964-65 academic year and 165 NYC students during the subsequent year. Because the District of Columbia school system gave priority for NYC enrollment to eligible students who were "judged to be potential dropouts" and who had other problems, it was assumed that the potential dropout rate of NYC enrollees would be at least as high as that for the rest of the students in the three high schools studied. The actual dropout rate for the NYC enrollees was only 10 percent of the predicted rate. As for the other variables, the study concluded that NYC participation had no impact upon attendance, scholarship or deportment grades.

Other evidences of NYC's effectiveness have emerged from experience in the Nation's Capitol. On the basis of limited experience with privately-funded support of 14- and 15-year-olds, Dr. Joseph M. Carroll, the District School System's director of Research, Budget and Legislation Division, observed that extending NYC to this age group would further reduce the dropout rate among impoverished youth.

The Pittsburgh results, though less startling than those of Washington, are considerably more comprehensive and constitute an impressive case for in-school NYC. The study presents a convincing affirmative answer to the question of "whether there is any tangible evidence to indicate that the Neighborhood Youth Corps Program as it has been operating in the Pittsburgh Public Schools is making possible a



Yet the effectiveness of NYC in deterring dropouts has yet to be demonstrated satisfactorily. It is conceivable, for example, that NYC has attracted the more highly motivated impoverished youths. Thus, their lower dropout rates could be attributable to prior factors independent of NYC's effect. For example, a sample survey by NYC showed that most of the 1966 summer enrollees (98 percent) attended school prior to enrolling and that 96 percent returned to school in the fall. Yet this study noted that "counseling and remedial education were largely ineffectual or non-existing in many projects visited." The survey also suggested that "the NYC summer program still is not an effective vehicle for attracting young dropouts back to school." The same study showed that one of every four enrollees dropped out of the project before completion. But the same proportion of this group returned to school as those who stayed with their projects until termination.

### **Out-of-School**

The out-of-school program has been in a state of flux during the first half of 1967. Congressional amendments enacted in October 1966 expanded the scope of the program, authorizing the placement of enrollees with private employers. Prior to these amendments, NYC enrollees could be placed only with public or nonprofit institutions. However, some time



was required for the Labor Department, in cooperation with the other agencies involved, to prepare new guidelines and regulations for implementing the Congressional amendments. The first contract for placing NYC enrollees with private employers was not signed until June 1967. Also, prior to 1966 the law discouraged NYC enrollees from being placed in MDTA institutional projects where payments to youth were limited to \$20 a week, because earnings on NYC projects could be double that amount. The 1966 law permitted out-of-school enrollees transferred to MDTA programs to receive regular adult allowances.

There has also been considerable discussion of providing enrollees various supportive services to make the NYC experience more meaningful and encourage enrollees to remain for a longer period. These plans were apparently abandoned, since the proposed cost per slot during fiscal 1968 was raised by only 3 percent over comparable costs during the preceding year.

# Program Costs

The out-of-school program is, of course, more expensive than the in-school component. The plans for fiscal 1968 called for an average cost per slot of nearly \$3,000, 70 percent allocated for enrollees' wages with the balance for administration and supportive services. The administrative regulations authorized a weekly maximum of 32 hours' pay, normally at the rate of \$1.25 an hour. Enrollees were not compensated for time spent in counseling and remedial education. NYC officials seemed to have reasoned that enrollees should be reimbursed only for work performed; participation in services provided for their benefit was to be done on their own time. More probably, the regulations reflected criticism from some over the payment of \$1.25 per hour to enrollees. In many states this would provide earnings in excess of the average allowances paid to adults in MDTA courses. In some states it would exceed the prevailing wage for unskilled labor.

Based on an average annual cost per slot, the \$153 million allocated to the out-of-school program should have provided some 50,000 full-year jobs. The actual number of enrollees, of course, depends on the length of time that enrollees remain



on NYC rolls. Table 11 shows how NYC funds were distributed by function during the first half of fiscal 1967. The greater portion of federal funds (60 percent instead of the planned 70 percent) went to pay the wages of participants. The table

TABLE 11

Distribution of Out-of-School Funds by Function
July 1 - December 31, 1966

(Funds in Millions)

Item	Total Funds	Per- cent	Sponsors' Share	Per- cent	Federal Funds	Per- cent
Total	\$129.7	100.0	\$19.1	100.0	\$110.5	100.0
Wages to Enrollees	88.9	68.6	.1	.7	88.8	80.3
Counseling	5.6	4.3	1.1	6.0	4.4	4.0
Basic Education	1.0	1.8	.8	4.0	.2	.2
Other Supportive						
Services <sup>a</sup>	1.7	1.3	.4	2.2	1.3	1.1
Supervision	17.9	13.8	14.1	73.6	3.8	3.5
Project Adminis-						
tration <sup>b</sup>	11.8	9.1	1.9	9.9	9.9	8.9
Other	2.8	2.2	.7	3.6	2.2	2.0

Note: Details may not add to totals due to rounding.

Source: Bureau of Work Programs, U.S. Department of Labor.

does not show the total resources a located to the program, however, because NYC relied on the sponsoring organizations to use their initiative in providing needed supportive services to enrollees. The extent to which sponsoring organizations were able to obtain "free" supportive services varied widely, depending upon the resourcefulness and ability of project personnel and the resources available in the area. In some cases, additional funds were available from other federally-supported programs. Many NYC out-of-school projects



<sup>\*</sup>Includes recruitment, job development, health examinations and other services.

<sup>&</sup>lt;sup>b</sup>Includes staff wages and fringe benefits, travel expenses, office equipment, rent, insurance and bonding.

cIncludes enrollee transportation, tools, and direct enrollee costs.

obtained funds for remedial education through the Elementary and Secondary Education Act.

Providing supportive services from NYC funds would, of course, have increased the cost per slot and reduced the number of youths that could be served. Sample surveys have indicated that these additional costs could have been high. For example, it was estimated that remedial education would cost \$400 annually per enrollee. Other surveys have indicated that perhaps 50 percent of out-of-school enrollees need various forms of medical assistance. A study of the NYC out-of-school program in Pittsburgh showed that the city had to call upon a wide variety of public and private agencies to secure the necessary services. These agencies included the state employment service, the state vocational rehabilitation administration, the county health department, family service agencies, clinics in hospitals, the city Board of Education, Catholic recreation centers, and various neighborhood centers.7

### Program Content

According to a study prepared for NYC by Dunlap and Associates, enrollees who left projects during the first nine months of 1966 were on NYC payrolls for an average of about four months and a median of 14 weeks. Since then the retention rate of NYC has apparently improved. For fiscal 1967, NYC planned that each annual slot would accommodate nearly two enrollees; according to NYC this goal had been surpassed by the end of the year. More recently, detailed data are not available on the duration of enrollment, and information on past retention is included in the Dunlap study of 1,988 former enrollees who were interviewed about their NYC and post-NYC experience.

The Dunlap study, which surveyed participants from 50 projects, disclosed that former enrollees were assigned to a variety of work situations. But the broad occupational classifications used in this and other studies throw very little light upon the extent to which enrollees were assigned to "meaningful work stations," a major goal of NYC. What can be gleaned from the classifications suggests that the majority of the girls were assigned to clerical and health work, while the boys were most often assigned to maintenance.



custodial and cleanup ("conservation or beautification aides") work.

The NYC dropout rate also varied by sex, and sex had something to do with it. One of every seven girls stated that she left NYC because of marriage or pregnancy. While other personal reasons were important contributing factors, it would appear that a significant proportion of the terminations could have been avoided by more effective counseling, pills and more compelling program content. Inadequacy of funds seems to have been another major factor, but project administrators and the enrollees seemed to differ over the significance of this factor. (Table 12)

Given the relatively limited stay in NYC and the incomplete supportive services that were offered, it is not surprising that the experience had only a limited impact upon participants. The Dunlap survey presents a tediously detailed breakdown of enrollees' activities between the time they left NYC projects and the time of the study, 5 to 15 months later. Based on these data, it is possible to separate the former enrollees into two groups: those who are engaged in constructive activities, including work, training, schooling and looking for work; and those who were neither in the labor force nor in school. The fact that performing household duties, including pregnancy, is included among the unproductive activities is no reflection upon domesticity or motherhood, but stems from the assumption that these activities are unrelated to NYC experience. (Table 13)

The duration of stay had a very minor impact upon the proportion of former enrollees who were engaged in the constructive activities. About three of every five youths were engaged in these activities regardless of the length of time they spent in the Corps. While there is a positive correlation between duration of stay and the proportion who were engaged in full-time and part-time work, the proportion of those returning to full-time schooling varied inversely with the length of the NYC enrollment. It is of some significance that enrollees who remained longest in NYC—for more than 29 weeks—were somewhat more likely to be found in constructive activities than enrollees who left the program earlier. Moreover, the longer a youth remained in NYC, the less were his chances of being placed in a correctional institution. But the



TABLE 12

Reasons for Leaving NYC Projects (Percent)

Reasons for Leaving NYC Given by:		nsor	Enro	llees
	Male	Female	Male	Female
Total	100.0	100.0	100.0	100.0
Employment	22.5	21.0	16.1	14.8
Training, Schooling and Armed Forces	<b>18.2</b>	10.8	14.2	8.5
Armed Forces	3.8	0.1	0.8	
Full-time School	8.0	7.3	9.8	6.4
Job Corps	4.3	1.1	2.0	0.8
Other	2.1	2.3	1.6	1.3
Looking for Other Job	2.1	2.1	7.6	3.7
Personal	7.8	23.1	16.8	32.0
Moved from Area	3.6	5.6	1.7	2.2
Care for Family	0.3	5.7	0.8	6.6
Marriage or Pregnancy	0.1	7.4	0.3	13.4
Insufficient Earnings	1.7	0.7	10.9	4.6
Others*	2.1	3.7	3.1	5.2
Behavioral	24.6	14.7	15.1	8.9
Poor Attendance	8.9	4.8	1.4	0.2
Lost Interest	6.2	3.7	3.1	2.3
Couldn't Adjust	4.1	3.9	1.4	0.6
Disliked Staff or Job Content	0.2		6.4	5.0
Other <sup>b</sup>	5.2	2.3	2.8	0.8
Eligibility	7.6	13.8	19.4	26.9
Completed Enrollment	4.4	7.6	9.4	14.0
Other <sup>c</sup>	3.2	6.2	10.0	12.9
Other	2.7	2.4	5.5	2.0
Unknown or No Answer	14.4	12.1	5.0	2.9

\*Includes illness or injury; poor hours or inadequate transportation facilities to project.

bIncludes misconduct; lack of progress; didn't attend remedial class; committed to institution.

'Includes project ended; program reduction; became ineligible for age or income; asked to leave.

Note: Details may not add to 100 percent because of rounding.

