funded and goes into operation and begins to prove it can do something for the poor people, and then all of a sudden when it comes up next year for funding or renewal they hear from Washington that there are no funds available.

At this point, the fiat which you build up in people begins to dissipate because it repeats a pattern which they have known only too well, the pattern of promises made and broken, and we cannot break fiat with the poor.

You and I perhaps because we have a certain amount of inner stability can have promises broken and not feel that necessarily we have to lose fiat in a given individual or program or operation, but the poor who have had this and who have known this as a stable aspect of their lives—promises made and broken—at that point you have a long way to go to get their fiat again. This is what the OEO has done. It has kindled the fiat in millions of people about the possibility that they can escape from poverty, and this is why we say that we cannot break this fiat because if then we do, then the motivation, and there has to be human motivation if you are going to get out of the rut that you are in if you are a poor person, and there has to be a great deal of motivation.

This human motivation that energizes the individual to do those things he can do through the program presented disappears, evaporates. At that point you have what amounts to a vegetable and society is then responsible for him and will continue to be responsible for him. Poverty breeds poverty and you may be responsible for his children and grandchildren.

Mr. MEEDS. So the loss of the faith of the poor in this rather dynamic program would certainly have this effect.

Mr. ROTHMAN. Yes, indeed.

Mr. MEEDS. As you perhaps put it, one, with the poor; and two, with a program which is a motivational program, other than some ordinary program for middle class America in which it would be damaging enough to get their hopes up and then drop them; but in this type of program it can be at least doubly damaging, could it not?

Mr. ROTHMAN. I think it could be fatal in terms of the groups we are working with in trying to train and motivation so ultimately they can become productive citizens.

Mr. MEEDS. If we spin off these agencies which have been under one roof or one umbrella and lose the momentum of this program, the very thing you are talking about here could very well inure, could it not?

Mr. ROTHMAN. Yes, sir, this is why we say at this time there should be no spin offs.

We are taking this position and we don't take it for all time. Perhaps there may come a time when we say OK, the job is well enough along it may very well be that we will agree that this, that or the other program belongs someplace else, but not now and not in the foreseeable future, sir.

Mr. MEEDS. Thank you very much.

Chairman PERKINS. Mr. O'Hara.

Mr. O'HARA. Mr. Chairman, I want to apologize to the witnesses for missing their testimony which I am sure was very interesting. It was on our side.

Chairman PERKINS. We commenced promptly at 9 a.m. with Andy Biemiller.

Mr. O'HARA. Let me say I believe the AFL–CIO is to be commended for the support it has given this program since its inception. I think it is fair to say the AFL–CIO has been successful enough so that very few of its members receive wages that would put them in the poverty category. Yet the concern and interest that the AFL–CIO has shown for the poor and for well-financed programs to assist them out of poverty demonstrates again what has been demonstrated many times in the past. The AFL–CIO is a good deal more than just a narrow self-interest group.

I think that is something we sometimes take for granted and, therefore, I though this might be an appropriate occasion to reemphasize that point.

I am sorry I missed your testimony, gentlemen, but when the six volumes of printed hearings come out, I will be sure to find your statement and read it.

Mr. BIEMILLER. Thank you, Mr. Congressman, for your remarks about the AFL–CIO.

Chairman PERKINS. Let me compliment you, Mr. Biemiller, and Mr. Rothman, too, for the comments you have made. You have made a contribution and I think all members will agree when they read your statement, and I agree with the gentleman from Michigan.

Again, let me thank you for your appearance.

Mr. BIEMILLER. Thank you, Mr. Chairman, for the opportunity.

Chairman PERKINS. Dr. Arthur Flemming.

Dr. Flemming, it is a pleasure for me to again welcome you before the committe. You appeared here when we were writing the ESEA, when it had ESEA up for amendments in the poverty program.

You have always been interested in the welfare of the people of this country and you are a great educator and you are one of the most outstanding Secretaries of HEW where you pioneered so ably with the legislation that was later enacted by the Congress.

We welcome you.

You may proceed in any manner that you prefer.

STATEMENT OF ARTHUR S. FLEMMING, PRESIDENT, NATIONAL COUNCIL OF THE CHURCHES OF CHRIST OF THE UNITED STATES

Dr. FLEMMING. First of all, may I express to you my very deep appreciation for your generous comments. I can assure you it is a privilege for me to have the opportunity of appearing before you and the members of your committee on what I regard as very important legislation.

For the record, I will identify myself as Arthur S. Flemming, of Eugene, Oreg., and I appear before you today, Mr. Chairman, as president of the National Council of the Churches of Christ in the U.S.A.

The organization which I represent is a council of 34 Protestant and Orthodox denominations. One of the stated purposes of the council as set forth in the constitution is "to study and speak and act on conditions and issues in the Nation and the world which involve moral, ethical, and spiritual principles inherent in the Christian Gospel."

Only the general assembly or the general board can vote policy statements on behalf of the council. The general assembly, which numbers about 800, is made up of lay church members and clergy who are appointed as representatives by the member denominations. About 270 of the general assembly representatives are then designated by that body to sit as members of the general board—a body which meets three times a year.

The policy statements adopted by the general assembly or the general board are addressed to the council's member denominations and to the general public. No council action is binding on any member communion.

When the council adopts a policy statement or resolution it speaks only for itself. Policy statements and resolutions are used as a basis for testifying before legislative bodies on issues related to the subject matter of the statements or resolutions.

Such testimony is presented, however, only on behalf of the council and never on behalf of its member churches or their constituency.

In December 1966 the general board of the national council adopted a policy statement on "the churches and the antipoverty program." In February 1967 the general board passed a resolution related to the policy statement.

Mr. Chairman, I would appreciate it if the members of the committee would permit the insertion of both the policy statement and resolution to which I have referred immediately following this statement.

Chairman PERKINS. Without objection it is so ordered.

Dr. FLEMMING. Thank you, Mr. Chairman.

The December 1966 policy statement makes clear that, in the judgment of the general board, the church should be among the first to hail the declaration of public policy by the Congress of the United States in the preamble to the Economic Opportunity Act of 1964 which says:

> It is the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training, the opportunity to work and the opportunity to live in decency and dignity.

A number of concerns are reflected in both the general board's policy statement and resolution which I desire to underline.

First, the role of the Office of Economic Opportunity.

In its February 1967 resolution, the board said that—

> The Office of Economic Opportunity represents an essential spearhead in the War on Poverty.

I believe that this is a sound position. There are times when new agencies are needed in the executive branch if Government is to deal with major issues in an imaginative and creative manner.

I watched, first as a reporter for what is now U.S. News & World Report, and later as a member of the U.S. Civil Service Commission, the New Deal agencies come and go.

They made significant contributions to the Nation at a critical period in our history. These contributions would not have been made by established agencies.

Already the Office of Economic Opportunity has made contributions to the Nation's war against poverty which would not have been made

by established agencies. It has done so because it has been able to devote all of its time, energy, and resources to the achievement of a single goal, namely, the providing the poor with new opportunities to achieve their highest possibilities.

It has not been encumbered by the precedents of yesterday and the fears of those who regard new programs as a threat to old programs.

Our Nation needs the leadership that this office can provide in the years that lie just ahead.

Chairman PERKINS. Let me interrupt you to say that I don't know when we have had such a forthright and outstanding endorsement of the Office of Economic Opportunity as you are giving at this time, Dr. Flemming.

Dr. FLEMMING. Thank you, sir.

The Office is needed to operate the programs for which it now has responsibility. If the programs were shifted at this point to established agencies it would take the better part of a year to restore the momentum they now enjoy.

The Office is needed, as the editors of Look magazine expressed, "to argue the just demands of the poor from within the government." No staff agency can do this as effectively as an operating agency which is constituted in such a manner other agencies cannot ignore it.

The Office is needed to continue the process of innovation and experimentation in the war against poverty. We need an agency that, because of its single-minded purpose, will continue to explore and implement ideas such as the one that brought into being a legal service for the poor—a program which the American Bar Association has characterized as "well conceived and properly administered."

The Office is needed to point up for other agencies in the executive branch the opportunities that are open to them in the war against poverty. An agency as the Office of Economic Opportunity can do just what Secretary of Labor Wirtz says it has done when, in testifying before this committee in favor of the continuation of the Office, he asserted that the agency's innovative programs "have shaken us up * * * they have put a hair shirt on all of us * * * they have told us the truth about poverty until it hurts * * * and now it helps."

The second concern I would like to discuss with the committee is under the heading of maximum feasible participation by the poor.

The policy statement by the general board places major emphasis on this aspect of the Economic Opportunity Act. At one point the statement says:

> * * * This provision for the inclusion of the poor themselves in planning and execution of programs reflects deeper ethical insight in anti-poverty efforts.
>
> Two principles are involved which commend themselves to the Christian conscience: One is the recognition of the inherent worth and dignity of every human being regardless of his social or economic circumstances. The other is recognition that in a democratic society every person is entitled to a voice in shaping the decision and policies which affect his life.
>
> * * * We commend the Congress for incorporating this concept in the original Economical Opportunity Act, and encourage the Office of Economic Opportunity to continue its efforts to embody the concept in actual structures and programs in the field.

We believe that substantial progress has been made by the Office of Economic Opportunity in implementing this principle.

Members of our staff who have followed closely this aspect of the program view with concern, however, the provision in section 223(C) which raises the matching funds requirement from 10 percent to 20 percent.

Few, if any, groups of poor people would be able to raise such a sum. This could, therefore, have the effect of making it possible for only long-established institutions with broad-based support to submit proposals.

Such groups should be involved in the war against poverty. They bring to it both a concern for the poor and an expertise in dealing with their problems.

Conceivably, they should be asked to meet a larger matching fund requirement. But couldn't a needs test be applied in such a manner as to make it possible for groups of poor people to continue to submit proposals under a matching-fund requirement of 10 percent.

Mr. GIBBONS. May we interrupt at this point because I think this is a misconception. Under the present law under which we are operating, the Office of Economic Opportunity has authority under exceptional circumstances to fund up to 100 percent of the cost of it.

I think your statement is legitimate. They have not established any criteria but they can make the decision. It just has not been done. I think your complaint is one that should be addressed to the agency rather than to the Congress.

Dr. FLEMMING. Is that same authority continued in the draft which is now before the committee?

Mr. GIBBONS. I could not be positive on this but I feel sure it is. It is just a hesitancy on the part of the agency to make a decision as to what agency is entitled to 100 percent funding and what is agency funding.

They would rather put them all on the 80 percent basis so there is an escape valve there.

Dr. FLEMMING. Oftentimes the problems of the poor are more clearly seen by the poor themselves than by any other group.

Our third concern is that of organized effort by the poor. The policy statement by the general board includes this paragraph:

> Essential to the effective involvement of the poor in community-wide and church programs is the creation of a supportive atmosphere for the self-organization of the poor.
>
> The history of the human struggle for justice and equity reveals few instances in which the establishments of this world have voluntarily transferred power to the powerless or of their own free will granted redress of grievances to the exploited and the dispossessed.
>
> For the contemporary poor, as for other disadvantaged groups in history, self-organization for countervailing power is an essential ingredient of any successful war effort against poverty.

Mr. GIBBONS. We saw as recently as yesterday there is some innuendo that this involvement of the poor is the cause of the problems we are suffering today in riots and so on. I realize you can't base it on evidence but I would like your opinion as one who is learned in this field of human relations.

Do you think this is a contributing factor or what are your views on that?

Dr. FLEMMING. Mr. Congressman, and Mr. Chairman, I appreciate that recent developments give rise to a question of this nature. I would

be happy to comment on such situations but if I may present my statement first, there are some matters which bear on this so it would save the time of the committee and avoid repetition.

In his testimony before the Employment Manpower and Poverty Subcommittee of the Senate, Labor and Public Welfare Committee, Sargent Shriver, the Administrator of the Office of Economic Opportunity, said:

> We have learned that while organization for change is a vital ingredient of Community Action, lawlessness and partisanship can undermine the integrity of the program and destroy the faith of the community.
>
> And so we have written into the Bill safeguards against the use of federal funds for illegal picketing or demonstrations or partisan political activity.

We urge that this committee give consideration to including in the Economic Opportunity Act a statement setting forth what persons connected with OEO projects can do when they decide to become involved in action programs designed to bring about what they believe to be a desirable change in the economic, social, and political life of the Nation.

Such a positive statement of rights will help to put whatever restrictions are placed on the activities of persons connected with OEO projects in a frame of reference consistent with the first amendment of the Constitution and the decisions of the Supreme Court related to that amendment.

Also, we urge the committee to include language in the act designed to protect persons connected with OEO projects from coercive action designed, for example, to bring about their participation in political activity.

The next concern is under the heading of local initiative. Under this heading the policy statement by the general board includes this paragraph:

> We fully recognize that many aspects of the war on poverty transcend the local community, and many of the resources required for its successful prosecution must be mobilized on a national level.
>
> Within the framework of local-state-federal partnership, we commend the emphasis in this Act upon maximum local initiative, imaginative creativity, and flexibility.

We have noted with approval that even when the decision has been made to launch programs such as Headstart and Upward Bound, vigorous efforts have been made to relate them to the objectives of the local community action programs.

Both of these programs open up opportunities for reaching the families of participants that might not otherwise be opened up. It is our understanding, for example, that the preponderant majority of Headstart grants are made to Community Action agencies, and that these agencies in turn use a wide variety of organizations to operate Headstart programs.

We have noted with interest that in the full-year Headstart programs, 10 percent of the operating agencies are church affiliated organizations.

We are confident that in the redrafting of the Economic Opportunity Act, the committee will do everything it can to continue the emphasis on maximum local initiative.

We hope especially that the act will make clear that proposals developed by the poor will receive a hearing on their merits even though

there may be persons, in both the public and private sectors, who raise questions about them.

Every effort should be made to make sure that proposals coming from the community do not reflect the lowest common denominator of thinking in the community. In this connection we have a drafting suggestion relative to 221(C) which I will submit in a letter to the chairman of the committee.

Finally, the fifth concern is that of adequate financing. The commitment of the general board of the National Council of Churches to the objectives of the Economic Opportunity Act and its confidence in the programs that have been developed to achieve these objectives is clearly set forth in this language from its February 1967 resolution:

> . . . and also urges councils of churches, denominations directly, and through them their local congregations, and religious agencies to support a substantial supplementary—1966-1967—federal appropriation for the Office of Economic Opportunity and a full funding of this agency for 1967-68 at no less than $2.1 billion in keeping with the request of the Administration of the United States Government . . .

We would like to underline the words "at no less than $2.1 billion." We believe that our Nation, having put its hands to the plow, must not turn back but must move forward in its determination "to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work and the opportunity to live in decency and dignity."

We recognize the progress that has been made through such programs as Headstart, the Neighborhood Youth Corps, the Job Corps, Upward Bound, VISTA, Neighborhood Health Centers, and Community Action Agencies.

We believe that these programs must be strengthened. We also believe that the way must always be open for the consideration and financing of new programs that give promise of replacing despair with hope in the lives of the poor.

We are confident that the Congress of the United States is going to make it possible for the Nation to move forward in an undertaking that must succeed if our Nation is to demonstrate by its deeds its belief in the dignity and worth of every human being.

Chairman PERKINS. I will yield to Mr. Gibbons for just a moment. I am fortunate because I have had the opportunity to invite you here on numerous occasions before the general Subcommittee on Education.

You always come before the committee with an eloquent statement and in my opinion you know what you are talking about. I recall I got acquainted with you through the minority when you were an outstanding Secretary of HEW in the Eisenhower Cabinet.

You were testifying with respect to certain educational legislation which later on was enacted.

From your experience you have in my judgement so ably stated the role of the Office of Economic Opportunity couched in words that not many other witnesses have so clearly expressed.

I believe in substance you state we would be throwing away this experience that we have gained and as an administrator in one of the major agencies in this country, this proposal purports to transfer the so-called opportunity crusade, transfer many of these programs to HEW, particularly the Office of Economic Opportunity, and the Job

Corps immediately to the Office of Education as vocational schools are presently operated.

How do you feel it will affect the programs we now have underway assuming that the Congress went along with the suggestions and threw away the experience we presently have?

Dr. FLEMMING. Mr. Chairman, I am very happy to respond to that question and elaborate somewhat on the testimony I have just presented.

As I am sure you appreciate, I have a very very high regard for the Department of Health, Education, and Welfare. I have a very high regard for the Secretary of that agency, whom I have long thought of as this Nation's No. 1 educational statesman.

I have a high regard for the career staff that have given the best years of their lives to the Department of HEW. But I recognize as I am sure you do and as the members of this committee do, since I was Secretary, Congress has assumed new responsibilities to the Department of Health, Education, and Welfare.

The old responsibilities plus the new responsibilities place a very heavy burden on the Secretary. It is clear to me that the Secretary of Health, Education, and Welfare could not give his undivided attention to the war against poverty as can the Administrator of the Office of Economic Opportunity.

If an official under the Secretary of the Department of Health, Education, and Welfare, such as an assistant secretary, should be assigned such responsibility, he would not have the same opportunity to keep the program moving as does the head of an independent agency.

I noted with interest that Congressman Quie in introducing into the Congressional Record of June 8, 1967, an explanation of the bill which he and some of his colleagues have introduced, he said this:

> No independent agency can hope to coordinate effectively the many federal activities designed to help the poor.

I would like to say I believe that an independent agency can do this job in an effective manner, if the President of the United States makes clear that the head of that agency is his representative in a particular area.

As you know, I had the privilege of serving for 4 years as the Director of the Office of Defense Mobilization. It was an independent agency. In order to carry out the duties of the Office, one had to work with the heads of a good many Cabinet departments.

President Eisenhower made it clear from the beginning that the incumbent of that Office was his representative in that particular area and he continued to make it clear as various issues would arise.

Consequently, I found that I could work with the heads of the Cabinet departments in an effort to coordinate activities in that particular area.

I recognize that I was probably helped somewhat by the fact that although it was an independent agency the Congress in establishing it provided that it was to be in the Executive Office of the President, and this committee might want to consider such a possibility as far as the Office of Economic Opportunity is concerned if you want to underline the fact that the head of this Office is functioning very closely to the President.

But, actually, the important thing, as we all know, if the President of the United States makes it clear to the heads of Cabinet departments that the head of the independent agency in a particular area is his representative, he will not have any difficulty in functioning and, in my judgment, can function far more effectively than assistant secretary in an established department.

So, on the basis of my experience in Government, on the basis of my work with the two Hoover Commissions, I would say to you there is no question in my mind at all but at this juncture it is far better to place this responsibility in an independent agency under an administrator.

In view of the fact that this has been operating just 2½ years, if an effort should be made to transfer out of this agency many of its substantive programs, in my judgment, there would be a serious loss of momentum.

I have watched transfers take place in the executive branch of the Government. I have watched what happens during the period of time when people are speculating as to whether or not the transfer is going to take place.

I have watched what happens when people are speculating as to how the transfer is to take place. I have watched what happens when people are speculating as to what the impact of the transfer is going to be on personnel in the agency that is carrying forward the job at a particular time, the impact on personnel in the agency to which it is to be transferred.

May I say to you all of the speculations that I have identified serves just one purpose and that is to put the program on dead center for a considerable period of time.

I think it would be very unfortunate for any aspect of this program at this particular juncture in our history to go on dead center.

I agree with Mr. Biemiller's comments to the effect that the time may very well come when the Congress will want to look at this independent agency just as it has looked at other independent agencies in the past and think about some transfer but I think this should happen only after programs are well established and it is clear to the Congress that they desire to continue the programs, then they might very well think about transferring to another department or agency, but in my judgment this is not the time and it would have a serious impact on the effectiveness of the war against poverty if the transfer should take place now.

Chairman PERKINS. As an educator, I would like to put one more question to you: You are familiar with the Opportunity Crusade that proposes to cut back the Job Corps $190 million for the next fiscal year and would immediately transfer the operation to the Office of Education.

Do you feel that we would be throwing away valuable experience gained from the operation of the Job Corps if we cut back on the Job Corps at this time and would it be depriving youngsters that are not now admitted in vocational schools, and do we have residential centers available which the Office of Education could operate to effectively reach the type of youngster that the Job Corps is now reaching?

What is your opinion?

Dr. FLEMMING. Mr. Chairman, in my judgment, the Job Corps is in a position where it is rendering an effective service and where it in the future can render an even more effective service.

I definitely feel that a transfer at this time to the Department of Health, Education, and Welfare, with the understanding that it would be made a par of the vocational education program, would be unfortunate.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. First of all, I welcome my fellow Oregonian and I must say I am delighted to have you here, Dr. Flemming.

Mr. ASHBROOK. Would the gentlelady yield?

Mrs. GREEN. It is obvious he had the good judgment to leave Ohio and go to Oregon. The facts speak for themselves.

Mr. ASHBROOK. Temporarily.

Mrs. GREEN. If I understood you correctly, you are suggesting that the Director of the Office of Economic Opportunity have a higher position and you said if the President makes clear that the head of the agency is his representative then he would be able to have the say on all of the programs.

Is that right?

Dr. FLEMMING. It is my judgment that the head of an independent agency can function effectively not only in terms of the operation of its own programs but in terms of tying in other departments and agencies if it is clear that he is functioning as the representative of the Chief Executive.

Mrs. GREEN. A lot of the programs in the Economic Opportunity Act, as we all know, are educational programs. Are you, in effect, saying that he have greater power in determining the final say-so on the educational parts of the war on poverty above John Gardner, who is the Secretary of HEW, and whom you just said was the finest educational statesman in the country?

Dr. FLEMMING. No, Mrs. Green, I am not. It is true, as you indicate, many of the programs that have been developed by the Office of Economic Opportunity recognize the importance of education if the objectives of the act are to be accomplished.

It seems to me that these programs are tied in, for example, typically as I indicated in my testimony, with the community action programs of the OEO, I believe that tie-in is a very important one.

I think that the Administrator of this office working cooperatively with the Secretary of Health, Education, and Welfare can keep the programs moving along sound lines from an educational point of view and at the same time can keep them tied in with the overall objectives of the Economic Opportunity Act.

Mrs. GREEN. Let me go to a few specifics if I might. As an educator, I presume you approve of the higher professional requirements that we are making in the schools?

Dr. FLEMMING. There is no question about that.

Mrs. GREEN. In Oregon, I think, we have now a requirement for a fifth year beyond college graduation.

Dr. FLEMMING. That is right.

Mrs. GREEN. Would you think that this professional training for the elementary teachers and the first-grade teachers is as important for any high school teacher?

Dr. FLEMMING. Yes, I do.

Mrs. GREEN. We had testimony yesterday or the day before on, for instance, a CAP agency in Oregon—the head teachers on the Headstart programs that are run by CAP there are high school dropouts. They gave these high school dropouts an intensive educational program that amounted to several months and gave them the equivalency of a high school diploma and then put them in charge with Headstart programs.

How does this square with educators if you are going to really do an effective job with youngsters?

Dr. FLEMMING. It seems to me the type of personnel you describe can be used in connection with a program of this type, but I would certainly agree with you that that type of personnel should not be placed in charge.

Mrs. GREEN. I have no quarrel with their being aids but this is run by CAP and it does not have direct channels up to the Office of Education.

Does it make sense now that anybody can head Headstart programs, anybody that any CAP agency thinks ought to run it, and they have been paid the salaries that they want to out of 90-percent Federal funds?

Let me give another example.

From an educational standpoint in trying to help the disadvantaged youngsters, does it make any sense to have 20 youngsters in a Headstart program with one teacher and two aids for the day and a higher comparative salary for the teacher, while in the same schools you have the same children from the same socioeconomic level, who have the adjoining classroom and are run by a kindergarten teacher who has 30 youngsters in the morning and 30 youngsters in the afternoon and no teachers' aids?

If you were the principal or superintendent of that school, is that the kind of arrangement that you would think is desirable in making good educational sense?

Dr. FLEMMING. As a general proposition, the answer would be "No," not knowing the situation in the particular school and just what the principal is up against in terms of getting resources to carry on his program and so on, I would not want to pass judgment on the judgment that he apparently has exercised in accepting that kind of a relationship.

Mrs. GREEN. He did not exercise any judgment because the Headstart program, because of the setup, has no coordination.

They are run by two different agencies, two different Departments. This, then, was out of his control.

Dr. FLEMMING. It is at this point that it does seem to me that the standards, the regulations of the Office of Economic Opportunity could be worked out in such a way as to bring about this coordination provided that in the effort to bring it about, in effect, if an impasse develops, nothing will happen.

This is the only problem. I can conceive of some situations and I am sure out of your experience you would also see where there might just be a resistance to utilizing the Headstart approach that would not have a real basis in fact, but I would certainly think that the regulations should provide that every reasonable effort should be made to develop a coordination between the local school system, between the

high school principal and the Headstart program before it was actually funded.

Mrs. GREEN. Let me give you another example. Under the Elementary and Secondary Education Act we have preschool programs that are run by the school system. Followthrough will be run by a similar system in the Office of Education.

As I understand your testimony, you have said, in effect, it is more important to have Headstart or Upward Bound or Headstart and the small business loans under one agency that is directing its war on poverty than it is to have Headstart and preschool under one agency that shares the same objective and the same goal.

Dr. FLEMMING. As I see it, the Office of Education deals primarily, of course, as it works out its programs, with the State departments of public instruction, with the public school systems, and I think it is a very good thing for the Office of Economic Opportunity to be in a position where it can inaugurate some programs that are directly related to the objectives of the Economic Opportunity Act without being dependent on those programs being accepted initially by the public school system.

In other words, I think this is one way of innovating and getting some new ideas into the picture which, if they prove themselves, will be ultimately accepted by the public school system.

I am confident of that. I know it is difficult whether you are talking about higher education or whether you are talking about elementary and secondary education to innovate, to get experimental programs underway, and sometimes it is a good thing for those programs to be set up outside of the system so that they can demonstrate their effectiveness in the hope that the system itself will then pick them up.

Mrs. GREEN. You are not suggesting in the school systems themselves that there are not 1,001 examples of innovations, just as many probably as we have in the war on poverty.

I am thinking of the model school in Portland which started before the war on poverty. If we went across the United States we could find scores of individual schools, and State departments that have done very imaginative, very innovative things.

I find it difficult to accept the theory that the Office of Economic Opportunity is the only agency capable of innovation.

Dr. FLEMMING. I accept the fact that the educational system has certainly at times been innovative and experimental in its approach and you could find many illustrations of that.

But I likewise think we could identify many illustrations of cases where the public school system has resisted innovation and experimentation.

My feeling is that the Office of Economic Opportunity is in a position where it can be of assistance to the system, taking the country as a whole by being willing to innovate, demonstrating the soundness of certain approaches in the hope then that they will be accepted.

Chairman PERKINS. Mr. Gibbons?

Mr. GIBBONS. I think Mrs. Green anticipated what I was going to ask and she beat me to the punch—she usually does—so I will not take up any more time.

Chairman PERKINS. Mr. Hawkins.

