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STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT, MANPOWER AND POVERTY
COMMITTEE ON LABOR AND PUBLIC WELFARE, UNITED STATES SENATE
ON RESULTS OF GENERAL ACCOUNTING OFFICE REVIEW OF THE
JOB CORPS PROGRAM ADMINISTERED BY THE OFFICE OF ECONOMIC OPPORTUNITY

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Mr. Chairman and Members of the Subcommittee:

We are pleased to appear here today to discuss the results of our recent review of the economic opportunity programs, which was undertaken pursuant to title II of the Economic Opportunity Amendments of 1967. The results of our review were summarized in our report to the Congress dated March 18, 1969 (B-130515).

We understand that a particular interest of the Subcommittee in these hearings relates to the Job Corps program. Accordingly, Mr. Chairman, we would like to summarize for you the results of our review of that program and then respond to any questions you or other members of the Subcommittee may have.

The purpose of the Job Corps is to assist low-income disadvantaged young men and women to become more responsible, employable, and productive citizens by providing them with education, vocational training, work experience, and other assistance. Youths aged 14 through 21 are eligible to participate in the program which, as authorized by the act, may provide training for a maximum period of 2 years, except as authorized by the Director, OEO, in special cases.

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The Job Corps program is carried out at men's urban centers, women's urban centers, and men's rural or conservation centers. Enrollment capacity at men's urban centers range from 1,300 to 3,100; at conservation centers from 100 to 250; and at women's centers from 300 to 1,100.

From inception of the program through December 31, 1968, about 223,000 youths had been placed in Job Corps centers, of which about 32,000 were still enrolled. Obligations for Job Corps from inception through fiscal year 1968 totaled about \$1 billion. During fiscal year 1968, total direct operating costs for the centers in operation as of June 30 amounted to about \$221 million and about 400,000 man-months of training were provided to about 100,000 youths who were in attendance at the centers for varying periods of time during the fiscal year.

Our review included examinations of recruiting and screening activities at selected locations, detailed examinations at nine Job Corps centers, and analyses of post-Job Corps experience of terminated corps members (those whose enrollment was terminated) on a sample basis.

Recruiting and screening activities are carried out for Job Corps by the United States Employment Service (USES), Women in Community Service, Inc., Community Action Agencies, and other private recruiters and screeners on the basis of quotas established by Job Corps. We examined recruiting and screening activities at six of the seven OEO regional offices and at 17 local agencies.

We made detailed reviews of the operations at nine centers--two men's urban centers, five men's conservation centers, and two women's centers.

During fiscal year 1968, direct operating costs for these centers amounted to about \$32 million and about 55,000 man-months of training were provided to about 13,000 youths who were in attendance at the centers for varying periods of time.

Also, as part of our review of program results, in August 1968 we made inquiries of first employers of record for all those corps members who had terminated in August and September 1967 from the nine centers where we made detailed examinations and who were reported to have been employed immediately after termination. In addition, in August 1968 our contractor interviewed 638 youths out of about 1,850 who in August and September 1967 had terminated from the nine centers and 145 youths out of about 550 who had been selected to begin training at these centers during August and September 1967 but who had decided not to participate in the program (no-shows).

To the extent practicable the youths selected for interview were selected at random. However, certain limits were placed on the sample because some youths were not readily available or could not be located.

In September 1968 we made inquiries of the named employers of those youths who, during the interviews, had stated that they were then currently employed. Also, another of our contractors made an analysis of the reported employment and earnings of a group consisting primarily of calendar year 1966 terminees and no-shows.

We recognize that in such tests the possibility exists that terminated corps members selected in a sample may not be fully indicative of all terminated corps members. Also the development of fully comparable control groups is not possible to achieve, and we recognize that some differences

must exist between applicants who take part in Job Corps and applicants who, although scheduled to attend, decide not to take part. We believe, however, that the data developed in our review do provide an indication of the relative extent to which Job Corps training assisted participants toward self-sufficiency.

The conclusions which we drew from our work may be summarized as follows.