Source: Derived from Dunlap and Associates, Survey of Terminees from Outof-School NYC Projects, May 1967.

incidence of unemployment remained alarmingly widespread among all groups. More than one of every five was unemployed or not even looking for work; the actual number may have been even larger since some of those who described their activity as being housewives or caring for family might have preferred remunerative employment, if jobs were available. However, the proportion of unemployed among former



TABLE 13

Status of Former Enrollees Who Left NYC January-September 1966
by Length of Time in Program
Interviewed 5 to 15 Months After Termination

(Percent)

		We	eks in N	YC	
Activity	Less than 4	5-12	1°-20	21-28	29 or more
Total	100.0	100.0	100.0	100.0	100.0
Work, Training and School	57.9	55.7	58.7	57.7	62.7
Work or Training	41.9	40.6	46.8	45.4	49.1
Full-time work	<b>24</b> .3	29.0	31.1	31.4	37.7
Part-time work	5.7	2.7	4.0	3.8	5.1
Armed Forces	6.2	5.6	5.2	4.7	5.9
Job Corps	4.9	1.8	3.5	3.3	
MDTA and other training	0.8	1.5	3.0	2.2	0.4
School	11.6	12.1	8.2	5.4	6.4
Full-time	10.1	10.8	5.7	3.8	5.1
Part-time	1.5	1.3	2.5	1.6	1.3
Combination Work and School	4.4	3.0	3.7	6.9	7.2
Looking for Work	16.5	15.9	15.4	19.8	13.1
Not in Labor Force or School	25.6	27.8	25.6	22.3	24.2
Housewife (including pregnancy)	8.3	13.0	10.2	11.8	11.9
Caring for Family	0.8	0.8	3.5	2.5	1.7
Illness	1.6	1.7	0.7	0.3	1.3
Correctional-Institution	7.7	4.5	3.5	2.2	2.1
Not Working-Not Looking	7.2	7.8	7.7	5.5	7.2
Deceased		.3			

Note: Details may not add to 100 percent because of rounding.

Source: Derived from Dunlap and Associates, Survey of Terminees from Out-of-School NYC Projects, May 1967.

NYC enrollees is no greater than for youths who completed MDTA institutional courses. Particularly disturbing was the fact that 7 percent were not in school and were neither working nor looking for work. The size of this group did not vary with the duration of NYC experience.

There is evidence that NYC has opened employment opportunities, especially for female enrollees. Thirteen percent of the women who worked after leaving NYC were employed in the agencies which had provided their NYC work assignments. For males the comparable percentage was only 5 percent. These data suggest that work assignments for women were to a large extent an integral part of agency operations and less "make work" than for males.

For these former enrollees, the NYC experience opened



future job opportunities. Robert Schrank, Director of NYC programs for New York City and a recognized authority on youth employment, observed:

One of the greatest benefits for enrollees is learning how to navigate through the bureaucracies . . . This is what many of the enrollees don't know. Being in the Neighborhood Youth Corps gives them a chance to learn . . . That's one of the things we mean by employability.

The Dunlap survey also endeavored to determine the activities of former enrollees for the 40 weeks after they left NYC. The results indicate that even during this short period, as the youths matured, an ever larger proportion entered full-time employment and the proportion of unemployed declined. During the first week after they left NYC, nearly one of every three was either unemployed or not looking for work, or attending school. Still, even 40 weeks after leaving NYC, one of every five remained in these categories. (Table 14) As might be expected, the sex of the enrollee had a significant bearing upon the participants' post-NYC career. A larger proportion of males were working full-time or enrolled in the Job Corps, and one of every ten was in the Armed Forces; more than one of every four women, however, was engaged in homemaking or maternal responsibilities. (Table 15)

# Rhetoric and Reality

The law imposes two demanding tasks upon the administrators of the Neighborhood Youth Corps. They are directed to provide both preventive and remedial assistance to impoverished youth. The former is to be accomplished by providing part-time employment so that enrollees can resume or continue their schooling. For those youths who have dropped out of school and are not inclined to resume their education, NYC is charged with the responsibility of helping them "to develop their maximum occupational potential." In fiscal 1967, this was to be accomplished with \$372 million of federal funds, plus 10 percent or more in state and local funds which could be contributed in kind.

Faced with the decision of allocating limited resources, the



Status of Former NYC Enrollees Who Left NYC
January-September 1966 Within Specific Times After Leaving
Interviewed 5 to 15 Months After Termination

(Percent)

Activity	Time Elapsed Since Left NYC			
	1 Week	13 Weeks	30 Weeks	40 Weeks
Total	100.0	100.0	100.0	100.0
Work, Training and School	49.8	61.2	61.4	59.4
Work or Training	40.4	48.0	<b>52.</b> 5	49.2
Full-time work	<b>2</b> 9.5	34.9	37.7	34.1
Part-time work	6.2	5.9	5.9	5.0
Armed Forces	1.5	3.2	4.9	5.7
Job Corps	2.4	3.0	3.2	3.0
MDTA and other				
training	0.8	1.0	<b>0.</b> 8	1.4
School	7.0	9.0	6.0	<b>6.</b> 6
Full-time	5.5	7.7	4.6	<b>5.2</b>
Part-time	1.5	1.3	1.4	1.4
Combination Work and				
School	2.4	4.2	2.9	3.6
Looking for Work	20.7	14.0	<b>12.</b> 8	<b>12.</b> 6
Not in Labor Force or School	<b>25.4</b>	22.1	<b>24.</b> 9	<b>26.</b> 8
Housewife (including				
pregnancy)	8.6	9.9	10.2	11.3
Caring for family	1.6	1.7	1.1	1.5
Illness	1.5	1.0	0.8	1.0
Correctional Institution	1.5	2.1	4.2	4.4
Not working—not looking	12.2	7.4	8.6	8.6
Unknown	4.2	2.6	.9	1.0

Note: Details may not add to 100 percent because of rounding.

Source: Derived from Dunlap and Associates, Survey of Terminees from Out-of-School NYC Projects, May 1967.

Administration determined to divide NYC funds nearly equally between the in-school program (including summer projects) and the out-of-school program. There was little doubt that much larger amounts could be profitably utilized by in-school projects, assuming that the program induces potential dropouts to continue with their schooling. The available evidence, though limited, suggests that the in-school program is accomplishing its purpose.



TABLE 15
Status of Former Enrollees Who Left NYC
January-September 1966 by Sex
Interviewed 5 to 15 Months After Termination

(Percent)

Activity	Male	Female
Total	100.0	100.0
Work, Training and School	67.3	<b>48.2</b>
Work and Training	54.1	33.1
Full-time work	<b>32.</b> 8	<b>2</b> 6.8
Part-time work	4.0	4.2
Armed Forces	10.3	0.3
Job Corps	4.4	1.1
MDTA and other training	<b>2.</b> 6	0.7
School	9.5	9.5
Full-time	8 <b>.3</b>	7.2
Part-time	1.2	2.3
Combination Work and School	3.7	<b>5.</b> 6
Looking for Work	<b>1</b> 6.8	<b>15.</b> 8
Not in Labor Force or School	15.7	35.7
Housewife (including pregnancy)		23.0
Caring for Family	0.1	3.5
Illness	1.6	0.7
Correctional Institution	7.4	9.0
Not Working-Not Looking	6.6	7.7
Deceased	0.1	0.1

Note: Details may not add to 100 percent because of rounding.

Source: Derived from Dunlap and Associates, Survey of Terminees from Out-of-School NYC Projects, May 1967.

Administration spokesmen have been known to protest the suggestion that the NYC summer program is "anti-riot" insurance. Their discomfort is understandable. It would have been preferable if the program had been instituted voluntarily as a response to need, rather than a reaction to pressures and even violence. The pertinent fact is that the program is unquestionably needed. Given this fact of life, the program's antecedents are of secondary importance.

Administering the out-of-school program has proven to be



more difficult. The major issue has been whether funds should be distributed among the maximum number of potential beneficiaries, or whether projects should be enriched by diverse supportive services which would increase the unit costs and thus limit the number of participants. Congress and the Administration decided to try for the best of both worlds. While cutting unit costs to the bone, they substituted exhortation for brick and mortar, requiring NYC "to develop ... maximum occupational potential" of enrollees. Having decided to forego rehabilitative efforts under the out-of-school NYC program, it would appear that Congress determined instead to assume the responsibility—to the extent that funds permitted of making the government an employer of last resort for youths who cannot secure gainful employment in the competitive labor market. Unfortunately, the rhetoric of the antipoverty war has often gone beyond this "modest" but essential goal. Program administrators have therefore made exaggerated claims for the "achievements" of their program. Reasonable people must be pardoned for wondering whether the claimed results are possible of attainment with the limited

The goal of developing new careers and equipping disadvantaged youth who missed the opportunity at school is noble and in line with our democratic traditions. However, the more pressing need of these youth is to secure a job which will provide them at least minimum support. The out-of-school NYC program fulfills for many enrollees this minimum and immediate need, but it is misleading to claim that it does more than that. NYC performs a useful function as an "aging vat," helping youths when it is most difficult for them to find employment. The rationale for viewing NYC as an "aging vat" rests on the fact that unemployment rates among youths decline as they mature into adulthood. There is room, therefore, for a program which provides youth with income and work during their early years in the labor force, even if it does not provide them education and training.

The reaction of former enrollees to their NYC experience seems to be more realistic than that of the program adminstrators. The available data indicate that the majority of former enrollees joined NYC to get a paying job to tide them over until a better opportunity arose. Most of them thought



that NYC lived up to the expectations and that the experience improved their chances for future employment.

The positive reaction of former enrollees must be weighed against the early departure of a majority of them, and the fact that nearly two of every five who found jobs did not use NYC as a reference. In addition, nearly five of every six enrollees thought that they would need additional education or training to meet their occupational goals. Whether they possess the ability and motivation to realize their goals is another matter, but if they are to have a chance it will be necessary to develop the institutional arrangements and adequate support to help them.

#### **Footnotes**

- 1. Congressional Record (Daily Edition), July 23, 1964, p. 16219.
- 2. Dunlap and Associates, "Evaluation of Neighborhood Youth Corps Projects," March 1966, p. 12 (mimeographed).
- 3. National Opinion Research Center, University of Chicago, "Characteristics of Neighborhood Youth Corps In-School Projects," April 1967, p. 76 (mimeographed).
- 4. District of Columbia Board of Education, Department of Research, Budget and Legislation, "Work Scholarship Program Evaluation," April 25, 1967 (mimeographed).
- 5. Pittsburgh Public Schools, "Neighborhood Youth Corps: Holding Power Study, School Year 1965-66," March 1967, p. 4 (mimeographed).
- 6. U.S. Department of Labor, Neighborhood Youth Corps, "An Analysis of the NYC Summer Program," March 21, 1967 (Memorandum to NYC Field Staff).
- 7. "Pittsburgh Neighborhood Youth Corps," Congressional Record (Daily Edition) May 9, 1967, p. H2535.
- 8. Dunlap and Associates, "Survey of Terminees from Outof-School Neighborhood Youth Corps Projects" (Darien, Connecticut: Dunlap and Associates), May 1967.



