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ABSTRACT

The feasibility of large-scale, countercyclical public job-creation was assessed. Focus was on how many job-creating activities could be undertaken as well as the job-creation potential and costs of these activities. Data was collected through field visits made to Washington-based federal government and national organizations and to twenty-four counties in eight of ten federal regions. The findings include the following: 233 potential job-creation activities were identified in twenty-one different program areas; the largest number of activities were in the program areas of public works, environmental quality, education, social services, and criminal justice; and 115 activities, for which onsite job and cost estimates could be generated, were estimated capable of generating three million onsite jobs at a cost of approximately \$15,000 per job. (This first of a three-volume report contains chapter 1, which overviews and summarizes the entire study. Volume 2, comprised of the second chapter, covers the methods and the findings with respect to activities, their job-creation potential, and related characteristics. The last volume, containing the remaining six chapters, covers the findings regarding the priorities among projects, indirect employment effects, skill imbalances, and administrative issues; and summarizes the overall findings, conclusions, and recommendations.) (EH)

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ASSESSING THE FEASIBILITY OF LARGE-SCALE
COUNTERCYCLICAL JOB-CREATION

FINAL REPORT, VOLUME I
OVERVIEW AND SUMMARY

SUBMITTED BY: THE URBAN INSTITUTE

TO: THE DEPARTMENT OF LABOR
UNDER CONTRACT NO. 20-11-77-18

JUNE 27, 1978

Opinions and conclusions expressed in this report
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Preface

The work described in this report, undertaken under the terms of Contract Number 20-11-77-18, was a joint research effort by The Urban Institute and the American Institutes for Research. Although the primary responsibility for preparing this report fell, under the contractual terms, to The Urban Institute, the contribution of American Institutes for Research staff was important enough to merit joint-authorship.

More specifically, Herbert Rubenstein of the American Institutes for Research was responsible for the work summarized in Chapters II and VII; Harold Sheppard of the American Institutes for Research supervised the work of Rubenstein and had primary responsibility for the work summarized in Chapter III; Melvin Jones of The Urban Institute was responsible for the work in Chapter IV; Charles O. Thorpe, Jr. of The Urban Institute was responsible for the work in Chapter V; and Chapter VI was prepared by Alan Fechter of The Urban Institute. As Project Manager, Fechter also was responsible for the overall coordination of the effort and for the quality of the final report.

The size of this report required a rather unique method of packaging. The eight chapters of the report are organized into three volumes. Volume I contains Chapter I, an overview and summary of the entire report. Volume II contains Chapter II, a long chapter which describes methods and detailed findings with respect to activities, their job-creation potential and related characteristics. Volume III contains the remainder of the report, Chapters III through VIII, which describe our findings with respect to priorities among projects, indirect employment effects, skill imbalances, administrative and operational issues, and a concluding chapter, Chapter VIII, which summarizes overall findings, conclusions, and recommendations.

In addition to this report, the following series of papers have been developed as part of this project and could be made available to those who are interested in the more technical details of this study:

Melvin Jones, "Direct and Indirect Employment Effects of Public Employment Programs: An Application of Input-Output Models to Assess Employment Effects by Skill," Working Paper 3619-3, Washington, D.C., The Urban Institute, 1978;

Herbert Rubenstein, "Administrative and Operational Barriers to Public Job Creation: Evidence Based on Field Visits," Working Paper 3619-5, Washington, D.C., The Urban Institute, 1978b; and

Charles O. Thorpe, Jr., "Target Groups to be Served by Public Job Creation Programs: Their Characteristics and Their Cyclical Sensitivity," Working Paper 3619-4, Washington, D.C., The Urban Institute, 1978.

These papers will be available through the National Technical Information Services as well as The Urban Institute. A large number of people have been instrumental in making this study possible. It is difficult to begin to acknowledge our indebtedness to the large number of public officials, employees, and representatives in the hundreds of public and private organizations and agencies we visited who cooperated with us and provided us with the information that was used in this study. Our failure to do so should in no way be construed as minimizing their valuable contributions; rather, it should be construed as our deference to pragmatic and logistic reasons in trying to keep the Preface within manageable proportion.

Particular debts of gratitude are due to Albert Mapou and Thomas Bruening of the Department of Labor, Employment and Training Administration, Office of Policy Evaluation and Research, for their continual guidance and support throughout the project and for their helpful comments on what must have seemed an endless flow of chapter revisions in the process of completing this report. The authors are also grateful for the constructive comments on early draft material in this report by William Barnes, National Commission for Manpower Policy; Lee

Bawden and Robert Harris of The Urban Institute; and Howard Rosen, Office of Policy Evaluation and Research. Assistance in the field efforts was provided by Tania Romashko, Larry Passarell, and Andrea Chasen, American Institutes for Research. Earl Wright, Upjohn Institute for Employment Research, provided useful advice on how to structure our field visits. Research assistance and copy editing were provided by Alice Wade, Urban Institute. Computer assistance was provided by Tito de la Garza and Roger Kohn, Urban Institute. Robert Haveman and Irwin Garfinkel, Institute for Research on Poverty, University of Wisconsin, were helpful in arranging for the use of the Golladay-Haveman simulation model. Michael Watts, Institute for Research on Poverty, worked closely with Melvin Jones in modifying the simulation model to suit our requirements and in producing outputs from this model. George Chow, Urban Institute, worked with Charles Thorpe in generating the estimates of target group populations in Chapter V. Penny Rosenwasser, Urban Institute, assisted in the preparation of the reference section.

Last, but by no means least, a special acknowledgment is due to Yuri Mayadas who typed the many drafts of each chapter of this report as we attempted to give a multiple-author product the appearance of consistency. It is fair to say that this report would not have been possible without her. Her tireless, patient, and conscientious efforts were truly above and beyond the call of duty.

Executive Summary

The purpose of this study was to assess the feasibility of large-scale, countercyclical public job-creation. A major concern was with the assertion that a public job-creation program is limited in its potential capacity to expand by the amount of meaningful activity. The central issue examined was: How many activities could be undertaken?

An additional concern was with the characteristics of these activities. We wanted to estimate the number of jobs that could be created and the costs of these activities. This information was expected to be useful in further studies of the relative merits of public job-creation activity to determine whether such activity was indeed "better" and therefore desirable. We also examined other dimensions of the activities--their labor-intensity, their skill-mix, their degree of political acceptability, etc.--which might contribute to a more thorough analysis of the benefits and costs expected from these activities.

In estimating the job-creation potential of these activities, an attempt was made to be more comprehensive than past studies by considering both onsite and offsite job-creation. The latter is expected to arise from onsite purchases of nonlabor inputs and through second-round expenditures induced by the onsite labor and nonlabor purchases.

Consideration was also given to a particular aspect of indirect costs--the potential inflationary pressure that could be generated as a result of labor shortages that might emerge as a consequence of these activities. To assess these shortages, estimates of the aggregate number of jobs created and the distribution of these jobs by skill (major occupation group) were compared with estimates of the aggregate supply of labor available to fill these jobs and the distribution of this supply by comparable skills.

