



The Emergency Employment Unemployed Persons Under Types Of Jobs Offered To Act Of 1971

Department of Labor

BY THE COMPTROLLER GENERAL OF THE UNITED STATES

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COMPTROLLER GENERAL OF THE UNITED STATES WASHINGTON, D.C. 20548

B-163922

📐 Dear Mr. Chairman:

This is the fifth in a series of reports in response to your letter of July 28, 1971, in which you requested that we conduct an ongoing review and evaluation of the programs undertaken by the Department of Labor to implement the Emergency Employment Act of 1971 (85 Stat. 146). This report is concerned with the activities of selected States, counties, and cities (program agents) in determining the types of jobs to be offered to unemployed and underemployed persons.

Our review covered the activities of 23 program agents and included activities under both the Public Employment Program under section 5 of the act and the Special Employment Assistance Program under section 6 of the act.

The contents of this report were discussed informally with officials of the Department of Labor and with representatives of certain program agents, and their views were considered in its preparation. These officials, however, have not been given the opportunity to formally consider and comment on the report.

In accordance with our agreement with your office, we are providing a copy of this report to the Chairman, Select Subcommittee on Labor, House Committee on Education and Labor. We will make further distribution of this report only after your agreement has been obtained or you have publicly announced its contents.

Sincerely yours,

Comptroller General of the United States

The Honorable Gaylord Nelson
Chairman, Subcommittee on Employment,
Manpower, and Poverty
Committee on Labor and Public Welfare
United States Senate

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	ABBREVIATIONS	
EEA	Emergency Employment Act of 1971	
GAO	General Accounting Office	BLE

COMPTROLLER GENERAL'S REPORT TO THE SUBCOMMITTEE ON EMPLOYMENT, MANPOWER, AND POVERTY COMMITTEE ON LABOR AND PUBLIC WELFARE UNITED STATES SENATE TYPES OF JOBS OFFERED TO UNEMPLOYED PERSONS UNDER THE EMERGENCY EMPLOYMENT ACT OF 1971 Department of Labor B-163922

DIGEST

WHY THE REVIEW WAS MADE

This report contains overall observations of the General Accounting Office (GAO) concerning the types of jobs offered to unemployed and underemployed persons under the Emergency Employment Act of 1971 (EEA). It is one of a series of GAO reports in response to a request by the Chairman of the Subcommittee on Employment, Manpower, and Poverty, Senate Committee on Labor and Public Welfare.

Background

Previous GAO reports on programs under EEA have commented on allocation of funds, delays in hiring, preparation and approval of program plans, and selection and enrollment of participants. (See app. I for titles of issued reports.)

To implement the programs, the Department of Labor awarded grants totaling about \$959 million during fiscal year 1972 to about 700 States, counties, cities, and Indian tribes serving as program agents. The Department's reports showed that program agents had established 192,700 public service job opportunities under the act. The program agents were also authorized to establish 59,100 summer jobs for youths, using a portion of their grant funds that were available because of a lag in implementing the program.

FINDINGS AND CONCLUSIONS

Program agents selected and established job opportunities to meet a wide variety of public service needs. The agents' records showed that the largest number of jobs were to provide educational, law enforcement, public works, and transportation services. (See p. 5.)

Factors most often cited as affecting the types of jobs selected were (1) unmet public service needs of the area and (2) needs and skills of unemployed persons. Lack of capital support for equipment and supplies, lack of funds for job-related training, lack of time to adequately assess public service needs, and potential for permanent employment also affected job selection. (See p. 5.)

In general, community organizations accepted the program agents' determinations; however, controversies arose over the types of jobs selected by 11 of the 23 program agents in the GAO review. Except in one case, these controversies did not seriously delay program implementation.

Some complainants contended that program agents established jobs which (1) gave EEA participants an unfair advantage over regular employees by placing them in higher positions or providing greater job security or better promotional opportunities or (2) gave inedequate

consideration to qualifications of some segments of the unemployed population. In about half the cases, the controversies were resolved by modifying the job types or the employment practices which affected job selection. (See p. 10.)