# 4

# WORK EXPERIENCE AND TRAINING

Assistance for Long-term Unemployed

A major gap in our Social Security System is the lack of provision for persons subjected to long-term unemployment. Unemployment insurance provides income support for short spells of forced idleness, but the system is not universal and about one of every four wage and salary earners is not covered by unemployment insurance. Many workers in the noncovered industries are subject to higher incidence of unemployment than those in covered industries. They include workers in agriculture, domestic workers and employees in small establishments—groups which alone employ more than 6 million workers. Nor does the Social Security System provide income support to workers who become temporarily disabled. Except in four states we ach make provision for temporary disability, workers must be available for work in order to become eligible to collect unemployment insurance.

The Social Security Act provides federally-assisted direct relief for four categories of persons who are basically unemployable: the aged, the blind, the permanently disabled, and families with dependent children. Prior to 1961, the Aid to Dependent Children program was directed to children whose parents were dead, disabled, or absent. In that year the program was enlarged to include children denied support because their parents were unemploy. But the adoption of Aid to Families with Dependent Children with Unemployed Parents (AFDC-UP) was left to the states; and by mid-1967, six years after the legislation was enacted, only 22 states



had adopted AFDC-UP. In the other 28 states and in the District of Columbia, children of destitute families are not eligible to receive any federally-supported aid if an unemployed, physically-able father is living with the family. And in 17 states no general or local assistance is provided (except in a few emergency situations) for destitute families with an unemployed father or other employable adult person.

The nation still lacks a universal program of income support, training or employment for persons forced into idleness. AFDC-UP, in the 22 states where it is available, applies only to destitute unemployed persons with family responsibilities. The Work Experience and Training Program inaugurated under the Economic Opportunity Act, as well as related training and job creation programs, are an attempt, albeit limited in scope, to provide for the needs of unemployed and underemployed adults who are handicapped in competition for jobs in the labor market.

# "Rehabilitation Instead of Relief"

The presumption prior to the passage of AFDC-UP was that recipients of public assistance were outside of the work force. Accordingly, federal public assistance funds could not be used to provide "work."

The presence of "employable" parents on relief prompted Congress, in 1962, to amend the Social Security Act (Section 409) to permit expenditures for AFDC-UP to be made in the form of payments for work. The purpose of the amendment was twofold: to allay public criticism of relief payments to persons able to work, and to create work relief projects to help train and "rehabilitate" relief recipients. The justification for "working off" of relief assistance was that it is better for the recipients' morale and that it can provide useful public services under safeguards which prevent exploitation or the displacement of regular workers. The formal emphasis on training and rehabilitation also reflected the nascent movement in the early sixties toward more organized manpower and training programs for the disadvantaged.

# Community Work and Training

The 1962 amendments to the Social Security Act encouraged states to adopt Community Work and Training programs



designed to offer more meaningful work relief and to help AFDC-UP recipients achieve economic independence. As President Kennedy expressed the idea, upon signing the amendments on July 26, 1962, the system should aim at ... rehabilitation instead of relief, and training for useful work instead of prolonged dependency.... These amendments were thus forerunners of the increased federal involvement in training and work experience for various disadvantaged groups represented by the "war on poverty" two years later.

The concept of providing meaningful work training for persons on relief followed the practice of a number of states and communities, which had supplied relief (general assistance) to families with unemployed parents even before the enactment of the 1961 (AFDC-UP) and the 1962 (Community Work and Training program) amendments. While these work projects varied among states and localities, all prohibited participants from receiving any additional income for the work they performed (except for special expenses connected with their assignments). Participants were instead required to "work off" the amount of public assistance they received, usually at the prevailing wage for comparable work performed in the community. Nevertheless, work-relief did involve extra costs to the community to cover not only the work-connected expenses for the recipients (transportation, work clothing, extra food), but also the administrative cost of assigning the relief recipients to work projects. There were also additional outlays to cover the cost of materials, equipment and supervision—though in most cases these were rather limited.4

The new Community Work and Training programs (CWT) were intended not to provide more of the traditional work relief, but to enrich and expand these programs and provide various services which would help rehabilitate the work recipients. But, as frequently happens with public programs, the actual implementation fell short of these goals. The new programs did not differ from the older work relief projects; and according to unpublished estimates by the Bureau of the Budget, about 90 percent of the funds were disbursed for work payments, leaving very little for rehabilitative services.

The results are not surprising in light of the administrative regulations controlling the new programs and the limited



resources allocated to them. In part, the failure of the new programs can be explained by the fact that, although federal funds could be used to pay for work, the amounts available to pay for the costs of setting up and running CWT projects were limited and their use restricted. For example, federal funds could not be expended to cover cost of material, equipment and supervision. The supply of "free labor," it was reasoned, would be adequate incentive for the sponsor of a work-relief project to bear the additional costs associated with the project. Legal interpretations also hampered the training feature of the programs by limiting the use of federal funds to training provided by the staff of the welfare, adult education, or vocational rehabilitation agency. This precluded the hiring of part-time teachers from local vocational or public schools.

In one significant aspect Congress did permit greater flexibility in the administration of public assistance. Under special waivers, states could now initiate local public assistance projects, rather than the statewide programs required prior to 1962.

Though the 1962 Social Security amendments were hailed as a vehicle for encouraging work and training for persons on relief, the provisions of the law tended to reinforce the more traditional "social services" associated with public assistance. Only 50-50 matching funds with states and localities were allocated for administrative costs of CWT projects, compared with the three to one ratio (75 percent federal—25 percent state) to cover the costs of social services. It was therefore not surprising that, in order to procure the maximum federal contribution, most states chose to expand "social services" rather than set up CWT projects—which may have been exactly the intent of the federal welfare administrators and their state counterparts.

An interesting commentary on the changing attitude of Congress toward training and providing employment opportunities to the disadvantaged is found in the increase in the amount of 100 percent federal financing. In the 1962 Social Security amendments, Congress authorized a \$2 million annual fund (Section 1115) to cover all types of public assistance projects, including CWT. This money was to be used to set up "demonstration" projects wholly funded by the



federal government without the usual state participation and could be used as "seed" money to get additional federal and state funds. Within two years, in the work experience program of EOA, Congress proved willing to increase many times over the amount of 100-percent federal financing it would allow for CWT-type projects alone.

The first major use of the meager funds allocated under the new legislation was initiated by President Kennedy in the fall of 1963 and carried through by President Johnson. Conditions in the depressed coal mining areas of eastern Kentuckyaggravated by a series of devastating floods--were receiving national attention. While the federal funds were used to alleviate the crisis, such a crash program could hardly be justified as providing "rehabilitation" of the destitute families in the area. But the incident was a portent of the impact of the CWT program: its major function would be to provide temporary work relief. It became soon apparent that the states would be slow in adopting CWT programs if they had to contribute all of the costs of supervision, materials and training, 50 percent of other administrative costs, and their regular matching share of public assistance. Only 10 states had begun CWT programs by the time the Economic Opportunity Act was passed. (This excludes Kentucky, where CWT legislation was in effect during only a portion of 1964.)

Slightly more than a year after the 1962 amendments were adopted, Senator Abraham Ribicoff (D-Conn.)—who had been Secretary of Health, Education, and Welfare when the amendments were adopted—introduced a bill which would have allocated \$50 million of public assistance funds and permitted up to 100 percent federal contribution for the costs of running CWT projects. At about the same time, President Kennedy, in his Civil Rights Message of 19636—a statement which viewed increased employability of Negroes as an integral part of expanding civil rights efforts—called for the extension of federal participation in CWT programs by permitting federal funds to be used to pay for supervision and equipment.

#### Work Experience and Training

Although Congress took no action on these proposals during the 1963 session, President Kennedy endorsed the Ribicoff bill and President Johnson included it in his budget for fiscal



1965 (introduced in January 1964). The program was taken up by the task force, which, under the direction of Presidential Assistant Sargent Shriver, was assembling the antipoverty package which resulted in the Economic Opportunity Act of 1964. The original \$50 million annual figure was tripled, and eligibility for work training was broadened. Grants were to be given to state and local welfare agencies to pay the full costs of "demonstration" projects so that the states could establish (or enrich) Work Experience and Training projects, the new name for Community Work and Training programs. In addition to unemployed parents on relief, "other needy persons"-including single adults-were declared eligible. (Later the Bureau of the Budget ruled that single adults not exceed 5 percent of all enrollees.) A 1965 amendment to the Act qualified farm families with less than \$1,200 net annual

income to participate in the program.

Congressional discussion of Title V, the portion of the Economic Opportunity Act devoted to Work Experience and Training, was singularly unenlightening. The basic premise used by proponents was that many persons on public assistance are employable; and it was taken for granted that participation in the proposed program would help these persons become economically independent and leave the relief rolls.8 Majorities on the House Committee on Education and Labor and its counterpart, the Senate Committee on Labor and Public Welfare, declared that the Community Work and Training program was a success, though except for a few anecdotes little hard evidence was presented to support the conclusion.9 The opposition could hardly quarrel with allowing relief recipients to "work off" their public assistance payments or gain experience which would help them get off relief. Predictably, they found the authorization of \$100 million annual expenditures above the original Presidential budgetary proposal "unreasonable and unjustified," though they conceded that there might be need for the additional expenditures. The only fault they found with the work and training provision was that it was part of the Economic Opportunity Act and not left with the Department of Health, Education, and Welfare.10 Congress subsequently adopted Title V as part of the Economic Opportunity Act without further ado and practically no debate.



#### Goals and Needs

The purpose of the Work Experience and Training Program, as expressed by Section 501 of the Economic Opportunity Act, is to "expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families." However, the hopes advanced for the program appeared to vary with the social philosophies of its proponents. Some hoped that malingerers on public assistance, when faced between the choice of receiving relief and having to work for a living, would leave the relief rolls and get jobs. Others expected that participants would develop the "work habit" and that this, in combination with training and other services provided, would help them secure jobs on the open market. There were also those who viewed Title V as a means of expanding income maintenance to poor people who could not qualify under the stringent public assistance eligibility rules, since unemployed parents in a majority of states are not qualified under the law to receive public assistance. Title V would-it was reasoned-circumvent some of the inadequacies of the federal-state public assistance programs, by providing 100 percent federally-funded income support to poor families.

The potential universe of participants in Title V is necessarily dependent upon overall economic conditions, and more directly upon the extent to which project administrators adhere to the law's injunction that the program is "designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence..." HEW has estimated that in fiscal 1966 there were 2.1 million unemployed and underemployed persons whose employability would be enhanced by participation in Title V. They were divided as follows:

220,000 AFDC mothers;

60,000 AFDC-UP fathers;

1,690,000 heads of families with children who do not receive federally-aided public assistance; and

139,000 single able-bodied needy adults.



