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REPORT TO THE CONGRESS

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Efforts To Employ
Disadvantaged Persons In The
Federal Government B-163922

Civil Service Commission
Department of Labor

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BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

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APRIL 17, 1972



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

B-163922

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To the President of the Senate and the
Speaker of the House of Representatives

This is our report on efforts to employ disadvantaged persons in the Federal Government.

Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of the report are being sent to the Director, Office of Management and Budget; the Secretary of Labor; the Chairman, Civil Service Commission; and the heads of other departments and agencies whose activities are covered in the report.

A handwritten signature in cursive script that reads "Thomas B. Staats".

Comptroller General
of the United States

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ABBREVIATIONS

GAO	General Accounting Office
GS	General Schedule
HEW	Department of Health, Education, and Welfare
PFS	Postal Field Service
WG	Wage Grade

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D I G E S T

WHY THE REVIEW WAS MADE

Federal programs which provide training and employment opportunities to persons unable to obtain or to hold jobs have focused increasingly on the economically and educationally disadvantaged. Federal expenditures for these programs have increased from about \$400 million in fiscal year 1964 to about \$3.3 billion in fiscal year 1971. An estimated 2 million people were served in 1971.

Prior reviews by the General Accounting Office (GAO) have focused on the success of manpower programs in providing jobs in the private business sector. This report focuses on the role of the Federal Government--the Nation's largest employer--in hiring disadvantaged persons.

FINDINGS AND CONCLUSIONS

It is the policy of the Federal Government to hire the economically and educationally disadvantaged. (See p. 8.)

Federal efforts to carry out this general policy fall into five categories: Government-wide employment efforts, individual agency programs, youth programs, federally assisted manpower training programs, and the Public Service Careers Program.

Government-wide efforts

The merit system of appointing the best qualified candidates to the Federal service presents certain barriers to applicants who have limited skills and education. The Civil Service Commission therefore has developed special procedures to facilitate the hiring of disadvantaged persons within the framework of the merit system. (See p. 12.)

--Operation MUST (Maximum Utilization of Skills and Training), initiated in March 1966, seeks, through job redesign, to separate lower from higher level tasks and, by creating new or alternate careers, to permit maximum use of skills and training at all levels. Individual Federal agencies have reported to the Commission some notable examples of new job opportunities for the disadvantaged, but statistics have not been maintained on the number of jobs created and filled through Operation MUST.

Operation MUST no longer is funded as a separate effort, but its principles have been incorporated into permanent Federal personnel management programs. (See p. 13.)

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- The Worker-Trainee Examination was developed by the Commission to help identify candidates for filling jobs at the lowest employment level in the Government. One source of candidates for these jobs would be from the disadvantaged segment of the population. From the introduction of the examination in April 1968 through June 1971, a total of 45,133 worker-trainees had been hired nationwide, but data are not available on the number of worker-trainees who meet the Department of Labor's definition of a disadvantaged person. (See p. 16.)

Individual agency programs

Federal agencies have undertaken special programs designed to prepare disadvantaged persons for, or to place them in, permanent employment. Some programs were operated for a limited period; others are of a continuing nature. The agencies generally contract with the Department of Labor or a manpower-program sponsor to provide training and other services.

- Project VALUE, sponsored by the Department of Defense, provided on-the-job training leading to permanent employment at Defense installations in 41 metropolitan areas. From January 1969 through July 1970, when the program was terminated, 4,919 persons were enrolled; 1,275 enrollments led to permanent employment. (See p. 20.)
- The Post Office Department's Job Opportunity Program, started in March 1968, is designed to fill some postal employment needs by employing disadvantaged persons who seek Government career jobs. By June 30, 1971, 2,245 persons had entered the program; of these, 1,272 had qualified successfully for permanent positions. (See p. 23.)

Youth programs

The Summer Aid Program and the President's Stay-in-School Campaign, which were established in 1965 and which operate under the overall direction of the Commission, provide Federal summer and part-time employment, respectively, to disadvantaged youths. Participants in these programs totaled 76,465 during the summer of 1970 and 26,761 during the school year 1969-70, respectively. (See pp. 27 and 31.)

Federal manpower training programs

Federal agencies have participated as host agencies in various Federal manpower training programs by providing work experience and training sites for program enrollees. The agencies are not obligated to employ their enrollees upon completion of training but have been encouraged by the Commission to do so. (See p. 34.)

The Commission requires Federal agencies participating in seven specified manpower programs to report on the number of enrollees hosted by them each month, but it does not require periodic reports on the number of enrollees entering or leaving each program or on the number of enrollees hired after training. The average monthly enrollment reported for the seven programs in fiscal year 1970 totaled 10,688. GAO believes that more meaningful reports on the results of these manpower training programs are needed. (See p. 39.)

Public Service Careers Program

This program, administered by the Department of Labor, is designed to secure for disadvantaged persons permanent employment in public service agencies. One of its five components, designated as Plan D, is directed toward employment by the Federal Government. It follows the hire-first, train-later concept and guarantees permanent employment at the end of the training.

Plan D, initiated late in fiscal year 1970, is a concerted, Government-wide effort to employ the disadvantaged in permanent positions in the Federal service. If actively carried out, Plan D should provide Federal training and employment opportunities to a substantial number of disadvantaged persons. The Department of Labor advised GAO in January 1972 that it did not plan to fund Plan D beyond fiscal year 1972; this decision was reconsidered, however, and in March 1972 the Department announced that Plan D would be funded for fiscal year 1973. (See p. 42.)

A June 1970 goal of hiring up to 16,000 trainees by June 30, 1971, was far from being met. Because of a shortage of funds to cover added training costs and because Government hiring during the year was reduced, the number of planned hires under the program was cut to about 5,000. Commission data showed that, at June 30, 1971, only about 2,700 trainees had been hired. (See p. 46.)

Obstacles to identifying disadvantaged persons

Although Federal programs, such as the Public Service Careers Program, are intended to benefit disadvantaged persons, there was no assurance that the persons enrolled in the programs actually were disadvantaged, as defined by the Department of Labor. The programs in which other public or private employers participated required that enrollees meet the criteria for disadvantaged persons. (See p. 49.)

The Commission stated that requiring an applicant for Federal employment to disclose information on family size and income to ascertain the applicant's status as a disadvantaged person would be an unwarranted invasion of privacy.

The Commission stated also that it legally could not limit entry into the competitive service, which included Plan D of the Public Service Careers Program, on such nonmerit factors as those contained in the Department of Labor's definition of a disadvantaged person. Such a limit on entry is in direct conflict with merit system principles. (See p. 51.)

RECOMMENDATIONS OR SUGGESTIONS

The Chairman of the Civil Service Commission should establish an improved system of reporting on Federal participation as host in manpower training programs and should require periodic reporting on the number of enrollees hired by Federal agencies after completion of the enrollees' training and work experience. (See p. 40.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

The Commission stated that it was reviewing the feasibility of obtaining statistical data on enrollees' turnover under Federal manpower training programs and their subsequent appointment to permanent positions upon completion of their training. (See p. 41.)

The Department of Labor stated that it had no comments to offer in view of modifications made in this report to recognize the position of the Commission.

The Commission's position that legal considerations do not permit the strict application of the definition of disadvantaged to the hiring of such persons for permanent employment in the Federal Government--because of an invasion of the applicants' privacy and because such an application would conflict with the merit system governing Federal appointments--raises a question as to the desirability of legislative action.

GAO takes no position in this matter. It notes, however, that federally supported programs for the employment of disadvantaged persons in the private sector and by State and local government agencies uniformly are required to adhere to the Department of Labor's criteria. In the past the Congress has provided certain statutory exceptions from the merit system, such as those for veterans and for unemployed and underemployed persons under the recently enacted Emergency Employment Act (P.L. 92-54).

MATTERS FOR CONSIDERATION BY THE CONGRESS

If the Congress wishes to have the data necessary to identify applicants as disadvantaged persons considered and to afford preference to disadvantaged persons seeking Federal employment, it would be necessary for the Congress to provide the Commission with specific legislative authority to do so.

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CHAPTER 1

INTRODUCTION

This report summarizes the results of our review of the extent to which the Federal Government's employment policies, programs, and efforts have been directed toward, and have resulted in, providing disadvantaged persons with employment in the Federal service.

We reviewed the policies and procedures of the Civil Service Commission which is primarily responsible under laws and Executive orders for the development of personnel policies and programs in the Federal service. We reviewed also the policies and procedures of the Department of Labor which, through its Manpower Administration, is responsible for the development and administration of comprehensive manpower training and work experience programs and for delivery systems designed to relieve unemployment and to promote maximum utilization of the Nation's manpower.

Further we reviewed, to a limited extent, the efforts of five selected Federal agencies to employ disadvantaged persons--the Departments of Agriculture; Health, Education, and Welfare (HEW); and Navy, the Post Office Department (now the United States Postal Service), and the Veterans Administration. These agencies employed about 50 percent of the Government's civilian work force during the period of our review. Some of these agencies had established special programs for hiring the disadvantaged. We did not select the Department of Labor or the Commission because they were not among the largest Federal agencies in terms of number of persons employed.

We solicited the comments of the Civil Service Commission and the Department of Labor, as well as those of the five agencies whose activities we reviewed. The comments received from the agencies were considered, as appropriate, in finalizing the report. Pertinent excerpts from the Civil Service Commission's comments and the Department of Labor's letter of comments are included in appendix I and II, respectively.

FEDERAL EFFORTS DIRECTED AT IMPROVING
EMPLOYABILITY OF THE DISADVANTAGED

In the 1960's the Federal Government established several major manpower programs intended to increase the skills and employment opportunities of individuals who desired to be in the work force but who were not prepared for employment or who were in the work force but were in jobs characterized by low wages or vulnerable to skill obsolescence and unemployment. Since 1965 Federal manpower programs have been directed primarily toward economically and educationally disadvantaged persons who ordinarily would have been unable to obtain suitable employment.