Mr. HAWKINS. It so happens that I have a person in Washington today who represents a group of parents from my particular district.

She is concerned with the fact that this educational system to which Mrs. Green refers, perhaps with good reason, about higher educational standards is not doing the job in Los Angeles. I cannot help but believe that our school system is just as good as any of the districts in Oregon, but we have a school district which although it is an excellent one from a middle class approach, is not doing the job in slum ghettos.

This person who is in Washington now, Mrs. Wright, who made a trip at great expense, at a great sacrifice, is representing mothers who are protesting today to the Office of Education that the ordinary school district is resisting any change and that their children in these schools with these very high educational standards are not being taught, with the result that they are dropping out, they are losing interest.

The schoolteachers with these higher educational standards are trying to get out of the slum ghettos. Each day when the bell rings at the end of the day they get into their automobiles and almost run over the children trying to get out of the district.

They have an idea that the kids that come from culturally deprived homes cannot learn and regardless of what they say the youngsters are not being taught anything and they are not getting good jobs because they are not getting the education.

It seems to me we can talk about building up educational standards but what we are talking about is building up these standards for middle class schools, not for the kids in the slum ghettos. I think it should be clearly understood while we are not opposed to the strengthening of the school system and certainly are hoping to build higher educational standards, we also have to try to innovate some new ideas for some of these school districts including my own.

They are not doing the job in the slum ghettos. If you want to relate this to some of the disorders, certainly I think there is the relationship. It is just one of the many causes. Parents are so frustrated that they don't know want to do.

This mother spoke to me last night. She said, "I have an 8-year-old child who is with me. This child is not reading as well as a 5-year-old child."

She said she had to change the child to many schools. She said she is representing other parents who are trying to improve things in our district so their children will learn and get better jobs and so they won't participate in any kind of disorder.

I think some of us should face this challenge and start talking about higher educational standards because children are not being taught in some of the school districts.

Chairman PERKINS. Would you like to comment, Dr. Flemming?

Dr. FLEMMING. Obviously, from the comment I made earlier, I am in agreement with this approach. I think this is one of the great things about bringing a new agency into being now and then.

It can develop new ideas and put them into effect.

Congressman Gibbons addressed a question to me during the course of my testimony.

I said I would be happy to respond to it at the conclusion of my testimony.

If you would like, I would be happy to respond.

Chairman PERKINS. Right at this point, remain in your seat. We are going to recess for 10 minutes. We will be right back and then you can respond.

Chairman PERKINS. The committee will come to order.

Dr. Flemming, if you don't mind, I will ask you to refrain from answering the question of Mr. Gibbons, who will be absent for about 15 minutes for a radio program, and then he will be back.

Mr. HAWKINS. I have a question relating to the involvement of the poor in the programs and funding of projects submitted by the poor or by neighborhood groups. I think Mr. Gibbons correctly indicated there is nothing in the law that prohibits this, and certainly from my observation, Congress has intended this. The counties throughout the country that are organized in the national organization and the cities that are also organized nationally for educational assistance, have brought a great amount of pressure through these national organizations on the administration, and on the Office of Economic Opportunity, and on Congressmen and so forth, to the extent that it appears to me the present atmosphere is to cut back on the programs that may involve the poor.

There is a strong indication that this is an endorsement of social revolution, and if you involve the poor and give them the latitude that you have suggested should be done, and the flexibility, that the poor will involve themselves in such activities as rent strikes, consumer education, and so forth. There is a strong temptation to limit the program and to really destroy the program because of the very things you are suggesting should be done and the concepts you suggest should be strengthened.

I don't know what is the answer. How do we get ourselves out of the position on the one hand where we say we want to involve the poor, and the act does state that in very beautiful language, and yet every organized group, the public agencies as well as the feeling of public officials here in Congress, is that they don't want to see persons who are not, and I hate to use the word establishment, that is not really what I am saying, but public agencies organized as great national organizations.

We have had applications submitted from my own area which I thought were good applications, and they were submitted not by the school system or the county, but by the time these agencies got any information on it and the mayor of the city of Los Angeles, who is a good democrat, at least a democrat, calls up the President and puts pressure on the White House and the Office of Economic Opportunity, the next thing we know, the money is withdrawn or the money is not given.

So I quite agree with your statement, and I am not disagreeing with you, but it seems to me we are somehow expressing these wonderful concepts but leaving the people here in these expressions at the mercy of the very groups that perhaps need it if we are going to get the votes to put the program through. I don't know what can be done about it.

I certainly commend your presentation and the National Council of Churches for taking what I think is a most excellent position, but I wonder how we rescue those who take this position and what do we do about this practical situation in which we find ourselves?

Dr. FLEMMING. Mr. Congressman, of course, this is the kind of problem that constantly confronts government. It is difficult to insure the fact that an idea that is developed at the grassroots, in this case by a group of the poor, gets a hearing on its merits before a final decision is made.

There isn't any doubt in my mind but that the groups that you refer to, the associations of local officials, State officials, and so on have a very real contribution to make because very often they can take a look at a proposal of this kind and say in its present form it won't work, and they can make a clear demonstration to the effect that it just won't work.

But at the same time they could make positive suggestions that would make it possible for it to work.

The line to which I referred and which kind of points up your question is on page 51 of H.R. 8311, line 1. It begins on page 50, subsection (c):

> The director shall prescribe necessary rules or application for assistance under this section to assure every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application.

Now that makes good sense, of course. But then it says "and to resolve all issues of cooperation and possible duplication prior to its submission."

Personally it seems to me that that kind of a requirement would almost assure the fact that what gets to the office of the Director for consideration will be the lowest common denominator and that this brandnew, fresh idea that might have a lot to be said for it might not even get before him.

So my suggestion would be in line 1, on page 51, insert after the word "and" "and that every reasonable effort is made to resolve all issues of cooperation and possible duplication prior to its submission."

It is altogether possible that those drafting the section had in mind carrying over these words on line 23, "every reasonable effort," to the latter part of the section, but it seems to me it would be wise to make very sure that is the intent by repeating the words on line 1, page 51.

I certainly have no objection to a requirement that they get the views of local public officials and agencies in the community and that a requirement that they do everything they can to resolve the issues, but if they are unable to resolve the issues, it seems to me they ought to be able to move the application forward anyhow and this will give them and the local public officials and the agencies in the community their day in court at the Federal level.

I am always fearful of a provision that in effect forces a compromise before there can be a submission because the compromise normally will be the lowest common denominator within the group rather than the new idea.

Mr. HAWKINS. There is also implied in some of the composition to the continuation of the program a threat to take projects, such as Headstart, and to put such projects into the established agencies. I am aware in my own area of many Headstart programs that are operated by church groups and some that are operated by just community groups. This, of course, appears to be something which is justified be-

cause the expression is made that these educational programs—you have to some extent answered this already, I think—need reenforcing.

Would you agree that the programs that are not school programs, that are programs operated by community groups, are serving a worthwhile purpose and should be continued, or would you agree they are altogether educational programs or are there some other factors involved other than just pure education?

Dr. FLEMMING. My approach is they are an integral part of community programs as conceived and developed by the Office of Economic Opportunity. I think this is reflected in the fact, as I understand it, in the full year's program, and I am not talking about the summer programs now, the operating agency distribution runs like this: Public schools are involved in 35 percent, church affiliated organizations in 10 percent. Community Action Agencies in 29 percent, and other private nonprofit agencies, 26 percent.

To me, this has helped, and I suspect in a fair number of the situations where they are being operated by church-affiliated organizations or by Community Action agencies or by other private nonprofit agencies, they found it difficult to persuade the public school that it should operate the program so they turned to one of these other agencies.

This is what is possible under the Office of Economic Opportunity setup and to me this makes good sense. I certainly have no objection to giving the public schools the opportunity in a particular area of operating, but the public school situation in some communities is such that you would not have a chance in the world of persuading them to pick up something like this and operate it.

So then if you keep this under the Office of Economic Opportunity, it is possible for the Community Action Agency to turn to a church-affiliated organization or to other private, nonprofit organizations to become involved.

Oftentimes these organizations will demonstrate the soundness of the concept, the soundness of the approach, and ultimately it will be accepted as a part of the public school program. They will be glad to take it over. But in many, many cases you just cannot make progress by theorizing or getting into theoretical arguments. Somebody has to take hold of it and try it out.

Sometimes the agency demonstrates it is a poor idea, but other times they demonstrate it is a good idea, and then after it has been demonstrated it is a good idea, other people get on the bandwagon. This is the way we move forward in this country.

Mr. QUIE. Dr. Flemming, when you make the comments about Headstart, you realize that the Opportunity Crusade does not propose that the administration of Headstart would be through the traditional method of State department of education school boards, but it would be involved locally.

Dr. FLEMMING. I think it is wise to think in those terms. Actually the comments I have been making have grown out of the questions that were addressed to me by Mrs. Green relative to the desirability of keeping this within the public school system.

As I indicated to her and as I indicated later, I have no objection to the public school system being involved, but if the public school system is willing to be involved, then I think we ought to give the

community a chance to try out something of this kind through one of these other devices.

Mr. QUIE. In the administration's proposal. Followthrough will be delegated to the U.S. Office of Education who will begin with the local public school system as different from the opportunity crusade. How do you look on this feature of the administration proposal?

Dr. FLEMMING. I noted that, and I think this makes good sense at this point because of the fact that they are now talking about children who have become a part of the public school system.

That is, they have gone through the Headstart program and now, having gone through the Headstart program, they have become a part of the public school system. This is a program, a proposal to kind of stay with them and be of help to them as they get underway in the public school system. I think this aspect of it makes good sense.

As we all know, the preschool picture in this country is very spotty. It is very spotty even if you are thinking about kindergarten. It varies from one community to another community and from State to State.

As I read the provision on Followthrough, it says once they become a part of the public school system, then certain help will be available under certain conditions.

Mr. QUIE. The preschool program, of course, has the same purpose as Followthrough; that is to upgrade them so they will be able to assimilate the educational program whether it is public or private school.

Don't you think that in the administration's program there should be some agency which has the continuity of interest and developments of this program?

Dr. FLEMMING. This is a very basic, fundamental question. My feeling is that at the present time after two and a half years of operation, that it is better to keep these Headstart programs related to basically the community aution programs and to think of them as an integral part of community action programs.

I am certainly in agreement that every effort should be made by the administrator working with the Secretary of HEW to take full advantage of the expertise and know-how of the Office of Education and other educators in developing their regulations and so on, but I still feel that it would be much better to keep it as a part of community action program because I think there will be more Headstart programs in effect than would be the case—than if you tried to work down through the regular system.

Preschool responsibilities in the Office of Education are all to the good and to the extent communities and States are willing to take advantage of it, fine, but I am very conscious of the fact, as I am sure you are, that there are certain situations in certain communities and there are probably situations in certain States where the State is somewhat reluctant to take advantage of it, and then situations where the local community or the school board and those who are a part of the system in the local community are reluctant.

Your Office of Economic Opportunity approach gives that community a chance to get a Headstart program underway and, hopefully, having gotten it underway, then the school system will say it is good and they will pick it up and make it a part of their program.

I think this is the kind of a program that, hopefully, you would work out of business over a period of time in that the concept would

finally be accepted by your public school system and be made a part of the public school system.

Mr. QUIE. On that part, evidently it took a while for the Congress to accept this concept as well because before the war on poverty and the Opportunity Act were enacted, I tried to get amendments through which would set broad public policy where the Congress would put money aside particularly for preschool programs, not just starting with kindergarten, but with children 3 years of age.

It is interesting that, as yet, the Congress has not written the policy for preschool education. It has given OEO authority. I think it is good they have at least embarked on the program that has great support locally.

The first year they proposed 100,000 people for the summer program and they found over 500,000 really wanted to get into it, and more after that became interested in it, but evidently they put a freeze on the amount of money available for that kind of program.

But I still have concern when people feel as you seem to, Dr. Flemming, that if the Office of Education administered the Head-start program then it could not be administered through community action agencies. Yet you and I are in agreement on the innovative feature of community action agencies and involvement with the poor, but what we seem to have a disagreement on is that only OEO can deal through community action agencies.

Dr. FLEMMING. I recognize Congress could make it possible for any department and certainly HEW to deal with the community in essentially the same way as the Office of Economic Opportunity, as they now have of dealing with the community. I recognize this to be the case.

This brings me back to my basic question on the organizational issue. In other words, I have the feeling as I reflected in my opening statement that at this juncture, 2½ years after Congress first passed the Economic Opportunity Act, it is better to keep the programs in the Office of Economic Opportunity rather than transferring them to an established agency.

I do not know whether you were here or not when I indicated I recognized that you could make provision for putting most of the programs, for example, under an assistant secretary.

In fact, I think your bill does make provision for that, particularly the community action aspect. But my feeling is, within the executive branch an Assistant Secretary in HEW at this particular point could not be as effective in moving this program forward and maintaining the momentum that now exists as the head of an independent agency such as the Office of Economic Opportunity.

I noted your comment about the liabilities that may attach to the head of an independent agency within the structure of the executive branch. But I pointed out that the independent agency head can do the kind of a job that we envisage if the President makes clear that the head of the independent agency is his representative in this particular area.

I referred to my own experience as Director of Defense Mobilization where I was the head of an independent agency, but President Eisenhower made it very clear from the outset that I was functioning

as his representative in dealing with the Cabinet departments that were related to defense mobilization.

As a result, I found that as the head of an independent agency I could work with and deal with the heads of the Cabinet departments.

I recognize that I had the added advantage of that independent agency being set up within the Executive Office of the President and I suggested that the Congress might want to think about that possibility as far as the war against poverty is concerned because essentially the person in the position of administrator of the Office of Economic Opportunity is being asked to serve as a representative of the President in marshaling the resources of Government for the purpose of carrying on this very special and this very important effort.

So I would see no conflict between putting the head of this program in the Executive Office of the President just as what was then the head of Defense Mobilization was in the Executive Office. It is now called the Office of Emergency Planning.

I may say I personally feel the head of an agency with everyone knowing he is the representative of the President is in a better position to move a program of this kind forward than would be the kind of a council envisaged in your bill. I personally have the feeling that the Council of Economic Advisers should consider this as a part of their overall responsibility. I think the Council of Economics has come to the place where it does serve a very useful purpose in providing staff and assistance to the President and the Congress. But in this particular instance in providing coordination that will move a program forward, I think the head of an independent agency is in a better position. I appreciate this is a matter of judgment.

Mr. QUIE. You recognize, and I reached that conclusion, too, in watching this program operate, that the Director of the Office of Economic Opportunity does not have that kind of responsibility given him by the Chief Executive that he would have if it were placed in the Office of the President.

Dr. FLEMMING. I am not in a position to comment on just how the operation is carrying forward at the preesnt time and just what the heads of Cabinet departments understand the relationship between the head of the agency and the President, assuming this is the relationship, assuming this is the objective, I think the objective would be underlined very definitely if he should be put in the Executive Office of the President.

Mr. QUIE. It seems to me there are two ways we could go. First, place the agency with the innovative force under a Secretary so it did have Cabinet-level status or else place it in the Office of the President so it would be over the Cabinet-level officers and be able to coordinate between them.

I recognize the shortcomings of both of them and this was my recommendation and a number of others to transfer it to HEW because this Department dealt with more of the programs and worked with the people in poverty than any other department of Government.

However, I have said a number of times that if the Congress chooses not to take that route, then it ought to look very seriously at upgrading the agency so it would be on an equal or higher basis.

Dr. FLEMMING. I think it is very difficult for one Cabinet officer to coordinate other Cabinet officers. This, I learned from experience.

Mr. QUIE. What about a subagency?

Dr. FLEMMING. Unless it is made clear the head of the agency is the President's representative in a particular area, then when he talks with and works with the heads of Cabinet departments, he is working with them as a representative of the President. This makes all of the difference in the world.

I would like to say that I am not saying this puts him in a position where, as you express it, he is over them. It puts him in the position where when he talks with the Cabinet officers, they know he is talking as the representative of the President. There is a difference there that may be fairly slight, but I think it is very important.

In fact, when I first went in as Director of Defense Mobilization, one of the Cabinet departments looked with a great deal of skepticism at certain authority which has been delegated to the Director by the President. I invited that Cabinet officer and some of his staff over to have lunch with us, and we discussed some of the regulations we intended to issue. The discussion went on for quite a while and the Cabinet officer then said, "Look, when my father was Secretary of War in the Coolidge administration, if he wanted to see the President any time, all he had to do was to walk across the street"—this was in the Executive Office Building—"all he had to do was walk across the street and walk into the President's office and talk with him."

He said, "Those days are gone forever," and all President Eisenhower is saying in this area is, "Here is an area where I would like to spend a good deal of time"—and certainly President Eisenhower would—"but I do not have the time to spend, so I am asking someone else to work in this area on my behalf."

This Cabinet officer said, "If we think the Director of Defense Mobilization is off the beam at any time in representing the President, we wouldn't hesitate to bring it up at a Cabinet meeting or discuss it with the President, but, if we do, that is the way we should relate to that office," and this is the spirit that prevailed with respect to the relationship of the office.

I think you can create the same type of atmosphere in this area.

My trouble in going to an established agency, the Secretary has trouble coordinating with other Secretaries, but because of the sweep of his responsibilities, Secretary Gardner would have to have an Assistant Secretary to work in this area, and it would be the Assistant Secretary who would be giving it full time and attention in contrast to the independent agency closely related to the President and the head of that agency is giving his full time, thought, and attention, and I think he would have a little better chance of accomplishing what we all want to accomplish than would an Assistant Secretary in HEW.

Mr. QUIE. Provided he were upgraded to that level, and I don't see that Sargent Shriver has that full authority now.

Chairman PERKINS. Let me interrupt to state at this point, I asked Dr. Flemming to refrain from answering Mr. Gibbons' question until he returned. I think we shall have to answer the quorum now and then we can return, and you can ask all of the questions that you want.

Mr. GIBBONS. As I recall, we tried to give Mr. Shriver this power and some people on your side objected to him being a czar.

I recognize this problem of a man trying to handle a very large job without power, in other words, having plenty of responsibility with very little authority.

Mr. Flemming, I am not attempting to put you on the spot, and I realize you would not be speaking from any information that you could gather from investigation of specific instances, but the innuendo has been made that the whole idea of the Poverty Act and the way it has been carried out has been a contributing influence to the social unrest we have been having in this country now. I ask you this question because I know you have great experience in the whole field of human activity. I would like to have your thoughts and views in this area.

Dr. FLEMMING. Mr. Chairman, let me say, first of all, I do not believe that a positive effort to deal with a problem in a constructive manner ever leads to a situation that would bring about the kind of a crisis that confronts our country at the present time.

I would like to go on and say this: There isn't any question in my mind or in the mind of anyone else, it is absolutely essential for us to maintain law and order in this country, and any program that is designed to undermine the concept of law and order, I mean any efforts that are made to undermine the concept of law and order should be dealt with in a vigorous and effective manner.

But I also believe that this is a crisis. I am just as depressed as everyone else to read about what is going on, to watch television, listen to the radio, and so on.

I believe that this is no time for recriminations. I believe that it is no time for trying to fix blame by indulging in sweeping generalizations. Personally I feel we all share the blame for the sins of omission particularly that have brought us to the events of this week.

I have noted the various suggestions that have been made relative to investigating the underlying causes with the idea of coming up with positive recommendations designed to make it possible for all segments of society to deal with this in a more effective manner.

I personally, and this obviously is a personal suggestion, would like to suggest that the Congress give consideration to the establishment of a bipartisan commission to investigate the events of the past few weeks and to make recommendations for dealing with these basic problems and that this commission be constituted in the same manner as the two Hoover commissions; namely, that the Speaker of the House would appoint a Democrat and a Republican from the membership of the House and a Democrat and a Republican from outside Government; the Vice President would appoint a Republican and Democrat from the membership of the Senate and a Democrat and Republican from outside the Senate; and the President would appoint a Democrat and a Republican from within the executive branch and a Democrat and a Republican from without the administration.

I would suggest in this instance the law would provide one of the persons appointed by the Speaker, the Vice President, and the President, one of those three appointing officers from outside the Federal Government should be associated with State or local government.

So this would give you a commission made up of six persons from within the Government, two from the House of Representatives, two from the Senate, two from the executive branch; and it would give you a commission of six persons from outside of the Government, but three of those six would be related to State or local government, and it would provide you, obviously, with six Democrats and six Republicans.

I served on both of the Hoover commissions, and I found that a commission constituted in that way was in a position to render a fine service.

Right now I am serving as Chairman of another commission that this body set up to look into the Hatch Act, constituted in the same way, and I likewise think this is constructive.

Mr. GIBBONS. We hate to keep interrupting you, Doctor, but somebody is harassing us over on the floor with quorum calls, and we will have to get over there to answer those.

Chairman PERKINS. We will recess for 10 minutes, and then we will return to permit further questioning.

Chairman PERKINS. The committee will come to order.

Mr. GIBBONS. If this committee decided to collect information as to whether or not any poverty employee were engaged in activities precipitating riots—I want to ask you not about that because I realize that is only what a factual investigation will determine, but I want to ask you about the philosophy of this program and the philosophy and the facets of it to get your view on it. Let's talk about maximum feasible participation of the poor. Is this something that in your opinion would incite riotous conditions or would it be amelioratory?

Dr. FLEMMING. It would be just the opposite in my opinion because it enables these people to develop a sense of participation in dealing with some of the issues that are very real to them. In other words, they don't have to sit on the sidelines as spectators and complain but they are given an opporunity to participate in working out solutions to the problems. I know of nothing that can lead to more constructive results than that kind of approach in any area of life.

Mr. QUIE. Would the gentleman yield?

Mr. GIBBONS. I yield.

Mr. QUIE. This is what has bothered me. Detroit probably has the worst reputation for the number of people participating in riots and the number of people killed, yet I always thought Detroit had a good community action program. I went there early in the program and made an investigation and before the poor were involved, and they did select their representatives. What gets thrown up to me all the time is my strong advocacy of participtation by the poor. I am asked is this the participation of the poor? What would your answer be?

Dr. FLEMMING. It seems to me very important that an impartial investigation be made of that situation so that before people arrive at conclusions or state conclusions they have an opportunity of weighing the relevant evidence.

I think it would be very, very unfortunate if without relevant evidence people jumped to the conclusion that the opportunities provided in an area like Detroit for development had not made a significant contribution to the life of that city in spite of what has happened during the past few days.

I just feel it is very important for the Congress of the United States to make sure that impartial effort is made to assemble the evidence on the basis on which reasonable people can arrive at a conclusion.

Certainly you could very well explore the question even though we have traveled a considerable distance in an area like Detroit we have not traveled far enough as a society along the road you have been advocating and certainly I join with you in advocating.

Right at this point, Mr. Chairman, if I might, I made a suggestion for the establishment of a commission to be established along the lines of the Hoover Commission.

I would like to say this: I think if such a commission were established by the Congress, the law should make it very clear that the commission was under responsibility to keep reporting periodically to the Congress on its evaluation of evidence and on the recommendations that it felt would be of help.

I know one of the worst things to happen in Government is to set up a study commission and then anytime anybody has a proposal they are told to put it on the table until the study commission reports. This is one of the surest ways in the world of slowing down the processes of Government rather than accelerating those processes. So I think it would be very important for any group that is set up, whether it is set up along these lines or any other lines to be under mandate to keep reporting back and not wait until it has worked out a well-rounded report.

Chairman PERKINS. I want to interrupt you to compliment you on that approach. I think Congress would be derelict in its responsibilities if we failed to take a bipartisan approach along the lines you are suggesting.

Mr. QUIE. Dr. Flemming, do you think it is important that we conduct a part of the studies and have some answers to the involvement of people who were on the poverty staffs and the relationship these people had with the rioting or attempting to quell it? If they were involved, we ought to know that so the facts would be before us when the bill reaches us on the floor for debate rather than letting conjecture be made at that time without any basis of fact. Do you not feel, also if that were the case, that the whole concept of involvement of the poor in community action would be sorely in danger in the future?

Dr. FLEMMING. Congressman Quie, I noticed in the newspapers this morning that the committee authorized and directed its staff to make this kind of investigation. I think this is very wise. Otherwise, you are going to be confronted with a lot of generalizations that are not based on fact. My hope would be that the committee is in a position where this could be done very quickly because I also think we are at a point where it is very important for the Congress to act promptly in connection with the Economic Opportunity Act. I think there is that side of it, too. As far as I can see, there is agreement and what disagreement there is relates to organizational matters, and so on. I think it is very very important to get across to the country the fact that the Congress is not going to go on dead center in its consideration of this matter, that it is going to move rapidly but I don't see a conflict between the two. I think it should be possible to develop the factual information in an impartial, bipartisan matter very quickly so that, as you say, when this gets on the floor Members are not going to be influenced by generalizations that have no basis in fact but will be influenced by the factual situation as it is presented.

I think if the country got the idea that because of what has happened we are going to slow down a program in this particular area, this would be terribly unfortunate. So I would hope the two things could go on simultaneously.

Mr. QUIE. You recognize there is a danger?

Dr. FLEMMING. I certainly do. I wonder if I could suggest at this particular point in my judgment the staff might be helped by making contact with appropriate church leaders in these communities, particularly church leaders who have been staying close to this whole economic opportunity program. They might be able to give them helpful, factual information.

Mr. DELLENBACK. Would the gentleman yield?

Mr. GIBBONS. I would be glad to yield to Mr. Dellenback.

Mr. DELLENBACK. I apologize for not having been here when you first presented your testimony.

For the record I would like it to be said that the witness before us today, Dr. Flemming, is not only a citizen of Oregon but is a citizen of my district. I count him as one of my leading constituents, one for whom I have great respect. He, of course, is well known to many of us from his background as the Secretary of Health, Education, and Welfare. In our particular area he is known as the president of what we think is one of the leading universities of the Far West, and we think one of the leading universities of the Nation, the University of Oregon. It is a real pleasure to have you here, Dr. Flemming.

May I ask you a question along the lines Mr. Gibbons was asking. Forgetting the specific bills at the moment, against this picture of urgency that you testified to, are there major things that you think the events of the last week or two say to us about major changes that we ought to be making in connection with this war on poverty? It is imperative that we act swiftly, you say, but we don't want to act blindly and we don't want to act in a way that will perpetuate weaknesses and fail to remedy weaknesses. Are there any specific suggestions that you make to us as to significant changes in the approach that we have been adopting so far?

Dr. FLEMMING. Thank you, Congressman Dellenback.

My feeling is the events of the past few days undermine the importance of our making sure that we can capitalize to the maximum possible degree on the experiences that we have had during the past two and a half years. You have listened to a good deal of testimony from administrators who have been in the middle of this operation, and I am sure they have identified both strengths and weaknesses in the program and those are strengths and weaknesses that you are now in the process of evaluating.