Finally, general administrative and organizational issues that might pose significant barriers to implementation of these activities were reviewed and attempts were made to link some of these to particular types of activity.

Information was gathered by means of field visits in Washington--with numerous federal government officials and representatives of over 50 national organizations, ranging from Goodwill Industries to the National Education Association--and in 24 counties located in eight of the ten federal regions.

In addition, correspondence was conducted and/or meetings were held with federal government officials and representatives from a large number of national organizations.

The meetings, both in Washington, and in the local communities, focused on (1) identifying activities that might provide meaningful work, (2) determining priorities among these activities, and (3) identifying current or expected problems in (a) implementing PSE projects, (b) running the projects, and (c) phasing out the projects.

Data were also collected during these visits on the costs, labor intensity, skill-mix, and job-creation potential of the public service and public works activities identified as likely candidates for large-scale expansion. Secondary sources, such as PSE project data summaries, various government reports, program budgets, program planning documents, and evaluations, previous studies such as the National Manpower Survey of the Criminal Justice System, and a number of surveys conducted specifically for this research project by particular national organizations, also provided us with useful data.

Major findings are summarized below:

1. The study identified 233 potential job-creation activities in 21 different program areas. This list of activities, together with the summary of their characteristics contained in this study, should provide valuable guidance to prime sponsors and other program administrators, charged with the responsibility for developing such activities. The largest number of activities were in the following program areas: public works (37), environmental quality (31), education (27), social services (27), and criminal justice (24).

Estimates of onsite jobs and costs could be generated for 115 activities. These 115 activities were estimated capable of generating 3 million onsite jobs at a budgetary cost of \$46 billion, or slightly more than \$15,000 per onsite job. These per-job costs ranged as low as \$8,000 for cultural activities (including museums and public libraries) to as high as \$41,000 for public works. A large number of additional onsite jobs could have been created by the 118 projects for which estimates could not be generated. These estimates of potential job-creation presented here should, therefore, be considered quite conservative on this account. However, while both the 115 and the 233 activities are technically feasible, they may not be the best way to allocate scarce government resources. The value of some of these activities may not be sufficient to justify their costs. And, for other activities, the costs of trying to satisfy the entire demand might prove to be prohibitive. The estimates presented in this study are likely to be biased upward, and therefore to be liberal estimates, on these accounts.

2. The estimated number of onsite and offsite jobs that could be generated varied according to the assumption adopted about fiscal substitution and whether the resources freed by such substitution are ultimately spent. The most reasonable assumption--that, regardless of whether or not there is any fiscal substitution, all the funds are eventually spent, yields an estimated 7.4 million jobs. The effect of these additional jobs is to lower the cost per jobs created from \$15,000 (for onsite jobs) to approximately \$6,000 for both onsite and offsite jobs.

Moreover, the characteristics of jobs created offsite would differ noticeably from jobs created onsite. For example, while low-skill jobs would constitute over 40 percent of the onsite jobs, they would represent only 15 percent of the offsite jobs. Thus, one effect of offsite job-creation would be to lower the percentage of jobs that could be filled by low-skill workers from over 40 percent to only 25 percent. The actual number of low-skill jobs capable of being generated increases from 1.2 million to over 1.8 million. A major conclusion to be drawn from this finding is that, because offsite employment effects of these activities is substantial and because these jobs differ in characteristics from onsite jobs, inferences about the average costs and targeting effectiveness of job-creation programs should not be drawn from onsite job-creation and cost data alone.

3. It was found that the markets for white collar workers--both professional-managerial and clerical-sales--and service workers were most likely to experience bottlenecks even in a situation of rough aggregate balance. However, these skill-specific bottlenecks were not considered serious hindrances to the feasibility of implementation of these activities since they could easily be alleviated by drawing on additional supplies available from unemployed and underemployed white collar workers who were not members of the target group. A policy implication to be drawn from this finding is that targeting restrictions and eligibility criteria ought to be flexible enough to allow for some selection from outside the target groups or populations of eligibles specified for the program. Such flexibility will tend to minimize potential skill bottlenecks.

We found that labor-intensive, low-skill activities could serve as a reasonable basis for national job-creation in a structural program. Additional labor-intensive activities could be added to meet the needs of a countercyclical job-creation program as the occasion warranted.

4. The process developed to identify priority areas consisted of several steps. First, areas identified as areas of excess demand by at least 20 percent

of officials and representatives were isolated. Then, from among those areas, the ones selected by at least 10 percent for increases with additional federal funding and the ones selected by a large number of officials and representatives for increases rather than for decreases were isolated. The areas that met all of these test were defined as priority areas.

The area of environmental quality met the test for all local area public officials and representatives contacted. The following areas met the test for all officials and representatives except elected public officials--housing, health, and criminal justice. These areas provide roughly one-sixth to one-fifth of the 3 million jobs created by the activities identified in this study.

5. Administrative and operational issues were examined on the basis of an extensive literature review and from information acquired during the course of our fieldwork. The following issues were identified as potential barriers to effective implementation of activities funded under a large-scale public job-creation program:

- ambiguous program goals,
- red tape,
- inadequate time for planning,
- targeting,
- inadequate resources for training, supervision, and materials,
- pressure group problems (e.g., unions, competition in private sector),
- transition requirements.

Each of these issues can render a project (or groups of projects) infeasible.

Two issues--inadequate time for planning and inadequate resources for training, etc.--were singled out as amenable to policy action that would minimize the difficulties they now produce. The former can be alleviated by more stable funding patterns. The latter can be alleviated by liberalizing the current requirement that no less than 85 percent of the funds be spent on the wage bill. While this liberalization may reduce the onsite job-creation performance of the program, it would increase the range of feasible activities and it may improve the long-range benefits accruing to program participants by providing them with better on-the-job training experience. These improvements may be purchased at the cost of more fiscal substitution, however, unless more effective constraints are imposed on how funds will be utilized and greater effort is made to assure that maintenance-of-efforts provisions are honored.

I. OVERVIEW AND SUMMARY.

Persistent and disturbingly high levels of unemployment experienced in recent years have convinced many that monetary and fiscal policy can no longer be relied on as the sole means of regulating our economic destinies. This type of thinking has its roots in a view of the economy that suggests that aggregate rates of unemployment cannot be reduced much below 6 percent by these measures without incurring intolerably high rates of inflation. Such a view, consistent with a structural theory of unemployment, permits the simultaneous existence of excess supplies of labor in some markets along with excess demands for labor in other markets. These sectoral imbalances suggest the need for targeted, structural interventions into labor markets--e.g., wage subsidies, antidiscrimination programs, investment incentives--as a more appropriate way of dealing with our existing unemployment problems than the traditional macroeconomic measures.

Among these, public sector job-creation has played an increasingly important role. Prior to 1971, such programs were practically non-existent; since that time they have steadily grown so that today the public service employment program authorized under the Comprehensive Employment and Training Act (CETA) alone funds over 750 thousand jobs.