Through Job Corps institutionalized training, corps members have had an opportunity to develop, to varying degrees, work skills and good work habits and to further their academic education. These corps members have also received benefits in a number of areas, such as health and social and psychological development, which are generally not subject to precise measurement. Also, after Job Corps experience, many corps members have obtained good employment, returned to school, or joined the armed forces.

On an overall basis, however, it appears that Job Corps had achieved only limited success in fulfilling its primary purpose of assisting young persons who need and can benefit from an unusually intensive program, operated in a group setting, to develop their capacities for work and social responsibilities. Our views are based in large part on our findings with respect to post-Job Corps employment experience and related economic benefits of corps members, the unfavorable retention rate of corps members, and problems relating to program content and administration which have existed.

On the basis of studies by our contractor and ourselves relating to post-Job Corps experience, it is questionable whether Job Corps training has resulted in substantial economic benefit thus far for those youths who

participated in the program. Our tests showed that employment and earning power are somewhat greater after Job Corps experience than before.

It appeared that the increased employment and earning power among those included in our sample can be attributable, for the most part, to the greater employability of youths due to the process of growing up and to higher employment and wage levels. This increased employability and earning power also appeared to be associated with the length-of-stay of corps members at the centers; those who were graduated were the most successful.

It also appeared that Job Corps terminees had not done materially better than the other eligible youths who had applied to enter the program and then chose not to participate.

Factors limiting the success of Job Corps are many and vary in degrees of importance. One of the most significant factors was the short length-of-stay by corps members. Given the overall achievement level of the entering youths, even the most viable program can hardly be expected to have dramatic results if the youths cannot be induced to remain at the centers long enough to benefit from the training. The effectiveness of the program in meeting its objectives of assisting young persons who need and can benefit from an intensive training program is highly questionable for the large number of youths who remained at the centers for only short periods of time.

Weaknesses in the policies and procedures under which the program has been administered have detracted significantly from program success. According to Job Corps estimates, direct costs per enrollee man-year were \$6,600

for fiscal year 1968. Considering both the direct and the indirect costs for those centers in operation as of June 30, 1968, enrollee man-year costs for fiscal year 1968 were \$8,300. Although costs of this magnitude are required to operate the program and it has been in existence for over 4 years, there existed a number of major problems of administration including:

1. A need for improving the recruiting and screening procedures. A significant portion of corps members have not met the qualifications generally considered necessary or desirable for participation in the program and the alternatives of enrolling applicants in other less costly, and possibly more suitable, training programs apparently were not always considered.

2. A need for improving the administration of the vocational and academic training programs and for establishing minimum graduation criteria which would provide assurance that graduates possess the minimum requisites for successful employment.

3. A need for strengthening the counseling system at each of the centers to more fully assist corps members in making the social, educational, and vocational adjustments necessary to become self-supporting members of society and to provide a means by which corps members could be encouraged to remain at the centers for a sufficient period of time to acquire the skills necessary to obtain and hold jobs.

4. A need for the centers to improve their records and reporting systems in order to obtain accurate and meaningful information about individual corps members and program operations as a tool for evaluating the effectiveness of the centers' various activities.

We have considerable doubt as to whether conservation centers can be expected to provide the intensive training contemplated in the act, at least without substantially upgrading the vocational training program which would appear to be quite costly. Conservation centers generally provided vocational training through the performance of conservation work projects, with little or no related vocational classroom instruction.

We recognize the value of conservation work in itself. We also recognize that most of the centers have some work projects which permit exposure to some occupational skills and that, generally, work projects are a good vehicle for instilling proper work habits in corps members. However, the size and complexity of the work projects coming to our attention at the centers we reviewed generally were not of a nature to serve as a basis for intensive vocational training. It does not appear to us that the use of work projects as the primary vehicle for providing vocational training would permit the centers to establish and operate an effective training program directed toward skill development in occupational areas above the helper or laborer categories.