I might say that I would respect very very highly the testimony of those who have been on the firing line. I do think the events of the past few days really make it all the more important for this agency that the Congress set up two and a half years ago to be given a green light in terms of moving forward with its existing programs, whatever the changes the Congress in its judgment thinks should be made after listening to all of the evidence.

I also think it is very important to receive from those who have been on the firing line, which you probably have already, their recommendations as to additional steps that might be taken growing out of their experience.

I personally do not think that it is wise for a person in my position who has not been in the middle of it to just simply come out with a new program or a new approach to the program. I have had the

opportunity, as you know, of watching the existing programs rather carefully and I feel that the existing programs are headed in the right direction. There isn't any doubt in my mind that changes can be made which will improve them. We all learn by experience, but I think they have been imaginative and creative programs and that they have met a very real need.

You can, of course, take any one of them and recognize that with additional resources they could go further in the contributions they are making. I think Upward Bound is making a very significant contribution, for example. We can cite chapter and verse of the contributions it has made. I have been Chairman of the Advisory Committee for Upward Bound and I know this year the Office of Economic Opportunity turned down about 100 applications from good, solid organizations in this country that are willing to become involved. That is why I called attention in my general testimony to a resolution of the general board where they felt the Congress should authorize at least $2,100 million.

Might I say that I have always had the feeling that the legislative committee that deals with the authorization of funds for a program of this kind is justified in keeping its sights higher than maybe the Appropriations Committee will be able to go when they finally look at the total picture.

I would think that it might be well to take a look at these various programs and how they fit into an authorization of $2,100 million to see whether or not conceivably there should be a larger authorization because I suspect that the Appropriations Committee might be inclined under present conditions and circumstances to maybe give these a little higher priority in relation to some other things in the budget than might have been the case a few weeks ago.

Mr. GIBBONS. I appreciate the gentleman saying that. I did some rough calculations from a statistical point of view as to what it would take if we knew the formula, if we had the people and we could suddenly apply the economic impact to move every family in the United States from poverty to the area above poverty, maybe just 50 cents or a dollar a year above poverty and it would take $12 billion to do it and we have never spent in this program more than $1½ billion so we are really just scratching the surface.

If there is one legitimate criticism I note of this program it is that our promises have been too high and our backbone has been too weak to do the job. Perhaps you would like to observe a little more on that.

Dr. FLEMMING. I think I have expressed my conviction on it. I do agree with you as we deal with areas of this kind we have to be very careful about not raising hopes too high and then being unwilling to make it possible for people to realize these hopes. This is a real problem in all human endeavors at all times and I think Upward Bound would be a good illustration.

Mr. GIBBONS. If I may summarize your statistical view, you believe we are soundly launched but you believe we are underfinanced, and you believe we should not split the program into existing agencies. You also make the suggestion of a Hoover commission type agency.

I agree I think you have made a great contribution. You have important and concise statements and your testimony has been excellent, and these have been the points that stick in my mind.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. Apparently both of us believe strongly in the involvement of the poor and the concept of community action. The Office of Economic Opportunity only administers about $1.6 billion and hopes to get now about $2 billion to administer. However, $30 billion, give or take some, is being administered by the Federal Government for people in poverty and other agencies and departments. Do you believe that the community action concept ought to spread to other programs like housing for the poor, health programs for the poor, and other education programs for the poor?

Dr. FLEMMING. Congressman Quie, I certainly do, and I would hope that the kind of experiences that we are having with the Economic Opportunity Act would demonstrate the soundness and the necessity of this kind of an approach and that this would lead to the amendment of some of the existing laws to make provision for this approach. I agree with you wholeheartedly on that.

Mr. QUIE. Then, at least the purpose that motivates those of us who have introduced the Opportunity Crusade is agreed upon by you—but not the method by which we are trying to do it—but in the purposes we are trying to achieve in taking those steps toward that direction.

Dr. FLEMMING. I have read both bills. I go back to the statement I made earlier. It seems to me there is agreement on objectives, on a good many of the basic objectives. I think this is a great thing for the country but the disagreement obviously comes on organizational matters and also on methods.

I don't think that I would agree with your approach on the level of the effort. I recognize that you feel that if the kind of approach you have outlined were taken that you could bring some State money into the picture that in turn would have the effect possibly of moving it from $2.1 billion to $2.4 billion.

Mr. QUIE. Private enterprise money, too?

Dr. FLEMMING. Yes, and private enterprise money, too.

My own feeling is that as far as the Federal Government's involvement is concerned and the position taken by the national board is sound that it should be at least $2.1 billion and I would hope the Congress would take a look at that figure as an authorization figure.

I do believe that by the approach that the Office of Economic Opportunity has taken and the approach envisaged in the act, I gather you had the same thing in mind. We can't to those resources by stimulating involvement on the part of State and local government and on the part of private enterprise and on the part of the great volunter organizations of this country. This is one of our great resources, as I see it, including the churches as well as other private organizations.

But, to the extent that you and your colleagues desire to stimulate, strengthen, and improve the community action approach I am in complete agreement. I feel you could do this better over the period of the next 2 to 3 years, let's say, by staying with your existing organizational structure instead of trying to break it up.

My own rule of thumb would be that we ought to stay basically with the approach that the Congress decided on in 1964 for 5 years and then evaluate and see whether you want to keep everything there or whether you want to transfer some things, and so on. But I think it is almost impossible to make a truly effective evaluation short of that time in terms of its longrun impact.

Mr. QUIE. Do you agree the Congress was wise to transfer the work-study out of OEO to higher education, the transference of basic adult education away from OEO to SBA?

Dr. FLEMMING. This is a good question to address to a university administrator in this instance. You know we all like to have things put together in neat packages. I suppose those of us in the university world like to be in the position where we can turn to one agency in connection with all matters of financial aid. Frankly, I would rather have had it stay in OEO because again you might keep it more closely tied into the community action program than when you get it over and make it a part of the total package.

At the university, we have to think of it as a total package, it is true, and we should. When we are dealing with the individual student we think of everything that is available to him, but I would rather have seen that stay with the Office of Economic Opportunity. I think in terms of the objectives of the Economic Opportunity Act you would get a better contribution from OEO than getting it tied in with all of the other financial aid programs.

Mr. QUIE. Then do you believe it was wise when OEO themselves delegated NYC to the Department of Labor, and rural loans to Agriculture and Nelson-Scheuer was delegated to the U.S. Office of Education?

Dr. FLEMMING. Not having had the opportunity of weighing all of the pros and cons that the Administrator of OEO made before he made that delegation, I don't think I would want to pass judgment on each delegation. I recognize that there is the other side of this, and that is that you want to utilize in your war against poverty to the fullest possible extent the resources that exist in the departments and agencies of the Government. It is possible that there are resources in given departments which if they are used effectively and under the direction of OEO can produce a good result.

The important thing here is that this was delegated, if I understand the situation correctly, by OEO. My philosophy of administration always was and always has been that, as an administrator, I can delegate authority to act to others but I cannot divest myself of responsibility for what is done when I delegate.

So it seems to me that the Administrator of OEO is still responsible for those programs and if they do not go well, he cannot come back to the Congress and say that is not my responsibility but it is somebody else's because they don't go well. Then he has to accept the fact that he made the wrong kind of delegation of authority to act.

Mr. GIBBONS. None of these delegations is permanent. They do not have the inflexibility of law.

Dr. FLEMMING. As an administrator I can delegate some authority to act to one of my deans. If he does not handle the matter in the way I think it should be handled I can withdraw that delegation at any time and I am responsible for what he does. If he is a success I can accept responsibility for the fact that he was. If he was a failure, I have to accept responsibility for that.

Mr. QUIE. What if the political situation were such in your university that the dean asked for a program and you had no other choice but to give it to him?

Dr. FLEMMING. I imagine that kind of a situation could develop within a university just as it does in Government but I would stop and think a lot before I decided I had no other alternative if the responsibility had been given to me.

Mr. GIBBONS. Let's talk real frankly about this. The whole problem is we do not have the political support for this program. That is our fundamental problem and we have had it all along since 1964. I wish, Dr. Flemming, that I shared your optimism about getting these programs into operation and I share your enthusiasm for wanting to work them out, but let's lay the cards on the table so we can get it all in the record. I figure we have between 166 and 169 votes to keep OEO together and that Mr. Quie and the Opportunity Crusade have considerably less than that, but neither one of us has control of the situation and I think we are in serious trouble. I think that the country has to understand that and the administrators and the Members of Congress have to understand that. I do not see a whole lot of ways we can compromise with the Opportunity Crusade and send it all around the country and come out with the position that we can get a bill passed.

We are here at 3 minutes of 1 on this day and we are at that situation. Obviously we have to do something. You say speed is of the essence, but I want to lay the cards on the table.

Dr. FLEMMING. Mr. Chairman, I would certainly hope out of the hearings and out of the discussions that will take place in the committee there might emerge a bill which said to the country in no uncertain terms Congress means business in this war against poverty; that we are disturbed and alarmed at the developments which have been taking place during the past few weeks, and that we are going to approach it with a kind of unity that characterized the Congress, for example, when I worked with it as a member of the Civil Service Commission when we became involved in World War II.

I think the objective set forth in the Opportunity Act is a tremendously important objective for this Nation to achieve not in the next generation but in our generation.

I said earlier I would hope there could be agreement which made it very clear that the Office of Economic Opportunity as the general headquarters for this whole operation has been given a green light, and even though people may differ with some of the things they have done in the past and even though people may have ideas as to the way in which it can be improved, nevertheless, they are going to make it possible for it to represent this Nation at this very critical point.

Somehow or other as I listen to the discussion and listen to the questions—well, let me put it this way. I would hope that it is not an impossible objective that I have identified. Somehow or other I feel it is an objective that could be achieved.

Mr. GIBBONS. The reason I have been so brutally frank about this is I agree with what you say but I do not think we have realistically faced this situation and every hour and every day we face grave situations in this country, and things are not going well right now.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. I share the views of Dr. Flemming and my colleague from Florida. I guess this committee is going to determine whether we can operate in the kind of good faith, partisan politics being what

it is, to devise a program that can be supported on the floor of the House.

Now, it is easy for me to lay blame on Democrats for the past action but, frankly, I admit there is a great deal of responsibility that the Republicans have now that they have added strength on their side. We shall find out how we shape up and this will be the test of it.

I am concerned there is a strong possibility that this Congress will devise this program in such a way that the people who are involved in these programs will have no more voice than they had before, and then this ingenious feature, as controversial as it has been with the involvement of these people, might be lost. I can see that happening so clearly—more riots will be going on and the tendency that occurred in the last Congress will occur again this time. I would at least like to draw this out that we make up our minds as we move along and evolve and that we take a wise course because I am convinced as difficult as these people are in poverty to work with, they must play a role in their own betterment; otherwise we are not going to solve this problem at all.

Dr. FLEMMING. I am in complete agreement there. I do not believe you were here when I called attention to some language in H.R. 8311 which it seems to me could be cleared up in an effort to underline the concept that you are underlining.

You see, it is easy for a new agency to become an old agency very soon. This is possible also. It seems to me it is important for the Congress to make it clear to the agency that is charged with the responsibility for the administration of the act that the Congress does expect the involvement of the poor. I have made the point it is so easy for a good idea to be developed down at the community level by the poor but then to say before that idea can be looked at it has to be checked by this group and that group and another group and then even go to the point of saying unless all of the parties agree it is not going to be financed and so on, you have killed what might be a very exciting and significant idea. All you have is the lowest common denominator from that particular group.

I think the Congress in the drafting of this bill ought to make abundantly clear the kind of conviction that you have stated so that the administrator is backed by that very kind of strong statement so we can resist more effectively some of these other pressures.

The language that I referred to, just to point this out, and I will conclude, is on page 50, section 221(c). In the draft it says—

The Director shall prescribe necessary rules and regulations governing application for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application.

Then it goes on to say—

And to resolve all issues of cooperation and possible duplication prior to its submission.

If that is interpreted literally that will kill some good ideas. I suggested that the language be inserted there, "and that every reasonable effort has been made to resolve all issues of cooperation." In other words, sure they should have the responsibility for trying to resolve it but if they can't resolve it the application ought to move forward

so it can be acted on. Other than that we are going to get the dead hand of compromise killing off some excellent ideas. I agree with you completely.

Chairman PERKINS. Mr. Gurney?

Mr. GURNEY. No questions.

Chairman PERKINS. Let me compliment you, Mr. Flemming, for such an outstanding statement today.

I have been laboring under the impression all day long, when we wrote the original act in 1964, that we set it up as an independent agency but as an executive arm of the Government just like the Office of Defense Mobilization was set up. Maybe my memory is not accurate on that very idea, but I do think we put the blame in an act which directed all of the departments of Government to cooperate with the Director of the Office of Economic Opportunity and it has been considered as an executive arm. I am convinced that you are exactly right in the observations you have made here today. Since we have gone into this, there is one point, and I feel there is complete cooperation on the part of the minority and the majority. You referred to the fact that the full committee took action yesterday in connection with full investigation. The resolution that was passed directed that the facts be gathered by the staff pro and con.

At the direction of the committee, I am already working with the minority and we are in complete accord as to the means and methods to be used to bring about the facts. But if we undertake to go throughout the Nation, we will delay the enactment of this bill a long time and for that reason I would like to get from you—of course, the New Jersey problem is what brought the problem before the committee, and Detroit—could you give us a little more guidance, if I may use that terminology.

I consider you one of the great administrators in this country, and I would ask you to what extent should we go before we bring this bill to the floor. I agree wholeheartedly we should approach it along the lines you have suggested and follow the pattern of the Hoover Commission, completely bipartisan so the people of this country will know just what is taking place and have confidence in any report and feed this information back to the Congress as rapidly as possible. But that will be another course of action. But directing your answer to the action this committee should take, what would be your suggestion?

Dr. FLEMMING. Mr. Chairman, in view of the urgency that is involved from a time point of view, I think if I had the responsibility for such an investigation I would say we will investigate specific documented allegations. In other words, I note as I read the papers that people are indulging in generalizations and I doubt if in many instances there are specifics they could point back to those generalizations more than an emotional reaction of facts and it seems to me this would be a situation where the committee would be thoroughly justified in saying where there are specific allegations that somebody is willing to put into writing relative to the involvement of Economic Opportunity personnel we will take a look at those. Obviously the committee would have the assistance of the total resources of the Government in taking a look at specific allegations. If those resources were marshaled quickly and I would feel confident the President of the United States would be willing to——

Chairman PERKINS. Furthermore, if any party agreed to play politics with this matter then you would feel you should place a time limit.

Dr. FLEMMING. Absolutely right.

Mr. Chairman, I feel very keenly that it should be possible for the consideration of this bill, the moving forward of this bill and the kind of investigation of the specifics that we have been talking about to move forward simultaneously, and I think there it could be helpful in the consideration of the bill. I agree unless allegations are run down and the facts provided someone on the floor of the House, for example, could influence votes by indulging in generalizations whereas if you had the facts the generalizations would not hold up, so I would urge that both be done but certainly done simultaneously.

I think again if the country got the impression because of the events of the past few days this kind of legislation was going to get put on the shelf temporarily, this could really be frustrating. This could really lead to a feeling of despair on the part of people.

Whereas, on the other hand, if the committee and the Congress make it clear that they are going to rise to the challenge of the situation by accelerating and expediting consideration of this bill, and maybe even raising sights in connection with it, it could have just the opposite effect on the country.

Chairman PERKINS. I agree with you there is a psychological effect here that could be devastating.

Let me again thank you.

Dr. FLEMMING. I appreciate the opportunity to testify and I am always happy to come back for a visit.

(The policy statement and resolution previously mentioned follow:)

THE CHURCH AND THE ANTI-POVERTY PROGRAM

(Statement Adopted by the General Board of the National Council of the Churches of Christ in the U.S.A., December 3, 1966)

The Church has a clear and compelling mandate, rooted in the scriptures of Old and New Testaments, to war against the evils, the sufferings and the human misery associated with involuntary poverty. The response of the Church to this mandate has been ambivalent.

On the one hand, the Church has sought to alleviate the worst rigors of poverty through the practice of charity, and frequently, although less consistently, it has involved itself in the struggles for justice and economic reform.

On the other hand, selfishness, callousness, and indifference to the sufferings of others—sins which are prevalent in the Church as well as in the rest of the world—have persistently diluted the efforts of the Church to do effective battle against poverty.

Through the centuries, moreover, the Church's attitude toward poverty has been conditioned by the fact that total elimination of this evil was impossible because of the primitive status of human technology and the scarcity of developed resources. In this situation, most Christians have been unwilling to extend their works of justice and charity to the point of threatening their own security.

The Church, therefore, should be among the first to hail two new factors in our time which give promise of eliminating poverty from the United States and eventually from the earth. One is the technological breakthrough which makes it possible now in industrially developed countries and potentially throughout the world to provide adequate levels of living for all. The other is the declaration of public policy by the Congress of the United States in the preamble to the Economic Opportunity Act of 1964 which says: "It is the policy of the United

States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity."

Against this background, and in recognition of the fact that even these promising developments in economic life and public policy contain the seeds of new ethical problems, the General Board of the National Council of Churches seeks in this statement to clarify certain specific issues and affirm some principles relevant to the current war against poverty in the U.S.A.

POVERTY AS A MORAL AND SPIRITUAL ISSUE

The alleviation of poverty and its attendant sufferings and deprivations is both a public and private responsibility at all times and under all circumstances. In an economy which has developed the capaicty to abolish poverty no lesser goal than its total abolition can satisfy the moral demands of the Christian faith.

In calling for the elimination of poverty, the Church must recognize that economic poverty is generally accompanied by numerous related evils such as cultural, psychic and spiritual deprivation. Although a steady and adequate flow of income to the poor is essential to the elimination of their poverty, the Church must work for the restoration of selfhood and dignity and meaning to the lives of those whose economic poverty has damaged or destroyed these essential elements of an abundant life. It should challenge all other anti-poverty forces and agencies to join in this work.

THE CAUSES OF POVERTY

The causes of economic poverty are highly complex and deeply rooted. Full analysis of these causes would take us far beyond the scope of this statement.

We are impelled, however, to call attention to the fact that the predominant and overwhelming mass of contemporary poverty results from socio-economic defects, dislocations and maladjustments. Most obvious among these are: inadequate economic growth; recessions and depressions including local and regional depressions; lack of adequate educational and training opportunities at all levels (children, youth and adult) including absence of consumer education and training in money management; inadequate wage and income levels for many partially and fully employed persons; discrimination on the basis of race, religion, ethnic background and sex; social conditions which seem to lock some people into perpetual poverty; and inadequate income maintenance provisions for the nonearning segments of the population such as the very young, the aged, the incompetent and incapacitated and the unemployed.

In addition to these more obvious factors in accounting for the persistence of massive poverty, we recognize and acknowledge the influence of unrestricted economic individualism, developed during the era of scarcity, which hampers the creation of adequate mechanisms for income distribution and income maintenance in an affluent society.

The importance of personal attitudes, motivations and efforts as factors in determining the economic level of individual persons cannot be denied. Many individuals have risen out of povetry in the face of great socio-economic odds. Some of the poor live lives of spiritual wealth and sacrificial love for their fellow men. Such examples, however, provide us neither a solution for underlying socio-economic problems nor an excuse for inaction. The churches should assume their full share of responsibility along with other economic, educational and welfare agencies of society in tackling the tough roots of poverty.

MAGNITUDE AND COMPLEXITY OF THE TASK

Even though our national economy possesses the capacity to eliminate poverty immediately, at least at present officially defined levels, the complexity of the problem convinces us that the war against poverty will be a long one.

Without implying endorsement of all Federal anti-poverty activities, we welcome the leadership which the Federal Government is giving in this effort and especially its expressed determination to get at the root causes of poverty. We know, however, that the Federal Government alone cannot solve the problem. The combined and coordinated efforts of private enterprises, voluntary agencies, community organizations of the poor themselves, as well as all levels of government

will be required. As voluntary groups functioning in a free society, churches should be prominent among the agencies engaged in this war on poverty.

In view of the magnitude of the task and the experimental nature of the program, mistakes are bound to occur both in the conception and the implementation of national policy. While fully exercising their duty of responsible criticism, the Church and church people should resist tendencies to condemn the whole effort because of occasional false starts, set-backs, errors of judgment or corruption.

MAXIMUM FEASIBLE PARTICIPATION BY THE POOR

The Economic Opportunity Act authorizes the funding of "General Community Action Programs" and includes in its criteria of acceptability under this title (Title II) "a program . . . which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served."

Although EOA is only one of a number of poverty-combatting programs currently in operation by the Federal Government, this provision for the inclusion of the poor themselves in planning and execution of programs reflects deeper ethical insight in anti-poverty efforts. Two principles are involved which commend themselves to the Christian conscience: One is the recognition of the inherent worth and dignity of every human being regardless of his social or economic circumstances. The other is recognition that in a democratic society every person is entitled to a voice in shaping the decisions and policies which affect his life.

We commend the Congress for incorporating this concept in the original Economic Opportunity Act, and encourage the Office of Economic Opportunity to continue its efforts to embody the concept in actual structures and programs in the field.

Participation by the poor themselves in planning and decision making may be threatening to the political and economic power structures of many communities. Resistance to this concept and attempts to circumvent these provisions of the Act are predictable. We affirm that the principle of inclusion of the poor in anti-poverty program planning is morally sound and practical. We urge the churches to support this principle in all public anti-poverty programs and to embody it in their own anti-poverty efforts.

ORGANIZED EFFORT BY THE POOR

Essential to the effective involvement of the poor in community-wide and church programs is the creation of a supportive atmosphere for the self-organization of the poor. The history of the human struggle for justice and equity reveals few instances in which the establishments of this world have voluntarily transferred power to the powerless or of their own free will granted redress of grievances to the exploited and the dispossessed. For the contemporary poor, as for other disadvantaged groups in history, self-organization for countervailing power is an esesntial ingredient of any successful war against poverty.

These indigenous organizations may often adopt unconventional modes of expression and action. In evaluating such activities account must be taken of 1) the lack of access to conventional channels of communication on the part of these groups, and 2) the tremendous hidden power of the beneficiaries of the status quo to defend their positions of privilege merely by inaction or by mobilizing the political, legal, and communications channels which they control.

Meaningful, effective, and lawful counter-activities of the organized poor deserve the understanding support of the churches. If occasionally such activities violate the law, the churches have an obligation to understand and interpret the basis of such protests, and to participate in a re-appraisal of the laws, customs, institutions, and traditions which provoke the reaction of the poor. The Church also has a continuing ministry to perform in the establishment of meaningful communication and responsible relationship between those living in poverty and the more affluent in church and society.

LOCAL INITIATIVE

Another concept deeply embedded in the Economic Opportunity Act of 1964 is the principle of local initiative. This is found particularly in Title II of the Act which provides for Community Action Programs. Communities are challenged to survey ther own poverty needs, problems and conditions, to develop their own

anti-poverty structures, to devise and submit their own plans for attacking the causes of poverty.

The role of the Office of Economic Opportunity is that of the maintenance of certain minimal standards and the provision of funds for community action projects which meet those standards. But the initiative still comes and should come primarily from many local agencies and groups. Provision is made for local groups, who feel that they have been unjustifiably bypassed by official community action boards, to submit their projects directly for consideration by the federal funding agency.

We fully recognize that many aspects of the war on poverty transcend the local community, and many of the resources required for its successful prosecution must be mobilized on a national level. Within the framework of local-state-federal partnership, we commend the emphasis in this Act upon maximum local initiative, imaginative creativity, and flexibility.

We warn against the almost inevitable tendencies toward bureaucratization in programs of his sort. We disapprove of an unlimited veto by any local or state official on community action projects as being a violation of the principle of local autonomy. We call for resistance to any tendencies to impose political domination upon community action programs.

We urge the churches to support the principles of openness, flexibility, and local initiative in community action.

As long as it can be clearly indicated that they represent the real needs of the poor, either expressed or felt, and not the needs of the group or agency, we welcome and support a policy of federal funding for projects sponsored by voluntary groups and agencies a) for pilot demonstration purposes; b) where specialized competence is thus utilized; or c) in cases where public proposals are clearly inadequate in conception or fail to be inclusive in sponsorship.

RELATION OF THE CHURCH TO PUBLIC ANTI-POVERTY PROGRAMS

Types of participation and action in relation to public anti-poverty programs which we believe to be suitable for local churches and religious agencies include:

a. Encouragement of both clergy and laity to serve on community action boards and advisory committees.
b. Contribution of church or agency facilities for anti-poverty program uses, or rental of such facilities, provided the compensation received from public funds is not in excess of actual costs incurred in connection with the program itself.
c. Participation by clergy or employed agency staff on a volunteer basis in program leadership.
d. Free expression of the church's corporate judgment in evaluation, support, criticism, or protest with regard to anti-poverty programs.
e. Sponsorship, within the limits established by its own policy and by law, of new or improved legislation designed to advance the cause of elimination of poverty; and under the same limitations, opposition to present laws or proposed legislation deemed inimical to this goal.

A society, in which abundance replaces scarcity and social structures are increasingly complex, demands reappraisal of traditional forms and relationships. The federal government is embarking upon new forms of social action which involve new relationships with the states, with local communities, and with voluntary agencies. These facts, as well as the challenge to eliminate poverty, to recognize and enhance the dignity of the poor, and to further the goal of justice in economic life, call upon us to re-think the role of the Church as servant and prophet. The Church must be alert to every opportunity for moving toward the goal of a society free from the blight of poverty.

99 FOR, 0 AGAINST, 2 ABSTENTIONS

RESOLUTION ON FUNDING ANTI-POVERTY PROGRAMS ADOPTED BY THE GENERAL BOARD ON FEBRUARY 21, 1967

In view of the policy position of the National Council of Churches in support of the war on poverty (Policy Statement on The Church and the Anti-Poverty Program—General Board, December 3, 1966) and in view of widespread reports of pressure upon Congress to reduce funds available to the Office of Economic Opportunity and other federal anti-poverty programs;

Be it resolved that the General Board reaffirms its judgment that the OEO represents an essential spearhead in the war on poverty and also urges councils of churches, denominations directly, and through them their local congregations, and religious agencies to support a substantial supplementary (1966–67) federal appropriation for the Office of Economic Opportunity and a full funding of this agency for 1967–68 at no less than 2.1 billion dollars in keeping with the request of the administration of the United States Government.

Chairman PERKINS. Go ahead, Mr. Gurney.

Mr. GURNEY. Dr. Douglass is here.

Chairman PERKINS. Dr. Paul Douglass is from Rollins College, Winter Park, Fla. I will call on my colleague Mr. Gurney to introduce Dr. Douglass.

Mr. GURNEY. Thank you, Mr. Chairman.

It gives me a good deal of pleasure to welcome Dr. Douglass here. We reside in the same community, we have been good friends for a long time, and even though we are on opposite sides of the political fence. He is one of our most distinguished citizens in Florida.

Presently, Dr. Douglass is professor of government and political science at Rollins College in Winter Park, Fla.