The debate over whether or not to expand public job-creation programs has been centered in part on the issue of "make-work." Many have argued that it would not be desirable to further expand the scope of these types of programs because they would quickly run out of meaningful activities. Jobs created by these activities, they argue, would be "make-work" or "leaf-raking"--demeaning to those employed, contrary to the value placed on work by the advocates of such job-creation programs, and not really directed toward satisfying important social objectives.

Scope of Study

The purpose of this study was to assess the feasibility of large-scale, public job-creation. Feasibility, we caution, is not synonymous with desirability. The former addresses what could be done. The latter addresses what should be done and implies an activity that is, in some sense, superior to alternative activities. To be feasible, it is only necessary to show that meaningful public job-creation activities are technically possible. To be desirable, one must also show that such activities are regarded as "better" in some sense than others--where, for example, "better" can be defined in efficiency terms as creating more jobs of a given value at a given cost, or creating a given number of jobs of a given value at a lower cost.

This study is primarily interested in the issue of feasibility. Although it also develops information that could be relevant to the latter issue, no attempt is made to identify the relevant trade-offs between this type of program and alternative types of structured programs.

A major concern of this study was with the assertion that a public job-creation program is limited in its potential capacity to expand by the existing amount of meaningful public sector activity that could be undertaken. The central issue examined was: How many activities could be undertaken?

An additional concern was with the characteristics of these activities. We wanted to estimate the number of jobs that could be created and the costs of these activities. This information was expected to be useful in further studies of the relative merits of public job-creation activity to determine whether such activity was indeed "better" and therefore desirable. We also examined other dimensions of the activities--their labor-intensity, their skill-mix, their degree of political acceptability, etc.--which might

contribute to a more thorough analysis of the benefits and costs expected from these activities.

In estimating the job-creation potential of these activities, an attempt was made to be more comprehensive than past studies. Critical factors considered in assessing the net job-creation potential of these activities include how they are to be funded, whether or not there is any fiscal substitution or occupational displacement, and the extent to which there are indirect, or offsite, job-creation effects.

Public job-creation activities could conceivably result in no new net job-creation if funded by reductions in expenditures on other public activities or by increases in taxes. However, even under these extreme assumptions, the activities funded might affect the distribution of jobs between public- and private-sector activity, among income classes (i.e., poor vs. nonpoor), among skills, or among demographic groups. We do not examine the implications of funding for net job-creation. Instead, we assume that the activities are funded in a way that results in a net increase in total expenditure, and therefore results in net job-creation. Clearly, violations of this assumption could reduce the net job-creation potential of these activities. Fiscal substitution--the use by localities of federal funds to support activities that would otherwise have been funded by local funds--can affect both the net job-creation potential of activities and the distribution of jobs among various groups of workers. In this study we make a crude attempt to examine the implications of some extreme assumptions about the impact of fiscal substitution. We also consider both onsite and offsite job-creation.

Consideration was also given to a particular aspect of indirect costs--the potential inflationary pressure that could be generated as a result of labor shortages that might emerge as a consequence of these activities. To assess

these shortages, estimates of the aggregate number of jobs created and the distribution of these jobs by skill (major occupation group) were compared with estimates of the aggregate supply of labor available to fill these jobs and the distribution of this supply by comparable skills:

Finally, general administrative and organizational issues that might pose significant barriers to implementation of these activities were reviewed and attempts were made to link some of these to particular types of activity.

Defining Meaningful Work

Unfortunately, the concept of meaningful work is not quite so absolute as Keats' concept of beauty.¹ Rather, like the beauty that lies in the eye of the beholder, meaningful work can imply different activities to different observers. One definition commonly used in discussions of meaningful work is: activity that satisfies some "unmet social need." Unfortunately, this definition is of little value in clarifying the concept. Like beauty and meaningful work, unmet social needs can mean different things to different people.

This obscurity is further compounded when one realizes that, in principle, there can be an infinite number of unmet needs that remain to be satisfied-- both in the public sector and in the private sector. In practice, however, only some of these needs can actually be satisfied.

Scarcity prevents attainment of a state of Nirvana in which all unmet needs can be satisfied. Resources are not available in unlimited supply to be applied to satisfying these needs. Consequently, priorities must be established to determine exactly which unmet needs are to be satisfied. For

1. In his memorable "Ode to a Grecian Urn", Keats described the concept of beauty as follows:

"Beauty is truth, truth beauty,--that is all
Ye know in earth, and all ye need to know."

most private-sector goods, these priorities are established through the marketplace by interaction of suppliers and demanders and the prices that are generated. For most public-sector goods, these priorities are established through the political process by interaction of suppliers and demanders and the support of the electorate and of special interest groups.

In general, the private-sector goods and the public-sector goods selected to satisfy unmet needs can be assumed to be those with the highest "value" relative to their costs. This is the assumption underlying most economic models of consumer and voter behavior. It is this "value"--elusive and difficult to pin down--that will differ among observers and will therefore be the reason for differences among observers in the priorities they set among activities.¹

For purposes of this study, it is not necessary to estimate the value; it is only necessary to know that the selection process is systematically based on this value relative to the cost of the activity. The "marginal" activity would be the next one selected--if an opportunity arose to make an additional selection. Such an opportunity would arise if, by provision of federal funds, a public job-creation program lowered the cost of public-sector activities faced by local decisionmakers.²

It is this marginal activity that is meant to be encompassed in our definition of meaningful work. Presumably, it has value, but it is not worth the

1. This elusiveness is not as troublesome for private-sector goods, since market prices serve a meaningful role in establishing these priorities among goods and services as to what will be consumed. It is more problematic for public-sector goods, where market prices do not usually exist.

2. Of course, these funds are not costless. They must be raised either through taxes, reduced expenditure on other public-sector activity at the federal level, or increased federal budget deficits. For the first option, the federal taxpayer bears the cost; for the second option, the beneficiaries of these other federal public-sector activities bear the cost; for the third option, the cost could be an increase in inflation, which would be borne largely by consumers and holders of fixed-price assets.

costs that must currently be paid, given resources currently available. By providing additional resources to local decisionmakers, the public job-creation program allows them to reconsider undertaking activities which are marginal to them.

Estimating Onsite Job-Creation

Information about activities that could provide meaningful work was gathered by means of field visits in Washington--with numerous federal government officials and representatives of over 50 national organizations, ranging from Goodwill Industries to the National Education Association--and in 24 counties located in eight of the ten federal regions.¹ Table 1.1 describes the 24 counties visited.

In each of the sites, visited substantive discussions were held with: locally elected officials; local, county, state, and federal government officials and staff; members of a wide variety of local advisory boards such as the Manpower Advisory Planning Committee (MAPC); representatives from community-based organizations; representatives from minority groups; labor leaders; business and Chamber of Commerce representatives; and other local citizens either involved in the operation of local government programs or knowledgeable about public-supported services in their communities. Table 1.2 displays the number of discussions held by type of official visited.

In addition to holding substantive discussions with local community representatives, correspondence was conducted and/or meetings were held

1. Originally we had planned to visit 30 counties in the ten federal regions. We had to cut back on our plans for budgetary reasons. The counties selected were a stratified random sample of all counties. The selection process was designed to insure at least one site per federal region. Three counties were selected per region so that there would be a total of ten large counties, ten moderate-sized counties, and ten small, predominantly rural, counties. For details of the sampling method, see Appendix IA.

