

Mr. WATSON. Does the Job Corps use in their figures capital outlay?

Mr. HAWKINS. You are not using that itself. You are getting free land, as I get it.

Mr. WATSON. There was no cost for land.

Mr. HAWKINS. The comparable cost in the Job Corps is \$3,500. Apparently you have not—I am trying to find out then what you have included in the cost and then of course we can get the cost from the Job Corps, but apparently you have not included medical and dental care which is rendered under another program. What does the subsistence allowance include? Does it include land, equipment materials, construction, or any of these items?

Mr. WATSON. There are two allowances. There is a training allowance that the trainees receive, the ones that are eligible.

Some of them are not eligible.

Mr. HAWKINS. Is this training allowance in addition to the \$2,680?

Mr. WATSON. No, that is included. Normally, we figure that the training allowance is about 50 percent of the total cost and the additional cost of subsistence and trainees' weekly allowance is the other 50 percent.

For example, if we had a project approved for \$2 million, approximately half of that, or a little less than half of that would be for training expenses, instructoral salaries, equipment and instructional supplies, costs of this nature, directly related to the training.

You see, the Manpower Act was not designed to be used as a residential training program, and for this reason we have problems that we do not like to have, and this is one of them.

Our residential phase of the program does not have the kind of budget we would like for it to have, because it is based entirely upon the \$5 per day subsistence that the trainees received and turn back over to the housing division for paying the dormitory staff members, food services—

Mr. HAWKINS. The training allowance comes under the \$1,400; is that so?

Mr. WATSON. Well, this is confusing. We are talking about training costs. We normally refer to those as instruction costs, anything we need in the way of equipment, salary and so forth.

The training allowance, which is often confused with this, is the money that the boys receive to put in their pockets once a week. The training allowance is \$20 a week. So that is a training allowance, and the other is the training expenses, and this is expenses that are—that come out of the Manpower Development and Training Act.

Mr. HAWKINS. What about transportation? Is that included under the 2680?

Mr. WATSON. Yes. This is not per year. This is per student. You could get this out of the Health, Education, and Welfare, Department of Labor statistics on the number of dollars we have been given, divided by the number of students that we have handled, and to my knowledge, the only additional costs would be that that we receive, the service that we receive from the Bureau of Vocational Rehabilitation, and that does not handle all of our medical expenses. That handles part of it, but we have two full-time nurses, we have a medical director who is at the school twice a week, and then the hospitalization that the policy takes care of that the boys pay for themselves.