His career has been a very distinguished one. He served in the Legislature of Vermont for several terms both in the house and senate.

Dr. Douglass was with the American University here in Washington for 12 years and president of that university.

He was an adviser to Syngman Rhee, the President of the Republic of South Korea, in 1963.

More recently, to indicate the respect in which he is held in Florida and the sort of things he does, he was on a special committee appointed by the speaker of the house of Florida and the senate to draft a code of ethics for the legislature. This code passed just a few days ago down in Florida.

He is noted author, lecturer, educator. He has written 25 or 26 books which have been published and last but not least, he is a Democrat precinct committeeman and I think it is in my own precinct in Winter Park, Fla., so we have a good working knowledge of each other and I have tremendous respect for him.

Chairman PERKINS. Let me interrupt to compliment you for bringing before the committee such a distinguished witness.

Mr. GURNEY. Thank you, Mr. Chairman.

I thought Dr. Douglass might be very helpful toward our deliberations this year. Part of the job that the Center for Practical Politics does at Rollins College is to make studies in depth about political and governmental problems in Florida and the one which has been done most recently, published just a few days ago, has been a study of how the Economic Opportunity program has worked in our home county of Orange in Florida, and that is why I asked him here.

I thought he could help us in our deliberations this year. I believe Dr. Douglass has a prepared statement he would like to read at this time and then I am sure the committee would like to question him.

Mr. GIBBONS. Before Dr. Douglass proceeds may I say he is a friend of mine, and he is a fine man.

STATEMENT OF PAUL F. DOUGLASS, PROFESSOR OF GOVERNMENT AND DIRECTOR, CENTER FOR PRACTICAL POLITICS, ROLLINS COLLEGE, WINTER PARK, FLA.

Dr. DOUGLASS. May I say, Congressman Gurney and Congressman Gibbons are on different sides and I worked for both and there was no greater pride I ever had than to see Sam Gibbons was elected to Congress and we don't want him to stop there.

Chairman PERKINS. We are delighted to have both of these distinguished gentlemen from Florida, and I think your State is to be complimented for sending them here.

Dr. DOUGLASS. I have a prepared statement which I ask be inserted in the record.

Chairman PERKINS. Without objection, it will be inserted in it.

(Statement of Paul F. Douglass follows:)

STATEMENT OF PAUL F. DOUGLASS, PROFESSOR OF GOVERNMENT AND DIRECTOR, CENTER FOR PRACTICAL POLITICS, ROLLINS COLLEGE, WINTER PARK, FLA.

My name is Paul F. Douglass. I am professor of government and director, Center for Practical Politics, Rollins College, the oldest senior institution of higher learning in the State of Florida. I am a member of the bar of the District of Columbia and the bar of the United States Supreme Court. I am active in the local government section of the American Bar Association.

Our area of Central Florida is the fast-growing metropolitan hub of the region of East Central Florida which reaches from lakes and citrus groves eastward to the Atlantic Ocean and to the space age operations located at Cape Kennedy.

As a citizen I am a member of the Orange County Democratic Executive Committee, elected from the silk-stocking Precinct 63 in Winter Park. My experience with Economic Opportunity comes from (1) my membership on the board of directors of the Orange County Economic Opportunity, Inc., (2) my chairmanship of the program committee of Orange County Economic Opportunity, Inc., (3) a Saturday afternoon class which I have conducted for two years for some forty Negro ministers in church administration, (4) my long record of association with civil rights efforts, (5) and my participation in Voter Registration campaigns and direction of citizenship training programs, based on my book *How to Be An Active Citizen*, for Negro groups as well as civic and political associations throughout the South. I may say that I was active in working with the underprivileged long before it was a popular status symbol.

My membership on the board of directors of Orange County Economic Opportunity, Inc., result from my election at the annual meeting of interested citizens. I may say in passing that I received the highest number of votes in the election.

During this year, I have served on a lay committee, appointed by the Speaker of the House of Representatives and the President of the Senate of the Florida Legislature—as member and draftsman—to prepare a code of ethics first for the Legislature and then for the general administration. I should say in passing that both the House and Senate adopted our recommendations as a part of their rules and the Legislature enacted our bill. As a result, the State of Florida has for the first time standards of ethics formally adopted.

Our *Center for Practical Politics* is supported by Rollins College, and not by foundation grants. From time to time we undertake assignments from public and private bodies which we believe worthwhile. In our general operation we make continuing studies of various issues which concern the public welfare. For nine years we have conducted over the ABC Orlando—(WFTV)—a television program called *Pro & Con*. This is an award-winning performance. We were the first telecast in the South to discuss without fear, favor, or censored control the most controversial issues of our times.

For a more than a year, we have been studying Economic Opportunity as it works in our community. We have enjoyed the close association with the local office in Orlando and the regional office in Atlanta. Our experience with the personnel of the regional office has been rewarding. The staff has been competent, cooperative, constructive, and fair.

Since the effective date of Public Law 88–452 on August 20, 1964, the community action program has operated as a new layer of local government—federally funded and for the most part federally packaged. The massive federal effort to break the cycle of poverty has been a learning experience for all concerned. The idea itself is not new but the apparatus is. Since Sidney and Beatrice Webb issued the *Minority Report of the Poor Law Commission* (1909) we have had the concept of devising a formula which would "ensure to workers by hand and by brain steady progress in health and happiness, honesty and kindliness, culture and scientific knowledge, and the spirit of adventure." Since 1914 we have had the concept of *The Great Society,* discussed in a book by that title written by Graham Wallas.

I shall not concern myself at this time with problems of local politics as they develop at the community level. These are matters for us as citizens to resolve in the give-and-take of controversy about public policy. Rather, I wish to devote myself to fundamental issues as we have identified them in our comprehensive and in-depth study entitled *How Economic Opportunity Works in Orange County, Florida.* I have submitted a copy of this report for the record. Let me deal with our findings one by one.

I. USE OF COMMUNITY ACTION AS A POLITICAL MACHINE FOR DELIVERING THE NEGRO VOTE

Community action, as a unit of local government, involves as voters in the political control and election of the board of directors, less than one out of a hundred registered voters. This body of "interested citizens" controls the elected officials who, through an executive committee, ostensibly report to and operate by the mandate of the board of directors. This small group of 13 members on the executive committee has major decision-making powers in the receiving and spending of hundreds of thousands of dollars and the employment of a staff. This staff has been engaged more for political reasons than for substantitive competence.

Our community action program has been operated—and continues to be operated—by a determined and tightfisted junta of politically ambitious individuals unrelated officially to the Democratic or Republican Parties and really unconcerned with the situation of the poor. Experience has shown that the "organization" has not been very successful in "delivering" the vote. The determination exists, however, to keep a tightfisted control of the executive committee and the staff for some future purpose.

Since by policy the War on Poverty deliberately determined to set up an organization outside the existing "community establishment," the community action organization is a "new" elite.

In studying the situation in Orange County, I have come to the conclusion that the executive committee should by executive order include a strong and tough-minded minority of representatives from public governing boards and professional societies. In our county and under our charter and by-laws this structure would mean that out of an executive committee membership six of the thirteen members should be from governing bodies and professional societies. (In this way there would exist within the executive committee a widely representative group having channels of communication with existing agencies, but not dominated by them.) I believe that this change in structure would have highly therapeutic results and curb the natural aggression of human nature and politics which would like to handle money and people with rubber-stamp committees.

II. FRUSTRATED EXPECTATIONS

One of the problems which we have identified is the enormous expectation which has been built up in the minds of the poor. The appropriations have never been sufficient to satisfy even in a small degree the demands which have been generated. This situation creates unnecessary problems from the local community up to Washington.

It would be my suggestion that programs which are realizable within appropriations be activated and publicized. We should be fair and frank with the people by saying that these specified programs will be operated this year under sums available.

Local, regional, and national offices are overwhelmed with good and bad projects demanding funding. The fact that there just isn't enough money to do the job we lead people to believe is capable of being done. To frustrate the

expectations of the poor is both bad business and bad politics—unless you like the fuel which they supply to riots and disorder.

III.

Basic in the War on Poverty is the helping people to get jobs, training them to do the job, upgrading them to perform better jobs at higher pay. This means employment, placement and education. It means teamwork of the employment office and the public schools—a close and professional teamwork among experts. In its role of fund recipient with power to delegate and contract for service, the community action structure adds an unnecessary step which acts to baffle the direct relationships of employment office and school. For the most part, the personnel of the local community action program is not qualified to provide a service, except elongating the bureaucratic distance between government and people in need.

The new outcome of the present situation is to embitter competent professionals and encourage them to drag their feet or go their own way. In the next section I make a recommendation concerning this operation.

IV. HEADSTART AND DAY CARE CENTERS

For anyone on the firing line, this fact is important: *people generally believe in the purpose of Head Start.* Likewise there exists a crying need for day care centers. It is my opinion that both of these operations will inevitably become functional parts of our educational system.

The community action offices, good job though they may have done, are equipped neither by experience nor facilities to conduct the Head Start programs either during the regular school year or during the summer. The school system is the only organization professionally experienced to carry on the program.

It is my hope that this Congress will make available funds to integrate the Head Start program with the school system, both for operations and facilities. The reason why kindergartens, pre-school, and day care centers have not become a part of the public school system is financial. Funds were not available.

The United States will find it both in the interest of economy and the effective War on Poverty to take prompt action to fund and establish this extension of the school system. A child who is four today will be seven in 1970 and a family person by 1985. We can do more at this level than any other. If we can reasonably believe that poverty can be eliminated in this century, then we shall make the quickest and most effective progress through the Head Start and Day Care centers, with related diet, medical and dental assistance.

It is therefore my suggestion that *Congress assign Head Start, Day Care Centers, and Training Programs to the Department of Health, Education, and Welfare and place them under an assistant secretary where these foundations belong.*

To this suggestion it may be objected that the United States cannot afford such humane largess. To this I answer that I shall be glad to sharpen my pencil and sit down with any Congressman to show where the *funds can be found within existing budgets without increasing them one iota.*

* * * * * * *

VI. UTILIZATION OF EXISTING RESOURCES

While we have been talking about "in-kind" contributions, and some have feebly been given, we have neglected to use magnificient resources already at hand.

I shall pass over the vast resources of our church and synagogues which stand idle a good part of the day and week. I shall likewise pass over the enthusiasm of churchmen for federal programs, when they themselves are closest to the local community and its needs. The churches have an enormous opportunity for innovation and service. the results of which would be more fruitful than an invasion of Alabama. I shall also pass over the belabored studies of academic grantee-racketeers who prey on government and foundations for funds to carry on "research," most of which has little value, a good deal of which was known before, and little of which is actually read, for example, by Congressmen and heavily burdened bureaucrats.

I confine myself to the enormous resources in the 4-H Clubs of the Department of Agriculture. Without the appropriation of a single extra nickel, we could involve every neighborhood in America with local committees, volunteer leaders, and expert professional supervision. Suppose we should organize hundreds of clubs in which the young men would study gardening and upholstry and the young women would study cooking, home-making, and interior decoration. Think of the homes we would ready directly, simply, and effectively. What prevents this kind of action? The failure of the imagination.

VII. WALKIE-TALKIE ADVISERS

At the moment we are engaged in the discussion of multi-purpose centers—a sort of network of area YMCA's with additional features. Government agents descend on communities to explain the programs. Community meetings are called to kindle expectations. Basic local research has been glaringly absent and the most knowledgable people locally have not been consulted. Neighborhood pressure groups and mountains of persons of good will lay plans which probably will not be funded.

It is our current operation to think that if we open an office, get some furniture, and a staff we are in business to win the War on Poverty. What we need rather is a corps of walkie-talkie mobile persons of competence and training who can move among people where they are, discuss their needs, and guide the needy to the channels of help. The channels do exist now in ample supply.

VIII. FUTILITY OF COMMUNITY ACTION

This brings us to the validity of community action—the revitalization and reinvigoration of the local democratic community by the involvement of the people and the poor outside of the "establishment."

Let me say that the 19th century romantic and humanitarian concepts embodied in the present legislation cannot be supported by a single finding of contemporary behavioral political science. Except for the opportunity which it has provided for a new species of political interloper and associated staff, community action for the most part has generated confusion, animosity, and heat but not light. Community action provides a ponderous and complicated net of professed public purpose and private political connivance. This federally-funded layer of local government, in my opinion, should be dissolved before it becomes a permanent and disruptive feature of local government.

IX. CONSERVATION OF STAFF

In summary may I say that it is my opinion that since 1964 we have been learning. We hence learned a lot about the needs of fellow citizens. We have dramatized poverty so that the war on it is household knowledge. With greatest pains we should identify the area of most rewarding concern and reconstruct the campaign. We should recognize the splendid service performed by the vast body of OEO personnel and make provisions to use them, their experience, and their skill in a program designed to meet the needs of 1970 and beyond.

X. SUMMARY OF RECOMMENDATIONS

Let me recapitulate my suggestions:

(1) Move the Office of Economic Opportunity out of the Executive Office of the President and relocate its major educational and training functions under an assistant secretary in the Department of Health, Education, and Welfare.

(2) Establish the closest relations between the educational and training functions with job information and placement.

(3) Incorporate Head Start and Day Care Centers into a federally-funded and permanent operation of the school system.

(4) Make provision for a negative income tax or guaranteed annual income.

(5) Maximize existing resources.

(6) Establish mobile corps of Walkie-Talkies to move among the people where they are—rather than sitting in offices where they are not.

(7) Preserve and conserve existing experienced and competent staff.

(8) Dissolve the cumbersome layer of federally-funded local government.

On the basis of the experience which we now have, we are in a position to define a program and make it work.

Dr. DOUGLASS. I have a detailed report on how Economic Opportunity works in Orange County which I would like to submit for the committee.

Likewise, I have a resolution from Orange County to Sargent Shriver. The resolution says they are not pockets of poverty and such a label interferes with their real estate values, and so forth.

Chairman PERKINS. Without objection, the resolution will be placed in the record at this point.

(The resolution follows:)

RESOLUTION, BOARD OF COUNTY COMMISSIONERS, ORANGE COUNTY, FLA.

Whereas some fifteen areas of Orange County, Florida, have been declared to be economically depressed areas by the Office of Economic Opportunity apparently upon the basis of a study made by the Stanford Research Institute, Menlo Park, California several years ago; and

Whereas the Board of County Commissioners of Orange County, Florida, is of the opinion that some of these areas do not constitute poverty pockets or economically depressed areas within the federal guidelines as explained in various pamphlets and information sheets obtained from the Office of Economic Opportunity nor do they constitute poverty pockets in the usually accepted sense of the word "poverty"; and

Whereas one area known as "Tangelo Park" has many attractive homes some of which are owned by people who work at local defense plants; and

Whereas considerable resentment has been expressed by people in Tangelo Park because of what they feel is an improper and unjustified designation of their area: now, therefore, be it

Resolved,

1. That the Office of Economic Opportunity be hereby requested to make such surveys and studies as may be necessary to careful identify any poverty pockets in Orange County, Florida, and to remove the designation of poverty pockets or economically depressed areas from areas which are, in fact, not economically depressed.

2. That the labelling of an area as a poverty pocket when it is not constitutes a damaging allegation about an area which results in the depreciation of property values in the area due to the label and is unfair to people living in the area who are using every means possible to raise their standard of living, maintain economic independence, and have their pride in keeping their area an attractive place to live.

STATE OF FLORIDA, *County of Orange:*

I, ARTHUR W. NEWELL, Clerk of the Circuit Court and Ex-officio Clerk of the Board of County Commissioners in and for the above named County and State, DO HEREBY CERTIFY, that the above and foregoing is a true and correct copy of Resolution as adopted by the said Board at its meeting held on July 17, 1967, as same appears of record in Commissioner's Book No. 43.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of said Board, at Orlando, Orange County, Florida, this the 21st day of July A.D., 1967.

ARTHUR W. NEWELL, *Clerk.*
By D. S. BANNER, *Deputy Clerk.*

Dr. DOUGLASS. I was going to talk about the controversies but they do not go to the root of the things I was going to deal with so I would like to say a word from the standpoint of the person who is involved in local government.

I happen to be chairman of the program committee of our Orange County Economic Opportunity, Inc., and I deal with these people.

I think I should say on the record that the president of our Orange County Economic Opportunity, Inc., says if there is anything the matter with the program I am to blame for it.

I was named chairman of that committee for that purpose and whatever blame there is I will take it.

I am going to avoid the problem of saying OEO is in politics, everything is in politics that deals with the public, and to say that this is a controversial issue is only to say politics is controversy and through controversy we are trying to get some sort of social organization which brings about agreement so we can do something.

It is about that subject, not the controversy—that is all in the report—that is petty, local politics.

To say OEO is a machine to deliver the Negro vote; that is a political truism, but everybody has to get elected.

I would like to say from my experience that we have promised more than financially we can deliver. We have promised more than we can financially deliver. As a result of that we have raised the expectations of people to the point where they are constantly frustrated.

As a result of that frustration, it makes it difficult for the national, regional, and local offices to do their job because people are led to believe the money is there and if they get the program right they will get it and poverty will be eliminated.

So the first thing is I would like to see us not promise more than we can do within the limits of the appropriations; otherwise, we are going to have difficulties and frustrated people. That, we can achieve, I think, through proper public relations.

Secondly, people are poor because they don't have money to spend. That is the problem. The problem is how in the most simple way, most directly, we can get money to the poor. What they need is jobs. What they need is training. What they need is education in the most direct and professional way with the least bureaucratic distance—least bureaucratic distances.

So I would like to say I would like to see us concentrate on getting jobs for people which means the U.S. Employment Service, the vocational services, motivation of employers to get their people to do these things, opening up jobs.

That means the strong direction of the U.S. Employment Service in its local capacity with the local men.

We should be helping people get jobs, educating them and that is the first suggestion I have to make.

With all of this Nelsen amendment, and so on, they are all good programs but there is not enough money to do it. I would like to see us concentrate especially on the late adolescent and people in their early 20's. That is where the real problem is if we are going to deal with the problem today.

Now comes the problem of tomorrow. That relates to the problem of Headstart, nursery schools, and day-care centers. People believe in these things. They are performing a purpose.

I think we should make these programs, Headstart, nursery school, and day-care centers an integral part of the school system, federally funded—we can find the money.

I say in my prepared statement I would be glad to sharpen my pencil and show where the money can come from.

Promise what we can form, get jobs for people that need them, train jobs within the school system and operate Headstart, day school and nursery centers.

Now then I would suggest, Mr. Chairman, that we eliminate community action programs as such as a vehicle. I say that for several reasons. First of all, from the standpoint of behavioral scientists there is not one iota of evidence to show this is the kind of vehicle to perform this job.

Secondly, it widens the bureaucratic distance that is necessary to make the program effective.

Thirdly, it sets up a new layer of local government which we don't want. We have always had community action. Local government is community action.

So I would like to see us take these basic functions and put them in the Office of Health, Education, and Welfare under an Assistant Secretary, preserving all that is good in the program, extending and doing a better job but simplifying the structure.

Those, Mr. Chairman, are the results of my study. There is a lot of stuff in this thick study but those are the points.

Chairman PERKINS. Mr. Gibbons?

Mr. GIBBONS. I will yield my time to Mr. Quie.

Mr. QUIE. Since I was involved in some other conversations here, I yield to my colleague from Florida to ask questions first.

Mr. GURNEY. Dr. Douglass, what is your opinion again of the local economic opportunity committee in Orange County? Has it been effective or ineffective?

Dr. DOUGLASS. Local opportunity—the Orange County Economic Opportunity, Inc., in Orange County, has been ineffective.

Mr. GURNEY. Would you tell the committee a little bit about how it was organized and why you think it has been ineffective?

Dr. DOUGLASS. Our program got started under the leadership of the public school system and got a good start. A former superintendent of schools of long standing was placed in charge of it. There was great community respect for the program and then the program was ceased by the Governor's Patronage Committee and since that time it has been deeply embroided in politics.

Mr. GURNEY. As I understand it, when the committee was first organized there was initially a small group of people, I think five in number, who proceeded with the organization, and then appointed a board of directors supposedly representative of the community.

Is that a fact?

Dr. DOUGLASS. Supposed to represent the community?

Mr. GURNEY. Yes.

Dr. DOUGLASS. Yes, sir.

Mr. GURNEY. Did this board of directors ever meet after they were appointed?

Dr. DOUGLASS. During the first year after they elected the executive committee the board never met. In the present year, we have new bylaws and the board is supposed to meet every month.

Mr. GURNEY. In 1965 and 1966, actually the board of directors took no part in the running of the program and it was run by this small politically oriented group; is that correct?

Dr. DOUGLASS. That is correct.

Mr. GURNEY. Was there also constantly a struggle for power in this affair?

Dr. DOUGLASS. Yes, sir. There is always a struggle for power in politics and there were two groups, group No. 1 being the group that

represented the ptaronage committee that wanted to hold onto the organization and the second group was a group of liberal people who wanted to take over the organization—two factions.

Mr. GURNEY. Is it also a fact that whenever there was a meeting of the board of directors or a meeting of the citizenry in general in connection with the Economic Opportunity Act, is it fair to say there was constantly a tremendous furor and struggle back and forth as to who was going to run the show?

Dr. DOUGLASS. On the back of my report here I have some newspaper headlines, "OEO Battleground Gets More Headstart Scars."

"Board Squabbles Are Up Over Release to Press."

"Tempers Flare at OEO."

They are all there.

Mr. GURNEY. This is representative of most of the meetings?

Dr. DOUGLASS. That and the fact that they are extremely boring.

Mr. GURNEY. What about the personnel?

Dr. DOUGLASS. In Orange County one group defeated urban renewal and the woman who led the crusade against urban renewal appeared as one of the keyworkers in OEO.

Prior to that time she was a hat saleswoman. I would say she was not qualified for the job.

The other personnel were equally unqualified.

Mr. GURNEY. What about the directors of OEO themselves?

Dr. DOGULASS. Those poor fellows have suffered. The first fellow, Mr. Congressman, was the superintendent of schools. He left the county—he was a good man—he left the county and by political efforts he was given a position of professor of mathematics at the State university.

The second man just served his term and resigned. He was a Burns patronage man. I have his letter of resignation here which is rather pathetic.

The third man is now in training at this great training school at the University of Wisconsin. He just lacks it all.

Mr. GURNEY. What about the support of the poverty war programs by various groups in Orange County, has it been supported or not supporter?

Dr. DOUGLASS. All I know, the Rabbi who is chairman of the volunteers committee, says he can't get any volunteers because the image of OEO is so bad he can't get volunteers. He wants to improve the image so he can get volunteers.

Mr. GURNEY. Were these controversial facts surrounding OEO known at the regional office in Atlanta?

Dr. DOUGLASS. These are competent, sympathetic fellows. They have a file about this thick and I am sure Sargent Shriver has a file equally big. In fact, I think one of these things said, "Don't let Congressman Gurney make a political issue out this thing."

Mr. GURNEY. But it is a fact that the regional office was aware of the problems and was not able to resolve them?

Dr. DOUGLASS. As a matter of fact, they are down there investigating today again. All of the documents and records are here, Mr. Congressman, which show their constant and patient efforts to review the situation.

Mr. GURNEY. I notice on page 28 of your report, I notice the following statement:

> The meeting of the OEO regional staff with Orange County personalities was described in the memorandum as a "bar room brawl" characterized by "courtroom gymnastics."

I guess that is probably fairly representative of how they understood the program was going.

Dr. DOUGLASS. I understand the regional office knows that very well.

Mr. GURNEY. I know you have described this and yet I think it is well to restate it.

How can we resolve these things in Orange County to make this program work?

Dr. DOUGLASS. If we continue the community action program, I think there should be a requirement that the executive committee should have strong minority representation from existing professional organizations and governing bodies. That would broaden the base of comment and criticism review.

It would make it more of a community action program and less of a political patronage operation—strong representation from professional organizations.

Mr. GURNEY. I understand it is also your thought, though, that poverty war programs in general would work better if you did not have this bureaucratic layer of government at a local level but transferred into older and recognized departments and agencies; is that correct?

Dr. DOUGLASS. Yes, sir.

Mr. GURNEY. Such as the Departments of Education and Health, Education, and Welfare?

Dr. DOUGLASS. If we need local action advisory groups, I would like to see them advise with these other groups.

Mr. GURNEY. I think it is your opinion, also, that Headstart, which is essentially an educational program, ought to be run by the local education authorities; is that correct?

Dr. DOUGLASS. Yes.

Mr. QUIE. I would like to find out more about your community action agency. How many people serve on the umbrella board?

Dr. DOUGLASS. We have 61, but eventually it will be cut down to 41. There has been nothing but confusion over the bylaws, whether they were legitimately approved and in operation and currently we have our last revision which will provide for a board of 41 members.

Mr. QUIE. Has OEO urged you to do that or has it come internally, or what?

Dr. DOUGLASS. These patient, competent fellows in Atlanta in endless correspondence and endless visits worked it out. We have sat through hours of meetings listening to these and we have had any number of lawyers drafting these things.

Mr. QUIE. Of those 61, what kind of representation has there been, not poor poeple on the board but representatives of the poor people?

Dr. DOUGLASS. We have a certain percentage. I will say off-hand one-third representing the poor. We have interested citizens, public officials, poverty groups, and then within poverty groups we identify the people who are colored.

Mr. QUIE. So you think it was one-third?

Dr. DOUGLASS. I can find that in a minute, but I think it was one-third.

Mr. QUIE. One-third would be in the bylaws, which would be one-third of 41?

Dr. DOUGLASS. Yes.

Mr. QUIE. How about with the 61?

Dr. DOUGLASS. I did not apply to them that is why we had to change the bylaws.

Mr. QUIE. Did you have any money cut off because of that?

Dr. DOUGLASS. Getting money cut off is always a constant threat but sometimes whatever we get comes. It is chiefly over Headstart. That is the only program we have and it is hard to get it but it generally comes in the end.

I would like to make a statement off the record.

Mr. HAWKINS. I think all of the witness' statement should be on the record.

Dr. DOUGLASS. I am not saying I am giving that on my authority. I had a telephone call this morning.

Mr. HAWKINS. My only interest is in trying to see that the truth is developed. If you were trying to influence the members of this committee by making such a statement I think we should have it in the record so that it can be verified.

Dr. DOUGLASS. It is all right with me. I am not trying to influence the committee.

Mr. QUIE. What about the previous statement that was off the record—that was where the employment service and all of these other organizations couldn't get along with OEO?

Dr. DOUGLASS. I will tell you honestly about that statement. It can be verified. I can verify it, but I don't think it should be in the record. I am not trying to avoid the record and it is a true statement but if you want it in put it in, but I don't care.

Mr. QUIE. I am like Congressman Hawkins. I would prefer to have everything a person says on the record.

Could you define what you mean by cannibalist?