Federal expenditures for manpower programs have increased from about \$400 million in fiscal year 1964 to about \$3.3 billion in fiscal year 1971. During the same period the number of individuals served annually by these programs increased from about 278,000 to about 2 million.

The primary Federal manpower training efforts were authorized by the Manpower Development and Training Act of 1962 (42 U.S.C. 2571), which provides for training and educating persons who lack the skills needed for available jobs, and the Economic Opportunity Act of 1964 (42 U.S.C. 2701), which is designed to eliminate poverty through education, training, and employment. These acts authorize a variety of programs in both the private business and public service sectors that provide skill training; education; work experience; job placement; and such supportive services as aptitude testing, counseling, medical care, and day care for children.

In conjunction with the increase in Federal support of manpower programs during the 1960's, the Federal Government placed increased emphasis on the need for the private business sector to hire disadvantaged persons.

In January 1968 the President called on American business to assist in solving the Nation's manpower problems and announced the formation of the National Alliance of Businessmen to promote the Job Opportunities in the Business Sector program under which private industry would be encouraged to use its own resources and creativity in providing

employment opportunities for people who ordinarily would not be employed. Federal financial support is available for special efforts and expenses.

The Department of Labor initiated the Public Service Careers Program, which was established pursuant to the two acts mentioned above, as a counterpart to the Job Opportunities in the Business Sector program. The Public Service Careers Program began operations in calendar year 1970 and functions in the public sector (Federal, State, and local governments) somewhat the same as the Job Opportunities in the Business Sector program functions in private industry. The Public Service Careers Program is discussed in chapter 6. (See p. 42.)

Who are the disadvantaged?

The Department of Labor defines as disadvantaged a poor person who does not have suitable employment and who is (1) a school dropout, (2) a member of a minority, (3) under 22 years of age, (4) 45 years of age or over, or (5) handicapped.

A person is considered to be poor if he is a member of a family which receives cash welfare payments or which has an annual net income less than the amount specified in the Office of Economic Opportunity Poverty Guidelines. Persons who do not have suitable employment are the unemployed, the underemployed, and persons hindered from seeking work.

The definition of a disadvantaged person is standardized for most Federal manpower programs. The Department of Labor stated that a standard definition was needed to restrict enrollment in manpower programs to persons who were severely disadvantaged in securing employment. Information supporting the fiscal year 1972 budget request for the Federal Government showed that 10.4 million adults (between the ages of 16 and 64 years) had been included in the poverty population in 1969 and represented a rough estimate of the universe of need for manpower programs.

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FEDERAL POLICY FOR HIRING
DISADVANTAGED PERSONS

It is the policy of the Federal Government, as the Nation's largest employer, to provide job opportunities for the disadvantaged. This policy is set forth in chapter 250 of the Federal Personnel Manual, which states that the manager of a Federal agency or activity, with the cooperation of his personnel officer, shall:

"Identify and cultivate all likely sources of manpower, including, for example, participation in special manpower development programs such as programs for recruiting and developing disadvantaged persons and work-study programs, and intern programs designed to attract and develop top college graduates for personnel and other management, technical, and professional positions."

* * * * *

"Assure equal employment opportunity in recruitment, selection, and placement for all persons, including the economically disadvantaged, members of minority groups, women, older workers, and the physically handicapped, by establishing and monitoring positive programs for this purpose." (Underscoring supplied.)

The manual states further that manpower utilization means conserving and developing the Nation's human resources and helping to meet national social and economic objectives, including the assurance of equal employment opportunity to all segments of the community, including minority groups, the disadvantaged, women, older workers, and handicapped workers.

Federal policy on the hiring of disadvantaged persons in the Federal service also is stated in general terms, under the subject of Equal Employment Opportunity, in Executive Order 11478, dated August 8, 1969. In this order the President emphasized the policy of equal employment opportunity in the Federal service and stated that it was the responsibility of each department and agency head, to the

maximum extent possible, to ensure that recruitment activities reach all sources of job candidates.

The President, in a memorandum to heads of all Federal departments and agencies, announcing the issuance of Executive Order 11478, endorsed the recommendations and new program directions of an attached Commission report on equal employment opportunity. The President emphasized that the Government, as a responsible employer, must do its part along with other employers to provide special employment and training programs for the economically or educationally disadvantaged.

The Commission report, in a section entitled "The Disadvantaged and Hard-Core Unemployed," stated that:

"*** We must not forget our obligation as the Nation's largest employer to do our share in meeting the problems of the disadvantaged and the hard-core unemployed. Government agencies can hire and train disadvantaged persons. ***

"This effort must be strengthened. *** We must find ways to give incentive to Federal agencies to develop imaginative programs so that the facilities of the Government can be used even more extensively for training disadvantaged persons for possible Federal employment."

The Commission had issued, on a continuing basis, bulletins, letters, and program directives that encouraged Federal agencies to recruit, train, and employ disadvantaged persons. Government-wide employment policies and efforts are discussed in chapter 3.

FEDERAL CIVILIAN EMPLOYMENT

Federal agencies employed 2,806,469 full-time civilian employees at June 30, 1970, of which 2,597,755 were employed in the United States (including 304,885 in the Washington, D.C., metropolitan area). The remaining 208,714 employees were located in U.S. territories or in foreign countries. Over 99 percent of the total employees were in the executive branch of the Government.

The Congress, through the appropriation process, controls, to a large extent, the number of employees in the Federal service. Federal employees may be hired under one of three major pay systems, namely (1) statutory classified pay systems which include General Schedule (GS), Postal Field Service (PFS), Foreign Service, and certain Veterans Administration medical professions positions; (2) wage systems including positions in trades, crafts, and laboring occupations; and (3) administrative pay systems which provide authority to heads of agencies to fix compensation under certain circumstances without regard to the statutory classified pay systems.

Substantial numbers of positions in each of the pay systems are at the lower employment levels. According to information furnished us by personnel management officials of various Federal agencies, disadvantaged persons are most likely to enter the Federal service at these levels.

Commission statistics show, as set forth in the following table, that as of June 30, 1970, 224,639 full-time U.S. citizen civilian Federal employees were employed in the lowest three grade levels or at wages equivalent to the lowest three levels (\$6,000 a year or less). Of these employees, 218,715 were employed within the United States and 25,104 were employed in the Washington, D.C., area; 176,800 additional employees were temporary summer employees (59,000), foreign nationals (117,500), or Foreign Service Staff personnel (300) receiving compensation at rates comparable to the lowest three grade levels.

Geographic Distribution of Employees in Lowest Three
Grades or Equivalent by Major Pay Plan
June 30, 1970

	<u>All areas</u>	<u>Overseas</u>	<u>United States</u>	<u>Washington, D.C., area</u>
GS	142,723	2,315	140,408	17,641
PFS	18,821	21	18,800	367
Wage systems	<u>63,095</u>	<u>3,588</u>	<u>59,507</u>	<u>7,096</u>
Total	<u>224,639</u>	<u>5,924</u>	<u>218,715</u>	<u>25,104</u>

The following table shows the total number of all full-time civilian Federal employees and the number of lower

grade full-time civilian employees as of June 30, 1970, for the five Federal agencies whose efforts to employ disadvantaged persons we reviewed in some detail.

Department or agency	Number of employees	GS-1 to GS-3	Number of lower grade full-time civilian employees		
			Wage grade (WG) (\$6,000 a year or less)	PFS-1 to PFS-3	Total
Agriculture	100,411	8,776	1,933	-	10,709
HEW	108,266	11,943	1,888	-	13,831
Navy	381,401	21,688	11,100 (est.)	-	32,788
Post Office	676,346	163	31	18,821	19,015
Veterans Admin- istration	<u>153,913</u>	<u>19,520</u>	<u>7,754</u>	<u>-</u>	<u>27,274</u>
Total, five agencies	<u>1,420,337</u>	<u>62,090</u>	<u>22,706</u>	<u>18,821</u>	<u>103,617</u>
Total, all agencies	<u>2,806,469</u>	<u>142,723</u>	<u>63,095</u>	<u>18,821</u>	<u>224,639</u>

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In chapters 2 through 6, Federal efforts to hire and train the disadvantaged are discussed under five captions: (1) Government-wide employment policies and efforts, (2) individual agency programs, (3) youth programs, (4) federally assisted manpower training programs, and (5) the Public Service Careers Program. Chapter 7 discusses certain obstacles to identifying disadvantaged persons appointed to the Federal service and our suggestion that the Congress may wish to express itself in this matter.

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CHAPTER 2

GOVERNMENT-WIDE EMPLOYMENT POLICIES AND EFFORTS

TO HIRE THE DISADVANTAGED

FEDERAL EMPLOYMENT POLICIES

The Civil Service Act of 1883 (5 U.S.C. 1101) established a merit system under which appointments to Federal jobs would be made on the basis of fitness, rather than on the basis of personal preference or political consideration. The merit system of competitive examinations has become the principal method for selecting applicants for permanent employment in the Federal Government. The Commission operates the system and endeavors to attract and examine candidates for Federal employment and to refer the best available candidates to agencies for consideration and selection as Federal employees.

Disadvantaged persons seeking permanent employment in the Federal service must compete with all other candidates under the merit system. The Federal merit system, however, as is true with other public personnel systems, often is not geared to disadvantaged persons and presents barriers to their employment.

Some barriers are personal, such as lack of education or skill training and unfamiliarity with the work environment. Other barriers are institutional, such as rigid job structures under which limited entry-level positions are available, restrictive position-qualification requirements, and lack of management support for hiring disadvantaged persons when they may not be the most qualified applicants available.

The Commission pointed out, in its 1969 Annual Report to the President, that Federal agencies were hiring and training the hard-core unemployed but that this effort could be strengthened. The Commission pledged to work cooperatively with the agencies to continue to provide work opportunities for persons who needed them most urgently.

Prospects for permanent employment for the disadvantaged in the Federal service have improved in recent years through special efforts carried out under merit principles that recognize and consider the difficulties of persons lacking the education and experience to compete and successfully qualify for Federal employment under the merit system. There are no data available, however, on the extent to which disadvantaged persons have been hired in the Federal Service.

