

This payroll subsidy idea is substantially involved in the title IV of the bill, the Industry Youth Corps bill, before you.

It is our thought that with the experience we have had with a very limited number of these youngsters and the experience some other companies have now had with this sort of thing, it indicates that with a financial incentive a number of other companies and especially perhaps small companies that can't mount complex programs might be encouraged to negotiate with local community action agencies in such a way as to give jobs to these youngsters and provide supplemental education of the type we have and thereby start them on careers and get them off the welfare rolls and out of the prisons of the future.

It is essentially this experience that led me to come down here. I am afraid on many other aspects of the poverty program, the Equal Opportunity Act, the Manpower Development and Training Act, and so on, I am simply not qualified to talk. I would be happy to share with you any aspects of this experience we have had that you think might be helpful.

Chairman PERKINS. You do not feel that you are competent to state whether you feel the present program should be held together in a separate agency which is the executive arm of the Government without being transferred to HEW?

Mr. ROBIE. No, sir, I don't. I do think it is fairly obvious and probably not very helpful for me to say that one of the major problems that we have run into is the problem of coordination. Whatever way will provide the best coordination, I think that is the best way, but I don't feel qualified to say whether that would be with the present organization or with some other form of organization.

Coordination is a very serious problem.

Chairman PERKINS. Do you feel we are making progress under the present setup?

Mr. ROBIE. I would say we are making progress but I have no standard to judge whether the progress is good or bad. To say we are making no progress means we are doing nothing. I think we are doing some things and whether we could do more and faster and achieve better coordination under a different organizational setup, it is difficult to know. We have no standard by which to judge that.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. I will yield to Mr. Goodell.

Mr. GOODELL. Mr. Robie, thank you for your very excellent statement.

Could you give us an idea of your viewpoint of the cost to the company per student or per trainee in this type of situation.

Mr. ROBIE. Yes, our cost for this supplemental education piece looks like it is going to be about \$700 per youngster. Interestingly, and this turns out to be about 25 percent of the wage level at which a typical employer would employ these youngsters, \$60 or \$70 a week is a beginning clerical unskilled wage more or less around the country and as they progress and stay with the company they go into higher levels and beyond that.

Chairman PERKINS. You are talking about high school graduates?

Mr. ROBIE. Yes. It is our notion that we should not employ these dropout youngsters at the same level as is paid to the high school graduate beginners. Say 25 percent of a \$60 or \$70 wage turns out