Most jobs provided program participants with the same wages and benefits as comparable employees of the program agents and subagents included in the GAO review. A number of agents and subagents. however, established special job classifications for EEA participants and, for this reason, the participants did not qualify for retirement benefits or promotional opportunities available to regular permanent employees. Other rights or benefits for which some participants did not qualify included severance pay, maternity leave, tenure, regular merit and special in-grade salary adjustments, night or overtime pay differential, and

appeal rights for grievances. (See p. 11.)

Overall, program agents were able to use EEA funds to establish public service jobs which would result in employment for a substantial number of persons. Some program agents, however, were not always able to establish jobs to meet their highest public service needs, due to a lack of funds for equipment and supplies or for training potential employees.

Also, certain local conditions, such as established civil service rules and limited opportunities for advancement within existing job structures, differed among the program agents. As a result, program implementation was less than uniform and, in some cases, agents were precluded from complying with all of the act's requirements. Nevertheless, agents generally made genuine efforts to meet the act's requirements and to provide advantageous job opportunities to EEA participants. (See p. 14.)

CHAPTER 1

INTRODUCTION

The Emergency Employment Act of 1971 (EEA) authorized appropriations of \$1 billion for fiscal year 1972 and \$1.25 billion for fiscal year 1973 to provide unemployed and underemployed persons with transitional employment in jobs providing needed public services during times of high unemployment. When feasible, such related services as education, training, and counseling were to be provided to enable workers to move into employment not supported by the act.

To carry out the act, the Department of Labor granted about \$959 million through June 1972 to about 700 cities, counties, States, and Indian tribes serving as program agents. Department of Labor reports showed that the program agents had established 192,700 public service job opportunities under the act. The program agents were also authorized to establish 59,100 summer jobs for youths, using a portion of their grant funds that were available because of a lag in implementing the program. The reports showed that, as of June 1972, about 168,700 persons were employed.

The act defines "public service" as including, but not limited to, work in such fields as environmental quality; health care; education; public safety; crime prevention and control; prisoner rehabilitation; transportation; recreation; maintenance of parks, streets, and other public facilities; solid waste removal; pollution control; housing and neighborhood improvements; rural development; conservation; beautification; and other fields of human betterment and community improvement.

The act set forth conditions applicable to program agents in selecting jobs. The Department's regulations and guidelines for implementing the program contain various criteria, requirements, and goals pertaining to this activity.

Section 7 of the act provides that the applicant shall assure the Secretary of Labor that, to the extent feasible, public service jobs shall be provided in occupational fields which would be most likely to expand within the public or private sector as the unemployment rate recedes. The

applicant also assures the Secretary that special consideration will be given to filling jobs which provide prospects for advancement or suitable continued employment by providing complementary training and manpower services. These efforts are designed to (1) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (2) provide participants with skills for which there is an anticipated high demand, or (3) provide participants with self-development skills.

CHAPTER 2

SELECTION OF JOBS

The program agents covered in our review selected and established job opportunities to meet a wide variety of public service needs. The agents' records showed that the majority of the jobs were in education, law enforcement, and public works and transportation. Appendix II lists jobs by public service areas for the locations covered in our review and nationwide.

FACTORS AFFECTING JOB SELECTION

Most of the program agents included in our review stated that the two major factors affecting their job selection for funding under EEA were (1) the unmet public service needs and (2) the needs and skills of the unemployed persons. The lack of funds for equipment and supplies, the lack of funds for job-related training, the lack of time to adequately assess public service needs, and the potential for permanent employment also affected the types of jobs selected.

Unmet needs and skill levels of the unemployed

The act provides that the public service jobs to be created should furnish needed public services and should be directed especially toward unemployed persons having limited skills. All of the program agents included in our review determined their public service needs and attempted to establish job opportunities that would meet those needs. A number of agents also were cognizant of the need to provide jobs to persons with limited skills and attempted to create a number of job opportunities which did not require that applicants have high skill levels. Examples of situations in which jobs were created to meet those objectives are presented below.

