

to eliminate some of the kinds of redtape that are now existent in the programs that are available.

I might say that we did look into, I suppose rather superficially, the opportunity to get money under existing programs for what we are doing and for the size and level of our operation and we just decided it was not worth the effort. We have had some experience with some other dropout kids that we have gotten through a program the Urban League has and in order to get their money we have to provide them with certain information that is part of the administrative controls.

We got a little taste of how much you have to get into for that. Then when we found out how much more we would provide for the training we are doing we just said it was not worth it. It may be that any such program, even the Industry Youth Corps, would end up with sufficient redtape to make us say it was not worth it, but it is my hope that there would be some aspects to this that would enable us to do it in a simpler way.

Mr. HAWKINS. Also with the incentives offered, would it not automatically mean that screening might become a device to gain a competitive advantage over those competing against you?

If there were an increase in cost and competition with others, wouldn't you attempt to screen out those that might be the most difficult cases and try to obtain the very best that you possibly could during the screening process and if so, would you not automatically reduce the cost, at least either increase or decrease the subsidy advantage that would be forthcoming?

Mr. ROBIE. I would say there might be what I would consider a minor danger of this. To say there is no danger is certainly wrong. However, there are a couple of reasons why I think it is minor. One is the qualifications of the youngsters you are starting out with are such that it would appear to me that an employer could not get a great financial competitive advantage from the kind of manipulation you are talking about.

You are pulling these youngsters from a labor supply that is now largely unused and thought to be unusable. Frankly, it seems to me fairly clear that it would cost a little something even with a subsidy, for any employer that was involved in this, but most employers want to help. They are proud of their communities and they want them to be better.

I think many of them would go into it, perhaps, if it were properly promoted and administered it for this reason. I just don't think there is enough money in it to get a competitive advantage plus the type of kids that they would be required to take who are largely unemployable.

Mr. HAWKINS. Do you think other companies would accept a referral from a governmental agency, let us say, that would send you a certain number of these applicants, jobseekers so that you would obtain a cross section, that you would obtain not just the best but would you accept such a referral from a neutral agency?

Mr. ROBIE. This would all have to be agreed upon in advance by the local community action agency and an employer.

Mr. HAWKINS. Are you speaking of those local community action agencies created under the law or in a general way?