HEW estimates may have overstated the number of potential participants in Title V. Even among federal executives there seems to have been divergent views on the desirability of encouraging AFDC mothers to participate in Work Experience and Training projects. A White House statement of April 1967, which received wide attention from the news media, questioned whether it would be wise public policy to provide work or training to mothers of minor children. The implication was that these women would do better to take care of family needs and not be required to work. 11 In addition, other antipoverty programs might be more suitable for some of those included in the HEW estimates. Many others might lack desire to participate in a Work and Training program, or might be located in areas where it would not be feasible to develop projects in which they could enroll. Considering the funds allocated by Congress to Title V projects, however, an exact estimate of the potential number of participants is unnecessary. The needs have far exceeded available resources.

# **Program Content and Administration**

Pressure to develop projects was high: every state (except Alabama) plus the District of Columbia, Puerto Rico and the Virgin Islands set up Work Experience and Training projects. The content and scope of individual projects varied widely, depending upon the imagination or resourcefulness of project administrators and the prevailing economic conditions in different areas. Enrollment in projects ranged from a dozen to nearly 10,000, with authorized slots for the majority of projects of less than 200. Some project administrators emphasized training and preparation for jobs in the regular labor market, while others were content to stress the more immediate goal of providing income and work relief for the destitute. Because the latter objective was more easily accomplished, it is not surprising that many projects were limited to providing some form of work relief.

Official data from the Welfare Administration, the agency responsible for the administration of Title V at the federal level, revealed that only one of every four enrollees received formal vocational education and only about one-third of



former participants received adult basic education or high school equivalency training. It would appear, moreover, that in many cases the quality of the training or education was of doubtful merit. The high dropout rate from Title V projects—only about one of every four completed the assigned courses of training—suggests that participants placed little value in the training they received. An HEW official noted that an expansion of training opportunities would enhance the chances that the Work Experience and Training program would achieve its potential. He suggested that one possible means of infusing Title V with a larger training component would be to expand "the MDTA programs of institutional and on-the-job training which are directed specifically to the disadvantaged." 12

While the enrollees' work assignments featured a certain amount of informal vocational instruction, the bulk of these assignments was limited to low paying, unskilled occupations. This phenomenon was understandable in light of the trainees' limited skills and educational attainment. WE & T project administrators, however, have advanced little evidence that occupational training has led to the upgrading of trainees over their former occupational levels. Nor is there evidence that Title V training led to more advanced vocational education. Altogether, by the end of February 1967, only about 500 of the more than 150,000 Title V enrollees progressed from Title V to MDTA courses. An additional 400 went to training financed by vocational rehabilitation programs. There is no information on how many of those counted as Title V trainees were in MDTA courses while still receiving supplementary Title V public assistance or supportive services.

#### Welfare Instead of Economic Independence

Many unavoidable difficulties beset Title V project administrators in developing meaningful work experience, training and basic education programs which would help participants to achieve economic independence. Enrollees possessed limited education and skills, and one of every three had no continuous work experience of six months or more.

However, some of the problems that plagued project administrators may have been of their own creation. When the Office of Economic Opportunity was established in 1964 to



administer the programs created under the Economic Opportunity Act, OEO Director Sargent Shriver found himself under pressure to delegate to established agencies responsibility for administering programs in their traditional jurisdiction. The Department of Health, Education, and Welfare, which in the early phases of planning the antipoverty programs laid claim to assuming responsibility for the whole program, could not be denied at least a piece of the action. As an outgrowth of the Community Work and Training programs, Title V was placed in the Welfare Administration which in turn assigned responsibility for administering the program to the Bureau of Family Services.

State and local welfare agencies, with which the Bureau works in channeling funds, were ill prepared in most cases to take over a program aimed at preparing participants for economic independence. Though public assistance programs are designed to alleviate poverty, they are not specifically geared to help beneficiaries surmount their situation. The essence of the welfare system is income support and, to the extent which resources allow, limited social services. Welfare agencies had little or no experience with training or placement and awareness of labor market operations.

Unprepared for their assignment, the Welfare Administration and the state welfare agencies were hard put to design meaningful work experience projects. There is little evidence that the help of the expanding manpower agencies was sought; and for all practical purposes, Title V projects were administered independently of community action agencies. WE & T administrators at the national, state and local levels frequently seemed to take the position that their activities constituted a separate universe from other manpower and antipoverty programs and that they had little to learn from other agencies. The result, as aptly summarized by an observer who checked the operations of Title V projects in a number of communities, was that Title V had "... trouble getting people into training, keeping people in training, and ... finding jobs ... at the end of their training." 13

While the administrators of Title V stressed the need for providing social services, they had only vague notions about directing these services to enhance the employability of the trainees themselves. For example, a spokesman for the Bureau of Family Services declared:



One cannot hope to instill a desire for a better life, and equip a father to gain that life, if he is allowed to return to a home and living conditions that are as inadequate today as they were a year ago. Therefore, in Title V, the program objective embraces the needs of the entire family. We must teach wives and mothers the art of good home management, the maintenance of a clean home, how to take care of money, how to buy proper food and prepare nutritious meals, personal his giene, and the proper care of their children. In doing this, we are providing support for the husband and father who is in work experience and training. 14

The assumption that social services can achieve all these objectives is one which even the most ardent advocates of welfare work would question. Granted that a stable family is a worthy goal, it is still not clear how the Welfare Administration hoped to achieve the proposed changes, given the limited funds available.

In Title V, as in most other antipoverty programs, the immediate and most plausible objective was to "reach" the maximum number of needy persons and families. Even if social workers had been available to perform the task, performing the services outlined above would have been costly and thus would have reduced sharply the number of people who could have been helped.

It should have been anticipated that, given the limited funds available under the program, provision of basic income would take precedence over intangible services. Nor would a sophisticated analysis be required to predict that few trained social workers would be available to supply the services. Inevitably, project administrators were competing (with comparatively low state pay scales) with other expanding programs for the scarce supply of administrative and technical personnel; and in too many cases positions created to staff projects went unfilled.

Considering the economic climate in which the program operated, characterized by a tightening labor market, the effectiveness of the program could have been greatly enhanced



by stressing an "on-the-job" training approach—either utilizing the regular OJT program or its own special version involving waivers. Its effectiveness could have been further increased by using more private employers, rather than relying almost exclusively upon public and nonprofit institutions. Although the Secretary of Health, Education, and Welfare is authorized to use waivers to place selectees for training with profit-making establishments, this authority was exercised most sparingly, and apparently reluctantly. Early in the administration of the program, the federal administrators of Title V indicated their coolness toward this form of training. The pertinent policy decision reads as follows:

Opportunities for Title V participants to receive training for occupation through engaging in activities carried on by private employers can be approved only where placement in such activities is primarily for purposes of training and work performed is incidental to the training. Provisions must be made for adequate supervision by the public welfare agency to assure that such on-the-job training is constructive from the standpoint of up-grading the employability of the participants and that there is no exploitation of participants. Work incidental to training under such an arrangement is considered to be performed on a project which serves a useful public purpose. 15

In explaining the basis for the decision, the official announcement goes on to state: "It is not the purpose of Title V to provide labor for private employers paid for by the federal government." The decision missed the potentialities of placing trainees with private employers, however, because a temporary government subsidy during the initial period of training, covering part of the trainees' wages, might provide adequate incentive for employers to hire Title V clients at a saving to the government, which paid full support of trainees on assignments to public and nonprofit organizations. Under MDTA, for example, the cost to the government of OJT is about one-third of institutional training. Government outlays cover the cost of supervision and materials utilized in training, while the employer pays the trainees' wages. OJT also



virtually guarantees a job to a trainee: under MDTA, more than nine of every ten on-site trainees have secured employment after completing their training period, normally with the employer who has provided the training. There is no information on the proportion of Title V trainees hired by sponsors of work units; such data would be valuable in judging the types of assignments which produce actual jobs. Despite these results, the administrators of Title V have insisted that their work experience assignments be limited almost exclusively to government agencies and nonprofit organizations. According to partial data in the summer of 1966, only 3 percent of the trainees were assigned to private employers.

Title V enjoys a comparative advantage over other federally-financed programs in placing enrollees in on-the-job training. Under MDTA, an employer must pay trainees their regular wages with the government reimbursing him only for the cost of training and materials. Trainees placed on WE & T projects receive public assistance rather than wages. In at least one case a WE & T project administrator used this advantage to persuade employers to do business with him rather than with MDTA officials, who were negotiating contracts calling for a \$25 weekly reimbursement per enrollee to cover the cost of training. The Title V project administrator contacted the same employers and, by offering to pay the entire compensation to the trainees, got the jobs shifted to a Title V project.

The result was that the work experience program was neither fish nor fowl; it provided little training, and much of the work experience was the old-fashioned work-relief type. In the words of a former assistant director of the Office of Economic Opportunity, Title V was "a peculiar amalgam of a welfare program and a manpower program."

# Project Approval

The Bureau of Family Services in the Welfare Admin's-tration has had unusual flexibility in expending Title V funds. Except for a 1966 provision, limiting the funds allocated to any single state to 12.5 percent of the total, the law imposed no restrictions upon the manner in which federal administrators disburse their funds. But, despite the fact that the WE & T projects could receive 100 percent support from



federal funds, the administrators of the program found it difficult at first to get applications from states for Title V projects. While a few states were eager to take advantage of the federal funds, welfare agencies in most states were neither prepared nor equipped to design work-experience projects. In line with past practice, the federal administrators gave prime responsibility for the projects to state welfare agencies. All Title V project applications were cleared through state welfare offices; special administrative grants allowed these offices to hire special personnel to develop, coordinate and supervise WE & T projects. As for personnel for the projects, salary levels in most states were too low, and state welfare agencies found competition from other expanding federally-funded programs a serious obstacle to hiring. By June 30, 1965, less than half of the authorized staff were actually assigned and by March 1967, more than two years after the program started, a fifth of all staff positions for which funds were allocated remained vacant.

At the federal level, the Welfare Commissioner insisted during the first two years of the program that all project approvals and even minor changes had to be cleared by the Washington office. Long after other antipoverty programs had given regional offices authority to act on applications, approval of Title V projects remained centralized in Washington

The extent of state participation varied widely. Puerto Rico, West Virginia and Kentucky accounted for more than one-quarter of total Title V funds and total authorized slots on Title V projects. The prime beneficiary of Title V funds was Kentucky, which was allocated 16 percent of total Title V funds.