TABLE 1.1
 COUNTIES VISITED IN THE COURSE
 OF THIS STUDY

| <u>REGION</u> | <u>COUNTY</u> | <u>A CITY WITHIN COUNTY</u> |
|---------------|--|---|
| Region 1 | New Haven, Connecticut Hamden, Massachusetts Lowell, Massachusetts | New Haven Springfield Lowell |
| Region 3 | Dauphin, Pennsylvania Luzerne, Pennsylvania Baltimore, Maryland | Harrisburg Wilkes-Barre Baltimore |
| Region 4 | Liberty, Georgia Bamberg, South Carolina Richmond, Georgia | Hinesville Bamberg Augusta |
| Region 5 | Ross, Ohio Wayne, Indiana Hamilton, Ohio | Chillicothe Richmond Cincinnati |
| Region 6 | Harris, Texas Lafayette, Louisiana Grimes, Texas | Houston Lafayette Bryan City |
| Region 8 | Eagle, Colorado Washington, Colorado El Paso, Colorado | Vail Akron Colorado Springs |
| Region 9 | Sacramento, California Alameda, California Fresno, California | Sacramento Berkeley Fresno |
| Region 10 | King, Washington Yakima, Washington Kliakitat, Washington | Seattle Yakima White Salmon |

TABLE 1.2

NUMBER OF MEETINGS HELD BY TYPE
OF REPRESENTATIVE

| <u>Type of Representative</u> | <u>Number of Meetings Held</u> |
|--|--------------------------------|
| <u>Elected officials</u> --e.g., mayors, members of city councils and community commissions; school board members, etc. | 50 |
| <u>Non-elected officials</u> --(a) those without specific program or agency responsibilities, such as city managers and their assistants; executive staff in the offices of the mayor, city council or county commission; special assistants to a governor or other elected official, etc. | 45 |
| (b) those with program responsibility, e.g., heads of agencies for planning; housing; urban renewal; social services; corrections and other criminal justice agencies; economic development programs, etc. | 125 |
| <u>Staff members of community-based organizations</u> -- | 30 |
| (a) those without specific project responsibilities, such as minority group leaders; officials of the local chamber of commerce; United Way; League of Women Voters; and cultural organizations. | |
| (b) individuals directly responsible for delivery of services, e.g., staffs in public-supported community centers; services for the elderly; training and vocational facilities; youth organizations; Goodwill, etc. | 70 |

with federal government officials and representatives from the national organizations listed in Appendix IB.

The meetings, both in Washington and in the local communities, focused on (1) identifying activities that might provide meaningful work; (2) determining priorities among these activities; and (3) identifying current or expected problems in (a) implementing PSE projects, (b) running the projects, and (c) phasing out the projects.

Data were also collected during these visits on the costs, labor intensity, skill-mix, and job-creation potential of the public service and public works activities identified as likely candidates for large-scale expansion. Data were also collected from such secondary sources as PSE project data summaries, various government reports, program budgets, program planning documents and evaluations, previous studies such as the National Manpower Survey of the Criminal Justice System, and a number of surveys conducted specifically for this research project by particular national organizations.

Onsite job-creation was estimated in two steps. First, a list of "marginal" activities--i.e., activities identified as a result of these meetings with officials and community and interest group representatives at the local and the national level--was compiled. Then, estimates of job-creation and costs were generated by determining the level of activity that would be required to completely satiate the demand for these activities, proxied by some measure of universe of need. There are two methodological issues that cause these estimates to be higher than might be socially desirable. First, since there is no consensus on what constitutes meaningful work, some of the activities identified might be questionable in that the value of the goods and services they produce may not justify their costs. Second, for a similar reason, it may not be desirable to expand activities to completely satiate demand.

Estimating Total Job-Creation

Two factors can create differences between onsite job-creation and total job-creation: (1) offsite employment effects, and (2) fiscal substitution.

Offsite employment effects can arise because: (a) nonlabor purchases by these activities can create employment in the industries supplying these inputs and in industries supplying the suppliers (direct and indirect employment effects); and (b) expenditures occasioned by the onsite and the direct and indirect employment effects can induce further, second-round employment changes (induced employment effects). Fiscal substitution can arise if the job-creation funds are used to support activities that would have been supported by local funds in the absence of the federal job-creation program.

Offsite employment effects were estimated from a sequential input-output simulation model developed by Golladay and Haveman to examine similar effects arising from a negative income tax program. Offsite employment effects were estimated by industry and then converted into an occupational distribution by means of 1970 Census estimates of the distribution of workers by occupation and industry. The occupational distribution was further transformed into an educational distribution by means of 1970 Census estimates of the distribution of workers by education and occupation.

The effects of fiscal substitution are difficult to pin down without further information about how the resources freed by such substitution are disposed of. Since little reliable information exists about either fiscal substitution or how the freed resources are disposed of, we made two separate estimates of total employment effects: one based on an "optimistic" assumption--that all federal job-creation funds are ultimately spent, regardless of whether or not substitution takes place--and one based on a "pessimistic" assumption--that none of the resources freed by fiscal substitution of federal

funds are spent. Estimates of fiscal substitution were based on judgment because of the unreliability of existing global estimates and because of the unavailability of estimates by type of activity. It was assumed that fiscal substitution will be higher for activities representing extensions or expansions of ongoing activities (as opposed to new activities), and for ongoing activities that were already large in scale prior to their extension or expansion by the new public job-creation activity.

To identify labor-bottlenecks, estimates of onsite and offsite job-creation were compared to estimates of labor supply available from five designated target groups. The most global target group included all observed unemployed workers, all hidden unemployed (i.e., discouraged) workers, and underemployed workers.¹ More narrowly defined target groups consisted of: (a) the observed unemployed only; (b) the "long-term" unemployed;² (c) the "low-skill" unemployed;³ and the long-term, low-skill unemployed.

Two sets of supply estimates were generated: one set for a job-creation program to alleviate structural unemployment problems (structural program) and one set for a job-creation program to deal with cyclical unemployment problems (countercyclical program). Estimates of supply for the structural program were generated for an aggregate unemployment rate of 4.9 percent; estimates of supply for countercyclical program were generated for an aggregate unemployment rate of 8.5 percent, 3.6 percentage points above the rate used for the structural program.

1. Underemployed workers were defined as employed workers who were working part-time for economic reasons. An alternative definition--not used in this study--includes employed workers earning annual wages that are below some arbitrarily-defined poverty level.

2. Long-term unemployed included workers with an average duration of unemployment of more than 13 weeks.

3. Low-skill unemployed included workers with less than 12 years of school completed.

Since most workers are unemployed or underemployed for only part of a year, the actual size of a target group as measured above can seriously overstate the annual number of jobs required to alleviate these employment problems. We therefore expressed our supply estimates as the annualized full-time equivalent of the target group population. No attempt was made to simulate the supply of potential applicants for these jobs. Instead, it was assumed that all members of these target groups would opt to participate in the public job-creation program and that all non-members would not choose to do so. Although these assumptions create offsetting biases, it is likely that the net effect--particularly in a high-wage program--will be to understate the true supply--especially of potential applicants from those who were not in the labor force or who were employed in other jobs.