Dr. DOUGLASS. When summer Headstart gets started you are supposed to have, say, x number of students or a thousand students, and when somebody gets an inspection to come in then you are supposed to have those students present. Evidently, they don't have the students present so they are trying to bring some in from the regular year-round Headstart program into the summer program so they can look good to get by the inspection.

It is the same thing sororities and fraternities do.

Mr. GURNEY. Would the gentleman yield?

Mr. QUIE. I yield.

Mr. GURNEY. I am not too familiar with your procedures since I am not a member of this subcommittee, but I did receive a letter from the rector of the All Saints Municipal Church of Winter Park, Fla., on this subject. This is a letter addressed to the Office of Economic Opportunity to give a rundown of how the church is doing and the copy was sent to Senator Smathers and myself.

If I may, I would like to include it in the record.

Chairman PERKINS. Without objection, it will be included.

(The letter follows:)

JULY 20, 1967.

THE OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C.

GENTLEMEN: We here at All Saints' Church are most concerned about the conditions of the Headstart Program in Orange County. I am confident you have heard a great deal about the trouble that the OEO is having in Orange County and we would like to be of any help we can.

First let me say that we studied the Headstart Program beginning last October and finally in May of this year assented to a summer Headstart Program here at All Saints'. Our Vestry (our governing body) was concerned that we render as much service as possible and receive no remuneration for it. For the most part, this is the way the Center is operating here at All Saints'.

However, my concern is with the apparent lack of organization or ability to carry through a program with the local office. My criticism is not primarily of the local office but with the federal personnel who have been sent to occupy positions here which positions were applied for by local people quite capable of handling them. Also, I am concerned about federal personnel who come in to make observations and initiate changes that are detrimental to the children we seek to help through this program.

The program was to have 100–120 children placed at the Center here at All Saints'. On the first day there were in the neighborhood of 30 children only. We were told that many of the children missed the busses or simply didn't show up. We were told that this situation would be worked out during the first week. We also discovered that the children we had were not those we were told we would have but those who should have reported to some other Center. The following day we had a few less children but not the same ones that we had the previous day. By the end of the week, we had built back up to about 25 children who were coming regularly. This continued during the following week. In order to build the enrollment, the teachers were out ringing doorbells and soliciting children to attend the school. They had built up the enrollment to 47 with an additional 8 who were planning to attend.

Then on July 13th when the children normally would have arrived at 8 o'clock there were still no children here by 8:30. The teachers had not been notified of any change, I had not been notified of any change and no one seemed to know what was happening. Later on during the day, 16 children appeared but none of these were our regular students.

Upon investigation with the local office, I was told that they didn't know what was going on and would find out. Later on that day, I was told that the representative from Washington had been here the day before and was not satisfied with the Center. In particular, he was distressed that the racial guidelines were not being followed. It was apparently he who rearranged the children. Now nearly a week later, we are back up to about 70 children and things do seem to be settling down a little bit. Of course, the program is nearly half over for the summer.

The thing that I strenuously object to, and those who work with me also strenuously object to, is that the indications on the part of the man from Washington are that the concern is not primarily to help children or to alleviate poverty but to deal with the issue of integration. We are delighted to have any persons of any race or background as members of our congregation or participants in the school, but when it becomes necessary to take 4 and 5 year old children and subject them to as much confusion and changing in their little lives as happened during the first three weeks of this program here, I seriously question its value. More important, I seriously question the value of the guidelines insofar as they appear not to be guidelines but rigid rules. Making pawns of children to satisfy an unrealistic racial-political issue is not only unbecoming but is cruel.

The routine line we hear from the local office is that it is the government's desire that this become a completely local operation. As far as I am concerned, I have grave doubts that it will ever function in terms of the values it seeks to establish and goals it seems to fulfill until such time as the guidelines are modified and the program is, indeed, left up to local individuals.

I regret that such a high ideal and fine objective is so botched up as to appear to be hurting little children and setting the program back instead of moving it forward.

Sincerely yours,

WILLIAM H. FOLWELL.
Rector, All Saints Municipal Church.

Mr. QUIE. How will the poor select this representation?

Dr. DOUGLASS. They get together and caucus and name the person they want to have on the board.

Mr. QUIE. Is this the way it will happen?

Dr. DOUGLASS. I don't think human nature is like that. I would like to think it was, but I don't think it is like that. Somebody has to call a meeting. Somebody has to get the people out to vote and somebody has to tell them what they are going to vote about, so the idea that they just get together spontaneously is just a romance that does not work.

Mr. QUIE. Somebody has to bring them together, but when they do come together, will they be able to select a person or will it operate as in some community action agencies, they in effect nominate and the board itself or the mayor or whoever is in power actually makes the appointment?

Dr. DOUGLASS. I don't think anybody who is responsible for it politically or ideologically will let somebody come on the board who is not a good person, in their opinion.

Mr. QUIE. What about the executive committee? Do they plan to continue to run the show as they did in the past?

Dr. DOUGLASS. Yes.

Mr. QUIE. Are there any plans to get representatives of the poor on the executive board in the future?

Dr. DOUGLASS. I assume so, but I can't speak on that subject. What the executive committee has in mind or what the nominating committee has in mind, I don't know.

The executive committee is authorized by the State charter, which they have to appoint personnel and to see that it operates.

Mr. QUIE. Have you had any voter registration drives?

Dr. DOUGLASS. Do you mean for Negroes?

Mr. QUIE. Well, for anybody, Negroes, anybody else.

Dr. DOUGLASS. I was one of the original campaigners for it. I went down to Sam Gibbon's place and campaigned and put on training programs as to how to vote. It was not popular to do it. It was not a status symbol in those days.

Mr. QUIE. Was that done on your own or through the Democratic organization?

Dr. DOUGLASS. In Tampa, through the Hillsboro Democratic Committee and in our own section through voters registration. Now, who ran that or where it came from, but Mayor Carr and I used to go out and do everything we could to register.

Mr. QUIE. What about in the last three years? Has there been any voter registration funded by your community action agency?

Dr. DOUGLASS. No, sir. The woman with whom I used to work on voter registration became the Director of Headstart, and beyond that I don't know.

Mr. QUIE. You say that the community action agency tends to be just another bureaucratic agency which one must go through?

Dr. DOUGLASS. I said it lengthens the bureaucratic distance between the needy people and the services which Government can perform.

Mr. QUIE. I also got the implication from your statement that you favored the involvement of the people who were to participate in the program; namely, the poor.

Dr. DOUGLASS. No, sir, I didn't say that. What I said on that, ideologically I am in favor of it. As a political scientist, I don't think there is any one iota of scientific evidence to show that it is possible or that it would work.

This is a long, long concept that we have had for many, many years. Remember when John Studebaker was head of the Office of Education. He wanted community forums and so on, but it does not work. We need professionally trained, sharp people to do this job.

Mr. QUIE. In the future when you have the representatives of the poor, will they be selected from regions or districts within the total area?

Dr. DOUGLASS. I think so and I should hope so, except the area of greatest need, which I am concerned with which is the vegetable-growing area, and I hope it will be there, too.

Mr. QUIE. That must be 14 areas.

Dr. DOUGLASS. We have 15 areas. A good many of these areas now say they don't belong in there. This resolution asks Sargent Shriver to find out where these came from.

Mr. QUIE. Where did the resolution come from?

Dr. DOUGLASS. From the Orange County Board of County Commissioners transmitting to Sargent Shriver that their area was called a pocket of poverty when they don't think it is justifiably so, that it is damaging real estate values, and so on.

Mr. QUIE. What do you think the other 14 areas are? Are they actually pockets of poverty?

Dr. DOUGLASS. I don't know. The areas in which I and the welfare workers are interested in is called Zelda, which is a large area with migrant workers and not much has happened there and that is the area of greatest need. Instead of getting to the area of greatest need, we get to the noisiest area.

The squeaking wheel gets the grease.

Mr. QUIE. Did you use census tracts to determine the area?

Dr. DOUGLASS. That is a myth. According to the record, the Stanford Institute made some kind of study. I have never been able to find out the basis for it or the original documentation, but the big volumes of maps, you may know, that come from the OEO office of standard metropolitan statistics was developed by the Census Bureau.

The only difficulty with those statistical areas is they do not show the country sections.

Mr. GURNEY. Would the gentleman yield?

Mr. QUIE. I yield.

Mr. GURNEY. As I understand it, the poverty areas were designated pursuant to a study made by the Stanford people, I think, in 1959, except that no one in the Orange County Economic Opportunity Office has been able to produce the study; is that correct?

Dr. DOUGLASS. That's right. Nobody I have ever found has been able to produce it. Nobody has ever seen the study. We have the pockets of poverty identified.

Mr. QUIE. You mentioned that these service operations of the Office of Economic Opportunity ought to be transferred to the traditional agencies. What would you leave in OEO?

Dr. DOUGLASS. I am very clear about it. I would dissolve OEO as a new layer of local government and as the instrumentality which we

operate. I would strengthen the program, increase its financing and locate it in established departments, because our object is to get people jobs and give them training to fit those jobs and constantly upgrade them.

Mr. QUIE. Those are all the questions I have, Mr. Chairman.

Chairman PERKINS. Are there any further questions?

Mr. Hawkins?

Mr. HAWKINS. I would like to know more about the Orange County Economic Opportunity Agency. By whom was this agency created?

Dr. DOUGLASS. This was created by a State charter as a nonprofit corporation.

Mr. HAWKINS. Who were the original incorporators?

Dr. DOUGLASS. The original incorporators were a group from the Governor Patronage Committee.

Mr. HAWKINS. Did he name these persons for the county?

Dr. DOUGLASS. No; they were already well known and they served.

Mr. HAWKINS. Served in what capacity?

Dr. DOUGLASS. As his patronage committee and election community committee.

Mr. HAWKINS. Does the county have a city council?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. Did you have a council of commissioners?

Dr. DOUGLASS. Yes.

Mr. HAWKINS. Why didn't one of these groups initiate some action?

Dr. DOUGLASS. Some political vacuum had to be fulfilled and I give this group credit for going ahead and acting.

Mr. HAWKINS. They acted then?

Dr. DOUGLASS. Yes.

Mr. HAWKINS. Do you have professional organizations within the county, such as school boards and so forth?

Dr. DOUGLASS. The school board had already acted and was in operation.

Mr. HAWKINS. Did any of the professional groups you suggested be on the board initiate any action?

Dr. DOUGLASS. No, sir; not to my knowledge.

Mr. HAWKINS. You say that this group consists of how many directors?

Dr. DOUGLASS. Under the bylaws, 41.

Mr. HAWKINS. And you are a member or one of the directors?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. And chairman of the program committee?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. And you were elected to the chairmanship of this group?

Dr. DOUGLASS. Yes; and I might say offhand I got the highest vote.

Mr. HAWKINS. Would you say it was a good group for having elected you or is a bad group or what?

Dr. DOUGLASS. All I can say is that that is statistics. As a matter of fact, I didn't campaign. It is a job I didn't want. I did it as a civic duty and I don't know who would want it.

Mr. HAWKINS. It recognized your ability to the extent they elected you.

Dr. DOUGLASS. No; I think they would like to have pinned any failure of the program onto me politically. I think that is the motivation of it. I don't think it was high regard or respect. All I know is I got the most votes.

Mr. HAWKINS. How do you consider the vote that you got? Do you think that a high percentage of the folks got together and they decided they wanted to pin something on you?

Dr. DOUGLASS. No, sir. The folks at the annual meeting thought I would help make the thing work.

Mr. HAWKINS. Have you tried?

Dr. DOUGLASS. Yes, sir. Our program committee has met every month. Our minutes are voluminous. We have reviewed every one of those programs.

Mr. HAWKINS. Have you filed any complaints?

Dr. DOUGLASS. Our report is read by anyone.

Mr. HAWKINS. Heretofore have you filed any complaints about the operations of the program with anyone? To whom have you complained?

Dr. DOUGLASS. I was chairman of the program committee. I tried to bring these things in and make them work. There was nobody to complain to except at the board meetings.

Mr. HAWKINS. To whom did you complain?

Dr. DOUGLASS. To the board. I was not around to make complaints. I didn't even ask myself to be invited here.

Mr. HAWKINS. I assume someone invited you.

Dr. DOUGLASS. That's right. I am not making any complaint, Mr. Hawkins. I want to see the program work in the interest of the people who need jobs and need income.

Mr. HAWKINS. You would like to see it work by dissolving it?

Dr. DOUGLASS. No, sir. I would like to see it work better by establishing an agency in which there are considerably less political connotations.

Mr. HAWKINS. Are you confining your complaint to the Office of Economic Opportunity completely as it operates within the county that you happen to reside in?

Dr. DOUGLASS. That is all I am testifying on. I know other counties. I am not coming to make any complaint. I am coming as a citizen to say I think this program can work different through a different type of instrumentality in the interests of its purpose.

Mr. HAWKINS. We welcome you as a citizen and I enjoyed your testimony, but I am asking whether or not your experience is completely confined to Orange County, or are you suggesting that the program be modified on a national basis to fit the situation that has developed in Orange County, assuming what you say is——

Dr. DOUGLASS. No, sir. My knowledge of Orange County is intimate. As a political scientist, I do make some suggestions which I think would make it work better in the interest of the Nation.

Mr. HAWKINS. In another district, for instance in Los Angeles County, if the school system did not want a Headstart program and let's assume the people didn't want it, should they have that flexibility to have their Headstart placed where they want it as well as you would in Orange County would want it placed in the school system?

Dr. DOUGLASS. No, sir. I think the school system is the proper

vehicle for the administration of Headstart, the nursery school program and the day care center.

Mr. HAWKINS. And you think that flexibility should be imposed upon the rest of the country?

Dr. DOUGLASS. I think they should have that opportunity offered to them.

Mr. HAWKINS. Of having it placed where they want it to be operated?

Dr. DOUGLASS. No, sir; have it placed in the public school system or not having any.

Mr. HAWKINS. Then you are not suggesting any flexibility.

Dr. DOUGLASS. No, not flexibility.

Mr. HAWKINS. You have made the statement that the community action agency in Orange County has been used as a political machine for delivering the Negro vote. Would you explain what you mean by that and also what substantiating evidence you have that that is true?

Dr. DOUGLASS. The substantiating evidence is the machine did not deliver the vote.

Mr. HAWKINS. You have made the statement that it is used to deliver the vote, not to deliver the vote. Not in the negative.

Chairman PERKINS. As I understand it, you stated that the substantiating evidence was to the effect and the fact that the machine did not deliver the vote?

Dr. DOUGLASS. That's right, but that was it purpose.

Mr. HAWKINS. I am asking you how do you substantiate that that was the purpose of it?

Dr. DOUGLASS. All I can say, by careful study of the record and knowledge of the local political situation.

Mr. HAWKINS. It is purely personal then?

Dr. DOUGLASS. In our records here at least there are a dozen letters which have been written to Sargent Shriver that repeat the thing. It is general common knowledge.

Mr. HAWKINS. Did you submit those for the record?

Dr. DOUGLASS. I have.

Chairman PERKINS. Your statement there is solely based on these letters; is that correct?

Dr. DOUGLASS. Yes.

Mr. HAWKINS. You have also indicated that you believe that the board of directors operating the agency in Orange County should be broadened. At the present time does it include any representation, let us say, from minority groups?

Dr. DOUGLASS. According to our new bylaws we have a certain number of Negroes.

Mr. HAWKINS. What about the old bylaws?

Dr. DOUGLASS. It was not in there, but we had this as a matter of course.

Mr. HAWKINS. When were the new bylaws adopted?

Dr. DOUGLASS. At the January meeting of this year.

Mr. HAWKINS. Do you have any representation from minority groups now?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. How many?

Dr. DOUGLASS. I can look it up here, but I would say about a third.

Mr. HAWKINS. A third of the membership would be in minority groups at the present time?

Dr. DOUGLASS. Yes, sir, of pockets of poverty.

Mr. HAWKINS. They are elected by districts?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. Are these the board of directors or are these advisory members?

Dr. DOUGLASS. No, sir; these are the official corporate board of directors.

Mr. HAWKINS. How many is that?

Dr. DOUGLASS. Forty-one.

Mr. HAWKINS. And you say one-third are Negroes or minority group persons?

Dr. DOUGLASS. That's right.

Mr. HAWKINS. What other groups are represented?

Dr. DOUGLASS. Governing boards and professional societies.

Mr. HAWKINS. By governing boards, do you mean local agencies?

Dr. DOUGLASS. Local county commissioners, local mayors, municipalities.

Mr. HAWKINS. I thought you gave me the impression that this was a small, select group that was pretty much under the domination of the Government?

Dr. DOUGLASS. I was talking about the executive committee.

Mr. HAWKINS. Who runs the agency, the executive committee or the board that you are now referring to?

Dr. DOUGLASS. In my opinion, the executive committee.

Mr. HAWKINS. Then on the executive committee of 13, is it?

Dr. DOUGLASS. Yes, sir.

Mr. HAWKINS. How is the executive committee named, by the board that you referred to or by the Governor?

Dr. DOUGLASS. No, sir; selected by the board.

Mr. HAWKINS. This board that you speak of has one-third minority representation, has the elected public officials of the county, and so forth, they are elected to the board of directors, the 13 whom you say is a board under the domination of the Governor?

Dr. DOUGLASS. No; I didn't say that. The Governor is out of office and he was defeated.

Mr. HAWKINS. The polls didn't do him much good then?

Dr. DOUGLASS. No, sir.

Mr. HAWKINS. It is not under his domination now?

Dr. DOUGLASS. He is out, but his patronage committee continues.

Mr. HAWKINS. Is it controlled by this board? When you bring the patronage committee in, are you relating this to the board that is governing this agency?

Dr. DOUGLASS. Yes.

Mr. HAWKINS. Do they determine who the personnel of the projects or of the operations—what is the role the patronage committee plays?

Dr. DOUGLASS. Controls the executive committee so they can control the appointment of the personnel.

Mr. HAWKINS. How is it that a board that is named from a larger group of directors ends up not controlling the operation of the program, but then you say that this part of the operation is controlled by

the patronage committee, which I assume is a patronage committee of the ex-Governor?

Dr. DOUGLASS. His continuing representatives; yes, sir.

Mr. HAWKINS. It seems to me that Orange County is in a terrible mess, not just OEO operations.

Dr. DOUGLASS. You are right.

Mr. HAWKINS. With that, I give up.

Dr. DOUGLASS. All I can say is this is one of the things we have been trying to straighten out as local citizens on the board.

Mr. HAWKINS. I think you have a lot of things to straighten out. I can see why OEO's operation in this type of county might be typical of some of the statements you made, but I disagree with you that it is the fault of OEO.

It seems to me that it is the fault of the people of the county that have gone to the extent of not democratically selecting their own representatives or certainly not operating in the efficient American manner that we like to think that a local government would operate.

Dr. DOUGLASS. If local politics operates in that clear-cut fashion, then my experience has been different from yours. It takes time for political situations to straighten themselves out.

Mr. HAWKINS. I don't think your experience in Orange County should cause you to testify before this committee that, because of that experience, this committee should modify its entire program.

Your statement indicates that we should not follow the pattern of Orange County.

Chairman PERKINS. Mr. Erlenborn?

Mr. ERLENBORN. I have no questions, sir.

Chairman PERKINS. Thank you very much.

Our next panel of witnesses are Don Watson, director, Mahoning Valley Vocational School, Vienna, Ohio; P. W. Seagren, director, Lindsay Hopkins Vocational School, Miami, Fla.; and George Ramey, director, Mayo Vocational Technical School, Paintsville, Ky.

Let me welcome all of you gentlemen here. I know we are running way behind time. We regret the situation. We have to accommodate the members as best we can.

Go ahead and make your general statement and, Mr. Watson, we will hear from you first.

STATEMENT OF DON WATSON, DIRECTOR, TRUMBULL COUNTY VOCATIONAL SCHOOL, VIENNA, OHIO

Mr. WATSON. Mr. Chairman, my name is Don E. Watson. I am director of the Trumbull County Vocational School, Vienna, Ohio. The purpose of this testimony is to point out the capabilities of the existing education structure and to consider the merits and potential of expanding this structure to the point of organizing, building, and operating a program designed to meet the training needs of disadvantaged youth in each individual State.

The existing educational structure under the capable leadership of the U.S. Office of Education of the Department of Health, Education, and Welfare, has demonstrated an ability to accomplish such tasks effectively and economically.

Each individual State department of education has cooperated with local educational institutions in channeling Federal and State money, combined with local money, into specific training programs and our overall public school system, making possible the largest, most effective educational system the world has ever known. Vocational education is a division of this overall system.

A growing concern in recent years has emphasized a need to provide additional training opportunities for those unfortunate people who either never had the opportunity to acquire a decent wage-earning skill, or lacked the proper motivation and interest to do so, or both. I am referring, of course, to the so-called disadvantaged or poverty-stricken. The U.S. Government, through legislative action, could provide an opportunity and incentive to these people by utilizing existing machinery, the same machinery so instrumental in building this Nation, the educational system.

The basic structure of Federal, State, and local agencies cooperating and working together toward a common goal is a workable one.

Consider the task at hand: that of training our unemployed and underemployed youth to earn a living and to perform jobs essential to our society. For such an important undertaking as this, is it not logical to assign the responsibility to a tried and tested system that has proven its worth over many generations? This same system is currently involved in developing new techniques in order to stay abreast of the present and future demand for more and better education.

It is necessary that we evaluate our cherished tradition and determine whether or not we should experiment and make changes in our approach to the problems at hand. We must never change just for the sake of changing; rather, we change to improve.

Caution must be exercised in order to avoid the abandonment of a traditional approach that works. If the experimental method proves to be lacking in effectiveness, we revert back to the traditional method but with a different approach. In essence, I am suggesting that the responsibility of training our unemployed youth be placed in the hands of the U.S. Office of Education and subsequently State and local educational agencies.

PART II—VOCATIONAL EDUCATION IN OHIO

As an example of what can and has been done under this system, I would point briefly to the overall vocational education program in Ohio and more specifically to the manpower development and training program, conducted by the State of Ohio, under the Director of Health, Education, and Welfare, U.S. Office of Education.

Current programs and planning in Ohio would have a total of 57 area vocational education centers located outside of our large cities. In addition to this, we anticipate the addition of 15 vocational high schools within our cities and an expansion of certain areas of vocational education into each of the comprehensive high schools in the large cities. This is an indication of the leadership and progressive thinking present in our State. Similar conditions exist in all other States.

The effective utilization and results of the Manpower Development and Training Act is a specific example of what can be accomplished through the traditional structure of Federal, State, and local cooperation and responsibilities. Individual importance and esteem must prevail in the planning and operation of all "people projects."

In fiscal 1965 Ohio trained 7,561 unemployed or underemployed people; in fiscal 1966, a total of 6,017 were trained under the Manpower Development and Training Act.

The Southern Ohio Manpower Center was established in Jackson, Ohio, to serve a geographic area of southern Ohio. This center, operating under the Manpower Development and Training Act, officially got underway in January 1964. This is a multioccupation center for unemployed youth and adults. The placement percentage of graduates is 80 percent. Again, an example of strength generated by Federal, State, and local cooperation.

Ohio initiated a pilot residential vocational school under the Manpower Development and Training Act that has proven to be the turning point in the lives of approximately 1,300 disadvantaged youth.

The material that follows is a description of the Mahoning Valley Vocational School and was taken from a statement before the General Subcommittee on Education on July 12, 1966.

PART III—DESCRIPTION OF THE MAHONING VALLEY VOCATIONAL SCHOOL

The Mahoning Valley Vocational School has been in operation since July 29, 1964, as a pilot experimental school. The school is operated under the Manpower Development and Training Act of 1962, which was written for the purpose of training unemployed or underemployed people through individual projects in various communities throughout the country.

The residential-vocational school concept was conceived in the office of Dr. Byrl Shoemaker, director, division of vocational education, State of Ohio Department of Education, in January 1964 for the purpose of providing a broad vocational and basic education program, coupled with a controlled environmental situation to the disadvantaged youth of Ohio. This concept was discussed with Willard Dudley, administrator, Bureau of Unemployment Compensation of Ohio, and received wholehearted acceptance by that agency.

An extremely high degree of cooperation between these two agencies has prevailed throughout the planning and operation of the Mahoning Valley Vocational School. Plans are now being firmed up to bring another cooperative agency into the picture. The Trumbull County Vocational School Board of Education will become the governing agency for the training phase of the project.

The onsite residence phase of this program is operated by a nonprofit corporation, whose income is limited to a minimal daily subsistence allowance. No charge is made for supportive services or administrative overhead. The Mahoning Valley Vocational School Corp. is responsible for providing lodging, food service, recreational facilities, health programs, and other services not covered in the educational program. These services were initiated from a $250,000 trust fund established by the Leon A. Beeghly Foundation, and the continuation of these services are dependent upon the solvency of the fund through room and board charges to the students.

The charges made for board and room are equivalent to the subsistence allowances received by each student. In order to keep this rotating fund on a fiscally sound basis, it is necessary to keep school enrollment between 400 and 450 students.

Toward the end of each section, and beyond the time when replacements can be made, school enrollment dips below this level and, as a result, income is reduced. Also, when a student is absent and his weekly subsistence allowance is reduced, his payments to the corporation are reduced proportionately despite the fact that the expense of operation continues.

This less-than-need income does two things to the program: (1) the fund operates at a loss with no alternate methods of recovery available, and (2) there are no funds available to provide services still needed nor to improve and expand those now being provided.

The maximum capacity at Mahoning Valley Vocational School is approximately 485 with an average enrollment during the year of approximately 425 and a yearly total of approximately 900. These 400 plus trainees, referred from all over the State of Ohio, are being trained in one of 14 different vocational areas. The courses are either 6 months, 7 months, or 11 months in length, depending upon the complexity of the particular vocational area. The job placement rate of the graduates at the present time is approximately 80 percent. Thus, this school is an instrument of positive action in Ohio's campaign to provide a new opportunity for its male youth, to provide job skills and better employment opportunities, and to encourage a wholesome attitude toward society and life in general.

There are many statistics on the cost of the program that have been kicked around on the cost of Job Corps programs, and the cost of Mahoning Valley Vocational School.

I felt honored, when I came across a brochure by the Office of Economic Opportunity, to find that a whole page is devoted to the Mahoning County Vocational School, even though some of their figures are incorrect.

Mr. QUIE. Can we get you to correct the figures for the record for Mahoning Valley?

Mr. WATSON. The figures are low. Of course, I cannot speak for the cost of the Job Corps, because I am not that familiar with the program.

Mr. QUIE. Let's just correct the Mahoning Valley figures so they are accurate.

Mr. WATSON. The cost indicated for Mahoning Valley Vocational School, I believe, has gone up to $3,500 this coming year, having been running at a cost of $2,500 per student, and this, of course, is not for a full year. This is for the length of the program, which could be 6 months or it could be for a 12-month period.

Mr. QUIE. Do you have the costs on a 12-month basis?