While there was unquestionably considerable economic distress in the three jurisdictions receiving such great amounts of Title V funds, this was not the prime consideration. Approval was largely upon a first-come-first-served basis, and Kentucky, West Virginia and Puerto Rico were those who took early advantage of the program. At the end of the first year's operation, the administrators of Title V made a special effort to help the needlest states by earmarking \$25 million of unobligated funds for use in these states. Mississippi was a major beneficiary from this effort, while



other low-income states participated to a lesser extent. Table 16 presents a list of the 11 states which have received the largest amount of Title V funds; it also indicates the number of training spaces and enrollees in those states.

Title V also allowed the administrators considerable flexibility in utilizing the funds. In addition to arranging for "free" services from other government programs through "cooperative arrangements," Title V funds could be expended to meet individual needs of selectees in helping them on the road to self-support. There is little evidence that Title V made adequate use of the flexibility. While the basic combination of vocational training, work experience, education and day-care as part of the "individual employability plan" is certainly needed, there is room for far more flexible types of services aimed at individual needs. For instance, the most

Title V: States with Largest Amounts of Funds Granted and Authorized Slots (Cumulative from December 1964 - March 31, 1967); and Number of Trainees Enrolled During February 1967

TABLE 16

State or Territory	Cumulative Funds Granted (in thousands)	Cumulative Spaces Authorized	Enrollment (February 1967)
U.S. Total	\$278,096 <sup>1</sup>	203,894	71,913
Kentucky	44,456	16,910	5,388
Puerto Rico	19,682	<b>24</b> ,750	<b>8,4</b> 70
West Virginia	16,417	16,432	8,381
California	13,353	19,469	4,532
Massachusetts		8,349	2,695
Arkansas	12,232	6,525	1,256
Ohio	11,788	7,741	2,657
New Jersey	10,016	4,362	1,397
Minnesota	9,991	4,560	2,049
Michigan	9,901	8,822	$3,360^{2}$
Mississippi	8,679	4,445	3,311

<sup>&</sup>lt;sup>1</sup>Excludes about \$2.2 million for program direction by national office.



<sup>&</sup>lt;sup>2</sup> November 1966.

Source: Welfare Administration, Department of Health, Education, and Welfare.

pressing need of some potential Title V clients may be a second-hand car to get to an available job. Similarly, "transitional" supportive services—helping individuals during the early stages of regular employment—might have been provided with Title V funds. Such services might have included subsidizing day-care for mothers with young children once they secured employment, extending financial aid to cover work-connected expenses, or simply "hand-holding." Only in isolated instances were these transitional things done. The experience of Ramsey County, Minnesota, and the District of Columbia projects provided notable illustrations which might have been encouraged.

During the first two years of operation virtually no projects were denied approval or renewal, although "restructuring" of applications was frequently required. Under the like al approval policy, obligations occasionally exceeded needs, indicating the difficulty experienced in developing projects. However, funds allocated to Title V projects were cut in the fall of 1966, and in January 1967 the President recommended a further \$30 million cut, to \$70 million for fiscal 1968. The reduction in funds required retrenchment of previously-approved projects and virtual foreclosure on new projects. Projects were either terminated or the level of operations was reduced. By the end of 1966, 272 projects had been approved under Title V (exclusive of state or local administrative grants); by early 1967, 44 projects had been or were to be terminated, and the funds of some 20 other projects were to be reduced. The total "savings" of these retrenchments were about \$35 million.

The curtailments or terminations were presumably based upon an evaluation of performance. The official criteria announced by the Bureau of Family Services were: lag in assignment of trainees, lag in employment of staff, weak training components, and projects which the state or county could incorporate into regular programs. But in fact the largest reductions were made in the states which had initially received the most money—West Virginia, Puerto Rico and Kentucky. The last-mentioned presented a special case. The curtailment was required under the legislative provision, in September 1966, which limited funds allocated to any single state to 12.5 percent of total funds. Federal officials in charge



of other manpower programs found it possible, however, to institute alternative programs for eastern Kentucky to replace the cuts in Title V funds. This action illustrates the fact that Title V programs were interchangeable with other federally-supported manpower programs and raises questions concerning the need for a separate WE & T program under the auspices of the Welfare Administration.

# Need for Separate Program?

The administrators of Title V have nonetheless insisted that their WE & T projects fulfilled special needs not provided by other programs. This argument may have had some merit when the program was initially established in 1964. But since that time other federally-supported manpower programs have also been aimed at the needs of the disadvantaged. In 1965, Congress expanded the Vocational Rehabilitation Program, originally established in 1920; and the definition of the handicapped was broadened administratively to include "behavioral disorders characterized by deviant social behavior or impaired ability to carry out normal relationships with family and community which may result from vocational, cultural, social, environmental, or other factors." A year later, Congress amended the Manpower Development and Training Act to authorize the purchase of special services, including medical assistance under MDTA funds; and MDTA administrators have expressly allocated two-thirds of the training opportunities for "disadvantaged" persons. The United States Employment Service and its stateaffiliated agencies, spurred in part by the newly-established Community Action Agencies, have also undertaken new responsibilities and services to improve the employability of the poor. The case for operating a separate manpower program by the Welfare Administration in HEW has been considerably weakened since the Economic Opportunity Act was passed. 18

In the summer of 1966, Congress considered transferring Title V from HEW to the Labor Department. Advocates of the change presented several persuasive arguments for the transfer:

(1) The Labor Department possesses a wealth of experience in training unemployed workers. It has facilities



for providing unified services in selecting applicants, evaluating their needs and aptitudes, and choosing the most appropriate work experience or other remedial manpower services.

- (2) Unified manpower services under the same management would insure the most economical and efficient handling of the work experience clientele.
- (3) The Labor Department is work-oriented and would therefore be likely to use Title V programs to prepare adults for employment in competitive jobs.
- (4) Training under the Labor Department would remove from the participant the stigma of relief; and the program would be available to all individuals, not only to those who qualify (or might qualify) under state welfare regulations.

Those favoring the retention of Title V in the Welfare Administration interposed objections. They argued that public employment services are employer-oriented, that they have thus far largely failed to provide services for the disadvantaged and that they would continue to ignore the needs of potential Title V selectees.

Caught between these conflicting views and pressure groups, Congress acted with true Solomonic wisdom, deciding that the administration of Title V be divided between HEW and Labor. Although the two agencies were left to work out the details of their divided responsibility, HEW was generally to provide assistance payments and supportive services and Labor the training and work experience. It took the representatives of the Departments eight months to reach an agreement on dividing the responsibility for administration of the program.

The delay in reaching agreement about the responsibility for administering Title V reflects a continuing shortcoming of the program. Project administrators, who were normally products of welfare agencies, generally had little awareness of manpower programs and few ties with work-oriented institutions. Thus, they have insisted upon running their projects separately from other manpower programs. And they were abetted by regulations emanating from the Washington Welfare



Administration office. While manpower programs occasionally offered "free" vocational training to Title V enrollees, Welfare Administration officials encouraged project directors to hire their own staff to handle manpower and employment service activities, rather than reimbursing local public employment offices if they could not get the services free through "cooperative arrangements."

There was also little meaningful coordination with local community action agencies, one of whose prime functions was to coordinate programs in aid of the poor-including WE & T projects. Few if any Title V projects were included as meaningful and integral components of community action programs. This was in marked contrast to Neighborhood Youth Corps programs which, though administered by the Department of Labor, were frequently included as part of Community Action Agency programs. It is not surprising therefore that the National Association for Community Development, an organization of Community Action Agency officials, has questioned whether welfare agencies are the proper administrators of WE & T programs. One local administrator charged that "Title V refuses to plug into manpower development centers run by experts, preferring instead segregated ones run by amateurs." A resolution of the Association asserted that the Work Experience program should be administered "by agencies whose primary orientation is toward employment rather than relief.20

The resolution of the National Association for Community Development might be suspected of being self-serving, inasmuch as Community Action Agency officials would have preferred that WE & T projects be integrated into their own activities rather than administered independently by welfare agencies. However, the views of the NACD have been supported by more impartial observers. Dr. Joseph A. Kershaw, former Assistant Director of OEO for Planning, Programming, Research and Evaluation, stated:

... in all candor [Title V] has not worked as well as we expected... There is a need for a substantial program which will take care of adult employables in the sense that it will give them the kind of work experience and training neces-



va or public sector. The hope was that Title V would fill this need, but the fact that it has been less of a manpower program than many of us would like to see has militated against its fulfilling this purpose.<sup>21</sup>

Needless to say, Title V officials think that they are intimately acquainted with the needs of their clients (70 percent of whom are federal relief recipients), and that it would be inadvisable and unrealistic to separate work preparation from the other related needs of these clients. And they have continued to charge that the manpower programs under the Labor Department ignore the needs of participants in Title V. They point out that while local employment service offices are normally available to test high school graduates and to help screen workers for employers, in many cases Title V project officials could not obtain cooperation in screening or testing Title V candidates. They also point to Title V statistics which show that only five of every 100 enrollees in the program have secured jobs through the public employment offices. The bulk of those who found jobs were placed either on their own or with the help of welfare agencies.

It might be expected that the current trend toward coordinated and consolidated manpower programs in aid of the disadvantaged would eventually affect the Title V experiment (as well as the basic UP/CWT program which is up for renewal this year), with the program being absorbed by other efforts serving the same clientele. The prospects for this development are not clear, however. As part of his program to overhaul the federally-supported public assistance program, the President has already proposed to allow states to continue and expand their Community Work and Training programs, phasing out the Title V projects and utilizing the Department of Labor in training and related aspects. A bill to that effect has been introduced in the 90th Congress by Congressman Wilbur D. Mills (D-Ark.), Chairman of the House Ways and Means Committee (H. R. 5710). The fate of this bill is not known at present. But whatever the final provisions of the bill, the fact that the program is under jurisdiction of the Ways and Means Committee indicates that



the responsibility for administering the program is likely to remain in the domain of welfare agencies, isolated from other manpower programs which may be more suitable than CWT in training and enhancing the employability of relief recipients.

### Trainee Characteristics

Given the goal of enhancing the employability of relief recipients and other needy persons and the importance placed by program administrators on strengthening family life, it might be assumed that work experience and training for male family heads would be stressed. Experience with the program suggests that this goal has not been achieved. The trend has been toward declining male participation in the program. The earliest available data, though partial, indicated that males constituted about two of every three trainees. By the end of 1966, the majority of trainees were females. Federal administrators of the program have tried to "hold the line," urging project directors to allocate a minimum of 50 percent of total enrollment to males.<sup>22</sup> Whether these efforts will encourage male participation is not known.