Job Corps and the administering departments of conservation centers, Agriculture and Interior, recognized that weaknesses and deficiencies had existed in training programs at the centers and, in a joint effort, considered means for improvement. However, our perusal of the requirements prescribed in May 1968 by Job Corps, in conjunction with the departments, for improvements in the training program indicated that, in order for corps members to accomplish the minimum requirements for program completion in the

various occupational areas, corps members would need an opportunity to take part in intensive classroom and work-experience programs directed specifically toward development of the knowledge and technical skills needed beyond the helper and laborer categories.

To establish intensive vocational training programs at each of the 82 centers in a number of vocational areas for the 100 to 250 corpsmen enrolled at each of the centers would appear to be quite costly. Moreover, it is questionable whether a sufficient number of qualified instructors could be obtained to provide such training at the generally remote and isolated conservation center locations.

In summary, Mr. Chairman, it is probable that a valid need can be documented for residential training of the type envisioned in Job Corps for a certain number of youths whose needs, because of environmental characteristics or because of geographic location, cannot be well served through other programs operating in or near their home communities. We have doubt, however, that, in light of our findings and the cost of this type of training, the resources now being applied to the Job Corps program can be fully justified. Our doubt in this regard is especially applicable to the conservation center component of the program, particularly in consideration of the significant changes which appear necessary in this component to upgrade its effectiveness in achieving training program objectives.

In accordance with the foregoing conclusions, we recommended in our report that the Congress consider whether the Job Corps program, particularly with respect to conservation centers, is sufficiently achieving the purposes for which it was created to justify its retention at present levels.

That completes our statement, Mr. Chairman, we will be happy to respond to questions.

DATA ON EXPERIENCE OF TERMINATED JOB CORPS

ATTACHMENT

ENROLLEES AND NONPARTICIPANTS (NO-SHOWS)

	At signup in program (note a)		Immediately after termination from program		At interview approximately 1 year later (note b)	
	No.	Average hourly rate	No.	Average hourly rate	No.	Average hourly rate
Conservation centers:						
Working	44	\$1.37	72	\$1.50	48	\$1.80 ^c
School	20		8		7	
Work and school	-		4		5	
Unemployed	37		16		37 ^d	
Other	3		4		7 ^d	
Terminees interviewed	<u>104</u>		<u>104</u>		<u>104</u>	
Urban centers--men:						
Working	154	\$1.48	245	\$1.72	218	\$1.90 ^c
School	64		28		24	
Work and school	5		6		15	
Unemployed	160		93		101 ^d	
Other	9		20		34 ^d	
Terminees interviewed	<u>392</u>		<u>392</u>		<u>392</u>	
Urban centers--women:						
Working	37	\$1.16	55	\$1.40	38	\$1.60 ^c
School	19		12		17	
Work and school	3		1		5	
Unemployed	79		58		58 ^d	
Other	4		16		24 ^d	
Terminees interviewed	<u>142</u>		<u>142</u>		<u>142</u>	
No-shows--men:						
Working	25	\$1.67	N/A		39	\$1.90 ^c
School	15				4	
Work and school	-				11	
Unemployed	61				37 ^d	
Other	2				12 ^d	
No-shows interviewed	<u>103</u>				<u>103</u>	
No-shows--women:						
Working	5	\$0.92	N/A		14	\$1.41 ^c
School	10				2	
Work and school	-				3	
Unemployed	25				16 ^d	
Other	2				7 ^d	
No-shows interviewed	<u>42</u>				<u>42</u>	

^aThis does not represent the same point in time for both no-shows and terminees. The no-show data are for a time period about 6 months subsequent to that for terminees.

^bAt the time of interview the average age of those included in our sample was as follows:

Conservation center terminees	18 yrs. 10 mos.
Urban center terminees--men	19 yrs. 0 mos.
No-shows--men	18 yrs. 8 mos.
Urban center terminees--women	19 yrs. 4 mos.
No-shows--women	18 yrs. 11 mos.

At the time terminees entered Job Corps they would have been an average of 18 months younger, compared with no-shows who would have been approximately 1 year younger at the time they were scheduled to enter Job Corps.

^cRepresents the average hourly wage rate for those terminees and no-shows working and reporting a wage rate.

^dRepresents imprecise youths reported from...