

all of us, particularly in dealing with service agencies that are almost always short handed, almost always looking for people, and almost always behind in keeping the inventory up, keeping the store straight and so on.

This certainly seems to me to be true by observation.

Mr. ERLNBORN. Maybe the scope of our inquiry here is beyond the scope of this area but you touched on it in your statement.

We have children who have been employed in the past but must now have their skills upgraded and who probably don't fit into a program of recruitment, the educational training we are talking about. As I take it from your statement, you feel the same sort of approach we have used to induce industry-employers to invest in equipment and capital expenditures can be used here to encourage these employers to invest in upgrading the skills of the present employees who are not used as fruitfully as they might be or who might be displaced because of improvement in technique.

Mr. ROBE. I would have to say I would have a little more question about the extension of this principle. I think some of the questions Mr. Hawkins was asking become a little more difficult to deal with when you get into using this kind of payroll subsidy or tax credit approach for upgrading training.

Employers carry on a tremendous amount of upgrading training now at their own expense. I see some administrative problems sorting out the type of training the Government should pay for and the type it should not.

I did refer to something that perhaps the committee should know more about than I do. The recent steel agreement where Government money is being spent to upgrade a lot—I think it is 10,000 unskilled steelworkers who need help and the Fundamental Board for Education that we have used has the contract for that and their apparently careful investigation has shown that it is worth spending some Government money and I imagine the steel companies are putting in some of their own money and unions, too.

So there is an example that tends to combat what I said about my fears that this would be difficult. I am afraid any automatic scheme, any automatic payroll subsidy would have more administrative difficulties if you applied it to general upgrading training.

I think that would have to be looked at on a special case-by-case basis more carefully.

Mr. ERLNBORN. Your fears would not lead you to say we should not try it, though, would they?

Mr. ROBE. They would lead me to say that in setting up the experiment one should include elements of control that recognize the problem as a little different. The problem of misuse is a little different when you get into upgrading and training existing many employees than when it is that you are giving financial incentive to take kids off the street who are virtually unemployable and giving them a job.

Mr. ERLNBORN. What has been your experience with respect to the training these children have been getting compared to what they would get in school? Do you have to design a different program for them?

Mr. ROBE. There is a section in here that deals with that. Our experience which has been very limited has been very definitely you have to design a special kind of education. There is a lot of experi-