Significant efforts carried out by or with the assistance of the Commission include Operation MUST and the Worker-Trainee Examination.

OPERATION MUST

Operation MUST, established in March 1966 by the Commission, is a management procedure based on the premise that proper job design is fundamental to efficient and economical position management, full utilization of employee skills at all employment levels, effective use of labor-market resources, and training which increases potential for advancement (upward mobility).

Job redesign, the key factor in Operation MUST, involves a systematic review of positions by Federal departments and agencies to determine the possibilities of separating lower level tasks from higher level jobs for more efficient staffing patterns and for better use of the talents of persons at all skill levels. The Commission expected that this procedure, by changing the job mix, often would result in new or alternate career ladders. Through training and skills upgrading, opportunities could be provided for persons with limited training but with potential to enter these career ladders and to progress according to their capabilities.

Although Operation MUST is applicable to all levels of employment and is not a program designed specifically for the disadvantaged, the Commission anticipated that jobs resulting from the program could be performed in many instances by disadvantaged persons. The Commission considered the program to be an important and a necessary means of absorbing disadvantaged persons into the Federal work force (particularly at the GS, WG, and PFS 1 through 3 grade levels) through the normal framework of the merit system.

The Commission's initial directive on Operation MUST, issued in March 1966, stated that there were thousands of persons who, because they had been deprived of the necessary preparation as a result of being economically and educationally disadvantaged, had been unable to obtain their first gainful employment.

The Commission urged Federal departments and agencies to make the greatest possible use of job redesign for purposes of economy, improved manpower utilization, and increased employment opportunities for the disadvantaged. Also the Commission urged the departments and agencies to establish programs and to develop imaginative approaches to provide training and developmental opportunities for disadvantaged and underutilized persons on their employment rolls in furtherance of the objectives of Operation MUST.

An initial assessment of Operation MUST by a Commission task force in April 1967 showed that in most agencies Operation MUST was included as a part of existing programs. The task force expressed the belief that, although many of the accomplishments were impressive as individual examples, in most cases the accomplishments would have been achieved without Operation MUST.

Commission involvement in Operation MUST was limited, for the most part, to counseling agency officials on the implementation of the program, issuing guidelines and directives, conducting seminars, and supplying technical aids in the form of literature. A Commission official, responsible for implementing Operation MUST, advised us that he believed that the program would have been a greater success if additional staff had been available to enable the Commission to provide onsite technical assistance to agencies.

The extent to which Operation MUST has contributed to increased employment of the disadvantaged in the Federal service cannot be measured. No reports are available on the number of disadvantaged persons who filled jobs created by Operation MUST.

Commission reporting requirements were limited to requests in December 1966 and in May 1969 for self-assessment reports in which Federal departments and agencies described

examples of significant achievements through the use of Operation MUST techniques. These reports were not required to provide overall data either on the number of jobs which were restructured or on the number of employees hired as a result of restructuring.

In June 1970 the Commission and the Department of Labor entered into an agreement under which the Department agreed to provide the Commission with funds totaling \$200,000 to conduct a project encompassing Operation MUST concepts of job redesign to facilitate upward mobility. The agreement covered an 18-month period ended January 31, 1972. A Commission official advised us that the project was being undertaken at three Federal agencies to demonstrate that there were ways to provide positions having upward mobility through job redesign.

In January 1972 the Commission advised us that Operation MUST no longer was funded as a separate effort and that its principles had been incorporated into the permanent Federal personnel management programs.

WORKER-TRAINEE EXAMINATION

The Worker-Trainee Examination was developed in fiscal year 1968 by the Commission to identify candidates best suited to perform jobs at the lowest employment levels in Federal departments and agencies.

Before it began using the Worker-Trainee Examination, the Commission's method for assessing potential for successful performance in simple routine jobs had been to use such devices as written tests and evaluations of previous experience and academic achievement.

The Commission found that this method overlooked an applicant's willingness to do the immediate task and assumed that ability to perform difficult tasks automatically indicated success in performing simple, routine jobs. A Commission study showed that this method resulted in the placement of overqualified persons in simple, routine jobs, which in turn caused high turnover rates and lowered efficiency due to boredom and lack of motivation.

The Worker-Trainee Examination was designed as a supplement to the Maintenance and Service Worker Examination which covered all Federal jobs at WG-1 through 4 levels and some GS-1 positions and lower level PFS positions.

Jobs filled through the Worker-Trainee Examination generally are the lowest level jobs previously filled through the Maintenance and Service Worker Examination and involve the performance of simple, routine, or repetitive-type tasks for which no previous experience or training is necessary. The examination consists of a series of written questions concerning the applicant's background that are designed to reveal evidence of likelihood of success in a simple, routine job.

The examination is not designed strictly for the purpose of hiring the disadvantaged. Applicants for the examination are not required to be disadvantaged persons as defined by the Department of Labor. The Commission expressed confidence, however, when introducing the examination in April 1968, that the new examination would provide increased employment opportunities for disadvantaged persons, since

it was believed that the disadvantaged would be the major source of candidates seeking the lower grade jobs.

In May 1970 the Commission issued instructions to its regional offices to administer the Worker-Trainee Examination as a separate examination and to discontinue the use of the Maintenance and Service Worker Examination in evaluating applicants for simple, routine jobs. The area offices within the regions were instructed to begin administering the examination at a time most convenient to their overall examining program since most area offices had large numbers of persons on their existing Worker-Trainee Registers.

The Commission recommended using persons from the Worker-Trainee Register to fill positions made available under Operation MUST. In addition, the Worker-Trainee Register has been used as a recruitment source for certain special agency manpower programs which are discussed in chapter 4.

To fill lower level positions by using the Worker-Trainee Register, agencies submit general requests to a Commission area office identifying the positions to be filled and the number of persons to be hired. The area office then supplies the agencies with listings from the Worker-Trainee Register of the best suited candidates as indicated by the results of the Worker-Trainee Examination. The agencies then fill the positions with candidates from the lists.

Discussions with agency officials revealed that agencies frequently filled lower level positions by submitting requests for specific individuals (name requests) to the Commission area offices. The individuals requested by name generally are not listed on the Register at the time that the request is made. Under this technique the Commission allowed the agencies to hire the persons requested, if their scores on the Worker-Trainee Examination were comparable to scores attained by persons being referred to similar jobs from the Worker-Trainee Register.

An official of the Commission's area office in Washington, D.C., advised us that his office attempted to respond

positively, when possible, to agencies' name requests. The use of name requests often provides the means for Federal agencies to hire persons enrolled in special agency manpower programs and enrollees in Federal manpower programs who receive work experience and training with the Federal agencies.

The Commission's regional offices submitted monthly data to its headquarters office on the number of worker-trainees hired, but the data did not include a breakdown of the numbers hired by each Federal agency. The reports did identify, however, the agencies making significant efforts to hire worker-trainees.

A cumulative Worker-Trainee Status Report prepared by the Commission showed that, at the close of fiscal year 1971, a total of 45,133 worker-trainees had been hired nationwide after the inception of the examination. The number of persons hired included 9,529, 17,127, and 18,477 in fiscal years 1969, 1970, and 1971, respectively.

No data was available on how many of the 45,133 persons hired met the Department of Labor definition of a disadvantaged person, because information on family income and family size was not obtained. To obtain such information would be an unwarranted invasion of the employee's privacy in the opinion of the Civil Service Commission (as discussed in ch. 7).

The Commission report showed, however, that in 1969 and 1970 a total of 4,227 of the persons had received some form of training under the Concentrated Employment Program, which is a federally supported manpower program sponsored by the Department of Labor and directed specifically toward the disadvantaged. Additional disadvantaged persons probably were hired because of the nature of the positions being filled, but the number is not known.

All five agencies included in our review utilized the Worker-Trainee Register to fill many lower level positions. According to the reports submitted to Commission headquarters by its regional offices, four of these agencies--Veterans Administration, Post Office Department, the Department of Navy, and HEW--were among the most active in hiring

worker-trainees. A study made by a Commission official showed that, as of October 1969, over half of the 15,000 worker-trainees hired after the inception of the examination had been hired by the Veterans Administration, the Post Office Department, and the Department of Navy.

CHAPTER 3

INDIVIDUAL AGENCY EFFORTS DIRECTED TOWARD

EMPLOYING THE DISADVANTAGED

Individual agencies have undertaken special programs designed to prepare disadvantaged persons for, or to place them in, permanent employment. These programs generally involve a contractual relationship between the Federal agency and the Department of Labor, or a public or private nonprofit agency which acts as sponsor for a manpower program, to provide training and supportive services.

The programs involve also the cooperation of the Commission in arranging for the participants' entry into the Federal service upon completion of their training, in accordance with civil service hiring procedures. The background and results of the more significant of the programs in this category--Project VALUE, Project HIRE, and the Job Opportunity Program--as well as other efforts that are smaller in terms of the number of persons hired, are discussed below.

PROJECT VALUE

Project VALUE was sponsored by the Department of Defense and was implemented, in cooperation with the Department of Labor and the Commission, during the period January 1969 to July 1970. It was a one-time program designed to provide remedial education and on-the-job training to disadvantaged individuals, to enable them to obtain permanent employment with an opportunity for advancement at Defense installations located in 41 selected metropolitan areas.

The operating plan for Project VALUE provided for the placement of participants after successful completion of a scheduled 9-month training period, or sooner, if appropriate. Responsibility for Department of Defense coordination of the project in the selected metropolitan areas was assigned to the various Defense components--Army, Navy, Air Force, and Defense Supply Agency.

Under the project the Department of Defense was responsible for on-the-job training and supervision of project participants. The Department of Labor was responsible for recruiting and screening participants and for providing funds for participants' salaries during the training period, orientation, remedial and job-related education, and transportation assistance.