It might be argued that decreased male participation was caused by tightening labor markets and enhanced employment opportunities for males. It is more likely, however, that project administrators tended to draw enrollees from the immediately available welfare population; since female heads of families predominate on welfare rolls, those with the most promising potential were selected for Title V projects. The proportion of persons who completed high school or better increased during 1966, while the ratio of older enrollees, aged 50 and over, decreased. Also, the proportion of enrollees without any previous continuous (six months or more) work history has declined. In addition, the size of family is comparatively small (most likely to conserve the limited funds available for day-care). (Table 17)

By the end of February 1967, about two years after the first WE & T project was initiated, a total of nearly 151,000 persons had enrolled on Title V projects. Of these, 84,600 participants had already departed from the program. Detailed data are not available on the average time spent by trainees



TABLE 17 Work Experience and Training: Enrollee Characteristics
December 1965 - December 1966

Characteristics	December 1965	June 1966	December 1966
Total	51,017	57,549	66,893
Heads of Household (%)	91.6	91.0	91.8
Dependent Children Per Trainee	3.4	3.4	3.2
Percent Males*	61.1	54.2	47.6
Percent Mares  Percent Negro*	35.0	35.6	37.5
Six Months of Continuous			
Work Experience	71.3	69.7	<b>66.</b> 8
Median Age (All Trainees)	35.8	<b>35.</b> 8	34.0
Age Distribution - Males (%)			
20 years and under	2.1	2.4	3.0
21-39	52.0	<b>52.3</b>	58.0
40-49	26.4	26.1	23.9
50-64	19.2	18.9	<b>14.</b> 8
65 and over	0.3	0.3	0.3
Age Distribution - Females (%)			
20 years and under	4.7	<b>5.2</b>	4.6
21-39	67.3	66.5	70.1
40-49	20.6	20.7	19.3
50-64	7.3	7.5	6.0
65 and over	0.1	0.1	
Educational Attainment (%)			
Total			
8 years or less	56.4	<b>51.3</b>	40.7
9 to 11	<b>28.7</b>	<b>28.6</b>	38.4
12	13.2	13.3	18.6
Over 12	1.7	1.8	2.3
White			
8 years or less	<b>62.3</b>	61.4	44.5
9 to 11	<b>23.</b> 8	<b>24.</b> 6	34.3
12	12.1	12.3	18.9
Over 12	1.8	1.7	2.3
Negro	e =	A= A	04 17
8 years or less	35.7	35.2	34.7
9 to 11	43.6	43.5	<b>43.</b> 8
12	18.8	19.2	19.2
Over 12	1.9	2.1	2.3

\*Excludes Puerto Rico and Virgin Islands.

Source: Based on data prepared by the Welfare Administration,

Department of Health, Education, and Welfare.



on these projects, and in any event the length of an assignment until the termination of the course of training varies widely among projects. The Welfare Administration initially estimated for budget purposes that a trainee's duration of training would average nine months, but reduced this figure to seven months in fiscal 1967. The average duration of enrollment of those who have left projects is about five months. Of those trainees who left projects during the eight months prior to March 1967, three of every four departed without completing their assignments. Three of every five quits were voluntary, and about a third of these left to take a job. Other reasons for voluntary departure were enrollment in other training courses, medical disability or the need to take care of children, and dissatisfaction with assignments. Absenteeism was the most important reason for dismissal from WE & T projects, accounting for a third of all involuntary separations. Other factors included ineligibility to participate in the program, as well as some of the same reasons that prompted participants to leave the projects voluntarily.

Little attempt appears to have been made by the administrators of Title V to study in detail or depth the reasons for the high rate of dropout. Considering the high proportion of female participants with family responsibilities and the diverse handicaps of male participants, a high rate of dropout was to be anticipated. But the fact that only one of every four participants completed the assigned course of training suggests that a high proportion of enrollees were insufficiently motivated to complete their assignments, or that they found that the WE & T program had little to offer to them. A breakdown of dropouts by their previous public assistance status might have been helpful. In most AFDC cases the relief recipient would probably continue to receive public assistance payments after dropping out from the Title V project, while those who were not entitled to receive relief would lose all the income they received as long as they participated in the WE & T project. It is discouraging to note that half of the trainees who have left Title V (whether by "graduation" or dropout) continued on public assistance rolls; of these, 17 percent were employed and 83 percent unemployed. This hardly meets the objective of "self-support."



#### Resources and Utilization

During the first three years of operations, a total of \$324 million was allocated to WE & T projects, divided as follows:

# Payment of Basic Needs

A major issue which the Welfare Administration faced was how to treat applications from states which paid public assistance to unemployed parents with dependent children, as opposed to those from states having no such provision. Some argued that to approve Title V projects in states with no AFDC-UP would give these states a "free ride" in a 100 percent federally-supported program and would remove any pressures for enacting AFDC-UP legislation. Others hoped that a "demonstration" with Title V funds would encourage states to enact UP with CWT on a regular basis. Moreover, UP/CWT states would presumably be able to develop projects more quickly. The Welfare Administration decided not to differentiate among states, but rather to encourage all states to come in with proposals for WE & T projects. At the same time, however, they tried to maintain some balance among the two categories of states.

Aside from costs of administration, materials, training and other services, the average annual outlay per participant charged to Title V funds depends upon the public assistance status of the enrollee, who is required to receive full "basic needs," as determined by the state. The program distinguishes between two groups of trainees. Under the Social Security Act, each state is authorized to determine the "basic needs" for a recipient of public assistance. However, two of every three states pay less than total "basic needs." In these states, when a Title V project trainee is selected from public assistance rolls, Title V funds make up the difference between the total basic needs and the amount actually paid by the state to the trainee. (In program parlance, these are known as Group I.) In addition, Title V funds pay trainees for such



"work-connected expenses" as transportation, work clothing, and lunches. In states which pay full basic needs, Title V payments to trainees are limited to these work-connected expenses. For those trainees (Group II) who are not already on federally-assisted relief, Title V pays the entire amount of full need assistance plus the work-connected expenses.

# "Maintenance of Effort"

The original plan was apparently to place on Title V rolls three non-relief recipients for every two enrollees receiving federally-assisted public assistance payments. In actual practice, however, the latter group constituted about 70 percent of total enrollment on Work Experience and Training projects. A number of factors may have accounted for this. Because the program was administered by the state and local welfare agencies, it was obviously easier for project administrators to "reach" their immediate clients than other needy persons.

The Work Experience and Training Program also presents state and local welfare administrators with the temptation to shift public assistance costs to the federal government, even though Title V regulations clearly require "maintenance of effort." This is particularly true in the 22 states which now have AFDC-UP—including the 12 states with Community Work and Training programs, the forerunner of Title V. Under "maintenance of effort," if a Title V trainee had been on federally-assisted relief, the state had to continue providing the same level of support (including services) to the trainee and his family—although federal funds became available to close the gap between state assistance levels and full basic needs, and to pay for additional work-connected expenses. Title V funds could be used to "enrich" CWT projects—to pay for items not previously payable out of federal funds.

There is no evidence that federal officials have effectively policed "maintenance of effort." Before the federal government began funding Title V, nearly 60,000 families were receiving AFDC-UP. Two years later, in November 1966, the number had dropped to about 49,000. It could be argued that improved economic conditions were responsible for reducing the number who needed this type of assistance. However, other evidence seems to contradict this hypothesis. While



the number of AFDC-UP recipients declined, the rolls of AFDC continued to rise.

The experience of CWT supports even more strongly the contention that "maintenance of effort" has not been adhered to. Total enrollment on CWT projects in the states for which comparable data are available was nearly 22,000 in December 1964, when Title V went into effect, two years later this number had declined by one-third, although there were about 20,000 persons enrolled on Title V projects in these same states. The fact that Title V was able to find so many persons at a time when CWT was declining indicates that there was an ample supply of needy persons whom the states had stopped helping, or had never got around to helping.

The data on CWT and Title V enrollment include considerable duplication. It was estimated in June 1966 that about 60 percent of all CWT enrollees were also counted as Title V trainees because they were on CWT projects which were "enriched" by Title V funds.

Also, there were many items paid for out of Title V funds which previously required—in part or entirely—state and local funds (costs of supervision, training, some administrative and other costs). In addition, support for recipients of general assistance selected for Title V could be transferred entirely to Title V funds. To what extent states used these freed funds to provide relief for additional persons not previously helped, rather than diverting the freed funds to non-relief purposes, is not known. In either event, the net impact does not equal the amount of federal funds provided by Congress. On the other hand, because states and localities have been pressed for funds, the federal help has not been wasted. The crucial question is probably whether the funds have been used effectively to implement the goal of helping the poor achieve self-support. No conclusive answer to this question can be vetured on the basis of existing data. Available information can supply only limited insights about the operation and effectiveness of WE & T.

## Cost per Trainee

For fiscal 1967, the average outlay per enrollee from Title V funds to cover supplementary payments and work-connected costs was to be about \$750 on an annual basis. This com-



pared with an average annual outlay of about \$2,750 per trainee who was selected to participate in a Work Experience and Training project under Title V but who had not been receiving any federally-assisted relief prior to enrollment on the program. Project costs—including training, education, medical care, supervision, administration and other services charged to Title V—were to average in fiscal 1967 about \$700 per trainee annually. Thus, Group I trainees would cost about \$1,450 annually; Group II about \$3,450. These figures may not be entirely meaningful because few projects planned to retain trainees on Title V payrolls for as long as a year. In fact, the average stay of participants who have left the

projects has been about five months

For planning purposes, the Welfare Administration estimated that for fiscal 1967 the average trainee would remain on a project for a period of seven months at an average cost charged to Title V funds of \$1,225. During fiscal 1966, the first full year of operation, 70 percent of the total funds went for income support and work-connected expenses (61 and 9 percent, respectively). As the welfare agencies gained experience in administering projects, they tended to emphasize the vocational training component. The proportion allocated to this activity increased from 2 percent of total costs per trainee in fiscal 1966 to a planned 14 percent of total costs for fiscal 1968. During fiscal 1968, therefore, it was planned that income support, including work-connected costs, would account for 57 percent of total costs per trainee (50 and 7, respectively); and the proportion allocated to services was to reach more than four of every ten dollars expended, compared with one of every four dollars in fiscal 1966. (Table 18) Whether actual experience will live up to the plans, or whether project administrators will be able to secure the necessary services and personnel, is not known.