Mr. WATSON. We have broken this down into a student-year cost and on a student-year cost we arrived at this figure by getting the total number of students and the total number of days they were there and working it out on a 52-week basis in determining a student-year basis.

We are breaking it down so that it could be compared with other programs. The cost per year includes operating costs, subsistence, training allowance, every cost, capital outlay—remodeling, equipment—$4,573. This cost is being reduced this year because we have most of our equipment. We are pretty well equipped now and our expenses now are strictly operating expenses.

Mr. QUIE. Do you have the figure for capital outlay, because OEO does not include capital outlay.

Mr. WATSON. Automatically we have a $100,000 per year transfer from Health, Education, and Welfare to the Air Force for the use of the facility. We share a facility with the U.S. Air Force.

This $100,000 includes such things as the security force that they felt that they needed because of our presence there. This will take up approximately 40 or 50 percent of this $100,000.

The other part of the $100,000 is for services that the Air Force renders to us, such as utilities which would be a legitimate operating expense, of course, whether the Air Force provided it or the county provided it.

The original remodeling runs between $200,000 and $300,000. This is included in the average costs. The cost per student that we generally give is, I believe, $2,680. This is not per year. This is per student served. It is not an accurate analysis.

We do not believe we have to have a student a full year or even 2 full years to help him. Our purpose is to train people to the point that they can go out and become employed. If we can do this in a period of 3 or 4 months, we do this and we encourage them if they feel they are solid enough to remain employed and not end up back in the same boat.

I would like to hit quickly on the characteristics of the student at Mahoning Valley Vocational School. They must meet the criteria of being disadvantaged ——

Chairman PERKINS. I hate to interrupt you, but we have to recess for 10 minutes to answer a quorum call.

Your entire statement will appear in the record.

(The prepared statement of Don E. Watson follows:)

PREPARED STATEMENT OF DON E. WATSON, DIRECTOR, TRUMBULL COUNTY VOCATIONAL SCHOOL, VIENNA, OHIO

PART I.—INTRODUCTION

Mr. Chairman and Mr. Congressmen, my name is Don E. Watson. I am Director of the Trumbull County Vocational School, Vienna, Ohio. The purpose of this testimony is to point out the capabilities of the existing education structure and to consider the merits and potential of expanding this structure to the point of organizing, building and operating a program designed to meet the training needs of disadvantaged youth in each individual State.

The existing educational structure under the capable leadership of the United States Office of Education: Health, Education and Welfare, has demonstrated an ability to accomplish such tasks effectively and economically. Each individual State Department of Education has cooperated with local educational institutions in channeling Federal and State money, combined with local money, into specific training programs and our overall public school system, making possible the largest, most effective educational system the world has ever known. Vocational Education is a division of this overall system.

A growing concern in recent years has emphasized a need to provide additional training opportunities for those unfortunate people who either never had the opportunity to acquire a decent wage earning skill, or lacked the proper motivation and interest to do so, or both. I am referring, of course, to the so-called disadvantaged or poverty stricken. The United States Government, through legislative action, could provide an opportunity and incentive to these people by utilizing existing machinery, the same machinery so instrumental in building this nation, the educational system.

The basic structure of Federal, State and local agencies cooperating and working together toward a common goal is a workable one.

Consider the task at hand; that of training our unemployed and under-

employed youth to earn a living and to perform jobs essential to our society. For such an important undertaking as this, is it not logical to assign the responsibility to a tried and tested system that has proven its worth over many generations? This same system is currently involved in developing new techniques in order to stay abreast of the present and future demand for more and better education.

It is necessary that we evaluate our cherished tradition and determine whether or not we should experiment and make changes in our approach to the problems at hand. We must never change just for the sake of changing; rather, we change to improve. Caution must be exercised in order to avoid the abandonment of a traditional approach that works. If the experimental method proves to be lacking in effectiveness, we revert back to the traditional method but with a different approach. In essence, I am suggesting that the responsibility of training our unemployed youth be placed in the hands of the U.S. Office of Education and subsequently State and local educational agencies.

PART II.—VOCATIONAL EDUCATION IN OHIO

As an example of what can and has been done under this system, I would point briefly to the overall Vocational Education Program in Ohio and more specifically to the Manpower Development and Training Program, conducted by the State of Ohio, under the direction of Health, Education and Welfare, U.S. Office of Education.

Current programs and planning in Ohio would have a total of fifty-seven area vocational education centers located outside of our large cities. In addition to this, we anticipate the addition of fifteen vocational high schools within our cities and an expansion of certain areas of vocational education into each of the comprehensive high schools in the large cities. This is an indication of the leadership and progressive thinking present in our State. Similar conditions exist in all other States.

The effective utilization and results of the Manpower Development and Training Act is a specific example of what can be accomplished through the traditional structure of Federal, State and local cooperation and responsibilities. Individual importance and esteem must prevail in the planning and operation of all "people projects".

In Fiscal 1965, Ohio trained 7,561 unemployed or underemployed people; in Fiscal 1966, a total of 6,017 were trained under the Manpower Development and Training Act.

The Southern Ohio Manpower Center was established in Jackson, Ohio, to serve a geographic area of southern Ohio. This center, operating under the Manpower Development and Training Act, officially got underway in January, 1964. This is a multi-occupation center for unemployed youth and adults. The placement percentage of graduates is 80%. Again, an example of strength generated by Federal, State and local cooperation.

Ohio initiated a pilot residential vocational school under the Manpower Development and Training Act that has proven to be the turning point in the lives of approximately 1300 disadvantaged youth.

(The following description of the Mahoning Valley Vocational School is taken from a statement (with minor revision) before the General Subcommittee on Education on July 12, 1966.)

PART III.—DESCRIPTION OF THE MAHONING VALLEY VOCATIONAL SCHOOL

The Mahoning Valley Vocational School has been in operation since July 29, 1964 as a pilot experimental school. The school is operated under the Manpower Development and Training Act of 1962, which was written for the purpose of training unemployed or underemployed people through indiivdual projects in various communities throughout the country. The residential-vocational school concept was conceived in the office of Dr. Byrl Shoemaker, Director, Division of Vocational Education, State of Ohio Department of Education in January, 1964 for the purpose of providing a broad vocational and basic education program, coupled with a controlled environmental situation to the disadvantaged youth of Ohio. This concept was discussed with Willard Dudley, Administrator, Bureau of Unemployment Compensation of Ohio, and received wholehearted acceptance by that agency. An extremely high degree of cooperation between these two agencies has prevailed throughout the planning and operation of the Mahoning Valley Vocational School. Plans are now being firmed up to bring another cooper-

ative agency into the picture; the Trumbull County Vocational School Board of Education will become the governing agency for the training phase of the project.

The on-site residence phase of this program is operated by a non-profit corporation, whose income is limited to a minimal daily subsistence allowance. No charge is made for supportive services or administrative overhead. The Mahoning Valley Vocational School Corporation is responsible for providing lodging, food service, recreational facilities, health programs, and other services not covered in the educational program. These services were initiated from a $250,000.00 trust fund established by the Leon A. Beeghly Foundation, and the continuation of these services are dependent upon the solvency of the fund through room and board charges to the students. The charges made for board and room are equivalent to the subsistence allowances received by each student. In order to keep this rotating fund on a fiscally sound basis, it is necessary to keep school enrollment between 400 and 450 students. Toward the end of each section, and beyond the time when replacements can be made, school enrollment dips below this level and, as a result, income is reduced. Also, when a student is absent and his weekly subsistence allowance is reduced, his payments to the corporation are reduced proportionately despite the fact that the expense of operation continues. This less-than-need income does two things to the program: (1) the fund operates at a loss with no alternate methods of recovery available and (2) there are no funds available to provide services still needed nor to improve and expand those now being provided.

The maximum capacity at Mahoning Valley Vocational School is approximately 485 with an average enrollment during the year of approximately 425 and a yearly total of approximately 900. These 400 plus trainees, referred from all over the State of Ohio, are being trained in one of 14 different vocational areas. The courses are either six months, seven months, or eleven months in length depending upon the complexity of the particular vocational area. The job placement rate of the graduates at the present time is approximately 80%; thus this school is an instrument of positive action in Ohio's campaign to provide a new opportunity for its male youth, to provide job skills and better employment opportunities, and to encourage a wholesome attitude towards society and life in general.

It is our humble opinion that Mahoning Valley Vocational School is performing a very important function in a complex society. We have many success stories and some failures. In the following report you will find narratives on the characteristics of disadvantaged youth and the various phases of the Mahoning Valley Vocational School project. This program has been made possible by the cooperation of many agencies listed on attachment "A," including a tremendous amount of on-site cooperation of the U.S. Air Force with whom we share facilities.

Characteristics of disadvantaged youth

Trainees are selected for the training program based on the broad criteria of disadvantaged; economically, culturally, educationally, and socially. Each has a complex multi-factor pattern of needs.

The following is a list of some traits of this group that seem to be common to a large percentage of our trainees:

1. Intelligence potential is usually higher than tests indicate. Many lack the "know-how" of taking tests, therefore job performance or other manipulative experiences are truer indications of potential.
2. Basic educational skills, such as reading, spelling, writing, and arithmetic are usually below the true ability of the trainee.
3. Many have been out of contact with any formally organized influence on their lives. As a result, several boys past 18 have not even registered for the draft. Many do not have the slightest knowledge of their legal rights and responsibilities. This group has a higher rate of minor infractions of the law, due to ignorance of the law.
4. The physical condition and coordination are very poor.
5. There is an untrusting attitude about adults. When the boys first arrive, they test the staff to see what kind of reaction they'll show.
6. Social immaturity is quite prevalent.
7. Many have a very poor estimate of self and disbelieve any good about themselves and will not accept the fact that they have any worth.
8. Many have been slow to learn but are not slow learners. They learn by experiencing and in concrete concepts. This is a slower process than by verbal, abstract methods.

9. It is a rare case that a disadvantaged youth has successfully completed a public school vocational program of study.

The preceding examples seem to be grouped as atypical shortcomings. This group has positive traits as well:

1. These youth have a code of ethics that is very strong. If they give their word, you can depend that they will almost do anything to keep it. They believe strongly in "fair play."

2. This type of young man is independent and can shift for himself. He will not hesitate to walk 20 miles to get somewhere. He will hitch-hike almost any distance with little or no money on his person.

3. Most are highly motivated to learn a skill or craft in order to live a better life. During private counseling sessions, most have expressed that their main reason for learning a trade is to get a "steady" job and raise a family properly.

4. There is a strong need to identify with something that is good and important. They are proud of their school and take exception when anyone criticizes it.

5. The boys are not "culturally deprived;" they have a culture of their own. They will hold onto it for security reasons while experimenting with the new culture they are exposed to.

6. Disadvantaged youth like and respond to action. He is a "gadget" minded person. He responds to teaching machines and other learning "gimmicks."

The above lists of characteristics are indicative of a need for a training program that is involved in the "Total Child" if desired outcomes are to be realized. A traditional training program influencing only a fraction of the trainee's time, separate from his social and other after school experiences will not truly be effective in changing attitudes and neither will there be an exposure to another way to live, by actually living this type of life.

Housing program

Mahoning Valley Vocational School trainees are provided housing in one of four comfortably furnished dormitories. Depending on size, each room houses two or three men who are given considerable freedom in the arrangement of their rooms to suit their particular tastes and comforts. Each dorm has two large lounges for television and leisure time activities. Supervision is provided by a staff of 60 dedicated men and women offering a broad program in social living, moral attitudes, health, recreation and citizenship.

Meals are served cafeteria style in the large dining hall under the management of qualified individuals in the fields of dietetics and food preparation. A staff of cooks and food service personnel provide wholesome and nutritional meals seven days a week.

Religious services and moral guidance are provided by the school's two chaplains—a Catholic priest and a Protestant minister. Both Catholic and nondenominational services are provided each Sunday. Special arrangements are made for those of the Jewish faith to attend services at a local Synagogue.

A registered nurse is on duty daily from 7:00 a.m. to 9:30 p.m. to provide first aid and minor medical service on campus. Medical emergencies are referred to the school's physician, who holds a clinic two afternoons a week, or to a local hospital. Each trainee purchases, for a nominal fee, medical and surgical insurance to cover his major medical and surgical expenses.

A broad recreation program is offered year around, seven days a week by a staff of six experts in the field. It includes:

1. Intra-mural competition in football, basketball, volleyball, and softball, plus a varsity competition in basketball in a local community league.

2. Badminton, horseshoes, weightlifting, wrestling, boxing, movies, ping-pong, bowling, snack bar, Bible Club and Catholic Youth Club.

3. Off-campus trips by bus for bowling, roller skating, ice skating, movies, plays, miniature golf, dances, etc.

4. Talent shows, exhibitions, and visiting "name performers."

5. A Letterman's Club for participants in all activities.

Counseling and dormitory supervsion is provided by a group of 25 dedicated men, most with training and/or experience in sociology or youth work. A dorm leader is on duty around the clock in each dorm for counseling and supervision. Four dorm supervisors and a program director furnish additional trainee and staff supervision.

Experiences in leadership and student government are available to mature and responsible young men who serve as appointed student dorm monitors and as elected officers in the Campus Council. The Campus Council provide opportunities for the trainees to become involved in campus government.

Training program

Through experimentation and research our instructors have created a training program laden with workable techniques and methods. There are no plans which cannot be altered or cast aside. Our whole program and its success is based upon continual experimentation, research and revision. No set of materials or techniques is sacred and flexibility in programing has allowed us to individualize our training to fit any given trainee.

Included in the many varied approaches used by our staff are such workable tools as individualized instruction, grouping, simultaneous instruction (where a basic instructor teaches right in the vocational shop specific allied skills, i.e., a math instructor coupled with the blueprint reading teacher for welders), released time instruction (certain boys are released from a vocational area for basic education work). In our current training year we will be making more use of machined or programed instruction as well as our "center concept" of basic education training. (Our "Center Concept" places all students functioning at virtually any level in a 2–3 room complex manned by 3–5 instructors. Surrounded with the latest teaching devices and materials our instructors are better able to meet practically any student need or deficiency.)

Naturally we place heavy emphasis upon the use of audio-visual aids and self-instructional materials because of the motivational value (built in success) that they have for our trainees. Each year has found our staff engaged more and more in the development of teaching materials and aids. This is partly due to our willingness for professional growth and our desire to remain ahead of the pack. This has also been necessary because of the newness and uniqueness of our program plus the fact that quality materials have not always been available. By bringing the trainess to a well equipped center (rather than the materials and instructor to the trainee) we have been able to economize cost at the same time we are expanding educational offering.

Vocational education

The vocational education phase of the Mahoning Valley Vocational School project is designed to provide the opportunity for all trainees to develop a saleable skill in their respective vocational areas as assigned. The philosophy of Mahoning Valley Vocational School with respect to vocational training, and all related areas, is that of accepting the referred trainees as they are, determining their abilities and attitudes, and to work with them, on an individual basis if necessary, to enable them to take full advantage of their abilities and develop their potentials to the highest degree possible during the time they are enrolled in the school.

We realize, of course, that it may be unreasonable to expect each trainee to progress to the point of being a completely employable individual. In cases of very low ability, lack of aptitudes and emotional instability, a "satisfactory progress" rating could very well be assigned when improved social adjustment and work attitudes result.

The vocational curriculum is structured to simulate on-the-job working conditions whenever possible; thus, the training is composed of both skill development and improvement in work habits.

We are training at the present in the following fourteen areas:

Name of area:	*Number of sections*
Electrical appliance repairman	3
Auto body repairman	2
Auto mechanic	2
Auto service station attendant mechanic	1
Baker, hotel and restaurant	[1] 2
Accounting clerk	1
General office clerk	3
Cook, hotel and restaurant	4
Landscape gardener	4
Draftsman (entry)	[2] 5
Computer and peripheral equipment operator	[2] 5
Maintenance man, building	2
Production machine operator	[2] 6
Welding	[2] 6

[1] This course is only offered in the evenings.
[2] One section of this area is being operated during evening hours.

The duration of our courses for the new training year are a maximum of eleven (11) months and an average minimum of six (6) months. We have been able to determine through our previous experience that more sections in a vocational area could be scheduled without apparent loss of skills through more coordinated planning and concentrated instruction. The typical trainee in one of our programs spend eight (8) hours a day in shop training and aligned classroom instruction. Related basic education is provided to each trainee on an individual need basis determined through testing and instructor analysis. Most classes have a maximum enrollment of 20 to 25 trainees except for Landscape Gardeners and Hotel and Restaurant, Cooks which have a 15 trainee maximum. All courses are limited to one training group at one time with the exception of two training groups running concurrently in Landscape Gardener and three concurrent courses in Drafting, Production Machine Operator, and Welding. The majority of the courses are offered in the daytime hours between 7:00 A.M. and 5:00 P.M. but we do have evening classes in Baking, Drafting, Welding and Production Machine Operator. All of our training programs will be repeated at least once and some twice during our new project year.

All of the vocational areas were constructed from an initial state approved outline and each instructor has now completed a full curriculum guide for his respective course. Many important changes are reflected in these guides.

The vocational staff includes nineteen instructors who are all certifiable by the State Department of Vocational Education.

Basic education

The basic education unit of the Mahoning Valley Vocational School has these important goals as its major functions:

1. Supplementing the job preparation of a vocational trainee by strengthening or developing specific mathematical, reading and communicative skills.

2. Enhancing the individual through offering special services to assist in overcoming certain hearing and speech handicaps, enlightening and extending more advanced trainees, making trainees more aware of health and safety and its effects on the future, and eliminating or correcting a possible job handicap through instruction in driver education.

The basic education unit consists of instructional areas in reading, mathematics, programed learning and communications which require the services of fourteen (14) full time instructors. Five of these men are experienced and qualified reading instructors, five are qualified mathematics instructors and the communications and programed learning departments each include two experienced teachers in their ranks. In addition, the services of a secretary are included to aid the total instructional staff in the many clerical helps needed and two teacher technicians are used as instructional assistants and as possible future trained and knowledgeable instructors for the program.

Reading

The Reading Improvement Center at Mahoning Valley is geared to handle the multiplicity of reading-communicative problems arising in the course of training unemployed or disadvantaged youth. A program encompassing remedial, developmental as well as specialized or technical reading is incorporated in its curriculum.

The following is a list of the five general objectives along with specific objectives to explain each. (Materials and tests are available in the Reading Improvement Center for the support of these major objectives.)

General

1. To test and diagnose reading problems which will lead to specific programs.

Specific

a. to test both generally and specifically for reading problems;

b. to diagnose generally and specifically for reading problems;

c. to determine generally and specifically what programs are necessary for these boys.

General

2. To develop reading skills capable of maintaining a position for which they have been vocationally trained.

Specific

a. to develop comprehension skills specifically related to the vocational area of each student;
b. to develop vocabulary mastery specifically related to the vocational areas;
c. to develop spelling skills specifically related to the vocational areas.

General

3. To develop an interest in reading various kinds of literature.

Specific

a. to develop interest in reading newspapers;
b. to develop interest in reading news magazines;
c. to develop interest in reading general information magazines;
d. to develop interest in reading material related to their vocational areas;
e. to develop interest in reading longer types of literature, i.e., novels, fiction, biographies, etc.

General

4. To develop some listening skills.

Specific

a. to develop listening skills in general;
b. to develop listening skills as to specific situations.

General

5. To develop the ability to read critically and accurately.

Specific

a. to develop some ability to criticize new accounts;
b. to develop some ability to criticize general magazine articles;
c. to develop some ability to criticize longer types of literature.

Machines and programed reading materials are available for those trainees who wish to sharpen, refresh or advance an already well established reading skill. Systematic instruction is offered in reading, spelling and writing skills to those trainees who have the basic ability but need to expand this to meet the demands of current employment requirements. In addition, a controlled experimental program is being offered for those trainees who are completely devoid of basic reading skills. Thus, the total reading program has four distinct facets:

1. Technical-advanced reading.
2. Semi-self instructional reading improvement and extension.
3. Developmental reading.
4. Controlled remedial reading.

Mathematics

The mathematics program stresses remedial and basic math with the hopes of attaining competency in computational skills. Programed math materials are available for more advanced trainees and functional illiterates. Vocationally oriented math is emphasized concurrent with remedial, basic or advanced math instruction. In addition, a controlled mathematics group permits the inclusion, on an experimental level of instruction in "new math."

Our math department is the newest addition to our "Center Concept" of education. The new Math Center will have a large group instruction room, a small group instruction room and a center proper. It will be manned with a minimum of four (4) instructors every hour to offer the most individualized type of instruction possible. In addition simultaneous instruction (team approach to teaching vocational skills and basic educational skills at the same time) has been expanded for our coming term. The three sections of welding-blueprint reading plus the Auto Body and Production Machine Operators related classes will have a math instructor and vocational instructor coupled for teaching purposes.

Thus in our mathematics instruction we offer a good workable individualized program in the following areas:

1. Remedial-basic mathematics.
2. Advanced mathematics.
3. Vocationally oriented mathematics.
4. Controlled experimental math instruction in "new math."
5. Simultaneous instruction in shop area.

Programed learning

This area is necessary to fulfill the needs and desire for more advanced training for certain trainees who are referred to Mahoning Valley Vocational School. It supplements the basic program and also provides the services of a library. The double coverage allows operation of the center during the day and also into the evening hours.

The Programed Learning Center was opened at Mahoning Valley Vocational School in August of 1965. The PLC has been able to fill many voids inherent in our type of educational situation. Programed instruction per se is not new. In fact it is as old as the Socratic method. We do feel, however, that in our creation of the center we are using in a most unique manner here at Mahoning Valley Vocational School.

First of all, let us try to understand what is meant by the term programed learning. Programs are self-instructional courses. This means basically that the student is really learning by himself with the help of a programed text or machine. These texts are not written like ordinary books. All of the fundamental knowledge the programer is attempting to convey is broken up into small question-answer steps called frames. The student is involved in the learning situation for the program requires a response to every frame. Immediately thereafter the program allows the student to check his answer against the correct one. In this manner the student knows immediately if he is incorrect and needs review. If the student is correct, the process reinforces his learning through repetition and by showing him that he is correct. Psychologists have found that man learns better and faster when he is confronted with a minimum of errors. Programed instruction, through "framing," is geared to this end. There is an instructor present to help the student with any academic problems or explanation of the programed course that may be necessary. Along with the text programs we are attempting to utilize some teaching machines. At present we have two Autotutors and five Didactor Teaching Machines. We are only using those machines which offer us the programs that we need. These machines offer some advantages in teaching certain types of students. These are trainees who need unique learning experiences to break the monotony of programed instruction.

Mahoning Valley Vocational School receives many students who we know will profit from the PLC. There are many and varied ways in which we are using this type of instruction. A few examples are cited here:

1. Students functioning on an educational level above remedial in math and reading may be channeled into the center.
2. Students may use it for taking courses aligned with their vocational area.
3. Students may use the facilities of the center on their free time.

These are but a few of the many ways that we feel we are able to utilize our instructional center. We offer some 300 different courses of study in many general areas, including those in health and safety, leisure, sciences, languages, study habits, English, mathematics, economics, vocationally related topics, and many general works. At any one time we have had as many as 50 different courses of study being pursued simultaneously.

Each trainee referred to the PLC is given an interview by the director in which Programed Learning is explained. All of the available courses are then shown to the trainee. We try to point out to each individual trainee those courses which would benefit him the most. We do attempt to leave the trainee some choice in the matter however. Usually he is allowed to make a decision as to what he will take within a range of courses. Our approach to non-vocationally oriented courses (such as Interior Decorating, French, Chess, etc.) has been to allow the student to take leisure courses if he is also willing to seriously pursue a vocationally oriented course. So far this individual approach has proved successful.

In our first year of operation 450 courses were completed. We had our trainees completing about 44 courses per month. The center is now completing its second year and the success has been fantastic. We have just finished our thirty thousandth (30,000) hour of vocationally oriented programed instruction. Trainees completed approximately sixty-two (62) courses per month in our second year and a total of eight hundred and twenty-two (822) programs were finished. Following is a list of some representative courses with pre and post test scores:

Course	Hours	Scores	
		Pre	Post
Reading engineering drawings	14	24	96
Applied trigonometry	22	27	87
Binary math	5	53	100
Applied electricity	21	19	90
Logic	13	55	99
Nutrition	14	61	94
Introduction to data processing	12	0	92

We have had very little evidence of unsatisfactory completions on the part of our students. We assume that the freedom of movement that they are allowed in course assignment coupled with the individual attention our situation offers them has been greatly responsible for this.

We conducted a short study concerning our programed blueprint reading course in the first two months of this training year. The statistics which follow were gathered to help a local industry with a training problem involving programed instruction.

Pertinent data

1. Number of courses completed 11
2. Average number of hours to complete 14.8
3. Average pre-test score (percent) 34
4. Average post-test score (percent) 93

[Percent increase 59 percent average]

Course	Hours	Scores	
		Pre	Post
1. Reading engineering drawings	14	48	91
2. Reading engineering drawings	13	32	97
3. Reading engineering drawings	14	20	86
4. Reading engineering drawings	12	56	95
5. Reading engineering drawings	15	28	94
6. Reading engineering drawings	19	22	94
7. Reading engineering drawings	12	36	94
8. Reading engineering drawings	18	30	97
9. Reading engineering drawings	13	44	88
10. Reading engineering drawings	14	44	96
11. Reading engineering drawings	18	12	85

With the experimentation in this new educational device many benefits have been reaped by Mahoning Valley and the vocational movement in Ohio. Following are a few:

1. Better quality job preparation for vocational trainees.
2. MDTA city programs incorporating P.L. Centers in educational structures in Ohio.
3. Joint Vocational Schools in Ohio are incorporating Programed Learning Centers in building plans.
4. Co-ordinator of Programed Learning Center at M.V.V.S. given N.E.A. 1967 award for outstanding work in Programed Instruction in U.S.A.

Mahoning Valley has also been able to help six high school dropouts receive their diplomas through the use of programed courses. This in itself is a great reward for our Programed Learning Center and its work.

Learning is the most important concern of our work in the PLC. We think that through the creation of their new educational tool we may be able to overcome some of our major problems. Much of our work at present is experimental in nature and it will take us sometime before we can really be sure our educational ideas and approaches are worthwhile.

Communications

This area of the curriculum has been completely revised to include instruction in:

1. Job orientation.
2. Future educational opportunities beyond MVVS.
3. Personal development.
4. Employment possibilities.
5. Environmental changes.
6. Business communications.
7. Common sense finances.

Special services

Special services require a staff as follows:

1. One speech and hearing therapist.
2. Two health and safety instructors (now changed to Adult Living).
3. One driver education instructor.

Speech and hearing.—The purpose for including this service is obviously the fact that a speech or hearing defect can and often is a serious job handicap. Past experience has shown that this is enough of a problem in our regular enrollment that a full time specialist is needed and desirable.