These Department of Labor responsibilities were delegated to the Concentrated Employment Program or to the Neighborhood Youth Corps Program--both are manpower programs funded by the Department of Labor--in the 41 metropolitan areas in which Project VALUE operated. The Commission was primarily responsible for coordinating the placement of successful project participants in permanent employment positions through the Worker-Trainee Register.

The Department of Defense reported that 4,919 persons (or 87 percent of the original program goal of 5,625 persons) had been enrolled in the program during its operation from January 1969 to July 1970. Of the 4,919 enrollees, 1,275 (or 26 percent) were placed in permanent positions at Defense installations and 3,644 (or 74 percent) were separated from the program.

We were informed by the Department of Defense in November 1971 that, of the 3,644 enrollees separated from the program, 711 were placed in jobs either in other Federal agencies or in private industry and that another 201 were placed in other training or development programs, returned to school on a full-time basis, or entered military service.

A Department of Defense official advised us that the identifiable program costs borne by the Department amounted to about \$818,000. The costs of the services provided to Project VALUE participants by the two Department of Labor-sponsored programs are not distinguished from other costs incurred under these programs.

PROJECT HIRE

Project HIRE is an ongoing program sponsored by the Department of Defense for the benefit of Alaska natives. It was started in fiscal year 1970 in cooperation with the Department of Labor, the Commission, and the Bureau of Indian Affairs of the Department of the Interior and operates solely in the State of Alaska. Although the project began as a special agency program, it since has become a part of the Public Service Careers Program of the Department of Labor.

Project HIRE is designed to recruit disadvantaged Alaska natives; to move them, with their families, to areas of employment; to hire them in entry-level trainee positions at selected Defense installations in Alaska; and to provide them with remedial education and on-the-job training to enable them to obtain permanent employment with an opportunity for advancement at these installations.

Under the project operating plan, participants receive a career-conditional appointment, generally through the Worker-Trainee Register, and, while in training, are not subject to agency manpower-ceiling limitations. After completion of a scheduled 9-month training period (or sooner, if appropriate) successful enrollees are appointed to permanent positions.

Under the project the Defense component pays the participants' salaries and fringe benefits and provides for on-the-job training and supervision of the participants. The Department of Labor and the Bureau of Indian Affairs are responsible for training the supervisors of the project participants and for remedial education for participants.

The Department of Labor is responsible also for special skill training provided to participants. The Bureau of Indian Affairs is responsible for recruiting potential participants, transporting and relocating them, and providing subsistence on a temporary basis. The Commission shares some recruiting responsibilities but is primarily responsible for arranging for the appointment, within civil service hiring procedures, of those Alaska natives recruited and selected for participation in the project.

Project HIRE began enrolling participants in January 1970. It originally was designed to provide for the participation of 200 (subsequently reduced to 185) Alaska natives each year, who were to be distributed among the Defense components operating in Alaska.

A Department of Defense report showed that, as of June 30, 1971, a total of 426 Alaska natives had been enrolled in Project HIRE from its inception. Of the 426 enrollees, 51 were placed in permanent positions, 257 were separated from the program, and 118 were still in a training status. The Department of Defense advised us in November 1971 that 202 of the separations were voluntary and that 55 separations were for cause.

JOB OPPORTUNITY PROGRAM

The Job Opportunity Program is an ongoing program in the Post Office Department which is designed to fill a portion of postal employment needs by hiring economically and socially disadvantaged persons who desire career jobs in the Federal Government. Started in the San Francisco Post Office in 1968 as an experimental project, the program was operating in 41 cities by June 30, 1971. Further expansion of the program was planned, and it was expected to become a continuing effort with the number of participants dependent upon the needs of individual post offices.

The program, which is carried out in cooperation with the Department of Labor and the Commission, follows the hire-first, train-later concept which is employed by the Public Service Careers Program. It is operated independently of the Public Service Careers Program, however, and its participants are subject to Post Office Department personnel ceilings.

Persons eligible for the Job Opportunity Program are selected through use of the Worker-Trainee Register. Those persons selected are given career-conditional appointments at the Postal Trainee PFS-3 level after receiving preappointment orientation conducted and funded by the Department of Labor through the local Concentrated Employment Program. As a condition of continued employment, appointees are required to pass the civil service competitive examination for Mailhandler (PFS-4) or Clerk-Carrier (PFS-5) within one year from the date of their appointments.

In addition, appointees are required to attend remedial education classes on their own time. These classes are conducted and funded by the Department of Labor through the local Concentrated Employment Program and are designed to prepare the appointees for the competitive examination. The Post Office Department pays the salaries of program participants and provides for their on-the-job training and supervision.

The Post Office Department reported that, as of June 30, 1971, a total of 2,245 individuals had entered the program at the Postal Trainee PFS-3 level from its inception in March 1968. Of the 2,245 enrollees, 1,272 were promoted or were reassigned to nontrainee positions on the basis of their success in appropriate Commission examinations, 612 were separated from the program, and 361 were still in a training status.

OTHER SPECIAL AGENCY PROGRAMS

At the five agencies included in our review, we noted additional programs--smaller in terms of persons hired and geographical area covered than the three programs discussed above--which were directed toward employment of the disadvantaged. The number of such programs operating throughout the Federal Government was not readily identifiable because there was no requirement for reporting on these special programs. The following examples of special programs illustrate the use of cooperative efforts on the part of Federal agencies and manpower-program sponsors.

--In March 1968 the Social Security Administration in HEW entered into an agreement with the local Concentrated Employment Program in Baltimore, Maryland; the Maryland State Employment Service; and the Baltimore City Adult Department of Education to train 45 unskilled disadvantaged people to be card punch operators and to offer them permanent employment after they successfully completed the training. The agreement was extended to train a second group of 45 participants starting in September 1968.

Prospective trainees were selected by the Concentrated Employment Program and were given aptitude

tests by the Maryland State Employment Service. The technical training was provided by the Social Security Administration, and academic training was provided by teachers from the Baltimore Department of Education.

Of the 90 participants in the two groups, 54 completed the 6-month program; of these, 19 were given career-conditional appointments in the Social Security Administration at the GS-2 grade level and 25 received jobs elsewhere. No data were available on the employment status of the remaining 10 persons. An Administration official advised us that budgetary and personnel-ceiling restrictions limited the number of trainees that the Administration could employ. An Administration official advised us also that 10 of the 19 conditionally appointed persons were still on the rolls in February 1971 and had been promoted to GS-3 or higher positions.

--Three HEW health agencies, with the assistance of a community action agency in Maryland, recruited 25 disadvantaged women to fill existing clerical positions. The women entered Federal service as worker-trainees in January 1970 and were enrolled in an 11-week training program in remedial English and math, typing, filing, and other office skills. The training program was conducted by the Maryland Department of Adult Education in Montgomery County, Maryland. A second group of 25 women began similar training in April 1970. Of the 50 women, 48 successfully completed the training program.

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AGENCY ATTITUDES TOWARD HIRING
DISADVANTAGED PERSONS

Personnel officials of the five agencies whose employment practices we reviewed affirmed to us their agencies' general commitment to provide employment opportunities to the disadvantaged. The officials stressed, however, that the opportunities offered must be consistent with the agencies' manpower needs. Each of the agencies had established special offices or had designated officials in their personnel divisions to administer special efforts for the employment of disadvantaged persons.

The personnel officials pointed out that the principal barriers to employing the disadvantaged were strict personnel ceilings and budget restrictions. In June 1968 the Congress enacted the Revenue and Expenditure Control Act of 1968 (Pub. L. 90-364) which imposed restrictions on the hiring of civilian employees and on expenditures by the executive branch. A part of this act was repealed in July 1969, and the establishment of personnel ceilings on the basis of annual budgets and the management of these ceilings by the Office of Management and Budget was restored. Continued emphasis was placed on restraint and reduction of overall Federal employment.

Officials at four of the agencies advised us that, during fiscal years 1969 and 1970, emphasis had been placed on hiring the most qualified and best trained persons for existing positions and that hiring of disadvantaged persons often was not practical because of the time required to train them to become more productive workers. At one agency about 75 authorized, but vacant, positions requiring persons having limited skills could not be filled because of budget restrictions.

One personnel official advised us that a large reduction in force had occurred in his agency toward the end of fiscal year 1970 and that, under these circumstances, emphasis in hiring had shifted from the disadvantaged to displaced agency employees. During fiscal year 1970 four of the five agencies had experienced manpower reductions in the lower level positions to which disadvantaged persons generally would be appointed.

CHAPTER 4

PROGRAMS DIRECTED TOWARD

EMPLOYING DISADVANTAGED YOUTHS

The Summer Aid Program and the President's Stay-in-School Campaign were established within the Federal Government to provide summer and part-time employment, respectively, to disadvantaged youths. The programs, which were announced by the President in 1965, operate under the overall direction of the Commission.

Participants in these programs are given appointments excepted from competitive civil service. The Commission has the authority to establish excepted positions when the competitive examination to fill such positions would be impracticable or undesirable because of the nature of the positions and because of the qualifications required of appointees.

In addition to administering the two temporary employment programs which are of a recurring nature, the Commission administered a one-time special interagency program called Project 250 to provide permanent employment opportunities in the Federal service for young people in the Washington, D.C., area.

The background and results of these programs are summarized below.

SUMMER AID PROGRAM

The Summer Aid Program is designed to provide meaningful work for disadvantaged youths who otherwise might not have the opportunity to obtain summer jobs. Program participants, referred to as summer aids, perform duties which are routine in nature and which require no specific knowledge and skills.

The program is operated as part of the Federal Summer Employment Program for Youth (formerly called the Youth Opportunity Campaign) which has been in existence since the summer of 1965 and which was established primarily to

accomplish, through the temporary employment of youth, needed tasks in the attainment of agency objectives. The program includes most temporary jobs that begin after May 12 and end before October 1 of the same year.

The Summer Aid Program benefits both the youths and the agencies. It provides the opportunity for needy youths to earn money so that they can return to school, and it provides agencies with an adequate work force during the prime vacation period. In addition, it exposes the youths to a wide variety of occupations and professions which will enrich their career goals and it gives them an opportunity to learn about the activities of their Government.