Priorities and Administrative Issues

Priorities among program areas were established on the basis of judgments by public officials and community representatives about: (a) excess demand for public services, and (b) changes in activities that might result from an increase or a decrease in federal funding.

Our analysis of organizational and administrative issues was based on an extensive literature review and on material gathered on our site visits--both in Washington and in the field.

Summary of Findings

Earlier studies produced estimates of onsite job-creation potential that ranged between 300 thousand and 5.3⁰ million, depending on the scope of activities examined and the methods used to generate estimates. We tried to be more comprehensive than these past studies, by examining all activities at all levels of government, by considering both onsite and offsite job-creation,

by comparing skills required by the jobs with skills available to identify potential skill-bottlenecks, by examining possible priorities among activities, and by building into our estimates possible barriers to implementation expected to arise from administrative or organizational factors.

1. The study identified 233 potential job-creation activities in 21 different program areas. This list of activities, together with the summary of their characteristics, should provide valuable guidance to prime sponsors and other program administrators charged with the responsibility for developing such activities. The largest number of activities were in the following program areas: public works (37), environmental quality (31), education (27), social services (27), and criminal justice (24). Estimates of onsite jobs and costs could be generated for 115 activities. These 115 activities were estimated capable of generating 3 million onsite jobs at a budgetary cost of \$46 billion, or slightly more than \$15,000 per onsite job. These per-job costs ranged as low as \$8,000 for cultural activities (including museums and public libraries) to as high as \$41,000 for public works. A large number of additional onsite jobs could have been created by the 118 projects for which estimates could not be generated. These estimates of potential job-creation should, therefore, be considered quite conservative on this account. However, while both the 115 and 233 activities are technically feasible, they may not be the best way to allocate scarce government resources. The value of some of these activities, may not be sufficient to justify their costs. And, for other activities, the costs of trying to satisfy the entire demand might prove to be prohibitive. The estimates presented in this study are likely to be biased upward, and therefore to be liberal estimates, on these accounts.

The largest number of onsite jobs would be generated with the following activities:

| <u>Activity</u> | <u>No. of Jobs</u> |
|--|--------------------|
| Reducing class-size in public schools by using more teachers | 363,500 |
| Using more classroom- or teacher-aides | 238,000 |
| Increased staffing in law enforcement agencies | 168,000 |
| Using more special education teachers for the handicapped | 160,000 |
| Expanding publicly-supported day-care services | 139,000 |

These five activities provide over one-third of the onsite jobs estimated in this study, implying that the remaining 110 activities could each provide a relatively small number of jobs. Only 14 of the 115 activities would be able to provide more than 50,000 jobs at the national level.

Eleven of the 21 program areas generated activities which, on average, could be considered "labor-intensive" (i.e., at least 70 percent of their total costs are labor costs), and eleven could be considered "low-skill" (i.e., at least 70 percent of the onsite job slots can be filled by unskilled laborers or service workers--the lowest-paying occupation classes). About 40 percent of all onsite jobs--or 1.2 million jobs--can be considered low-skill.

2. The estimated number of onsite and offsite jobs that could be generated varied according to the assumption adopted about fiscal substitution and whether the resources freed by such substitution are ultimately spent. The "optimistic" scenario assumed that all job-creation funds are ultimately spent, regardless of whether or not fiscal substitution occurs, and the "pessimistic" scenario assumed that none of the funds freed by fiscal substitution are spent. An estimated 3.5 million jobs could be created under the pessimistic scenario and 7.4 million jobs under the optimistic scenario. The effect of these additional jobs is to lower the budgetary cost per job

created from \$15,000 (for onsite jobs) to approximately \$6,000 (under the optimistic scenario) or \$12,000 (under the pessimistic scenario) for both onsite and offsite jobs.

Moreover, the characteristics of jobs created offsite would differ noticeably from jobs created onsite. For example, while low-skill jobs would constitute over 40 percent of the onsite jobs, they would represent only 15 percent of the offsite jobs. Thus, one effect of offsite job-creation would be to lower the percentage of jobs that can be filled by low-skill workers from over 40 percent to only 25 percent. The actual number of low-skill jobs capable of being generated increases from 1.2 million to over 1.8 million (under the optimistic scenario); it falls to slightly less than 900 thousand under the pessimistic scenario. A major conclusion to be drawn from this finding is that, because offsite employment effects of these activities is substantial and because these jobs differ in characteristics from onsite jobs, inferences about the average costs and targeting effectiveness of job-creation programs should not be drawn from onsite job-creation and cost data only. It is reasonable to conclude that, ultimately, all job-creation funds will be spent (although, in the short run, some funds freed by fiscal substitution might not). Thus, if only the 115 activities for which job-creation estimates were derived could be implemented, then at least 7.4 million jobs could be created at an average budgetary cost of roughly \$6,000 per job, and at least 1.8 million of these jobs (approximately one-fourth of the total) could be filled by low-skill workers.

3. The supply of workers available varied with the nature of the target group and the nature of the program. The following number of jobs would be required to meet the employment needs of alternative target groups in a structural program:

| <u>Target Group</u> | <u>No. Jobs Required (in millions)</u> |
|---|--|
| All unemployed (actual and hidden) plus underemployed | 4.5 |
| All unemployed (actual only) | 2.5 |
| Long-term unemployed | 1.2 |
| Low-skill unemployed | 1.0 |
| Low-skill, long-term unemployed | 0.5 |

The following number of jobs would be required to meet the employment needs of alternative target groups in the combined structural-cyclical programs examined in this study:

| <u>Target Group</u> | <u>No. Jobs Required (in millions)</u> |
|---|--|
| All unemployed (actual and hidden) plus underemployed | 7.1 |
| All unemployed (actual only) | 4.6 |
| Long-term unemployed | 3.1 |
| Low-skill unemployed | 1.7 |
| Low-skill, long-term unemployed | 1.2 |

4. It was found that the markets for white collar workers--both professional-managerial and clerical-sales--and service workers were most likely to experience bottlenecks even in a situation of rough aggregate balance. However, these skill-specific bottlenecks were not considered serious hindrances to the feasibility of implementation of these activities since they could easily be alleviated by drawing on additional supplies available from unemployed and underemployed white collar workers who were

not members of the target group.¹ A policy implication to be drawn from this finding is that targeting restrictions and eligibility criteria ought to be flexible enough to allow for some selection from outside the target groups or populations of eligibles specified for the program. Such flexibility will tend to minimize potential skill bottlenecks.

We found that labor-intensive, low-skill activities could serve as a reasonable basis for national job-creation in a structural program. Additional labor-intensive activities could be added to meet the needs of a countercyclical job-creation program as the occasion warranted.