Adult living.—This area, which was new to the curriculum two years ago, has shown its value and usefulness to Mahoning Valley Vocational School trainees. Classes allow discussion and training in personal development, the nature of man and his environment, personal health habits, improving the environment, the "facts of life," the results of poor health habits, general safety habits, community health services, first aid, safe driving practices, and material and child health.

Driver education.—This area of instruction was added for several reasons. First, the trainees we work with need to learn the proper and safe techniques of driving. Secondly, the inability to drive is in most cases a job handicap which was shown by the research-follow up study completed last year. Third, the graduation of students in any of our auto training areas who cannot drive is completely inexcusable.

Much of the direction in the educational program has come by the suggestion and with the assistance of our guidance department. Guidance assists the instructional program by suggesting areas of instructional need, acting as a sounding board for general educational tone with action feedback by the guidance direct to the basic education supervisor and department heads, developing cooperative testing procedures and individualized testing, counseling for psychologically sound teaching, preparing information on the composition and character of training groups, record keeping and many additional supportive services. It is felt that guidance must be involved in curriculum through assistance and by suggestion. The counselors must have a means of making recommendations concerning the classroom situations. Thus curriculum revision is put on a much sounder basis.

Guidance services

This program involves the "total child" concept. In order to assist the trainee in receiving maximum benefits from his training experiences, the guidance department is involved with his total environment while at the Mahoning Valley Vocational School. This program also coordinates the efforts of the Bureau of Vocational Rehabilitation, Health Department, Trainee Accounting, Residence and Guidance Services.

The guidance services include:

1. Orientation of new trainees	Interviewing, group sessions and tours.
2. Standardized Testing	Determine potential and level of educational development.
3. Psychological Services	Special trainee studies and counseling.
4. Record Keeping	Cumulative file of training record, test data and reports.
5. Evaluative Services	Provide Ohio State Employment Service with record of skills attained.
6. Counseling Services	Personal, social, training progress, supportive to residence and pre-employment (assisting the Ohio State Employment Staff).
7. Referral Services	Bureau of Vocational Rehabilitation (on campus), agencies near school and home of trainees.

8. Consultive	Assist instructional staff and residential staff with program development and with individual trainees having special problems.
9. Trainee Accounting	Attendance records.
10. Group Guidance	Groups of trainees with similar needs, (married trainees, personal problems and pre-employment sessions).

The above guidance services require a staff consisting of:
Pupil Personnel Supervisor;
Head Counselor;
Pupil Accounting and Work-Study Coordinator;
Psychologist;
Social Worker;
Three Day Counselors and Three Evening Counselors;
Two Secretaries.

Work-study programs (Sec. 13, PL 88–210)

The work-study program at Mahoning Valley Vocational School was started July 1, 1965. This program was a two month summer program for July and August. The project involved forty boys earning a maximum of $45.00 per month and a full-time coordinator.

The proposed budget was approved by the Ohio Department of Education, Division of Vocational Education. Columbus, Ohio for a ten month program starting September 1, 1965. This program was set up for seventy boys at a maximum of $45.00 per month.

Trainees on work-study program are assigned to one of the following work stations:

1. Cafeteria helper
2. Clerk typist
3. Custodian assistants
4. File clerks
5. Groundskeeper assistants
6. Teacher assistants
7. Building maintenance
8. Telephone answering service
9. Mail boy
10. Laboratory assistants

Each trainee working on the work-study program is assigned to a supervisor. The supervisor helps the trainee develop and maintain a responsible attitude toward his studies and the performance of his job. This provides practical work experience under supervision.

Periodic evaluations are made by supervisors and work-study coordinator to determine the effectiveness of the program's objectives and the trainees' job performance.

The past year's experience with the work-study program indicates that many of the boys completed their training who normally would have had to leave the school due to financial difficulties. This program is necessary because some trainees enrolled are not eligible for youth allowances. Included are the sixteen year olds, school dropouts not out of school a year, and those with no financial resources. This practical work experience has been an effective supplemental aid to vocational training. For these reasons we will continue a twelve month program.

Benefits to youths

I. Many of the disadvantaged youth are lacking in social maturity. They are unable to plan ahead and forego any rewards for a later fulfillment.

A. The varied experiences in a residential program promotes and accelerates maturity. The area of financial responsibility is an example of this change; even though the trainee receives a very small allowance, the boys learn to plan ahead:

1. Expenses for traveling home on their weekend off.
2. Saving money in order to buy items of clothing.
3. Machine operators have purchased manuals.
4. Auto mechanics have saved, in some individual cases, up to $600.00 to purchase tools.

B. Another important outcome is the ability to get along with people. Studies show over 60% of the failures on the job is due to this reason rather than lack of vocational skills. The assistance from counselors in training to

get along with others in all types of situations and under all types of conditions, results in a more understanding trainee in the area of human relations.

C. Individual counseling, vocational and personal, is employed not only during the training hours but also during the off-duty hours. This service has had a definite effect on the training participation as well as behavioral changes.

D. Many of our boys were rejected by the Armed Forces as emotionally immature and/or educationally unfit. The residential program provides experience away from home of a semi-military atmosphere that is a bridge into the highly demanding life in the military.

II. There are many special needs which disadvantaged youth have that deter education and training that residential programs help meet. Chief among these are the medical problems.

A. Medicals needs are diagnosed more accurately when the trainees are in a 24 hours a day residential program. Treatment of these medical needs, with the Bureau of Vocational Rehabilitation assistance, is more assured. We have been running about 50% of our total enrollment receiving some medical assistance.

Cost analysis

The following two pages is an attempt to break down the costs in various ways in order that a comparison to other programs may be possible.

Due to the experimental nature of the Mahoning Valley Vocational School the reader can reasonably assume that stable on-going programs will operate at a lower cost.

Breakdown of training costs

Project	Trainees approved	Trainees actually enrolled	Trainees graduated	Approved educational training cost [1]	Average cost per pupil [2]	Approved training allowance, transportation, subsistence [1]	Average cost per pupil [2]	Approved total [1]	Average cost per pupil [2]
286-(1-19)	640	859	442	$899,912	$1,048	$1,188,603	$1,384	$2,129,318	$2,479
5111-(1-4)	95	90	53	58,091	645	135,392	1,504	193,483	2,150
5166	25	28	11	22,182	792	48,430	1,730	70,612	2,522
5186-(1-16)	805	833	433	953,292	1,144	1,379,512	1,656	2,332,804	2,800
6128-(1-4)	95	107	55	94,379	882	176,626	1,651	271,005	2,533
Totals	1,660	1,917	994	2,027,856	1,058	2,928,563	1,528	4,997,222	2,607

[1] Costs indicated are approved amounts and not necessarily amounts expended.
[2] Average costs are based on figures in column 3 which reflect trainees actually enrolled.

Student-year cost, Aug. 1, 1964, to June 3, 1966

Project [1]	Student-years [2] 52	Student-years [2] 48	Total cost per student-year [3]	52-week cost per student-year [4]	48-week cost per student-year [4]	52-week cost per student-year (operating) [5]	48-week cost per student-year (operating) [5]
286 (1-19)	350		$2,129,318	$6,083.76		$4,564.80	
		378	(1,597,680)		$5,683.11		$4,226.66
5111 (1-4)	30½		193,483	6,343.72		6,244.03	
		33	(190,445)		5,863.12		5,771.06
5166	10½		70,612	6,724.96		6,424.96	
		11	(67,462)		6,419.27		6,132.90
5186 (1-16)	327		2,332,804	7,133.95		6,129.43	
		342	(2,004,322)		6,821.06		5,860.59
6128 (1-4)	44		271,005	6,159.20		5,364.56	
		47½	(236,041)		5,705.33		4,969.24
Total	762		4,997,222	[4] 6,558.03		[5] 5,375.27	
		811½	(4,095,950)		[4] 6,158.05		[5] 5,047.37

[1] Training project approved under the Manpower Development and Training Act.
[2] Student-years compiled by dividing total student-weeks by 52 and 48.
[3] Total maximum cost of each project as approved; those funds not used are deobligated and returned to State or National pool.
[4] Cost per student-year determined by dividing approved amount by student-years.
[5] Cost per student-year determined by dividing approved amount minus costs other than normal operating costs (i.e., equipment, remodeling, security force by Air Force, etc.).

NOTE.—The Mahoning Valley Vocational School project is a pilot experimental program; due to experimentation, costs are higher than the normal manpower development and training project. Numerous techniques, methods and materials are now incorporated in other manpower projects as a result of MVVS experimentation:

Research project

We are currently conducting a research project that entails a thorough follow-up on each graduate or terminated trainee, interviews with employers, families, local school and employment service personnel. The interim report of this research project has given new insights and possible guide lines to be used in future plans for the continuation of Mahoning Valley Vocational School and similar projects. The final research report will be published in July, 1966.

The following evaluations of services are taken from our research files.

A. Marked attitudinal improvements:
   1. Are more courteous.
   2. Have greater self-esteem.
   3. Show more respect for adults.
   4. Have a healthier outlook on employment.
   5. Place greater value on education.

B. Trainee participation in community affairs:
   2. Blood donation program—144 pints donated. Scheduled to be first civilian agency in smallpox program; will receive smallpox vaccine on July 27, 1966 and have blood mobile donation on August 24, 1966.
   3. Participated in Golden Gloves.
   4. Were part of church league basketball and softball competitions.
   5. Entered competitive automobile racing team—have won 8 trophies this season.
   6. Participate in Armed Forces Day.

C. Acceptance by Industry (refer to employer comments in next section):
   1. Local.
   2. Statewide.

D. Placement: Counting Armed Forces and job placement:
   1. 1964: 79½ percent.
   2. 1965: 80 percent.
   3. 1966: Anticipated 90 percent.
   4. Research statistics indicate an overall job placement record of 80 percent (this figure includes graduates now serving in Armed Forces).

Interview comments from employers

Capt. Oliver W. Jones, Senior Chaplain, U.S. Coast Guard Academy.—"It is a pleasure to say that the quality of Larry's work has been outstandingly combined with a pleasant personality and a willing spirit. In April of 1966 he was promoted to the rate of Yeoman, Petty Officer, third class. This promotion was in the shortest time permitted under existing Coast Guard regulations. I have every confidence that he will be qualified and promoted to the next highest rate just as soon as possible.

"It is a pleasure to pass on this report to you and I'm sure it gives a rewarding satisfaction to you and the school you serve."

Personnel Manager, Jennings Manufacturing Co.—"Richard has just recently been put on a welder learner program . . . we find him neat, able to get along with fellow employees, punctual, and work conscientious. It is a pleasure to have hired Richard as a young man, who we believe, has real possibilities."

Service Supervisor, Sky-Chef, Inc.—"In answer to your request on the progress of Phil, he is an excellent worker and has a very good basic knowledge of his job as a food preparer. From my conversation with him and supervising his work, I would say that a fine job was done by your school in introducing him to cooking. If Phil is any indication of the caliber of your graduates, I feel sure more of them would be welcome at Sky-Chef."

Penn Ohio Supply Co., Data Processing Manager.—"In August, 1965, we employed a graduate of your school as a machine operator in the Data Processing Department. Jack was employed by our company because he had received superior training at the Mahoning Valley Vocational School. He has demonstrated that his training has adequately prepared him for profession in Data Processing. He has been of great value and has proven his capabilities in helping us to convert from punch card equipment to 1401 Computer. He has been remarkably efficient and responsible in carrying out these duties. It is therefore with pleasure that I most enthusiastically commend Jack and the Mahoning Valley Vocational School for the outstanding job they are doing in training their men of ability, competency, and talent."

Service Manager, Kempthorne Dodge.—"Andy was a good boy and a good worker. I feel Mahoning Valley Vocational School did a good job in training. Since he was in a training program I feel he had a good knowledge of mechanical work. He worked on used cars, brakes and tune-ups."

Restaurant Manager, Cleveland Hotel.—"Fred was hired as a bus boy and did an excellent job from the beginning. He was very well trained at the school, was a very good worker. I used him as captain of the bus boys to train the new boys."

Personnel Manager, Aro Corp.—"Richard's basic knowledge of drafting and math are very good. He is well versed in the usage of fractions and micro-finishes pertaining to drafting. There must be some real great instructors at Mahoning Valley Vocational School. I would hire six (6) more of your graduates right now with the same training that Richard has."

Service Manager, Pontiac Garage (southeastern Ohio).—"Conrad was well trained but I would not have hired him without his Mahoning Valley Vocational School diploma."

Foreman, American Standard Machine Co.—"I feel your trainees are very well qualified. I have rated Bob excellent in all categories. I would not usually hire a high school drop out without your type of training."

Personnel Manager, Pease Lumber Co., Inc.—"Richard was clean cut and handled himself well in the interview. He did well on his test. I would not have hired a high school drop out, in fact I would not normally even take an application but I hired him because he had vocational training and a diploma from Mahoning Valley Vocational School."

Local office personnel (OSES) comments

"When the boys return they look neater and better fed. Getting them away from their family was very good."

"Three Mahoning Valley Vocational School graduates passed the employment test, which is very difficult, at a large local industry, they would never have done so without Mahoning Valley Vocational School."

"I have noticed a difference in my referrals that have graduated. They have politeness, polish, and employer acceptability."

"I'm sold on Mahoning Valley Vocational School, it's really worthwhile and it gets the boys away from their home environment."

"When I visited your school I was very impressed with both the training and the facilities."

"Your school was the start of Job Corps. It initiated the entire Job Corps concept."

"The school did change one of our referrals personality. He was able to meet and talk with people and think for himself and he was uncapable of this before. He would not have been able to get and hold his present job without Mahoning Valley Vocational School."

"I have visited your school, my candid reaction: I'm impressed."

"I am highly impressed with the quality of instruction at Mahoning Valley Vocational School. Every boy referred from our area, whether it was terminent or graduate, feels the instructors are terrific."

"Almost all our returning graduates are impressed with your school. Most of them would like to return. Many good comments are made about the instructional staff and no criticism. Some thing you are doing is better than what our local programs are doing because placement is easier and job secured seem to be better. Your school is better equipped because of residence to do more than just training. You can work with personal problems and offer around the clock counseling, therefore your drop out rate is actually less than our local program. Your reputation has gotten around and employers are more ready to hire your graduates than local graduates. You are making headway in making them more socially acceptable. You can help when it is needed because they are there full time. Your school was the fore-runner of Job Corps."

Parent comments

"Mahoning Valley Vocational School was Jack's salvation. It straightened him out."

"Your school is a good thing and there should be more of them. It does things for boys for whom high school has done nothing."

"Mahoning Valley Vocational School gave my son a sense of responsibility. He is now going back to high school."

"Andy learned so much about the rest of the world while he was there. It gave him a better sense of values and of his own worth. I am very enthused over the whole program."

"More boys should take advantage of your school. Education is needed and will be more so."

"I would recommend your program to anyone. This is the only type of program that would accept a slow-learner. Living away from home helped him a lot. Training such as yours cannot be bought in Ohio."

"If it wasn't for Mahoning Valley Vocational School, God knows what he would be doing now. It was a wonderful opportunity and a tremendous benefit to Bob, he is really interested in making machine operator his vocation."

"Steve enjoyed the school and especially his instructor. It means a lot when teachers take the time and are interested."

"Your program gives a boy an opportunity to further his education, and learn a trade at the same time. It was very worthwhile."

"Larry's reading and education improved at Mahoning Valley Vocational School because the teachers really wanted to help. All male instructors meant a lot because he lost his father at the age of nine."

"I'm glad that Ed got to go. He wouldn't work in formal school and he didn't want to stay at home."

"Mahoning Valley Vocational School training made it possible for Don to enter the service. Previously he had been rejected."

"Ron was the first negro boy at the machine shop he is working in. They have hired others since. Your training was responsible for all this. He has talked a lot about it and I am so glad he went."

"When my son was home on week-ends he couldn't stop talking about the school."

"Living in a dorm away from home did a lot of good for my son. It made him more mature. Your program is a wonderful thing that boys couldn't get otherwise. It means a lot to the boys financially because of the special training they receive."

"Everywhere my son went with his Mahoning Valley Vocational School certificate he was interviewed and they took an application. Employers would never do this for him before Mahoning Valley Vocational School."

"I just can't thank the staff of Mahoning Valley Vocational School enough for the fine job they did in molding my son's life. Prior to his attendance, he was quite a problem to me since his father passed away. When he graduated he was a changed individual with the motivation to succeed in life."

"Mahoning Valley Vocational School should have been in operation many years earlier. As far as I'm concerned the best school in the country. It was a wonderful opportunity for my son to have a chance to further his knowledge since he was a slow-learner."

"Attendance at Mahoning Valley Vocational School was the best thing that ever happened to my son. What a change-wonderful training-Mahoning Valley Vocational School has done wonders for my boy. I really spread this around every chance I get."

"My son was so pleased with your school he wanted to return."

Student comments

Electrical Appliance Repairman.—"I would not have my present job if it wasn't for the training. It's a good program and I advise anyone who wants to further himself to go to Mahoning Valley Vocational School."

Accounting Clerk.—"The instructors were wonderful. They all tried to help us."

Auto Body Repairman.—"If I had another chance I would study more. It was a good experience and it gave me confidence in myself. You must have an education to get a good job."

Auto Service Station Mechanic.—"Darned right I would encourage others to go to Mahoning Valley Vocational School. It has everything."

General Office Clerk.—"The school is a good opportunity. It has given me a better outlook on life. It made it easier for me to get a job."

Baker.—"Mahoning Valley Vocational School helps a person grow up a lot."

Auto Service Station Mechanic.—"I enjoyed Mahoning Valley Vocational School a lot and got more out of it than anything else in my life. My instructor was wonderful."

Building Maintenance Man.—"Mahoning Valley Vocational School made me realize that I am growing up. It wasn't so helpful in getting a job, but the basic ed really helped me. I also learned to live with other people."

Electric Appliance Repairman.—"My class was the best class there. And my instructor was on the ball. The course was very practical with no nonsense. Everyone at the school gave me guidance."

Cook.—"Mahoning Valley Vocational School is a good thing. I have given good reports everywhere, and I really didn't want to leave. I learned much about getting along with others, and much about life. Everyone there helped me."

General Office Clerk.—"Besides the great training facilities and the instructors being helpful in increasing my knowledge in this vocation, it made me realize there were other gentlemen in a worse predicament than myself at the time. My instructor did an outstanding job."

Cook.—"A place where a person without an education can get an opportunity to better themselves and come up in the world."

Tab Machine Operator.—"Mahoning Valley Vocational School started me on a fine career. Of course I had one of the best instructors."

Stock Inventory Clerk.—"The school helped me become more mature. My instructor did a fine job. I feel with this training I can now better myself."

Auto Service Station Mechanic.—"I like my job and feel I have it because of my training. You should expand the program and get more boys in it."

Auto Body Repairman.—"We should have had at least a half day in reading. Both auto body and reading are important, but you can't go anywhere without reading it's very important."

Routeman.—"It was a real good thing. The opportunity of a life-time."

Machine Operator.—"Gives a back-ground to gain your destination and makes up for a failure to get a high school education."

Baker.—"I am baking in the service and I use all my recipes. My instructor was the man behind it all. I am able to work in my area in the service because of the training."

General Office Clerk.—"Mahoning Valley Vocational School gives a boy a second chance to make good in life."

Cook.—"I would encourage others to attend. If they don't they are missing a chance of a lifetime."

Auto Mechanic.—"I am very thankful for the opportunity to attend Mahoning Valley Vocational School. It has helped me in a million ways. You have wonderful instructors."

Tab Machine Operator.—"Mahoning Valley Vocational School is a great idea. You should expand to more vocations and impress basic education on everyone. I really learned the importance of education. It should be stressed more."

Accounting Clerk.—"I got along very well with my instructors because we understood each other. This is the first vocational school that pays a person to reach a goal in life and a skilled trade."

Auto Service Station Mechanic.—"My instructor was one of the greatest men I have ever known."

Welder.—"I suggest you get more teachers and open more schools like Mahoning Valley Vocational School."

Auto Mechanic.—"Mahoning Valley Vocational School is the best school. There is no other one like it."

Accounting Clerk.—"Many young boys need a helping hand in realizing the importance of education. My instructor was very much interested in educating the young adults at Mahoning Valley Vocational School."

Stock Inventory Clerk.—"I never would have been able to get this job without Mahoning Valley Vocational School. I appreciate the time the instructors took with me and I really didn't want to accept the allowance since I felt the chance for training was more than enough."

Electrical Appliance Repairman.—"Mahoning Valley Vocational School communications classes helped me to gain confidence in myself. I was shy and withdrawn and hesitated to participate."

Building Maintenance.—"My reading and math improved at least six grades while I was at Mahoning Valley Vocational School."

Accounting Clerk.—"Dorm life was an experience I never had before. It was a very happy one and I made many friends."

Welder.—"I feel my attendance was tremendously beneficial to me. Before I attended Mahoning Valley Vocational School the only jobs I could get were part time. Today I am employed as a welder making a very good salary."

A graduate speaks

Allen was a dropout in the 10th grade in 1962. His principal in high school reported extremely poor attendance, and that he had taken up with poor associates. After many conferences with this student and his parents, he was sus-

pended from school. He was allowed back on probation but he was completely indifferent to his teachers, his subjects and to education in general. He was not a discipline problem when he was in school. It was just that he wasn't in school very much. His high school records show he started smoking in the sixth grade, had repeated auto accidents and was cynical with no desired for education.

He came to the Mahoning Valley Vocational School after he received a medical discharge from the service for poor adjustment. His future looked rather bleak at the time of his arrival at the Vienna facility. He was one of the first two boys to register at the school. He wasn't happy about it, nor unhappy. Just indifferent.

Allen had a "you-gotta-show-me" attitude when he was interviewed upon his arrival. He completed the course, graduated, and moved to California. Recently this letter was received:

Hi . . . Thought I'd write you a letter so you could update your statistical files. I have been employed for the past month as a computer operator with the Corporate Agency, a subsidiary of the California Finance Co. We do the data processing work for three other associations. My starting salary was four hundred dollars a month, $4800 a year. The score I got on the IBM Computer Programmers Aptitude was the determining factor in my employment. However, I certainly wouldn't have obtained the job if it hadn't been for the education and start in life I received at MVVS. By start in life, I am referring to the initiative that was stirred in me at the school, to start overcoming my handicap of being a high school dropout, and the courage to further develop my desire to become a successful person, and help contribute to the betterment of the society we live in.

"I will be going to San Jose City College this fall and intend to continue my career in college indefinitely—for as long as I am able to read and write. I feel now that a person shouldn't stop his education in college after receiving degrees, etc., but should continue the learning process throughout this entire life.

"Although it has taken a year and 3,000 miles I hope that my success and perseverence may be an inspiration to others at the school who may feel they haven't a chance of becoming a successful person. It's certainly not too late for them if they have the initiative and desire. I think it might be a good idea if you make available to all the students, all the current books on positive thinking. I have read several and they certainly helped me in relation to the problem I was faced with. I think it might also be helpful to the students if they are familiarized with the six steps of the Scientific Method for solving problems. I've found they should be applied more often to the problems in life one faces as well as for the problems in textbooks.

"I have read several articles in various newspapers, expressing the concern of the public over the cost of operating schools such as MVVS. It's unfortunate that the public can't keep a few facts in mind: We are all human and apt to make serious mistakes in life, such as dropping out of high school. Some of the greatest men in history have made similar mistakes in their lives before reaching their important status. Then is it not also possible that some of us may possess the same qualities and if given the chance to get back on our feet may repay society many times in our accomplishments? Yes, it does take an awfully large sum of money to start these schools, but perhaps a few people should give it some second thought. You certainly won't find any of the spoiled brats you find in so many other schools, demonstrating and protesting the freedoms and rights that persons such as myself have learned to respect, because of the mistakes we've made. Too many, of more fortunate students, who graduate from high school and then go on to college seem to feel that these freedoms are owed to them and don't realize what they must do to keep these freedoms and earn them for their children.

"I intend, and I hope to, repay you and all the other people at MVVS in my accomplishments in the future and my contributions towards society and the betterment of man."

ATTACHMENT A

COOPERATING AGENCIES

1. Department of Health, Education, and Welfare.
2. Department of Labor—Bureau of Employment Security.
3. United States Air Force.
4. State of Ohio, Department of Education.
5. Ohio Division of Vocational Education.
6. Ohio Bureau of Unemployment Compensation.
7. Ohio Bureau of Vocational Rehabilitation.
8. Local Service Clubs.
9. Local and State Wide Industry.
10. Public Schools.
11. The Mahoning Valley Vocational School Corp.
12. The Trumbull County Vocational School.

ATTACHMENT B

A SELECTIVE LISTING OF EMPLOYERS OF MAHONING VALLEY VOCATIONAL SCHOOL GRADUATES

Armco Steel
Ford Motor Co.
Cleveland Post Office
LeBlonds
Firestone
Mid-West Tool Co.
Miller Meteor Corp.
National Tube
Bond's Clothing
Champion Paper Co.
Dominion Electric
Chrysler Corp.
Timken Roller Bearing
Youngstown Northside Hospital
American Screw Co.
Gray Drugs
Copperweld
National Tube
National Tool Co.
Superior Die and Mold
Warren General Hospital
Benita Aluminum
Homer Laughlin China Co.
Canton Mercy Hospital
Master Manifold
Commercial Shearing & Stamping
International Harvester
Ottawa Daybrook Corp.
Owens-Corning Fiberglas
Aro Corp.
Westinghouse
McNicholas Transfer
McCall Corp.
Republic Steel
Babcox Wilcox
Pennsylvania Railroad
General Electric
St. Elizabeth's Hospital
Pollack Steel
Vicon Welding
Goodyear Aerospace
Bobbie Brooks Fashions
American Shipbuilders
St. John's Hospital
Penn-Ohio Towel Co.
American Standard
Marion Power Shovel
Carbo Tool & Die
Republic Rubber
Hamilton Tool & Die
Fruehauf Corp.
Pepsi-Cola Co.
Wierton Steel
Pease Lumber Co.
National Seating
Lawson Milk Co.
Cleveland Aircraft
Roppe Rubber
Ohio Brass
Corundum Co.
Westbrook Corp.
General American
Watson-Atlas Corp.
American Steel
Stolle Corp.
Bessmer-Cooper Industries
Mansfield Screw Machine Co.
Harshaw Chemical Co.
Newport News Shipyard
Thew Shovel Co.
Crane Company
Ohio State Highway Department
Lombard Corp.
Warner-Swasey Co.
Bellows-Valvaire Valve
Buckeye Tool
U.S. Steel Corp.
Atlantic & Pacific Tea Co.
Boy Scouts of America
Ann Arbor Bank
Union Carbide Corp.
Vista Volunteer Corps.
Cincinnati Milling Machine
Cincinnati Public Library
Ohio State University
Standard Register Co.
Monarch Machine & Tool
Toledo Board of Education
Wenco, Inc.
Miami State University
Rockwell-Standard Manufacturing
Hanna Coal Co.
Continental Can Corp.
Roper Co.
Borg-Warner Corp.
National Rubber Machinery

OHIO IS LEADING THE NATION IN NEW EDUCATION CONCEPT

The root cause of urban poverty today in the U.S. is not prostitute mothers, drunken fathers, slums with rats and cockroaches, broken homes and racial prejudice.