Program participants must be 16 through 21 years of age and must be certified as disadvantaged, generally by the local office of the State Employment Service, on the basis of income criteria issued by the Commission. No more than 70,000 summer aids can be exempted from agency personnel ceilings within the Federal establishment at any one time during a program period.

For the summers 1968 through 1970, the President requested Federal departments and agencies to hire one needy youth for every 40 regular employees. This goal could be met through either the appointment of summer aids or the conversion to full-time summer employment of youths employed on a part-time basis during the school year under the President's Stay-in-School Campaign.

According to Commission statistics, the Federal Government exceeded the goal of hiring one needy youth for every 40 regular employees during each of the three summers, as shown below:

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	<u>1968</u>	<u>1969</u>	<u>1970</u>
Summer-aid appointments (note a)	78,538	74,335	60,978
Stay-in-School Campaign participants who continued working during the summer	<u>12,460</u>	<u>13,028</u>	<u>15,487</u>
Total participants counted toward program goals	<u>90,998</u>	<u>87,363</u>	<u>76,465</u>
Program goals based on ratio of one needy youth for every 40 regular employees (note b)	<u>63,967</u>	<u>64,783</u>	<u>63,758</u>

^a Although the total number of appointments during the summers of 1968 and 1969 exceeded authorized manpower-ceiling exemptions of 70,000, the number of summer aids on board at any given time, according to the Commission, did not exceed 70,000 because of attrition.

^b Program goals were based on the one to 40 ratio of full-time Federal employees in the United States as of April 1968 (2,558,677 employees), April 1969 (2,591,332 employees), and April 1970 (2,550,321 employees).

To ensure success of the program, Commission guidelines require agencies to (1) carry out advance planning, including the identification of positions and supervisors, (2) arrange for meaningful work experiences, training, and supportive services for program participants, and (3) prepare reports on planning, monthly statistical data, and end-of-the-summer evaluations.

In all agencies except for the Post Office Department, the summer aids were recruited, certified, and referred for employment by State Employment Service offices. The Post Office Department used postal employees, who volunteered to be summer-aid counselors, to recruit summer aids from among disadvantaged youths. The counselors were instructed to recruit youths from their own neighborhoods if they lived in areas where disadvantaged persons resided. The counselors also were encouraged to recruit youths through friends, relatives, or church and social groups in ghetto areas and by using the knowledge of letter carriers who serve the poorer neighborhoods.

We did not review the Summer Aid Program in operation at the five agencies. Program officials advised us and their agencies' reports showed that summer aids generally performed a variety of meaningful and productive work assignments and were provided with supportive services--such as pretraining orientation; counseling; transportation assistance; and special seminars on such topics as good grooming, money management, and drug abuse.

The Summer Aid Program provided temporary employment opportunities and was not intended to lead to permanent employment in the agencies. In some instances former summer aids became permanent employees in the Federal service. Some summer aids continued employment with the agencies on a part-time basis as part of the President's Stay-in-School Campaign.

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PRESIDENT'S STAY-IN-SCHOOL CAMPAIGN

The President's Stay-in-School Campaign was established for the purpose of encouraging disadvantaged youths to continue or to resume their educations by providing them with part-time jobs in the Federal service when such employment might make the difference between students' staying in school or their dropping out.

Such employment is intended to aid in alleviating financial problems of disadvantaged youths. Program participants perform work of a routine nature of not more than 16 hours in any calendar week except during a vacation period. The program operates on a Government-wide basis and is administered and coordinated by the Commission.

Youths participating in the campaign must be between 16 and 21 years of age and, in the opinion of the appointing Federal agency, must need the earnings to continue in school. Agencies are allowed to use any reasonable standards to determine whether students need the earnings. As a condition of continued employment, participants must be enrolled in, or must be accepted for enrollment in, a secondary school or accredited institution of higher learning and must continue to maintain an acceptable school standing.

For the purposes of the Stay-in-School Campaign, a maximum of 25,000 youths are exempt at any one time from agency personnel ceilings within the Federal establishment. No appointments may be made under this authority during the period May 1 through August 31 of each year. As previously stated, however, during this period agencies may convert Stay-in-School Campaign participants to full-time employees under the Summer Aid Program.

The number of youths participating in the President's Stay-in-School Campaign during school years 1967-68, 1968-69, and 1969-70, as reported by the Commission, are shown in the following table.

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<u>School year</u>	<u>Participants at beginning of the school year</u>	<u>Appointments during the school year</u>	<u>Total participating during the school year (note a)</u>
1967-68	9,471	15,726	25,197
1968-69	9,878	18,553	28,431
1969-70	10,941	15,820	26,761

^aAlthough the total number of individual participants during each school year exceeded authorized manpower-ceiling exemptions of 25,000, the number of participants on board at any given time, according to the Commission, did not exceed 25,000 because of attrition.

A monthly average of 16,005 students participated during school year 1967-68, 17,940 in school year 1968-69, and 17,173 in school year 1969-70. The five agencies included in our review provided over half of the employment opportunities made available under the campaign.

PROJECT 250

Project 250 was a special interagency manpower program, administered by the Commission, to provide employment opportunities for 250 disadvantaged young people in the Washington, D.C., area. The project, which was in operation from November 1968 to June 1970, was funded by the Department of Labor. A total of 19 Federal agencies participated by providing training and employment for the trainees. The project was to serve as a pilot program for use in developing and conducting similar future manpower programs.

Project 250 was successful in creating the 250 planned job opportunities for disadvantaged youth in Washington, D.C. Unplanned budgetary and personnel-ceiling restrictions caused some agencies to reduce original job commitments. These reductions, however, were offset by opportunities provided by smaller Federal agencies not involved previously in the project. Job development was undertaken to identify entry-level positions which were to be filled from the Worker-Trainee Register and which afforded trainees the opportunity for upward mobility.

The Employment Service of the District of Columbia Manpower Administration provided initial screening of potential trainees and certified them as being disadvantaged. The trainees were provided with 5 weeks of preemployment training. The first group began their training in April 1969, and the last group of trainees completed their training in May 1970.

Upon completion of the preemployment training, the trainees were assigned to a Federal agency for up to 8 weeks of work experience. After trainees completed their work experience, agencies requested them, by name, from the Worker-Trainee Register at the Commission's area office in Washington, D.C. The project also provided basic education, supervisory training, counseling, and follow-up after placement.

Of the 250 trainees participating in the project, 130 became career-conditional employees. Of these employees, 90 percent were reported to be still employed as of June 30, 1970. Available information on the 120 project dropouts showed that approximately 55 percent were either back in school or employed in the Washington, D.C., area and that 6 percent were serving in the armed forces. No data was available on the status of the remaining dropouts.

An October 1970 final report prepared by the Commission on the project stated that:

"*** much of what was learned in Project 250 has been of extraordinary value in planning the new Government-wide manpower program--the Federal component of the Public Service Careers Program."

CHAPTER 5

OPPORTUNITIES PROVIDED UNDER

FEDERAL MANPOWER TRAINING PROGRAMS

Federal departments and agencies have participated as host agencies in various Federal manpower training programs by providing work experience and training sites for program enrollees. Manpower training programs are authorized by specific acts of the Congress and generally are operated through Federal grants or contracts to public and private agencies which serve as local program sponsors. Enrollment in most of these programs is limited to disadvantaged persons, as defined by the Department of Labor.

Under the host-enrollee arrangement with a local program sponsor, all, or a major portion of, the enrollee's salary is paid by the sponsor while the enrollee receives work experience, training, and supervision from the host agency. Enrollees serving under host arrangements with Federal agencies are not Federal employees, and the host agency is not under any obligation to provide permanent employment after completion of the enrollees' training. The Commission, however, has encouraged Federal agencies to provide permanent employment to their enrollees whenever possible, particularly through the Worker-Trainee Register and through the application of Operation MUST job redesign techniques.

Although the extent of participation in the several manpower training and work experience programs has varied among individual Federal agencies, their overall participation has been mostly in the seven programs summarized below. Except as otherwise indicated, the Department of Labor has overall responsibility for administering these programs.

--The Neighborhood Youth Corps Program provides work experience, on-the-job training, and supportive services to disadvantaged youths, usually school dropouts between the ages of 16 and 21 years. The program is the largest of the federally assisted manpower programs in terms of numbers of enrollment opportunities provided, and it supplies more than half of the

total manpower program enrollees hosted by Federal agencies.

- The Job Corps Program provides basic and remedial education, vocational training, work experience, and supportive services designed to increase the employability of disadvantaged youths. The program is carried out through Job Corps centers located throughout the country.
- The New Careers Program prepares unemployed or low-income adults for entry into career positions as support or subprofessional personnel.
- The Work Incentive Program provides recipients of assistance under the Aid to Families with Dependent Children program with training opportunities and with such supportive services as necessary to move them from welfare dependency to economic self-sufficiency through meaningful jobs.
- Institutional and on-the-job training programs under the Manpower Development and Training Act provide occupational training and retraining for the unemployed and underemployed in skills needed for full-time employment. From July 1966 to July 1970, at least 65 percent of the participants were required to be disadvantaged. The minimum percentage of disadvantaged was reduced, however, to 50 percent for the on-the-job training program at the beginning of fiscal year 1971.
- Vocational Work Study and College Work Study Programs are administered by the Office of Education in HEW and provide part-time work to needy vocational students between the ages of 15 and 20 years and to college students. Participants in these programs must need the earnings to start or to continue their vocational training or college education. The participants are not required to meet the Department of Labor criteria for a disadvantaged person.

The Commission requires the Federal agencies participating as host agencies for the above manpower programs to

report the number of persons enrolled during each month. The Commission, however, does not obtain data on the number of enrollees appointed to, or separated from, each program. Commission reports showed that there was an average monthly enrollment of 10,688 during fiscal year 1970. The average monthly enrollment for the seven programs is presented below.