5. Determining priorities among the program areas proved to be a difficult task for a number of reasons. First, the officials and representatives whose judgments formed the basis for our study of priorities were not necessarily a representative sample. Second, even if they were, their opinions do not necessarily reflect the combined judgments of all members of the communities they represent. Finally, there was a notable lack of consensus, even after these officials and representatives were stratified by type, as to program areas in which there exist excess demands for public services and areas in which additional federal funds should be spent. For these reasons, the findings on priority program areas should be treated with caution.

The process developed to identify priority areas consisted of several steps. First, areas identified as areas of excess demand by at least 20 percent of officials and representatives were isolated. Then, from among those areas, ones selected for increases in additional federal funding of at least 10 percent and ones selected by a large number of officials and

1. For example, in a program targeted at long-term unemployed workers, skill bottlenecks could be alleviated by drawing on the supply of skill available from non-long-term-unemployed workers.

representatives for increases rather than for decreases were isolated. The areas that met all of these test were defined as priority areas.

The area of environmental quality met the test for all local area public officials and representatives contacted. The following areas met the test for all officials and representatives except elected public officials--housing, health, and criminal justice. These areas provide roughly one-sixth to one-fifth of the 3 million jobs created by the activities identified in this study.

6. Administrative and operational issues were examined on the basis of an extensive literature review and from information acquired during the course of our fieldwork. The following issues were identified as potential barriers to effective implementation of activities funded under a large-scale public job-creation program:

- ambiguous program goals
- red tape
- inadequate time for planning
- targeting
- inadequate resources for training, supervision, and materials
- pressure group problems (e.g., unions, competition, in private sector)
- transition requirements.

Each of these issues can render a project (or groups of projects) infeasible.

Two issues--inadequate time for planning and inadequate resources for training, etc.--were singled out as amenable to policy action that would minimize the difficulties they now produce. The former can be alleviated by more stable funding patterns. However, this improvement may be purchased at the

cost of more fiscal substitution unless more effective constraints are imposed on how funds will be utilized and greater effort is made to assure that maintenance-of-efforts provisions are honored. The latter can be alleviated by liberalizing the current requirement that no less than 85 percent of the funds be spent on the wage bill. While this liberalization may reduce the onsite job-creation performance of the program, it would increase the range of feasible activities and it may improve the long-range benefits accruing to program participants by providing them with better on-the-job training experience.

APPENDIX IA

SITE SELECTION STRATEGY FOR FIELD VISITS
TO FEDERAL REGIONS

The basic purpose of this appendix is to describe the method used to select localities for regional field visits. In order to obtain some balance in our sample of localities, priority was given to geographic representation in our site-selection strategy. The following regional dimensions were considered:

| <u>Kind of Region</u> | <u>Number of Areas</u> | <u>Reason for Construction</u> |
|--|------------------------|--|
| Census Region | 4 | Geographic |
| Census Geographic Areas | 9 | Geographic |
| Economic Development Administration Districts | 157 | Labor Market Condition Administrative |
| CETA Regions | 10 | Geographic Economic |
| BEA Areas | 173 | Structure of Labor Market and Community Pattern |

CETA regions were selected as the appropriate classification or stratification. These regions, with their member states, are described in Table 1A.1. Within each region (or strata), a "locality" was selected on the basis of its regional representation of county population size (or class grouping).¹

Three classes of counties were developed on the basis of their population size. Counties were first ranked by population size and then the population of the largest counties were summed until approximately one-third of the national population was reached; this set, 51 counties, was classified as

1. A locality was defined as at least 3 to 4 economically independent jurisdictions or counties located within 100 miles of at least one of the two other counties.

TABLE 1A.1
STATES BY CETA REGION

Region I

Connecticut
Maine
Massachusetts
New Hampshire

Region II

New Jersey
New York

Region III

Delaware
District of Columbia
Maryland
Pennsylvania
Virginia
West Virginia

Region IV

Alabama
Florida
Georgia
Kentucky
Mississippi
North Carolina
South Carolina
Tennessee

Region V

Illinois
Indiana
Michigan
Minnesota
Ohio
Wisconsin

Region VI

Arkansas
Louisiana
New Mexico
Oklahoma
Texas

Region VII

Iowa
Kansas
Missouri
Nebraska

Region VIII

Colorado
Montana
North Dakota
South Dakota
Utah
Wyoming

Region IX

Arizona
California
Nevada
Guam
Trust Territory

Region X

Idaho
Oregon
Washington

Class I counties. Counties that constitute Class II were obtained by the continued summing of county population size until two-thirds of the national total population was reached; this set, 265 counties, was defined as Class II counties. The remaining third of the total U.S. population, a set of 2,876 counties, constituted Class III counties. Class I and Class II counties are described in Tables 1A.2.

The number selected from each county class within a region was determined on the basis of the proportion of the population in the respective county classes that reside within the region.

TABLE 1A.2

CLASS I AND CLASS II COUNTIES
USED IN SAMPLING PROCEDUREClass I CountiesRegion I

Middlesex, Mass.
Hartford, Conn.
Fairfield, Conn.
New Haven Conn.
Suffolk, Mass.
Essex, Mass.
Worcester, Mass.

Region II

Kings, N.Y.
Queens, N.Y.
New York, N.Y.
Bronx, N.Y.
Nassau, N.Y.
Suffolk, N.Y.
Erie, N.Y.
Essex, N.J.
Bergen, N.J.
Westchester, N.Y.
Monroe, N.Y.

Region III

Philadelphia, Pa.
Allegheny, Pa.
Baltimore City, Md.
District of Columbia
Prince Georges, Md.

Region IV

Dade, Fla.
Shelby, Tenn.
Jefferson, Ky.
Jefferson, Ala.

Region V

Cook, Ill.
Wayne, Mich.
Cuyahoga, Ohio
Milwaukee, Wis.
Hennepin, Minn.
Hamilton, Ohio
Oakland, Mich.
Franklin, Ohio
Marion, Ind.

Region VI

Dallas, Tx.
Bexar, Tx.
Tarrant, Tx.
Harris, TX.

Region VII

St. Louis, Mo.
Jackson, Mo.

Region VIIIRegion IX

Los Angeles, Calif.
Orange, Calif.
San Diego, Calif.
Alameda, Calif.
Maricopa, Az.
San Francisco, Calif.
San Bernardino, Calif.
Sacramento, Calif.

Region X

King, Wash.

TABLE 1A.2
(continued)Class II CountiesRegion I

Norfolk, Mass.
 Providence, R.I.
 Hampden, Mass.
 Bristol, Mass.
 Plymouth, Mass.
 New London, Conn.
 Hillsborough, N.H.
 Cumberland, Ma.
 Litchfield, Conn.
 Kent, R.I.
 Rockingham, N.H.
 Penobscot, Ma.
 Hampshire, Mass.
 Middlesex, Conn.
 York, Ma.