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Representatives of a subagent of Massachusetts told us that they had developed jobs to meet public service needs, some of which existed for a long time, but it was not possible to fill them because of the lack of funds. These positions included an assistant planning director, an assistant purchasing agent, and additional police positions to

enable the police department to increase its work force during the 6 p.m. to 2 a.m. peak crime period.

A subagent for the State of Washington selected six of its seven positions to meet its highest need for a counseling program for disadvantaged students.

In Boston, Massachusetts, the program director told us that it had been assumed that the job types developed could be readily filled and that adequate consideration was not given to the skills available in the segments of the unemployed population required to be recruited under the program. It was difficult for the city to find qualified applicants from among significant segments of the unemployed population for many of the jobs originally selected. Therefore, the city had to eliminate some planned jobs, such as botanists, junior civil engineers, dental assistants, laboratory assistants, chemists, and economists, and replace them with lower level jobs, such as custodians, instructor trainees, swimming instructors, recreational instructors, messengers, and teacher aides.

In the State of Washington, a program agent's representatives advised us that the State selected jobs that could be rapidly filled by members of minority groups and veterans. Higher paying professional jobs, such as hearing examiners which required legal backgrounds, were eliminated in favor of jobs geared to skill levels of unemployed minorities and veterans.

Lack of funds for equipment and supplies

Many of the program agents stated that the lack of funds for equipment and supplies made it difficult to create needed public service jobs in such areas as health, education, environmental protection, public works, and police and fire protection. For example, in Los Angeles County, California, the program agent's representatives stated that the lack of funds for equipment specifically precluded the development of jobs in a firefighting cadet program and jobs to operate a new solid waste disposal system. In both cases, the county considered the cost of purchasing required equipment prohibitive without support from the Federal Government.

In Stanislaus County, California, the employment of EEA participants had increased the agent's staff by approximately 15 percent. The program agent's representative stated that, to provide the types of jobs which would provide opportunities for persons with limited skills, the county had saturated its existing development projects with unskilled people; for the County to effectively utilize more EEA enrollees with limited skills, it would need more development projects. He suggested that this could be done through some sort of public works program for major capital improvements initiated with Federal funds.

In Wyoming plans to provide certain high priority jobs were changed because funds were not available to obtain necessary equipment. In Cheyenne plans to hire a teacher aide to operate audiovisual equipment were dropped because of a lack of funds to acquire the equipment, and in Laramie County plans to hire a law enforcement officer were changed because funds were not available for a patrol car.

Similar comments concerning the lack of funds for equipment and supplies were made by program agents in Boston, Massachusetts; East Baton Rouge, Louisiana; Los Angeles, California; San Jose, California; Seattle, Washington; and Louisiana.

Lack of training support

To maximize the number of jobs created under EEA, the Department's guidelines provide that not less than 90 percent of the funds granted to program agents under section 5 of the act and 96.8 percent of the funds granted under section 6 of the act must be used for participant wages and employment benefits. Of the remaining funds, the guidelines specify that about 7 percent of the funds allotted under a program agent's section 5 grant are available to provide training and other supportive services. The guidelines caution program agents that:

"The small size of this amount makes it essential that supportive services be provided only where absolutely necessary to enable unemployed persons to obtain appropriate jobs."

The limited amount of funds for training support had an effect on the types of jobs some of the program agents developed. For example, representatives of the program agent in Puerto Rico stated that, because funds for training were limited, they had to create positions that did not require training, such as janitors and laborers, so that disadvantaged and unskilled persons could be hired. The agent's representatives felt that the lack of funds for training support seriously inhibited the creation of jobs with a good potential for upward mobility.

A representative of the Atlanta board of education stated that needed jobs for technical services in statistics and for educating the blind could not be selected because funds to train persons for these jobs were not available.

Other program agents in Los Angeles County and Louisiana commented on the need for training support.