<u>Program</u>	<u>Average monthly participation during fiscal year 1970</u>
Neighborhood Youth Corps	7,723
Job Corps	181
New Careers	294
Work Incentive Program	608
Manpower Development and Training Act	214
Vocational Work Study	151
College Work Study	<u>1,517</u>
Total	<u>10,688</u>

The Commission's report on enrollment for June 1970 showed that four of the five agencies whose employment practices we reviewed accounted for over 50 percent of the 15,650 enrollees receiving training or work experience at Federal agencies during the month, as follows:

<u>Department or agency</u>	<u>Number of enrollees</u>
Agriculture	2,118
HEW	1,380
Navy	1,335
Post Office	66
Veterans Administration	<u>4,002</u>
Total	8,901
All other agencies	<u>6,749</u>
Total	<u>15,650</u>

In explaining the small number of trainees at the Post Office Department, an official advised us that the Department's participation as a host agency was limited, because regulations required that only postal employees could handle the mail and because host-enrollees could not be considered to be employees.

Some agencies participated as host agencies for enrollees in manpower programs which were not covered by the Commission's reporting requirements. For instance, the Department of Agriculture hosted over 1,100 Operation Mainstream enrollees during calendar years 1967 through 1969. Operation Mainstream serves disadvantaged adults usually aged 45 or over who are unable to find jobs because of age or lack of skills. Trainees are employed in community beautification and improvement activities and are concentrated in small communities and rural areas.

No data are required by, or available at, the Commission on the number of enrollees that are hired by the Federal hosting agency after completion of the training period. Some data of this nature are maintained by individual manpower-program sponsors.

Statistics obtained by us from the largest manpower program sponsors in the Washington, D.C., area showed that Federal agencies had employed approximately 3,000 manpower program enrollees during the period July 1967 through June 1970. Employment of manpower-program enrollees in Federal agencies probably occurs more frequently in the Washington, D.C., area because of the concentration of Federal Government agencies.

The Veterans Administration was the only agency included in our review that maintained data on the number of host-enrollees hired after completion of their training period. A summary report showed that, during fiscal year 1970, 258 former enrollees were hired by the Veterans Administration. Of the 258 hired, 157, or 61 percent, were former Neighborhood Youth Corps program participants.

The report showed also that 389 enrollees had been hired during the period January 1968 through June 1969.

Officials of other agencies advised us that in some instances they had hired enrollees for which their agency acted as host but that data were not maintained on the number of such hires.

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NEED FOR MORE MEANINGFUL REPORTING
ON FEDERAL PARTICIPATION
IN MANPOWER TRAINING PROGRAMS

We believe there is a need for more informative reporting on the participation of Federal agencies in manpower programs with respect to (1) the number of enrollees hosted and (2) the number of enrollees hired after completing training.

Commission reporting instructions require Federal agencies to submit monthly reports on the total number of enrollees hosted during the month under each of seven specified manpower programs but do not require a report on the number of enrollees entering in or terminating from each program during the reporting period. Thus the Commission receives status reports of enrollees "on board" each month but receives no information on the number of persons trained or the length of the training period.

We noted that personnel offices in the Department of Agriculture were required to submit quarterly reports to departmental headquarters showing, for each program, the number of enrollees at the beginning of the period, the number of new enrollees added during the period, and the total number of enrollees for the period. An agency official advised us that these data were easily obtained and provided accurate information to management for measuring the number of individuals helped and for evaluating the success of the host-agency arrangement. They considered these reports to be more useful than the statistics reported to the Commission.

Commission guidelines for host-agency participation in federally sponsored manpower programs state that the primary objective of manpower training programs is the employment of enrollees in permanent, full-time positions upon completion of work experience and training. As part of these guidelines, the Commission asks Federal host agencies to provide more entry-level positions through the application of Operation MUST job redesign techniques and recommends that the agencies urge enrollees serving under host programs to compete in entry-level examinations so that they might

share in the greater opportunities of permanent employment at this level.

In its instructions implementing the Worker-Trainee Examination, the Commission pointed out that sometimes it would be difficult for agencies to hire their host-enrollees because either an appropriate examination would not be available at the time or because the individual would not be within reach on the Register for appointment after completion of training. The Commission believed that providing training and work experience to enrollees without being able to employ them was a very unproductive use of Federal funds and asked its local area offices, host agencies, and manpower program sponsors to cooperate in allowing agencies to hire their host-enrollees whenever possible.

The Commission has enabled and encouraged Federal agencies to hire their host-enrollees after completion of training or work experience, but the Commission has no meaningful data with which to evaluate agency efforts in this regard because it does not require agencies to submit data on the number of enrollees hired.

Officials of the Veterans Administration, which maintains data on enrollees hired for internal management purposes, informed us that these data were easily obtained and were collected monthly, together with the data required by the Commission. We were advised that it was the policy of the Veterans Administration to recruit for permanent employment those former host-enrollees who had demonstrated ability and potential. The monthly report provided a necessary follow-up to measure the success of that policy.

RECOMMENDATION TO THE CHAIRMAN
OF THE CIVIL SERVICE COMMISSION

We recommend that the Commission revise its instructions for reporting the participation of Federal agencies as hosts for enrollees in federally sponsored manpower programs so that meaningful data on the results of such participation will be obtained. As a minimum such reports should include

--the number of enrollees on board at the beginning
and at the end of the reporting period, as well as

those who entered and terminated their training or work experience during the reporting period and

--the number of host-enrollees hired by the Federal agencies after completion of their training and work experience.

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The Commission advised us on February 7, 1972 (see app. I), that it supported our recommendation and stated:

"The Civil Service Commission *** is reviewing its instructions to departments and agencies to ascertain the feasibility of procedural changes required to obtain statistical data to reflect turnover of enrollees under Federally sponsored manpower programs. In addition, we are considering the feasibility of, and possible techniques for, obtaining data on employees appointed to permanent positions upon completion of training under Federally financed manpower programs."

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CHAPTER 6

PUBLIC SERVICE CAREERS PROGRAM

The Public Service Careers Program represents a concerted, Government-wide effort to employ the disadvantaged in permanent positions in the Federal Government. The part of the program dealing with Federal employment, initiated late in fiscal year 1970, is still in its initial stages of implementation but, if actively carried out, should provide Federal training and employment opportunities to a substantial number of disadvantaged persons. The Department of Labor advised us in January 1972 that it did not plan to fund Plan D beyond fiscal year 1972; this decision was reconsidered, however, and in March 1972 the Department announced that Plan D would be funded for fiscal year 1973.

Although the program is intended for the benefit of disadvantaged persons, enrollment procedures followed by the Commission provide no assurance that trainees employed under the Federal part of the program meet the Department of Labor's definition of a disadvantaged person.

STATUTORY AUTHORITY AND NATURE OF PROGRAM

The Public Service Careers Program was established pursuant to authority contained in section 127, title IB, of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2744), and section 102, title I, of the Manpower Development and Training Act of 1962, as amended (42 U.S.C. 2572).

Under these statutes the Director of the Office of Economic Opportunity and the Secretary of Labor, respectively, are authorized to establish programs of a pilot nature that are designed to develop new approaches--through grants to, or contracts with, either public or private agencies--to meet the employment problems of the various groups (primarily the disadvantaged) served by programs authorized by the statutes.

The Public Service Careers Program is administered by the Department of Labor and is designed to secure, within merit principles, permanent employment for disadvantaged

persons in public service agencies and to stimulate upgrading of current employees in lower level positions.

In designing the program the Department of Labor instituted five separate plans or components, one of which, designated as Plan D, was directed toward the Federal Government. Plans A, B, and C are directed toward employment by State and local governments, by grant-in-aid recipient agencies, and under the previously established New Careers Program, respectively. Plan E is a short-term, supplemental work experience program for former manpower program participants.

The program follows the hire-first, train-later concept, and guarantees permanent employment for trainees at the end of the training period. The program is patterned, in part, after the Job Opportunities in the Business Sector program.

Under the Public Service Careers Program, funds are provided to governments at all levels to implement innovative projects directed toward overcoming or eliminating existing barriers which have prevented disadvantaged persons from obtaining most government jobs and those holding jobs from moving into better positions. Program emphasis is placed on attacking institutional barriers, such as outdated personnel systems and unnecessary entrance requirements; individual barriers, such as inadequate education and poor work habits; and environmental barriers, such as transportation and child-care problems.

The Department of Labor has overall responsibility for program planning, monitoring, evaluation and research, and funding. It prescribes overall performance criteria and establishes general program guidelines. The Department issued program guidelines for the non-Federal components in August 1969, and the first projects began in March 1970.

Careers in public service for the disadvantaged also have been a concern of the National Civil Service League. The League, which was organized in 1881 with a mission to work for a public personnel system that was responsive and relevant to its times, is under contract with the Department of Labor and the Office of Economic Opportunity to

demonstrate ways of removing barriers to the employment of the disadvantaged in State and local governments.

Under an April 1970 agreement with the Department of Labor, the Commission was given leadership and administrative responsibility for Plan D which deals with Federal employment. The Department provided financial assistance of about \$12.3 million from inception of the program in fiscal year 1970 through fiscal year 1972 to the Commission to establish, fund, and administer projects at the Federal level. The Commission has authority to initiate policies for Plan D but must consult with the Department on major policies. Plan D was initiated late in fiscal year 1970 with the issuance of guidelines by the Commission to all Federal agencies.

The Commission provides funds to participating departments and agencies for projects which are based on Commission-approved agency proposals. According to the program guidelines, the Commission assists agencies in proposal preparation, monitors and evaluates projects, and reports to the Department of Labor on the accomplishment of program goals.

Commission guidelines state that agency proposals generally should include both entry and upgrading components.

Entry component

Trainees for the entry component are to be selected from the Worker-Trainee Register and are to be given career-conditional appointments which are not charged against agency personnel ceilings. This ceiling exemption generally is retained for the shorter of either the trainee's first 12 months of Federal employment or his first two grade-level promotions.