Region II

Hudson, N.J.
 Middlesex, N.J.
 Union, N.J.
 Camden, N.J.
 Morris, N.J.
 Burlington, N.J.
 Mercer, N.J.
 Richmond, N.Y.
 Albany, N.Y.
 Oneida, N.Y.
 Niagara, N.Y.
 Rockland, N.Y.
 Dutchess, N.Y.
 Broome, N.Y.
 Orange, N.Y.
 Ocean, N.J.
 Somerset, N.J.
 Atlantic, N.J.
 Gloucester, N.J.
 Schenectady, N.Y.
 Rensselaer, N.Y.
 Chautauqua, N.Y.
 Ulster, N.Y.
 Saratoga, N.Y.
 Cumberland, N.J.
 St. Lawrence, N.Y.

Region III

Montgomery, Pa.
 Baltimore, Md.
 Delaware, Pa.
 Montgomery, Md.
 Fairfax, Va.
 Bucks, Pa.
 New Castle, Del.
 Luzerne, Pa.
 Norfolk City, Va.
 Anne Arundel, Md.
 Berks, Pa.
 Chester, Pa.
 Erie, Pa.
 York, Pa.
 Lehigh, Pa.
 Richmond City, Va.
 Lackawanna, Pa.
 Kanawha, W. Va.
 Wake, N.C.
 Dauphin, Pa.
 Northampton, Pa.
 Washington, Pa.
 Beaver, Pa.
 Cambria, Pa.
 Arlington, Va.
 Virginia Beach City, Va.
 Schuylkill, Pa.
 Cumberland, Pa.
 Henrico, Va.
 Blair, Pa.
 Butler, Pa.
 Mercer, Pa.
 Hampton City, Va.
 Harford, Md.
 Lycoming, Pa.

TABLE IA-2

Class II Counties
(continued)

Region IV

Broward, Fla.
Fulton, Ga.
Duval, Fla.
Pinellas, Fla.
Hillsborough, Fla.
Davidson, Tenn.
DeKalb, Ga.
Mecklenburg, N.C.
Orange, Fla.
Palm Beach, Fla.
Mobile, Ala.
Guilford, N.C.
Knox, Tenn.
Hamilton, Tenn.
Charleston, S.C.
Greenville, S.C.
Brevard, Fla.
Polk, Fla.
Forsyth, N.C.
Hinds, Miss..
Cumberland, N.C.
Escambia, Fla.
Cobb, Ga.
Chatham, Ga.
Fayette, Ky.
Spartanburg, S.C.
Volusia, Fla.
Montgomery, Ala.
Muscogee, Ga.
Richmond, Ga.
Gaston, N.C.
Bibb, Ga.
Harrison, Miss.
Durham, N.C.
Kenton, Ky.
Sullivan, Tenn.
Sarasota, Fla.
Tuscaloosa, Ala.

Region V

Macomb, Mich.
Montgomery, Ohio
Summit, Ohio
Lake, Ind.
Du Page, Ill.

Region V (cont.)

Lucas, Ohio
Ramsey, Minn.
Genesee, Mich.
Kent, Mich.
Lake, Ill.
Stark, Ohio
Mahoning, Ohio
Dane, Wis.
St. Clair, Ill.
Allen, Ind.
Ingham, Mich.
Lorain, Ohio
Madison, Ill.
Will, Ill.
Winnebago, Ill.
St. Joseph, Ind.
Washtenaw, Mich.
Trumbull, Ohio
Waukesha, Wis.
Butler, Ohio
St. Louis, Minn.
Saginaw, Mich.
Kalamazoo, Mich.
Lake, Ohio
Peoria, Ill.
Racine, Wis.
Vanderburgh, Ind.
Rock Island, Ill.
Berrien, Mich.
Champaign, Ill.
Sangamon, Ill.
Brown, Wis.
Clark, Ohio
Muskegon, Mich.
Anoka, Minn.
Jackson, Mich.
Calhoun, Mich.
Dakota, Minn.
Madison, Ind.
Rock, Wis.
Richland, Ohio
Winnebago, Wis.
Delaware, Ind.
Ottawa, Mich.
Elkhart, Ind.
Portage, Ohio
Greene, Ohio

TABLE 1A.2

Class II Counties

(continued)

Region VI

Orleans, La.
 Oklahoma, Okla.
 Tulsa, Okla.
 El Paso, Tex.
 Jefferson, La.
 Bernalillo, N. Mex.
 Travis, Tex.
 Pulaski, Ark.
 East Baton Rouge, La.
 Jefferson, Tex.
 Nueces, Tex.
 Caddo, La.
 Hidalgo, Tex.
 Lubbock, Tex.
 Galveston, Tex.
 McLennan, Tex.
 Calcasieu, La.
 Cameron, Tex.
 Bell, Tex.
 Wichita, Tex.
 Rapides, La.
 Lafayette, La.

Region VII

St. Louis City, Mo.
 Douglas, Nebr.
 Sedgwick, Kan.
 Polk, Iowa
 Johnson, Kan.
 Wyandotte, Kan.
 Lancaster, Nebr.
 Linn, Iowa
 Shawnee, Kan.
 Scott, Iowa
 Black Hawk, Iowa

Once an efficient allocation of county classes by region had been obtained, a simple random sample was drawn within each region for each of the respective county classes. The Rand Table of One Million Random Numbers was used to randomly sample the counties from the appropriate county classes. Then, the constraint that the three counties be located within a distance of 100 miles of one of the other two counties was imposed. This constraint was imposed in an effort to minimize travel cost and time within each CETA region.

The primary reason for selecting these counties randomly was that there was currently no reliable measures of the demand for public services (or community unmet needs) that may be used as a basis for further stratification. If we had been able to obtain a reliable measure of the implicit demand for public services (or unmet needs) in the counties throughout the U.S., we would have been in a position to select counties systematically.

The selection of a set of three counties depended on the following rules:

- if all three counties are located within a distance of 100 miles of at least one of the other two counties, accept the sample;
- if two of the three counties are within a distance of 100 miles of the other then those two counties will be retained and the third county selected will be excluded from the sample and a subsequent county will be randomly (or non-randomly) selected sequentially until the a priori distance criteria is satisfied;
- if not one of the counties lie within a distance of 100 miles of at least one of the other two counties, reject the three counties, return them to their universe and proceed to select counties randomly until the distance constraint is satisfied.

Once the distance constraint had been satisfied, an additional criteria was also checked; the requirement that the three counties or jurisdictions be economically independent. The deciding factor that was used for determining whether one county was economically independent of another was that

the two counties had to be separate BEA areas or at least in different sub-areas of the major BEA areas.