# Project Components

During the first two years of Title V experience, the proportion of funds expended for income support exceeded the share allotted for this purpose in the planning stages. A number of factors contributed to this development. Aside from pressures to supply income to the destitute, the ad-



TABLE 18

Work Experience and Training Program
Estimated Average Cost Per Trainee
Fiscal Years 1966, 1967, and 1968

	Estimated Average Cost Per Trainee1					
Expenditure Item	FY 1966		FY 1967		FY 1968	
	\$	<del></del> %	\$	%	\$	%
Total Costs	1,100	100	1,225	100	1,390	100
Cash Payments:						
Maintenance (Average)	676	61	<b>683</b>	<u>56</u>	<u>690</u>	<u>50</u>
Group I <sup>2</sup>	$(\overline{326})$		$(\overline{329})$		$(\overline{332})$	
Group II	(1,493)		(1,510)		(1,527)	
Work-Connected						
Expenses (Average)	104	9	104	<u>8</u>	104	7
Group I	$(\overline{110})$		$(\overline{110})$	_	$(\overline{110})$	
Group II	(90)		(90)		(90)	
Total Services Cost:	<b>2</b> 90	<b>2</b> 6	<b>40</b> 6	33	563	41
Adult Basic Education	20	<u> </u>	<b>2</b> 5	2	<b>2</b> 5	$\frac{41}{2}$
<b>Vocational Instruction</b>	25	2	112	9	196	14
Child Care	40	4	50	4	50	4
Medical	10	i	12	1	14	1
Work Experience	150	14	160	13	<b>22</b> 8	10
Other Social Services	45	4	47	4	50	4
Agency Administration	30	3	32	3	33	:

<sup>&</sup>lt;sup>1</sup>Does not include services provided without charge from other sources, e.g., adult basic, vocational instruction, public assistance, already paid. Fiscal year 1966 based on nine months per trainee, fiscal years 1967 and 1968 on seven months.

Note: Details may not add to totals because of rounding.

Source: Based on data prepared by the Welfare Administration, U.S. Department of Health, Education, and Welfare.

ministrators of the program found it easier to distribute money than a package of services. In many cases, project administrators could not secure the necessary facilities or personnel to provide the contemplated services.



<sup>&</sup>lt;sup>2</sup>Group I trainees receive only supplementary assistance payments from Title W funds; Group II receive total payments from Title V.

It should be noted that Table 3 presents only the disbursements of Title V money and does not reflect the total resources available to Title V projects. For example, while only 2 percent of total Title V funds were allocated to adult basic education, additional funds for this purpose were secured from other sources. A special section of the Economic Opportunity Act (Title II-B, since transferred to HEW) provides support for adult and remedial education; and Title V project administrators were able to secure these services "free"-that is, they were not charged to Title V funds. Similarly, money for vocational education was occasionally supplied from MDTA funds. State welfare agencies estimated that in 1966 the value of services and resources made available but not charged to Title V funds amounted to about \$8.6 million, exclusive of contributions made by sponsors and public assistance payments. These were distributed as follows:

Vocational instruction	<b>\$2.</b> 9	million
Adult basic education	2.7	million
Counseling, testing and guidance	.7	million
Medical care	.4	million
Other	1.8	million

The total funds allocated for Title V for the first three fiscal years of \$324 million should have provided for about 223,000 man-years of Title V benefits for enrollees drawing public assistance, or for about 94,000 enrollees whose maintenance was paid entirely from Title V funds. Based on the fiscal year 1967 level of funds and a ratio of seven relief recipients for every three enrollees not on public assistance rolls, average annual cost per enrollee should amount to about \$2,100 to provide for about 154,000 man-years of Title V participation.

#### An Assessment

Any assessment of Title V depends necessarily upon one's perspectives upon its goals. The absence of hard data concerning the operations of the program is another formidable obstacle in appraising Title V.



It would have been comforting to pass at least a tentative judgment about the program's achievements in helping trainees "to secure and retain employment . . . or selfsupport," which is the goal enunciated in the legislation establishing the program. This goal was reinforced by Congress in 1966 when it declared that the purpose of Title V should be to assist participants "to secure and hold regular employment in a competitive labor market." (Emphasis added). Regrettably, at the time this study was prepared the administrators of Title V had not yet obtained follow-up data on former trainees to show what proportion and what kinds of enrollees stayed on their jobs for some substantial period after placement. Nor have any meaningful national evaluations of Title V been completed as of this writing, despite aborted plans for quite elaborate evaluations, including computer simulation and cost benefit analyses.

#### Placement Record

What data are available indicate merely the employment status of trainees at the time they left the WE & T project (either upon completion of their assigned course of training or after dropping out before completion) and, to a limited extent, what occupations and earnings they found. And even these data leave much to be desired and are frequently internally inconsistent or contradictory. For example, OEO tabulations of the employment status of Title V terminees showed that three of every ten former Title V enrollees are employed and nearly half remain unemployed upon leaving the WE & T project (Table 19). But data released by the Welfare Administration indicated that 36 percent of all terminees were employed, with nearly the same proportion of employed and unemployed among those who completed WE & T courses. Both sources indicate, however, that two of every three trainees who did not complete their courses were unemployed or status unknown.

The same tabulations indicated that enrollees who completed their assignments had a slight edge in earnings over non-completers, with estimated monthly earnings of \$247.50 and \$238.00, respectively. Considering the nature of the jobs, average hourly earnings might have been more meaningful



TABLE 19

Employment Status of Title V Trainees
(Terminating between July 1, 1966 - February 28, 1967)

Status	Total	Graduates	Non- Graduates
Total	100%	100%	100%
Employed	29.4	49.7	22.2
Referred to other training	4.5		<b>6.3</b>
Unemployed	47.3	43.1	48.4
Status unknown	18.9	7.2	<b>23.</b> î

Source: Office of Economic Opportunity.

than average monthly wages. For some unexplainable reason, Title V reports are limited to monthly or annual earnings. Officials responsible for the operation of Title V have periodically issued public releases about the achievements made under the program. But the limited available data do not suggest any justification for the claims. For example, Title V takes credit for all jobs found regardless of how long trainees stayed on projects. Every placement of a former enrollee is part of the success story. Yet independent surveys have shown that AFDC-UP families in general remain on public assistance rolls an average of nine months. Contrarv to widely-publicized allegations, employable relief recipients do not generally remain public assistance wards from generation to generation. In addition, the tightening labor market in which Title V has thus far operated strengthened the expectation that enrollees would continue to leave public assistance rolls to find jobs, whether or not they participated in WE & T. Except for isolated cases and numerous anecdotes, there is little reason to believe that Title V has improved the employability of a significant proportion of the first 150,000 persons enrolled in the program. Indeed, one-half of relief recipients remained on public assistance after leaving the



WE & T project, about a fifth of these were employed at jobs paying inadequate wages to provide self-support. One of every three former participants secured jobs. Whether this record is significantly better than could be expected for nonparticipants is, of course, the central unanswered question.

# Services and Income Support

Even in the absence of proof that the program has improved the employability of participants, it has been claimed that Title V is justified on the ground that enrollees have performed useful work on diverse public projects. Title V data indicate that two-thirds of an enrollee's time is spent in work experience (averaging 95 hours per month) and one-third in training or education. Assuming that these claims met the statutory requirements of serving a useful public purpose, being work which would not otherwise have been done and which did not displace any regular workers, it would appear that there has been some addition to the public sector of the economy. It still does not follow, however, that the total outlays for Title V are justified on the basis of work performed. The same amount of actual work might have been performed by more skilled labor at less cost to the public.

Contributions of Title V to "strengthening family life," a goal stressed by the Bureau of Family Services, are the least susceptible to evaluation, though some projects (e.g., Ramsey County, Minnesota) have attempted to design techniques to measure the impact of the special services provided in this area. To the extent that families with unemployed fathers have received essential support where no other help was available, the program may have prevented desertions which would have made the families eligible for AFDC. In addition, the extra income above the regular relief payments may have improved the quality of family life of Title V participants. Beyond that, it could be argued that providing an unemployed father work rather than mere income leads to a greater measure of self-esteem and hope for a better future. However, since more than half of the participants in the program were females with dependent children, it is not at all clear whether it would not have been preferable to pay the mother to devote full time to rearing her family rather than "working



off" the relief she received. Indeed, it may be argued that the families of some of these women have suffered as a result of Title V and that participation in a WE & T project had an opposite effect from that contemplated by the administrators.

It remains to examine Title V as an income support program. Nearly three of every ten participants were heads of needy families not on federal relief, mostly in states which did not have AFDC-UP; and the family income of the majority of the other enrollees was boosted through supplementary assistance payments. But not all Title V funds expended as payments to participants can be counted as a net addition in support of the poor. Some of the Title V funds represented only a shift in the source, replacing outlays which would otherwise have been made by state and local governments. And one can only speculate about the effects of Title V upon the public assistance system. It can hardly be denied that Title V funds were most significant in providing income support to thousands of impoverished families in eastern Kentucky where no employment opportunities were available. But Kentucky had adopted AFDC-UP, including Community Work and Training Programs, on a special nonstatewide basis just prior to the passage of Title V. This state program was discontinued when Title V funds became available. On the other hand, four states have adopted AFDC-UP since the passage of Title V. It is only speculation, but it is possible that more states might have acted to adopt programs in support of destitute families with an employable parent if there had been no Title V program to provide for some of the needy cases.

On the other hand, Title V may have an impact upon the welfare system in that it might lead states to adopt improved practices and standards in their regular programs as a result of their experimentation and experience with Title V projects. These hopefully include the payment of "full need," the elimination of residence requirements for eligibility, and the use of a simple affidavit (at least on a limited basis) to determine need and eligibility. Also, Title V may lead to closer cooperation between welfare staffs and those of other agencies (USES, vocational and regular education systems), with a beneficial effect on all.



The Welfare System

In the final analysis, the failure of Title V to achieve the legislative mandate of helping participants to achieve "self-support or personal independence" was predictable and inherent in the rules and regulations governing the administration of public assistance. As presently administered, the public assistance program provides little or no incentive to escape relief. In most cases, any earnings of a family are deducted from the public assistance receipts. These deductions are tantamount to a 100 percent tax on income and therefore discourage any effort to secure employment. The system may actually penalize efforts on the part of recipients to attain economic independence. When a recipient of public assistance secures a job paying the full amount of public assistance, the family is dropped from the rolls. Since most of the jobs available to recipients of public assistance are marginal and may involve intermittent periods of unemployment, the total earnings from these jobs may actually be less than the public assistance payments. And once a family leaves public assistance, it may encounter difficulty returning to the rolls. At best, there are delays until the family can qualify again for public assistance.24

In the Economic Opportunity Act, Congress recognized the discouragement of economic independence inherent in the public assistance system. A special section of the Act (Title VII) provides that the first \$85 and half of additional monthly income earned under the provisions of the Act are not to be counted as income for purposes of determining basic needs under public assistance programs. The rationale for the provision is apparent. Congress recognized that in order to encourage the poor to participate in Economic Opportunity Act programs it was necessary to provide an economic incentive.

Title V, however, was not included in this provision since it was specifically aimed, at least partially, at public assistance recipients under a program where "work" was to be credited against relief payments. Thus, Title V offers limited pecuniary incentive to encourage relief recipients to participate in WE & T projects, except for supplementary payments in states where the level of public assistance payments covers less than basic needs. Nor does Title V allow part-time



employment such as MDTA trainees can have without deduction from allowances. Therefore, when a person on relief is faced with entering a Title V training program not offering appreciably more income than the "safe" relief check, it should not be at all surprising that he chooses relief rather than training. And the marginal training which is being offered to participants seems to be a weak inducement to encourage them to complete their course of training. Moreover, in most cases the wage that may be awaiting at the termination of training may provide no more income than public assistance.