The employing agency pays the trainees' salaries and fringe benefits out of its own regularly budgeted funds. The Commission provides program funds to partially reimburse the employing agency for extraordinary costs incurred in implementing the entry component, covering such items as supporting services, skill training, and administration. The Commission's program guidelines limit such reimbursement

to one third of the total extraordinary costs of the approved projects.

Agencies sponsoring an entry component are to provide each trainee with initial orientation, individual vocational and educational assessment, an individual career development plan, and continued onsite counseling and advisory services. In addition, agencies are to provide appropriate training for supervisors of program trainees. If administratively feasible, sponsoring agencies also are urged to provide training designed to increase job productivity and promotional readiness and to provide high school equivalency training for those in need of it.

Upgrading component

The upgrading component of Plan D provides funds to agencies for the purpose of assisting in developing effective upward-mobility programs for lower level employees, including job restructuring activities, career ladder development, and training opportunities to improve employees' education and skills.

IMPLEMENTATION OF PROGRAM

The original goals for Plan D through fiscal year 1971 were (1) to hire and train up to 25,000 disadvantaged persons (entry component), (2) to provide training to between 10,000 and 20,000 lower level employees to help qualify them for promotion (upgrading component), and (3) to provide training to between 500 and 1,000 lower level employees to qualify them for entry into Federal apprenticeship programs (upgrading component).

Commission officials advised us that these goals had been established nearly a year before the program officially began and had been based on normal hiring at that time by assessing lower level attrition of major agencies. Shortly after the program guidelines were issued in June 1970, however, the labor force began to change, jobs became increasingly scarce, and numerous military installations experienced unexpected reductions in force. At that time the goals were revised to 16,000 entry trainees and 6,000 upgrade trainees.

By the end of December 1970, the Commission approved 25 agency proposals. Of these proposals, 24 were submitted by 16 agencies and covered 5,305 entry positions and 2,723 upgrade positions. The remaining proposal provided for an interagency training center in Washington, D.C.

The Commission advised us that, by June 30, 1971, a total of 12,974 job opportunities (7,002 entry positions and 5,972 upgrade positions) had been identified in 53 approved proposals from 24 participating agencies.

The goals set for job opportunities to be provided by individual Federal agencies and the entry positions approved by the Commission as of June 30, 1971, are shown below.

<u>Department or agency</u>	<u>Fiscal year 1971 goal of employment opportunities</u>	<u>Entry positions approved as of June 30, 1971</u>
Post Office	9,200	924
HEW	2,000	2,000
Defense	1,000	-
Navy	-	378
Army	-	194
Air Force	-	620
Defense Supply Agency	-	155
Veterans Administration	750	299
General Services Administration	500	810
Agriculture	300	350
Interior	300	487
Transportation	300	-
Treasury	300	45
Commerce	200	150
Housing and Urban Development	200	150
Justice	200	60
All other agencies	<u>750</u>	<u>380</u>
Total	<u>16,000</u>	<u>7,002</u>

The Commission's Public Service Careers Program Director advised us that agencies initially were less receptive to the entry component than to the upgrading component of Plan D because the program was introduced during a period in which budgets were unusually restricted, hiring was either slow or at a standstill, and the employment of many regular employees was being terminated.

Increased interest was shown by various agencies following the issuance of a Presidential memorandum in September 1970 which urged Federal departments and agencies to support Plan D and which placed emphasis on the entry component. A subsequent increase in the number of entry positions occurred, in part, because of the efforts of the Commission's Public Service Careers Program staff in working with and encouraging Federal agencies to participate in the entry component.

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Of the 7,002 entry positions approved by the Commission, 4,999 were scheduled by the agencies to be filled by the end of fiscal year 1971. The agencies expected to fill the remaining 2,003 positions during fiscal year 1972. The Commission advised us in January 1972 that 2,699 entry trainees had been hired as of June 30, 1971.

- - - -

Certain obstacles to identifying persons enrolled in Plan D of the Public Service Careers Program as disadvantaged within the Department of Labor definition and to applying this definition as a requirement of eligibility for enrollment under the program are discussed in the following chapter.

CHAPTER 7

OBSTACLES TO IDENTIFYING DISADVANTAGED PERSONS

EMPLOYED BY FEDERAL GOVERNMENT

Although Federal employment programs, such as Public Service Careers Program, are intended to benefit disadvantaged persons, enrollment procedures followed by the Commission provide no assurance that those persons accepted for Federal employment strictly meet the criteria laid down by the Department of Labor's definition of a disadvantaged person. (See p. 7.) The Commission holds the view that a person's right to privacy does not permit questions regarding his or her family size and income and that application of the Department of Labor's criteria would conflict with the merit system governing Federal appointments.

ENROLLMENT PROCEDURES UNDER PUBLIC SERVICE CAREERS PROGRAM

Entry positions under Plans A, B, C, and E, which provide for employment by State and local governments and other nonprofit organizations, are restricted to persons certified by appropriate local manpower program sponsors as disadvantaged according to the Department of Labor definition. Under Plan D, however, jobs in the Federal Government are made available to persons selected from the Worker-Trainee Register, which is not restricted to disadvantaged persons.

The Department agreed to accept, on a trial basis, an applicant's qualification through the Worker-Trainee Examination as evidence of disadvantage in lieu of a specific determination under the Department's definition of a disadvantaged person. Department of Labor officials believed that the characteristics of worker-trainees would approximate those of disadvantaged persons as defined by the Department. This belief was based on a 1969 Commission survey of Worker-Trainee Registers in three major cities which showed that, in terms of education levels, worker-trainees were about the same as persons served under certain other manpower programs administered by the Department.

Although Department officials recognized the limitations of the survey, particularly since it did not provide data on family size and income, they believed that the survey results supported the decision to accept worker-trainee status as equivalent certification for the first program year.

As a condition of accepting worker-trainees without further certification, the Department required the Commission to collect data on the characteristics of trainees in the entry component of the program during the first program year. The data were to be collected by employing agencies on a form agreed to between the Department and the Commission and were to be consistent with data collected on enrollees in other manpower programs administered by the Department.

These data were to serve as the basis for a detailed analysis of the degree to which worker-trainees met the Department's definition of a disadvantaged person. A Department official advised us in May 1971 that the analysis would be made but that no firm date had been established for its completion. The analysis had not been completed by the time we completed our work at agency locations in January 1972.

A Commission official advised us that, at the request of Department of Labor officials, questions on family size and income had been included on a proposed form submitted to the Commission's Office of the General Counsel for approval. Because the General Counsel considered these questions to be of a highly personal nature and because such data were not considered essential for program enrollment, however, the questions were omitted on the approved form. Thus the data gathered did not contain any information on family income or family size.

In response to our questions to Commission officials as to how they could determine whether only disadvantaged persons had been hired under the program, we were told that other data on the forms provided reasonably good evidence in this regard.

The Commission advised us that it had reviewed 1,920 completed trainee program forms--out of those for about 2,700 hired entry trainees--and that its review revealed

that large percentages of the trainees were under 20 years of age; non-high-school graduates; unemployed at the time they were appointed to their positions, or, if employed, earning relatively low wages. The Commission stated its belief that this information indicated that a high percentage of Public Service Careers Program enrollees met the means test of the Department of Labor definition of a disadvantaged person.

CIVIL SERVICE COMMISSION COMMENTS

In commenting on the problem of providing greater assurance that only disadvantaged persons, as defined by the Department of Labor, are hired under Plan D of the Public Service Careers Program, the Commission advised us (see app. I) that:

"*** requiring an applicant to answer questions concerning the size and income of his or her family, and other questions necessary to establish identity as 'disadvantaged,' would be an unwarranted invasion of their personal privacy. Such questions are of a highly personal nature and applicants (or employees) should not be required to answer them in the absence of some overriding interest of the Federal Government. We find it hard to justify such an interest for an appointment in the competitive service."

The Commission advised us also that:

"It is illegal to limit entry into the competitive service on such non-merit factors as those contained in the Department of Labor's definition of disadvantaged persons, and such a limit on entry is in direct conflict with merit system principles."

MATTER FOR CONSIDERATION BY THE CONGRESS

The Commission's position that legal considerations do not permit the strict application of the definition of disadvantaged to the hiring of such persons for permanent employment in the Federal Government--because of an invasion

of the applicants' privacy and because such an application would conflict with the merit system governing Federal appointments--raises a question as to the desirability of congressional action.

We take no position in this matter. We note, however, that federally supported programs for the employment of disadvantaged persons in the private sector and by State and local government agencies uniformly are required to adhere to the Department of Labor's criteria. In the past the Congress has provided certain statutory exceptions from the merit system in the Federal Government, such as those for veterans and for unemployed and underemployed persons under the recently enacted Emergency Employment Act (P.L. 92-54).

If the Congress wishes to have the data necessary to identify applicants as disadvantaged persons considered and to afford preference to disadvantaged persons seeking Federal employment, it would be necessary for the Congress to provide the Commission with legislative authority to do so.

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CHAPTER 8

SCOPE OF REVIEW

Our review of the Federal Government's policies, programs, and efforts to employ disadvantaged persons was conducted at the headquarters of the Civil Service Commission, the Department of Labor, and five selected departments and agencies--the Departments of Agriculture; Health, Education, and Welfare; and the Navy, the Post Office Department, and the Veterans Administration. The review covered activities carried out, for the most part, during fiscal years 1970 and 1971.

We reviewed applicable legislation dealing with Federal employment and with training of disadvantaged persons and related policies and directives issued by the Commission and by the Department of Labor. We examined into the implementation of these policies and directives, including special agency programs and efforts, and interviewed officials of the Commission, the Department of Labor, and the five selected agencies. We reviewed also Commission and agency records for evidence of Federal agency participation in programs and efforts to employ and train the disadvantaged.

