

an established Community Action agency we will do business with them as the contracting agency to the extent possible.

We have gone quite far in that direction. The same question comes up specifically today in connection with two programs: The neighborhood centers which are being established by HUD, and also under the Model Cities Act, the question which you raise will be very acute.

With respect to the non-OEO, and specifically with respect to MDTA programs, we are saying we want to work with their community action agency or whatever it may be, if there is a practical possibility of doing that, and usually there is.

There are some situations we feel, as a matter of practical common understanding, we are going to use some of the other agencies which are involved, too, and not shut them off.

Very frequently part of the program will go through the community action agency but that should not be fuzzy. An available clear-cut answer to your question is that in all of the OEO cases we write in a provision that all of the programs worked out are to be funded with and through the community action agency if at all possible.

My answer goes beyond that. With respect to other programs we want to use them.

Mr. QUIE. In other words, the neighborhood youth corps program could be funded one of two ways. Either you go to the local community action agencies and receive the money from the versatile funds, or you would take the money directly delegated to you, along with the authority from OEO, and apply to the youth corps; is that correct?

Secretary WIRTZ. I am not sure we are talking about exactly the same thing. With respect to the neighborhood youth corps, 73.5 percent of all fiscal year 1967 projects are related to Community Action agencies.

Mr. QUIE. And the proposed change, putting all these programs under part B, title I, will not change.

Secretary WIRTZ. No. On the contrary, the pattern is spelled out in the delegation even more specifically than it was before.

Mr. QUIE. Does the Community Action agency in any way—

Secretary WIRTZ. The record should be straight. It is spelled out in the proposed legislation to the same degree that it was before.

Mr. QUIE. Do the Community Action agencies have any voice—I know they wouldn't have directly, but indirectly in the activities of the local employment security offices?

Secretary WIRTZ. Yes. The words of your question are not just right, but, let me say this—there is developing an increasingly close working relationship between the Community Action agencies and the employment service. I don't mean that in overly general terms. Let me be specific about it. In this concentrated employment program specifically—and I mention that because it has been so much on our minds recently—I'll take the San Antonio situation. We are working out a concentrated employment program in San Antonio and the moving local agencies are the Community Action agencies there, the local employment service, SER, which is a group representing particularly the Latin American communities and FREE, which is a group representing the Negro minority groups.