The results of this selection strategy produced the following percentage distribution on the population within the CETA region by County Classes:

C E T A REGION

| County Class | (%) 1 | (%) 2 | (%) 3 | (%) 4 | (%) 5 | (%) 6 | (%) 7 | (%) 8 | (%) 9 | (%) 10 |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| I | 49 | 58 | 25 | 10 | 35 | 23 | 14 | 0 | 67 | 19 |
| II | 35 | 32 | 43 | 33 | 6 | 28 | 27 | 39 | 24 | 42 |
| III | 16 | 10 | 32 | 57 | 59 | 49 | 59 | 61 | 9 | 39 |

The allocation of sample sites by region that resulted was:

C E T A REGION

| County Class | 1 # | 2 # | 3 # | 4 # | 5 # | 6 # | 7 # | 8 # | 9 # | 10 # | Total # |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|------------|
| I | 2 | 2 | 1 | 0 | 1 | 1 | 0 | 0 | 2 | 1 | 10 |
| II | 1 | 1 | 2 | 1 | 0 | 1 | 1 | 1 | 1 | 1 | 10 |
| III | 0 | 0 | 0 | 2 | 2 | 1 | 2 | 2 | 0 | 1 | 10 |
| Total | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 30 |

A list of the randomly selected counties by CETA regions are shown in Table IA.3 along with their corresponding county class, BEA area, SMSA, if any, and the name of any city within the county with a population of at least 25,000 inhabitants.

TABLE 1A.3

LIST OF RANDOMLY SELECTED COUNTIES TO BE
VISITED TO SOLICIT INFORMATION OF
THE DEMAND FOR PUBLIC SERVICES

| <u>Region</u> | <u>County</u> | <u>Class</u> | <u>BEA Area</u> | <u>Constitutes or is part of an SMSA?</u> | <u>A City Within County</u> |
|---------------|--------------------|--------------|-----------------|---|--|
| Region 1 | New Haven, Conn. | I | 5 | YES | New Haven Bridgeport Providence |
| | Fairfield, Conn. | I | 13 | YES | |
| | Providence, R.I. | II | 4 sub 9 | YES | |
| Region 2 | Erie, New York | I | 8 sub 1 | YES | Buffalo Rochester Rome |
| | Monroe, New York | I | 7 sub 1 | YES | |
| | Oneida, New York | II | 7 sub 3 | YES | |
| Region 3 | Dauphin, Pa. | II | 15 sub 1 | YES | Harrisburg Wiles-Barre Baltimore |
| | Luzerne, Pa. | II | 14 sub 1 | YES | |
| | Baltimore, Md | I | 16 sub 1 | YES | |
| Region 4 | Liberty, Ga. | III | 30 | NO | Hinesville Bamberg Augusta |
| | Bamberg, S.C. | III | 29 | NO | |
| | Richmond, Ga. | II | 29 sub 1 | YES | |
| Region 5 | Ross, Ohio | III | 60 sub 3 | NO | Chillicothe Richmond Cincinnati |
| | Wayne, Ind. | III | 57 | NO | |
| | Hamilton, Ohio | I | 58 | YES | |
| Region 6 | Harris, Tex. | I | 125 sub 2 | YES | Houston Lafayette Bryan City |
| | Lafayette, La. | II | 124 sub 2 | YES | |
| | Grimes, Tex. | III | 115 sub 2 | NO | |
| Region 7 | Dallas, Iowa | III | 93 | NO | Omaha |
| | Gage, Nebra. | III | 95 | NO | |
| | Douglas, Nebra. | II | 94 sub 1 | YES | |
| Region 8 | Eagle, Colo. | III | 132 | NO | Vail Akron Colorado Springs |
| | Washington, Colo. | III | 131 sub 4 | NO | |
| | El Paso, Colo. | II | 130 | YES | |
| Region 9 | Sacramento, Calif. | I | 145 sub 1 | YES | Sacramento Berkeley Fresno |
| | Alameda, Calif. | I | 147 sub 7 | YES | |
| | Fresno, Calif. | II | 143 sub 4 | YES | |
| Region 10 | King, Washington | I | 135 sub 1 | YES | Seattle Yakima |
| | Yakima, Wash. | II | 136 | NO | |
| | Klickitat, Wash. | III | 137 sub 4 | NO | |

APPENDIX IB

WASHINGTON-BASED AGENCIES AND ORGANIZATIONS CONTACTED

FEDERAL GOVERNMENT AGENCIES

Action

Office of Evaluation

U.S. Department of Agriculture

U.S. Cooperative Extension Service
 Farmers Home Administration
 National Forest Service

Community Services Administration

Office of Policy, Planning, and Evaluation
 Office of Energy

Department of Commerce

Economic Development Administration
 White House Conference on Balanced National Growth

Department of Health, Education, and Welfare

Office of the Assistant Secretary for Planning and Evaluation
 Office of the Assistant Secretary for Health
 Office of Child Development
 Center for Disease Control
 Delivery of Services Team--National Health Insurance
 Medicaid Bureau--Division of Analysis and Evaluation
 Administration on Aging
 President's Commission on Employment of the Handicapped
 Architectural Barriers Compliance Board
 Office of the Assistant Secretary for Education
 National Institute for Mental Health Project Share

Department of Housing and Urban Development

Office of Policy Development and Research
 Office of Evaluation, Community Planning and Development
 Office of Lead Based Paint Studies

Department of the Interior

Office of Program Development and Budget
 Bureau of the Mines
 U.S. Geological Survey
 National Park Service

APPENDIX IB
(continued)

FEDERAL GOVERNMENT AGENCIES (continued)

Department of Justice

Office of Policy and Planning
Law Enforcement Assistance Administration
Bureau of Immigration and Naturalization
Bureau of the Prisons

Department of Labor

Office of the Assistant Secretary for Policy, Evaluation,
Research
Employment and Training Administration
Employment Standards Administration
Office of Youth Programs

Department of Transportation

Federal Railroad Administration
Amtrak
ConRail

Environmental Protection Agency

Office of Federal Activities
Solid Waste Division

National Academy of Sciences

Assembly for Behavioral and Social Sciences

Office of Management and Budget

Division of Housing, Veterans, and Labor

NATIONAL ORGANIZATIONS

Alexander Graham Bell Association for the Deaf

American Correctional Association

American Association of Museums

American Federation of State, County, and Municipal Employees

American Foundation for the Blind

APPENDIX IB
(continued)NATIONAL ORGANIZATIONS (continued)

American Library Association
American Public Health Association
American Public Works Association
Association of Mental Health Administrators
Association of Rehabilitation Facilities
Big Brothers/Big Sisters of America
Boy's Clubs of America
Common Cause
Community Arts Councils of America
Council of Great City Schools
Day Care and Child Development Council of America
Drug Abuse Council
Girl's Clubs of America
Girl Scouts of America
Goodwill Industries of America, Inc.
The Institute for the Study of Drug Misuse
Junior Achievement of America, Inc.
League of Women Voters
National Association for the Deaf
National Association of Home Builders
National Association for Mental Health
National Association of Soil Conservation Districts
National Center for a Barrier Free Environment

APPENDIX IB
(continued)NATIONAL ORGANIZATIONS (continued)

National Committee for Prevention of Child Abuse
National Correction Recreation Association
National Council of Community Mental Health Centers
National Council on Citizen Participation
National Council for Homemaker-Home Health Aide Services
National Endowment for the Arts
National Education Association
The National League of Cities
National Planning Association
The National Urban League
National Wildlife Foundation
North American Center for Adoption
New England Foundation for the Arts
Opportunities Industrialization Centers
Sierra Club
United Way of America
U.S. Chamber of Commerce
U.S. Conference of Mayors
Young Men's Christian Association
Young Women's Christian Association