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EXCERPTS FROM COMMENTS OF THE CIVIL SERVICE COMMISSION
TRANSMITTED BY THE EXECUTIVE DIRECTOR ON FEBRUARY 7, 1972,
TO THE GENERAL ACCOUNTING OFFICE

GENERAL STATEMENT

Federal departments and agencies have been strong supporters of public policy programs designed to promote the entry of disadvantaged persons into the Federal career service. Within the context of merit system principles required by law, the Civil Service Commission has developed a number of examining plans and issued instructions to assure that the Federal Government as an employer effectively reaches the disadvantaged as a manpower source.

LEGAL IMPLICATIONS

It is illegal to limit entry into the competitive service on such non-merit factors as those contained in the Department of Labor's definition of disadvantaged persons, and such a limit on entry is in direct conflict with merit system principles.

Invasion of Privacy

The report states that information on family size and income is essential in order to ascertain whether an individual meets the Labor Department's definition of a disadvantaged person. It is the opinion of the Civil Service Commission that requiring an applicant to answer questions concerning the size and income of his or her family, and other questions necessary to establish identity as "disadvantaged," would be an unwarranted invasion of their personal privacy. Such questions are of a highly personal nature and applicants (or employees) should not be required to answer them in the absence of some overriding interest of the Federal Government. We find it hard to justify such an interest for an appointment in the competitive service.

Public Service Careers Program - open, competitive examinations

The merit system administered by the U.S. Civil Service Commission requires that appointments be made in accordance with title 5, United States Code, governing examinations, ratings, certification, veterans preference, and appointments in the competitive service.

The Public Service Careers Program

APPENDIX I

is designed to secure, within merit principles, permanent employment for disadvantaged persons and to stimulate upgrading of current employees in low-level positions. The program follows the "hire first, train later" concept, leading to permanent employment following completion of training. Permanent appointments must be made in accordance with the provisions of title 5, United States Code. Persons entering the program are selected through a merit examination (Worker-Trainee), and receive career-conditional appointments.

The statutes (42 U.S.C. § 2744 and 42 U.S.C. § 2572), cited as authority for the establishment of the Public Service Careers Program, contain no language that can be construed as excepting appointments made by Federal agencies from the provisions of title 5, United States Code. (The Federal Government is not referred to in these laws. Federal agencies are authorized to participate because "public organizations" and "public agencies" have been interpreted to include Federal agencies.) These statutes are entirely different from the provisions of the Emergency Employment Act of 1971 (P.L. 92-54, approved July 12, 1971). Federal agencies are eligible for financial assistance for a public service employment program under this Act. The Act requires (section 7(17)(c)) that each eligible employer must give assurance that all persons employed under a public service employment program "will be selected from among unemployed and underemployed persons" which the Act defines (section 14). The Civil Service Commission's General Counsel recently concluded that section 7(17)(c) of the Emergency Employment Act requiring the appointment of unemployed and underemployed persons is a statutory exception from the merit system provisions of title 5, United States Code. It is impossible to reach a similar conclusion with respect to 42 U.S.C. §§ 2744 and 2572.

In summary, based upon legal review, we are of the opinion that --

. . . It would be highly undesirable for agencies to be required to identify applicants who qualify as "disadvantaged" under the Labor Department's definition, because it would be an unwarranted invasion of their personal privacy.

. . . The Worker-Trainee Examination cannot legally be restricted to "disadvantaged" persons. Since the Public Service Careers Program contemplates permanent employment in the Federal Government, persons receiving appointments under this program must be appointed in accordance with the provisions of title 5, United States Code.

Federally Financed Manpower Training Programs

Agencies have supported the objective of Federally financed manpower training programs established by legislation. These programs provide for pre-employment training financed by the Department of Labor and the Office of

Economic Opportunity, with an ultimate objective of providing permanent employment. The Neighborhood Youth Corps, Job Corps, New Careers, and the Work Incentive Program are among the best known of these programs. Individual agencies have developed special programs, utilizing the above programs to accomplish pre-employment training. Although concerted efforts were made to provide permanent jobs, participants are required by law to compete for permanent appointments. It should be noted that the basic legislation which established these manpower programs does not provide preference for participants, as is the case with veterans.

The Civil Service Commission, in support of the GAO proposal, is reviewing its instructions to departments and agencies to ascertain the feasibility of procedural changes required to obtain statistical data to reflect turnover of enrollees under Federally sponsored manpower programs. In addition, we are considering the feasibility of, and possible techniques for, obtaining data on employees appointed to permanent positions upon completion of training under Federally financed manpower programs.

Worker-Trainee Examination

The GAO report discusses the Worker-Trainee Exam as an entry vehicle through which the disadvantaged receive consideration for Federal employment, and describes its relationship with the Public Service Careers Program. While recognizing that a high percentage of those employed through this examination are "disadvantaged", the report concludes that the Worker-Trainee system does not guarantee that those who enter the Federal career service meet the Department of Labor's definition of "disadvantaged."

The Worker-Trainee Exam does not, and cannot, legally utilize the DOL criteria as part of the competitive examining process. The use of the DOL criteria as a basis for selective certification would require the use of economic criteria in referring eligibles for competitive appointments.

Title 5 of the United States Code calls for "open, competitive examinations for testing applications in the competitive service which are practical in character and, as far as possible, relate to matters that fairly test the relative capacity and fitness of the applicants for the appointment sought." In applying this portion of the law, the Civil Service Commission conducted competitive examinations wherein all qualified applicants received consideration for appointment without regard to race, religion, color, national origin, sex, political affiliation, or other nonmerit factors. Family income cannot be considered as a merit factor, since it has no direct relevance to an applicant's qualifications for a job and cannot be made a part of the competitive examining system under the present law.

The DOL definition of disadvantaged admittedly "excludes by intent a number of less severely disadvantaged, but still worthy, individuals." The Worker-Trainee Exam not only does not exclude these individuals, but includes them

APPENDIX I

among those highly qualified for Worker-Trainee jobs. This group of people are considered excellent candidates for Worker-Trainee jobs. The Worker-Trainee Exam plan is geared toward the recruitment, selection, and employment of disadvantaged people, mainly because we consider them to be the most likely candidates to succeed in these jobs. Our definition of a disadvantaged person has been "one who is motivated to seek permanent employment in a job at the lowest level." This would certainly include all of those who meet the DOL definition, as well as the "less severely disadvantaged."

Worker-Trainee jobs are part of an agency's regular work force and are filled in the same manner as any other job -- through a competitive examination utilizing merit principles. So far, over 50,000 Federal jobs have been filled in this manner.

EMPLOYING DISADVANTAGED YOUTHS

The Federal Government has been one of the leading employers of needy youth, through temporary summer employment and part-time employment during the school year. It should be noted that employment is not the only objective of these programs. Youths are employed in productive assignments which will not only provide them with an opportunity to earn money, but will also expose them to a wide variety of occupations and professions which will enrich their career goals. The GAO report provides an accurate review of the Summer Aid Program and the Stay-in-School Campaign.

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U.S. DEPARTMENT OF LABOR
OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION
WASHINGTON, D.C. 20210



January 12, 1972

Mr. Henry Eschwege
Associate Director
Civil Division
United States General
Accounting Office
Washington, D. C. 20548

Dear Mr. Eschwege:

This refers to the GAO draft report on "Employment of Disadvantaged Persons by the Federal Government."

In view of modification in your report after discussion with the Civil Service Commission, the Department of Labor has no comments to offer on this report.

Sincerely yours,

A handwritten signature in black ink, reading "Edward J. McVeigh". The signature is written in a cursive, flowing style.

Edward J. McVeigh
Associate Assistant Secretary
for Administration

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APPENDIX III

PRINCIPAL OFFICIALS OF
 THE DEPARTMENT OF LABOR AND
 THE CIVIL SERVICE COMMISSION
 RESPONSIBLE FOR THE ADMINISTRATION
 OF ACTIVITIES DISCUSSED IN THIS REPORT

<u>Tenure of office</u>	
<u>From</u>	<u>To</u>

DEPARTMENT OF LABOR

SECRETARY OF LABOR:

James D. Hodgson	July 1970	Present
George P. Shultz	Jan. 1969	June 1970
W. Willard Wirtz	Sept. 1962	Jan. 1969

ASSISTANT SECRETARY FOR MANPOWER:

Malcolm R. Lovell	July 1970	Present
Arnold R. Weber	Feb. 1969	July 1970
Stanley H. Ruttenberg	June 1966	Jan. 1969

MANPOWER ADMINISTRATOR:

Paul J. Fasser, Jr.	Oct. 1970	Present
Malcolm R. Lovell	June 1969	Oct. 1970
J. Nicholas Peet	Feb. 1969	June 1969
William Kolberg (acting)	Jan. 1969	Feb. 1969
Stanley H. Ruttenberg	Jan. 1965	Jan. 1969

U.S. CIVIL SERVICE COMMISSION

COMMISSIONERS:

Robert E. Hampton, Chairman	Jan. 1969	Present
John W. Macy, Jr., Chairman	Mar. 1961	Jan. 1969
L. J. Andolsek	Apr. 1963	Present
Robert E. Hampton	July 1961	Jan. 1969
Jayne B. Spain	June 1971	Present
James E. Johnson	Jan. 1969	June 1971

Tenure of officeFrom ToU.S. CIVIL SERVICE COMMISSION (continued)

EXECUTIVE DIRECTOR:

Bernard Rosen	June 1971	Present
Nicholas J. Oganovic	June 1965	May 1971

DIRECTOR, BUREAU OF MANPOWER
INFORMATION SYSTEMS:

Charles J. Sparks	Jan. 1969	Present
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DIRECTOR, BUREAU OF POLICIES AND
STANDARDS:

Raymond Jacobson	Jan. 1969	Present
O. Glenn Stahl	Jan. 1955	Jan. 1969

DIRECTOR, BUREAU OF RECRUITING
AND EXAMINING:

Ziv Remez	June 1971	Present
Edward A. Dunton	Jan. 1969	May 1971
Raymond Jacobson	Jan. 1967	Jan. 1969

DIRECTOR, BUREAU OF TRAINING:

James R. Beck, Jr.	June 1971	Present
J. Kenneth Mulligan	Jan. 1967	May 1971

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