Effect of time constraints

In our previous report on the preparation and approval of plans to implement the Public Employment Program (B-163922, Mar. 17, 1972), we commented on the high priority which the Department placed on getting the program underway as soon as possible. The Department's guidelines provided that program agents had 30 days in which to submit their plans for implementing the program.

The limited time available to adequately assess public ... sentatives as being a factor in job selection. For example, the program agent in San Jose stated that, with more time to prepare their plans, city officials could have more realistically evaluated community needs and would have selected different jobs. Also, Louisiana and Los Angeles County stated that the lack of adequate time for planning program activities affected their job selection.

The Department's operating procedures provide that program agents may modify their program plans. As a result, many of the agents have revised their job selections to better satisfy their public service needs and to match jobs to the qualifications of the unemployed persons in their communities.

communities.

Potential for permanent employment

Representatives of several program agents advised us that concern with the potential for retaining EEA participants after the Federal program ceased influenced job selection. For example, Los Angeles funded jobs for maintenance laborers rather than for engineers because prior experience indicated that there would be fewer engineer positions available in the regular city program in which to absorb EEA participants.

CONTROVERSIES INVOLVING JOB SELECTION

Controversies arose over the types of jobs selected by 11 of the 23 program agents included in our review, which, in general, involved complaints by unions, employee associations, minority groups, or community action groups. Except in one case, however, these controversies did not seriously delay program implementation.

The complaints usually contended that program agents or employing agencies were either (1) giving EEA participants an unfair advantage over regular employees by giving them higher positions, greater job security, or better promotional opportunities or (2) giving inadequate consideration in EEA hiring to some segments of the unemployed population.

In about half the cases, the program agents or employing agencies resolved the controversies by modifying the job types or the employment practices which affected job selection. In California, for example, a major controversy arose when the California Rural Legal Assistance, an Office of Economic Opportunity funded grantee, filed a lawsuit in Federal court in November 1971 against the State and the Department of Labor. The suit contended that the State had eliminated the potential for significant segments of the unemployed population—particularly seasonal farm workers and persons of limited English—speaking ability—to participate in EEA by creating EEA positions which required high levels of education or experience.

As a result of the legal action, the Federal court imposed a temporary restraining order freezing hiring as of November 23, 1971. Hiring was resumed on December 10, 1971, after the California Rural Legal Assistance and the State agreed that the State would revise its hiring plans to insure that appropriate numbers of migrant workers would receive jobs.

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An example of a controversy which did not result in a change of types of jobs involved Atlanta, Georgia. The local community action agency complained to Atlanta about the selection of jobs, contending that Atlanta had established jobs to meet the needs of the city rather than the needs of the residents served. The complaint implied that more jobs

should have been provided for unemployed laborers and noted that, of about 70 positions proposed under section 5 funding, only six were laborer positions.

The city responded that the city's needs and the residents' needs were the same. The city stated that it was committed to alleviating unemployment through EEA but that the only sensible way to do that was through rendering essential and worthwhile service to the people. A city official told us that the city has received no further complaints on the selection of job types.

Except for the suit in California, the controversies we identified did not result in legal action and did not seriously delay implementation of EEA programs.

COMPARISON OF EEA AND NON-EEA JOBS

Most jobs provided EEA participants with the same wages and benefits as other comparable employees of the program agents and subagents included in our review. However, a number of the agents and subagents established special classifications for EEA enrollees and, for this reason, the enrollees did not qualify for retirement benefits or promotional opportunities available to regular permanent employees.

Other rights or benefits for which some EEA participants did not qualify included severance pay, maternity leave, tenure, regular merit and special in-grade salary adjustments, night or overtime pay differential, and appeal rights for grievances.

We also found a few instances in which EEA salaries were lower than the salaries for equivalent regular jobs. For example, in California a training officer's civil service pay was \$12,576 annually. However, to conform to the \$12,000 a year salary limitation stipulated in the act, a similar position funded under EEA was reclassified as a training coordinator with a salary of \$11,976 annually. We were told that the duties and qualifications for both positions were the same; in fact, the job description for the new position was extracted from the old position.