It would appear that the announced goal of Title V to help participants achieve economic independence is more rhetoric than fact. The administration of public assistance militates

against participants achieving self-support.

As long as the public assistance system contains built-in disincentives to work, the obstacles to an effective Title V or any similar program will be formidable. Adoption of President Johnson's proposal which would permit up to \$150 monthly earnings per family without reduction in assistance payments is a minimal requirement for any program whose goal is the improvement of employment opportunities of relief recipients.

## Needed-A Flexible Approach

Although the viability of Title V or similar programs may be enhanced by overhauling the welfare system and providing incentives for training, this will not necessarily enable trainees to compete for jobs in the open market if the personal handicaps are too severe. A realistic program must, therefore, recognize that even in a high employment economy there are some who cannot be absorbed. This suggests the need for a variety of approaches, including sheltered workshops, subsidization of private jobs by the government and creation of jobs by the government acting as employer of last resort.

The goal of Title V seems too ambitious. Under more modest criteria, the case for some of the Title V projects becomes apparent. Thus, in depressed areas like eastern Kentucky where no alternative employment opportunities are available and where the state does not provide support for



employable adults, Title V funds for over two years have saved thousands of families from want and deprivation. This has been true in other areas though on a smaller scale. Given a broader legislative mandate, there would be no need to justify these projects under the guise of "training" or other politically acceptable labels.

On the other hand, in places like Ramsey County, Minnesota, where job opportunities, staff and training facilities are available, the emphasis should be, as it was, on training and work experience, supportive services and job placement. Even where tight labor markets exist, too few Title V projects have developed the capability and results of the Ramsey County project where seven of every ten former male participants are employed. Nevertheless, work relief or sheltered workshops projects are needed even in labor shortage areas. For some the regular labor market is not a practical goal and for others exposure to regular work habits are prerequisites for vocational training.

No single program can provide the answer. The need is for a coordinated man power system with a variety of programs and facilities to refer potential clients to whatever program may best serve their requirements.

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# 5

# GOALS AND THEIR IMPLEMENTATION

The Job Corps, Neighborhood Youth Corps and Work Experience and Training programs serve overlapping populations. Regrettably, as far as their administration is concerned, the three programs are independent entities. There is not even coordination between the Job Corps and the Neighborhood Youth Corps, though the two programs serve essentially the same clientele. There is no mechanism for transferring NYC enrollees to the Job Corps or Job Corps enrollees to NYC. While youths are in Job Corps centers they are isolated from their normal environment. Not enough attention has been paid to the problems faced by former corpsmembers when they return to their communities. There is a need for arrangements transferring Job Corps enrollees, upon leaving a center, to NYC projects, if they do not have immediate plans for employment or return to school.

The primary goal of the Job Corps is clear—to provide education and training for youth from impoverished homes who have failed in school, who have no salable skill and frequently not even a rudimentary preparation for work. Residential facilities are provided on the assumption that in order to rehabilitate some youth, it is necessary to remove them from their home environment. A secondary goal of the Job Corps conservation centers, where more than 40 percent of the males are enrolled, is to perform work "directed primarily toward conserving, developing, and managing the public natural resources of the Nation..."



After two years of operation, the Job Corps has initiated a series of operational reports attempting to measure the achievements of enrollees. The data indicate that an enrollee who spent about nine months in a center improves his reading ability by  $1\frac{1}{2}$  grades and his arithmetic comprehension by two grades. In the absence of acceptable norms, this level of achievement is difficult to evaluate. However, data clearly indicate that the longer a corps man remains in a center, the more likely he is to be employed and to use his training.

The available data support the idea of providing residential centers for certain disadvantaged youth. However, the Job Corps has not succeeded in motivating enrollees to remain in the centers for enough time to permit the education and training to have its effect. Only one of every three enrollees completes his course of training. Based on cost-benefit studies, the Job Corps claims that the experiment has paid off. Nevertheless, too many youths drop out and the prescribed training period is itself too short.

Moreover, considering the high cost of maintaining a youth in the Job Corps—exceeding \$8,000 a year—it is necessary that youths who require residential training be identified and that other youths be assigned to alternative programs. Thus far the selection of a youth for the Job Corps, NYC or some other program is determined by fortuitous circumstances.

Some educators have also questioned the basic premise of the Job Corps. They have argued that it is a romantic notion to expect the rehabilitation of youths from city slums or rural areas after a stay of eight or nine months in the centers. These critics suggested that removing youths from their environment is an impediment rather than a help to their rehabilitation. This argument was persuasive with many Congressmen and the 1967 Republican bill proposes turning the Job Corps over to vocational authorities who would make it part of community skill training centers.

Hard data on the impact of NYC are scarce. The reasons for Congressional support are not difficult to find. NYC has distributed its funds with a minimum of fuss and has provided income to as many as a million youths—the exact number is not known—from poor families. Though occasionally children from more affluent homes were the beneficiaries, Congress has overlooked such indiscretions. It has continued to bestow



its blessings upon the program, despite the little that is known about its effectiveness in enhancing the employability of enrollees.

Even a close observer is hard put to pinpoint the goals of NYC. Half of its funds for fiscal 1967 have been allocated to support in-school youth and summer programs. The assumption is that the income provided serves as an incentive to enrollees to stay in school and to continue their education. The limited available data indicate that NYC has been successful in achieving this goal.

The out-of-school NYC program seems to be a mixture of work experience, income support, auti-riot insurance and "aging vat." Thus far, NYC has failed to evaluate the effectiveness of these programs which vary widely among communities, depending upon the ingenuity, resourcefulness and ability of sponsoring organizations and administrators. There is little doubt that NYC has provided income support to many impoverished youth and their families. The program has also benefited from the widely held impression that it provides anti-riot insurance. Though this justification is rarely mentioned officially, it seems to have been the basis for the recent Congressional approval (May 1967) of an additional \$47 million for summer programs. The rationale of NYC as an "aging vat" is based on the fact that unemployment rates among youths decline as they mature from teenagers into adulthood. There is room, therefore, for a program which would provide youth with some income and work during their early years in the labor force.

Congressional approval of NYC has not been universal. In authorizing \$325 million for fiscal 1937, Congress indicated concern for the quality of training provided by NYC and authorized the Department of Labor to use NYC funds for on-the-job training with private employers. The Department's Bureau of Work Programs has dragged its feet in implementing this Congressional mandate.

The recently introduced Republican Economic Opportunity bill places emphasis upon OJT by authorizing the Department of Labor not only to reimburse private employers for training NYC youths, but to subsidize them for up to 25 percent of the wages paid during training. The rationale for the proposal is that private employers, even with government subsidy, will



provide meaningful work thus eliminating much of the makework which has been so common under NYC projects.

The goal of the Work Experience and Training Program is to help welfare recipients and other needy adults to become self-supporting. It was hoped that the work experience and training gained on the projects, as well as the additional supportive services, would help the enrollees to find work.

Available evidence, though limited, raises questions as to whether the goal of the program is being achieved. Although about a third of former enrollees during the first two years have secured jobs, it is doubtful whether participation in the program has significantly contributed towards their securing employment. Despite the image of second and third generation welfare recipients, employable recipients of public assistance remain on relief rolls for an average of less than nine months. Therefore, it is not unexpected that many participants in the Title V program, who average five months on a project, would secure employment upon completion or even before completion of their course of training or Title V work experience. It is also known that one of every two relief recipients remains on public assistance after terminating participation in a project.

While some blame the Welfare Administration for the lack-luster performance under Title V, several built-in obstacles in our public assistance system militate against the success of the program. In most states, all earnings of relicf recipients are deducted from the assistance they receive. Since the jobs open to recipients frequently pay little more than the basic needs provided by public assistance, there is little incentive to accept a job. The incentive is further reduced by the difficulty which a recipient will have in returning to the welfare rolls if he should lose his job. In order to motivate welfare recipients to achieve economic independence, there is a need to provide incentives not available under present legislation.

The obstacles do not fully explain the shortcomings of Title V projects. The Welfare Administration and the welfare agencies at the state and local level, with a few notable exceptions, have had only limited experience with work and training programs; thus they may not be providing participants of the program with meaningful skill training. Congress



has already reacted to this situation by providing that the Department of Labor assume responsibility for work-training and employment related services, while the Welfare Administration retains the responsibility for providing basic support, remedial education and other supportive services. Though Congress made this change in October 1966, the two Departments spent more than eight months in reaching an agreement to divide the responsibility for the administration of Title V. Whether the divided responsibility will improve the quality of training and work experience on Title V projects is a matter of conjecture.

While Title V leaves much to be desired as far as achieving its statutory goal is concerned, condemnation is not in order. The administrators of the program could not publicly claim credit for some of its most socially useful projects. In a number of areas, Title V projects have become the employer of last resort. Here projects saved thousands of families from dire want and deprivation. For nearly two years, Title V funds supported some 6,000 families in depressed eastern Kentucky where no alternative employment opportunities were available and the state made no provision to support employable adults. The eastern Kentucky experience has been duplicated in other areas, though on a smaller scale. Given the legislative mandate, the reluctance of administrators to claim credit for these programs is understandable.

It would seem that most Title V projects have provided little meaningful work experience and training. The program has probably failed to help many participants achieve self-support. However, the funds expended under the program have, by and large, achieved a useful social purpose by providing or supplementing basic income for more than 150,000 families.

A review of the three original Economic Opportunity Act work and training programs casts serious doubt whether these efforts achieved the formal goal of the legislation—namely that these programs should lead to economic self-support. Experience indicates the difficulties of accomplishing this commendable goal.

Evaluation of the Work Experience and Training Program provides evidence supporting a program of work relief to



alleviate deprivation. The government would assume the responsibility as an employer of last resort, even if the endeavor does not succeed in preparing participants to compete effectively in the market. If the alternative is complete deprivation or public assistance, work relief with participants performing useful labor commensurate with their ability and skill is certainly to be preferred.

It is more difficult to argue for an income-support or work-relief program for youths whose work life is still ahead of them. Too many NYC projects seem to lack meaningful remedial education or training components and the experience gained on the NYC assignments is of doubtful value. Congress has recognized this weakness and has provided authority to place enrollees with private on-the-job training to gain work experience which would help them become more competitive in the open market. There is an urgent need to strengthen the training and work experience of NYC projects.

The idea of providing residential centers for certain educationally deficient youth from impoverished homes appears sound. The challenge of the Job Corps is to provide incentives and to motivate more enrollees to remain long enough to acquire skills which will help them to achieve economic independence.

The experience of the three programs indicates the difficulty of designing and administering mass projects which lead to the economic self-sufficiency of the poor. It is not surprising, therefore, that much of the antipoverty funds has been expended on traditional relief measures to meet age-old problems. We have the economic resources. The challenge is to develop effective programs.



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