In Boston, East Baton Rouge, Los Angeles County, and California, program agent representatives advised us that EEA participants were precluded from being promoted because they were not classified as permanent employees. For example, a representative in Boston stated that examinations for promotion to a higher grade position were held either on a departmental basis (limited only to eligible employees within a department) or on an open basis (open to everyone). The State civil service organization encourages promotion from within and conducts open examinations only after the requesting authority certifies that no qualified individual is available for promotion from within the department.

The city established a special classification for EEA enrollees, and because only permanent employees were eligible for departmental examinations, the EEA enrollees were precluded from taking such examinations. Also, unlike the permanent employees, EEA employees had to compete with a larger field of candidates and score among the top three to be considered for higher grade positions.

In other situations in which qualifying examinations were not required for promotion to higher grade positions, the positions were filled on the basis of seniority; EEA enrollees were not eligible for consideration because they were classified as temporary employees.

In Louisiana, the program agent advised us that EEA enrollees did have one advantage over regular employees: the EEA enrollees have some job security as long as the Federal funding exists but regular employees are still subject to staff reductions if budgetary problems develop.

CHARACTERISTICS OF EEA JOBS

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An evaluation of certain characteristics of EEA jobs provides a good insight into hiring agencies' efforts to meet the act's requirements and to provide enrollees with advantageous job opportunities. As the characteristics in the examples discussed below indicate, program agents generally made genuine efforts to provide advantageous job opportunities.

Newly established careers

Most of the program agents established some new career job classifications. Generally, the new classifications resulted from expanded services made possible by the EEA program and not from job restructuring. For example, in San Jose, the police department established jobs as complaint center trainees and dispatcher trainees to free police officers from administrative duties. In Puerto Rico, newly established jobs included emergency health technicians and assistant coordinators of a drug addiction program. East Baton Rouge established jobs designated as public relations specialist, program specialist, and research assistant.

Opportunities for advancement

Many of the program agents reported that they have a substantial number of positions with career ladders. Advancement opportunities for EEA participants, however, were limited by a number of factors, such as the need to obtain permanent status before being eligible for promotion, the small number of upper level positions available in relation to the number of prospective applicants, and the low turnover rate for some of these positions.

For example, EEA enrollees hired in Boston are considered temporary employees and cannot be promoted unless the new position is an EEA-funded position or unless they qualify through civil service for a permanent position.

Custodians hired by Los Angeles County have only one level--working foreman--to which they can advance, and openings for this position are limited. Also, in Cincinnati, Ohio, the program agent's representatives said that only about 17 percent of the jobs offered a realistic opportunity for advancement.

Training opportunities

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Program agent representatives stated that generally the EEA enrollees had opportunities for continued training—either in classrooms, on-the-job, or through self-development. Although the limited amount of funds available for training in some instances affected the types of jobs selected

(see p. 8), a number of jobs provided the EEA participants with an opportunity for job-related training, especially law enforcement, education, and public health service jobs. However, most of the training being offered consisted of onthe-job training and little classroom training.

Skills provided

the operation

Program agent representatives stated that private sector demand for the skills being acquired by the EEA participant would depend on the state of the economy and the position in which the EEA participant was enrolled. Generally, they believed that clerical jobs and professional positions, such as typists, accounting and law clerks, accountants, appraisers, and computer programers, provided skills which offered a good potential for placement in the private sector. Other positions, such as those in fire protection, offered little such probability because of the lack of counterpart employment in the private sector.

CONCLUSIONS

Program agents were able to use EEA funds to establish public service jobs which would result in employment for a substantial number of persons. However, some program agents were not always able to establish the jobs which would meet their highest public service needs because of a lack of funds for equipment and supplies or for training potential employees.

Also, certain local conditions, such as established civil service rules and limited opportunities for advancement within existing job structures, differed among the program agents we reviewed. As a result, program implementation was less than uniform and, in some cases, the agents were precluded from complying with all of the act's requirements. Nevertheless, agents generally made genuine efforts to meet the act's requirements and to provide advantageous job opportunities to EEA participants.

CHAPTER 3

SCOPE OF REVIEW

We examined the legislative history relating to the act and the activities of the program agents in determining the types of jobs to be offered to unemployed and underemployed persons.

To provide diverse coverage in our review, we visited 23 program agents representing seven States, seven counties, and nine cities. The selected agents represented (1) rural as well as urban areas and (2) areas with rates of unemployment ranging from about 3 percent to 15 percent. Of the \$959 million awarded by the Secretary of Labor to fund about 192,700 jobs under the act, about \$209.2 million was allocated to the 23 selected program agents to fund about 43,700 jobs. (See app. III for a listing of the program agents, funds awarded, and jobs proposed.)

GENERAL ACCOUNTING OFFICE REPORTS TO THE CHAIRMAN,
SUBCOMMITTEE ON EMPLOYMENT, MANPOWER, AND POVERTY,
SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, ON
PROGRAMS UNDER THE EMERGENCY EMPLOYMENT ACT OF 1971

"Review of the Allocation of Funds for the Public Employment Program under the Emergency Employment Act of 1971" (B-163922, Dec. 17, 1971).

"Delay in Hiring of Persons under the Public Employment Program" (B-163922, Feb. 16, 1972).

"Report on the Preparation and Approval of Plans to Implement the Public Employment Program" (B-163922, Mar. 17, 1972).

"Selection and Enrollment of Participants in Programs Under the Emergency Employment Act of 1971" (B-163922, Oct. 12, 1972).

APPENDIX II

PERCENTAGE OF JOBS IN PUBLIC SERVICE AREAS FOR PROGRAM AGENTS IN GAO REVIEW AND NATIONWIDE

	Authorized jobs	
	Selected agents	Nationwide
	(percent)	
PUBLIC SERVICE AREA:		
Law enforcement	9	12
Education	28	21
Public works and transportation	16	23
Health and hospitals	5	9
Environmental quality	2	4
Fire protection	8	2
Parks and recreation	7	7
Social services	6	5
Other	<u>18</u>	<u>16</u>
Total	100 ^a	<u>100</u> ª

^aDetail equals 100 percent due to rounding.

FUNDS AWARDED AND JOBS FUNDED FOR SELECTED PROGRAM AGENTS UNDER THE EMERGENCY EMPLOYMENT ACT OF 1971

	Funds awarded	
	(000 omitted)	Jobs funded
STATES:		
California	\$ 22,416.4	3,679
Georgia	5,092.9	1,518
Louisiana	6,296.4	1,525
Massachusetts	22,239.2	3,269
Puerto Rico	27 , 947 . 7	10,839
Washington	15,937.4	2,523
Wyoming	1,661.2	411
COUNTIES:		
Adams County, Colorado	207.5	44
Greenville County, South		
Carolina	282.9	50
King County, Washington	10,462.0	1,551
Los Angeles County, Cali-	•	
fornia	21,999.0	4,627
Richmond County, Georgia	532.1	111
Stanislaus County, Califor-		
nia	4,437.9	918
Wayne County, Michigan	2,910.5	486
CITIES:		
Atlanta, Georgia	1,125.3	453
Baton Rouge-East Baton	•	
Rouge, Louisiana (note a)	1,176.7	263
Boston, Massachusetts	4,064.0	841
Cincinnati, Ohio	3,228.7	527
Detroit, Michigan	19,073.8	3,365
Indianapolis-Marion County,	·	•
Indiana (note b)	3,455.1	7 50
Los Angeles, California	23,329.0	4,273
San Jose, California	2,937.4	399
Seattle, Washington	8,411.4	1,274
Total	\$209,224.5	43,696

^aCombined application for Baton Rouge and East Baton Rouge Parish.

 $^{^{\}mathrm{b}}\mathrm{Combined}$ application for Indianapolis and Marion County.