The root cause is our snobbish, impractical, intellectually dishonest and misguided public school education system.

It is ill suited to most boys' and girls' real needs in our modern industrial and technological society and is geared mainly toward educating the 30 percent minority of young people bound for college and the tiny 14 percent minority destined to be graduated from college.

Our out-of-date, undemocratic and unworkable public school system largely neglects or mistreats educationally the 70 percent of young people not college bound and not wishing to be, and is therefore mainly responsible for creating thousands upon thousands of drop-outs, delinquents, unemployable and welfare recipients.

Determined to change the overall bad situation, the state of Ohio, under intellectually honest and dynamic Gov. James A. Rhodes, has taken the national leadership in trying to fulfill boys' and girls' real needs by providing them with the kind of vocational and technical education that enable them to find profitable employment with advancement for themselves and their families.

At Penta-County Vocational School and Technical College near Toledo, and at Timken Vocational High School in Canton, the students and teachers, along with city and state officials, laid bare for me the roots of our social problems.

At the Penta-County installation, young people from five counties near Toledo are rescued from the kind of all-day "book learning" public school education that was cruelly inflected on them by academic and sociological theorists responsible for the mess in our urban communities by claiming falsely that all boys and girls are equal and every boy and girl should go to college.

The Penta-County school district covers 1400 square miles, serves 500,000 people, and offers three levels of vocational education—an area vocational high school, a technical college, and an adult evening division.

THE SCHOOL DAY is about 19 hours in shifts and the buildings are in use seven days a week. The education aim is "to offer a program to meet the needs of students, business, labor and industry in the area."

A student at Penta-County spends three-fourth of his or her day on vocational subjects and one-fourth on academic subjects.

It was an inspiring experience in these times to see the marvelous results obtained at Penta-County and similar results at Timken Vocational High School in Canton.

Here were classrooms full of attentive, respectful, quiet and stimulated boys and girls hanging on teachers' words and bent on self-improvement.

I SAW EDUCATIONAL wonders at Penta-County and Tinken schools in Toledo and Canton. I believe I met the future elite in our nation—the boys and girls who will give it good citizenship and are developing in school the good qualities necessary for responsible community leadership.

In the historical past, Ohio has led the nation in being the home of future presidents of the United States, I believe it is now pointing the way toward developing future presidents of civic institutions, industrial enterprises, service groups and humanitarian organizations. The reason? Ohio is facing our nation's educational problems as they really are.

Today Ohio is pioneering in establishment of the educational development that can bring a bright future to our land.

While doing everything possible for the college future of 30 percent of young people, Ohio is beginning to give the other 70 percent their due so that as the young people put it—they won't "get done out" in school and can win out in adult life.

PIONEER VOCATIONAL SCHOOL HELPS DISADVANTAGED BOYS

At Mahoning Valley Vocational School near Youngstown, Ohio there is now taking place a unique pioneering effort in vocational training for disadvantaged boys from 16 through 21 years of age.

Set up at a phased-out Air Force base, the Mahoning School is operated by several state groups working together to solve the basic educational problem that led to hasty creation of the ill-fated Job Corps and similar poverty program activities.

The school, a residential training place, is a really good example of how seed money from federal funds can be used effectively and profitably by local and state officials working with educators and industrial executives.

During several hours conversation with more than 30 young men who were school dropouts and former delinquents in one way or another, I heard the kind of plain honest talk that explains more clearly than volumes of acedemic sociological studies exactly what these boys' problems are.

"I WORK BETTER with my hands than my head," said a palefaced, blond boy. "Here at this school they don't put the pressure on you to be what you don't want to be and can't be. They don't look down on you for wanting to be what you want to be."

"All that business about kids being equal is for the birds," said a youth about to be graduated from the school, where he studied mechanical drawing and with an industrial job waiting for him.

"I learned more math here at the drawing board that I ever did in school where most of the kids always were ahead of me. I just can't think so fast I couldn't keep up and the teacher just had to rush everybody along. My family is a mess and school was my chance to get away from them and ahead. But tryin' to go ahead at regular school and not learnin' a trade was too much, just too much!"

SAID A BOY with an intelligent face showing new-found maturity: "Everybody was telling us that if we didn't make it through high school and to college we'd be on the junk heap. My folks took out insurance to send me to college. They said they were giving me a chance to get ahead and do better than they did in life. Well, I've got a job waiting for me when I finish up here that'll pay me more than my old man is getting right now. I read better, write better, and talk better now and I like studying because I can see where it leads to."

Like all human endeavors, the present system at Mahoning School was arrived at by trial and error. Early mistakes are now corrected. I never saw a more self-respecting, disciplined, ambitious and purposeful group of young men than the "disadvantaged" youths now in residence at Mahoning Vocational School.

The pupil-teacher relationship is remarkably good.

It is not surprising that a veritable pilgrimage to Mahoning is taking place by officials in federal and out-of-state welfare departments.

Seventy-five percent of the so-called "problem" youths trained at Mahoning in courses lasting from six months to a year have found jobs and are keeping them.

"In vocational education," says Dr. Byrl R. Shoemaker, director of Ohio vocational education, "we weave together the principles of math and science, skills and technical knowledge into a mix which will help youth and adults to enter and adjust to employment opportunities or to upgrade themselves in their chosen field of work."

We should adopt new attitudes toward vocational education.

A terrible disservice is being done to our youth today, in my judgment, by intellectual leaders, insurance and banking executives, government and industrial leaders who keep on telling young people they are destined for poverty and inferiority unless they get a college degree.

Only 14 percent of young people become college graduates. Why not train the 86 percent so that they can answer the basic employment question: "What can you do?"

Today 60 percent of the American work force is in the service occupations. Why not train young people to fill and hold such jobs well and efficiently, always leaving the way open to advancement?

There always is "room at the top" for boys and girls determined to get there. But why neglect or mistreat educationally the vast majority filling the rungs of the ladder from bottom to top?

PART IV.—SUMMARY

We have reviewed in general terms the merits and success of our Educational System (Federal, State and local cooperation), the very basis of America's development into the strongest, most progressive country in the world. We discussed, again, in general terms, the trends and progressive nature of State vocational programs. Finally, we have given a more detailed report on examples of positive action in vocational education with regard to utilization and effectiveness of the Manpower Development and Training Act of 1962. I would emphasize the value of the capable leadership at all levels of the existing structure

of our educational system. Effective leadership must be motivated by a sincere feeling of obligation and dedication to society and its membership. Also, adequate financing is essential in the implementation and operation of practically any venture. However, neither leadership nor adequate financing can stand alone; but a combination of the two results in a very effective and reliable organization.

At this point in the history of the United States of America, as always, the world looks to us for examples of the good life, the proper approach to government and the problems each society inherits and develops. It behooves us to lead by example, not force, in establishing the feeling that: "Our way is best."

If we are to set this example, we must, by necessity, provide opportunities to all our constituents to develop skills that will encourage individual pride and self-esteem. Our free enterprise system flourishes only if skilled and competent people are available to carry out the tasks.

The existing educational system of the United States has the capabilities to accept the responsibility of providing such opportunities. The Vocational Education Division of this system has the machinery to build the program. Having some knowledge of the kind of people involved in vocational education, I am of the opinion that they would accept the assignment willingly. Speaking for the State of Ohio, I can assure you "we are ready."

As an example of a possible network of residential centers throughout the country; Ohio estimates a need for six such center, *500 students per center, requiring an initial investment of approximately 2½ million dollars for construction and equipment, and an additional two (2) million dollars per year for operation of each center. The total cost would be $15 million initially and twelve ($12) million per year thereafter. Use of existing facilities and equipment, of course, would decrease the initial costs. Hopefully, the present needs would decrease to the point of being able to phase out the residential center concept and attack the problem where and when it should be, at the local level through high school and regular adult vocational programs. This, of course, is strictly an estimate and would require a more thorough study to determine exact needs. I would assume that an average of three residential centers per state would meet the needs providing adequate programs be available to those youth not requiring the residential setting. Again, this is only an estimate and would require an "in depth" study of conditions in each State to firm up a specific overall program.

Ladies and gentlemen, please review the successful programs initiated and conducted by this and previous administrations and consider the logic of building on this success in order to cope with one specific problem that hampers our society: "unemployed, unskilled, disoriented youth." You hold in your hands an instrument that would authorize an existing organization to attack the problem enthusiastically, energetically and effectively.

I humbly urge you to take the following action.

PART V.—RECOMMENDATIONS

Considering the experiences of Mahoning Valley Vocational School and other successful ventures by our existing educational system, I would recommend that responsibility for the administration and operation of the present "Job Corps" program be transferred to the Department of Health, Education, and Welfare, United States Office of Education, as stipulated in Title II, "Residential Training Programs," H.R. 10682.

(Whereupon, a recess was taken.)

Chairman PERKINS. The committee will resume its sitting, and go ahead with your statement, Dr. Watson.

Mr. WATSON. I was discussing briefly a brochure published by the Office of Economic Opportunity, comparing Mahoning Valley Vocational School to job centers.

As I pointed out, the figures here are not completely accurate. I discussed briefly the cost of the program, and now point to program

*Each residential center would accommodate a maximum of approximately 500 students; this limitation of enrollment cannot be overstressed due to the value of individual identification with the total program.

achievement, dropout rate, which indicates 17 percent at Mahoning Valley, and 19 percent for Job Corps.

I do not know how these figures were determined, but our dropout rate is approximately 38 percent, and I don't know if this is any indication of all the figures.

Chairman PERKINS. You are basing this on the first 30 days, the ones that drop out within the first 30 days, from both areas?

Mr. WATSON. Yes.

Chairman PERKINS. That is your comparison?

Mr. WATSON. Yes.

Chairman PERKINS. Go ahead.

Mr. WATSON. All right, placement, then, 70 percent completion. Of course, I can't speak for placement of Job Corps trainees, or graduates, but our placements are verified to exceeding 80 percent of our graduates.

Back to the program offered at Mahoning Valley, and I will touch on this very briefly, we are now offering 14 different vocational areas, plus basic education, plus pupil personnel services, plus a residential program, and under the residential program, we have, of course, dormatories, food service, recreation program, many student activities, such as campus counsel, public relations, Bible club, choir, art club, community activities, clubmobile program.

Our students have given over 300 pints of blood this year to the local blood bank. Community Chest, $400 this year. They work with an orphans home, a county orphan home in remodeling the recreation room, and providing a Christmas party.

To hit very quickly as an indication of some of the cooperation we have extended and have received from the community, I guess the thinking of all of the people involved in the Mahoning Valley Vocational School project is it is an excellent project, something that has to be done, and I think on a much larger scale, but at the same time, I think the feeling is that if every school in the country offered adequate vocational training opportunities, there would be no need for such schools as Mahoning Valley Vocational School.

I hope that sometime within the next few years we get to this point of the Vocational Act of 1963 has started this thing going, and I think the progress that has been made in the last year, year and a half, indicates that we are going in the right direction.

The overall results of the Mahoning Valley project, I indicated the placement figure of over 80 percent, and I think probably just as important if not more important would be the attitudinal improvements of the graduates.

Some of the improvements that we have found through personal interviews with graduates, parents, employers, indicate that this group is more courteous, after being involved in the Mahoning Valley Vocational School.

They have a greater self-esteem, pointing again to the experience of its experiencing success. For many of these young fellows, this is the first time in their lives they have ever really experienced success, and another reason for this self-esteem that they are able to develop is the fact that the program is small enough, and interested enough in them that they do feel a part of it.

They are not just one of a mass, as they have been, some of them, all of their lives.

They seem to have more respect for adults. A comment we get frequently is "This is the first time in my life I ever really knew that adults cared about me one way or the other."

And I think this comes simply from adults that are sincerely interested, and I think this is something we need to keep in mind on any project of this nature, that we have to build into anything of this kind the individual worth and the self-esteem, in any kind of a people project that we come up with.

They seem to have a healthier outlook on employment. Many of them were unemployed, I think, prior to coming to the Mahoning Valley Vocational School, because they didn't want to be employed, and they have found that there is some satisfaction in being able to complete a job and complete it well.

There is an indication that they place a greater value on education in general, due to the fact that they have found that this can be a pleasant experience. Education is not necessarily drudgery, something to be pushed aside and fought, but it can be a pleasure.

As evidence of this, many of them go back to school, and get their high school diplomas. Many of them are given their high school diplomas through the general equivalency exam. Many of them go on to adult classes after leaving, and we have had quite a number that have gone on to college after leaving Mahoning Valley.

Again, there is much more detailed information in the prepared statement that would get into such things as techniques used in vocational and basic education. Some of the innovations that have come out of the Mahoning Valley project, such as program learning center, our success with this, our program instruction center, has now led to the State department of education, including a programed learning center in every one of their area vocational schools.

There are many things of this nature, again, that can be, that are spelled out in detail in the written report. I would like to go into the summary now, and give you more time for questions.

Chairman PERKINS. All right.

Mr. WATSON. In finalizing, I would say again that we have reviewed the merits and successes of our existing system of Federal, State, and local cooperation.

In general terms, the trends of vocational education, I think that trend is definitely progressing. The examples of positive action on the part of our existing system, and I would point to the value of the capable leadership that we have now at all levels, Federal, State, and local levels.

This leadership must be motivated by a sincere feeling of obligation and dedication to society and its membership, and I think this has to prevail at all levels.

Of course, we have to have adequate financing, but adequate financing will not stand alone, nor will capable leadership. The combination of the two can result in a very effective and reliable program.

If we are to set the example I think we are expected to set now as always the other countries of the world are looking to us for leadership on the best approach to Government, education, and a method of handling problems, and I think if we are to set this example as we should set it, by convincing them that our way is best, we are going to have to provide the opportunities to all our constituents to develop skills that will encourage individual pride and self-esteem.

I think the vocational educational division of our present educational system has the machinery to build this program.

In closing, I would like to ask again that you please review the successful programs initiated and conducted by this and previous administrations. I am referring specifically to the Vocational Educational Act that came out of this administration, and the Manpower Development Training Act that came out of the previous administration.

These are just examples of successful programs that we can build on. And consider the logic of building on this success in order to cope with one specific problem that hampers our society, and that is unemployed, unskilled, disoriented youth.

You hold in your hand an instrument that would authorize an existing agency to attack the problem enthusiastically, energetically and effectively. Therefore, I would heartily recommend that you consider these experiences, and would recommend that the responsibility for the administration and operation of the present Job Corps program be transferred to the Department of Health, Education, and Welfare, under Office of Education, as stipulated in title II, H.R. 10682.

Thank you.

Chairman PERKINS. Thank you very much.

We will withhold questions until we hear from the other gentleman.

The next witness is Mr. P. W. Seagren. Go ahead.

STATEMENT OF P. W. SEAGREN, DIRECTOR, LINDSAY HOPKINS VOCATIONAL SCHOOL, MIAMI, FLA.

Mr. SEAGREN. Thank you, Mr. Chairman.

My name is Philip W. Seagren. I am director of adult education for Dade County, which, of course, includes the Greater Miami area.

I have had the privilege on previous occasions to appear before this committee. The most recent one was on the 13th of April, when we were discussing appropriations for the Vocational Act of 1963.

At that time, we had some questions that concerned me considerably, which had to do with the attitude toward or about vocational education, and its status or its level, referred to as basement time of training, or things of that nature.

I plan to devote most of my comments, Mr. Chairman, along that line of making a point that we have been striving to have quality in vocational and technical education.

Now it is true in the early days, we had a dumping ground, with little or no standards. I think during World War II, we got into war production training, and we are working with advisory committees more realistically, and I think at that time, we started to develop along the lines of better quality programs.

This was followed very closely, of course, by the veterans' training after World War II, and then we have had subsequent acts which have enabled the vocational technical division to extend and expand into all areas for adults.

About this time, or shortly after World War II, we started to develop guidance departments in our programs. We set up pretesting, determined that the person had the ability, both in communications

and in math and in science, to be able to be occupationally employed at the end.

And we had to take time to develop those prerequisites.

I will say, however, that we never refuse any person 16 years of age or older, coming into our adult program. If they fail to come up to standards on communications or on math or science, we place them in an adult high school division, and help them to upgrade themselves, and then they move over into the vocational section.

Concurrently, across the Nation, we are working more and more with craft and advisory committees. I have a roster here that shows all of the various craft committees we have, some 60-odd committees that we work with that makes it possible for us to keep close touch with what is going on in business and industry. Not just paper committees.

They meet with us on a schedule three times a year at the very least, and in the case of electronics, we are almost meeting constantly to keep current with the times, but they help us to evaluate not only our course of study, they help us to evaluate the training itself, which is reflected in the end result of placements.

They also recommend instructors, so that we have qualified instructors coming from industry, who have the desirable working experience that is needed, and that goes right on through to where they help us develop higher standards on the type of quality that we have, so all in all, I would say that we have moved well forward in developing quality in our vocational and technical division.

With these craft committees, our placement through their efforts has been increasing over the years, and I think in our regular vocational program, we have better than 90-percent placement in almost any category that I could mention, and I will leave a brochure here that will show you some 300 courses that are available at Lindsay Hopkins and its 13 branch centers.

We maintain a current enrollment, throughout the year, that varies between 19,000 and 21,000 adults that are going to school. That is the county as a whole, and our actual registration showed that 65,000 individuals attended school at the Lindsay Hopkins and the 13 branch centers last year, so I think that that does indicate that the people in Dade County appreciate what we are trying to do, and they are upgrading themselves, and of course becoming more employable, or upgrading themselves to a better or higher job.

One-third of this group are adults going in a high school program. They are now either working for a high school diploma or working just to take additional courses for their own interest.

I would like to stop now and refer to an emergency training program that happened in Dade County several years ago, and we are taking about emergency programs here today.

That has to do with the Cuban refugees that came into Miami and Dade County many years back. I had the pleasure of working out a plan with out of the Washington officials as to how we could go about financing this training for the Cuban refugees.

I have had some experience with the redtape involved in MDTA, or in manpower training, and I have been studying a way to go back to a similar program that we had during World War II, where we paid them by the hour.

So with the contract with the Washington office, dealing with the emergency for the Cuban refugees, I had a one-page contract, whereby we stated that every classroom hour would be 48 cents an hour, and every shop hour would be 60 cents an hour, and we kept track of that actually on our roll books, where we marked by the hour in attendance, not present or absent, and as a result, we paid for the salaries, the supervisory cost and supplies, and even replaced some of the equipment.

We have heard figures mentioned here previously today, and cost that goes into several thousand dollars.

Here is a program that has functioned for a number of years and is still operating in our program, where if we took a thousand hours of occupational training, that would only amount to $600.

These are realistic figures, and we are operating with it. We have a separate accounting system that can verify it. In the matter of a few weeks, because the influx at that time was coming in tremendous numbers, we had 7,000 Cuban refugees enrolled in English foreign-born classes at one time, and that continued to expand over a period to where we ended up at the end of a 3-year period, almost to the very day, we had enrolled a hundred thousand Cuban refugees.

At the present time, for our fiscal year just closed, we have 22,900. That is in addition to the other figures I have mentioned, over and beyond the regular program.

We have also handled manpower training in our stride, as has been indicated by the previous speaker, and we, too, are doing better than 80 percent on the manpower training program.

Unfortunately, the numbers are small because the funds are not available to our county in the amounts we would like to have, but with our large adult program, it hasn't hurt us any, because they are going to school on their own.

Just a few weeks ago, the Director of the Neighborhood Youth Corps came to me and he had a problem. That isn't the first time we have sat down to talk problems in the OEO program.

He was concerned that of the 500 that are in the Neighborhood Youth Corps for metropolitan government, and the 450 in the south Florida group that is sponsored by the Catholic Welfare Bureau, that the trainees were not going into classes in basic education as they should in accordance with the plan.

We checked our records, and I would like to just quote from the supervisor of statistics in our Lindsay Hopkins Center. He said:

> The Director of Metro Group informed me that 250 of his 500 enrollees are under the registration certificates, indicating that they would register at Lindsay Hopkins or one of its branch centers. However, he claims that only a hundred are now attending. According to our records, only 60 from both metropolitan group and the South Florida group signed up for grade placements in January of this year.

And speaking with the principal of one of our branch centers, he claims he has approximately 30 registered for classes at the beginning of the trimester, which was in May, and by the end of May, only nine were still in class.

I feel with our experience and diversity and flexibility, and our training, whether it be in a high school program or in the adult division, that we would be in a much better position to absorb any type

of educational training and occupational training in the OEO Division that could be absorbed with our present staff without any difficulty, and we could move ahead just like we did when we took over the assignment of training all these Cuban refugees.

That briefly is my comments, Mr. Chairman.

Chairman PERKINS. Thank you very much.

Go ahead, Mr. Ramey. Delighted to welcome you here, as being from my own congressional district, and to my way of thinking, you operate one of the good vocational schools in the country. One of the very efficient schools.

Go ahead.

STATEMENT OF GEORGE RAMEY, DIRECTOR, MAYO VOCATIONAL TECHNICAL SCHOOL, PAINTSVILLE, KY.

Mr. RAMEY. Thank you, Mr. Chairman.

I am director of the Mayo State Vocational Technical School at Paintsville, Ky., and I certainly appreciate the opportunity of appearing before this committee.

Paintsville is located in eastern Kentucky, right in the heart of the depressed area of eastern Kentucky.

This school offers a total of 17 different subjects. Thirteen of these are trades, four are technical subjects. Most of the courses are of 22 months duration.

It has an enrollment of approximately 500 students. This is the out of school youth and adults, 500. The average age is approximately 22. Approximately one-third of the enrollment are girls.

I speak of the employment record, and maybe this is bragging just a little, but for more then 10 years, this school has placed better than 95 percent of its graduates. This past year, we graduated 280-some-odd students. We not only place the students, but after the students are placed, they keep their jobs.

We actually don't have any educational background as a basis for the student entering. We let any student enter who sees fit to enter our school. However, on the other hand, we work very closely with all the high schools, and we much prefer that a student continue his academic education as far as possible before he comes to our school.

I get a little concerned, Mr. Chairman, sometimes on these short-term courses. So many times, these people who are put in these short-term courses are the very people that need, to me, more of an educational background in social studies, and all that.

These people are going to have to live with other people, they are going to have to be citizens, and we hope that they form their place in the communities, and as a result, my institution makes every effort that is humanly possible, we think we do, to encourage the boy and girl to get as much academic education as possible before they come to our school.

As a result, our enrollment is about 85 percent high school graduates.

Chairman PERKINS. Eighty-five percent high school graduates, your enrollment has been?

Mr. RAMEY. That is right.

But they do come from very low-income families. We feel that these people need more than just training. I would hope that we would never reach the place in our Nation that we just train people to do one certain thing. It should be broader than that, if they are going to be citizens of the Nation, in the future.

The thing that concerns me more than anything else about our school is the fact that while we have approximately 500 enrolled, year in and year out, we have a waiting list of boys and girls wanting to enroll, and we have to deny them enrollment although we are making some progress under the 1963 Vocational Act.

We will get a building within the next year or so that will accommodate some 250 additional students. I don't think anybody is any better acquainted with this, Mr. Chairman, than you are, because you get letters continuously from our people putting pressure on you to try to get them in my school.

Chairman PERKINS. I write a few letters to try and get people in the school, too.

Mr. RAMEY. That is right, but we just simply don't have room to do it. We need at present at least an enlargement of 800, or an enlargement for at least 800 more students.

Now we are talking about this war on poverty. It seems to be the theme of the meeting today. You know, these same people that are trying to get in school, and want to come to school, and some way or somehow can arrange to go to school, whether it is on the work-study program or the student loan, or the borrowing from some neighbor, are the very people that we are denying admittance to the school, and these same people then will come back later on in future years, and will be on some relief program, and they will be paid to go to school.

To me, that just doesn't make good sense. Some way, we need to expand this to take care of the needs of the people that we have today, and fight the battle on poverty before it gets in the shape that many people have gotten into, and admit these people when they want to be admitted.

Many of these people are from what you might say in our area the middle class, which may be wouldn't be the middle class someplace else, but these same people will be relief clients in years to come, and their families will be deprived of the things that we feel that people, any people, should have, if they are not getting an opportunity to further their education.

To me it is the most pitiful thing in the world that boys or girls will try to better themselves by going to school and getting an eighth grade education or a high school education, and then have a road-block placed in front of them: "I can't get into a trade school, simply because they don't have room for me."

Right along with that, there is something that I don't imagine should be brought out here, although I think it should be in the record some place, and this is this dormitory business. We have a boys' dormitory where we house approximately a hundred students. We can do that very inexpensively to the school, and to the student. But we don't have any dormitory facilities whatsoever for the girls.

Our boys' facilities should certainly be enlarged, and we certainly should have girls' dormitories, if an area school is going to be an area school.

Now I am talking about an area where it is fairly sparsely populated, not in the large metropolitan district.

If it is going to be an area school where we can have a broad offering, that people want, to me some way, we just have to find ways of building dormitories, so these people can come in and have some supervision while they are still young, and some place that they can live, and get their room and board at a price that they can afford to pay.

And I have always wondered why in the world we can't have something similar to the way the colleges have it, that maybe we could retire bonds, or retire the money that it takes to build these dormitories, as we collect the money.

To me, that would be one of the greatest things that could happen to my school, the Mayo School.

There is another point there that I think that too often we overlook. Our people are a little hesitant to leave the area, sometimes. We don't have any employment up there. If we had employment, we wouldn't have a depressed area, and as long as it is a depressed area, we just don't have the employment, so they have to go someplace else, and it is bad.

I have neighbors that have to leave and go to Ohio and Michigan, and sometimes, we feel that too many of them leave. I heard a little joke the other day that a lot of people thought that this brand of car, the "GTO," meant "Going to Ohio," that so many of our people do go to Ohio.

But as I say, they are hesitant to leave. On the other hand, I believe, and I can't give you the figures, but I am sure this would be true, that the students that come in there from the heads of the creeks and board in Paintsville are much more prone to leave and go someplace else to get a job than the student that comes directly from the head of the creeks, and he expects to go all the way at one big leap, and it is quite a leap to come from the head of Cow Creek, Congressman, to Chicago or to Washington.

But if we just had these dormitory facilities, I think the social aspect would be worth the effort itself.

Another thing that always concerns me about our school is why we can't participate in a school lunch program. Many of our students have trouble buying their lunches. Many of our students have in the past had only two meals a day, and they are not too good.

Why in the world can't people participate in that, if they need it? To me, I think we get program-happy sometimes, and forget the individual, and I think some way that we need to look at the individual: What does this boy or what does this girl need in order to develop him into the thing that he can be developed into?

I don't want to take up a lot of time, because frankly, I don't know how you people stand these hearings day-in and day-out, but I would like to close by saying that I hope we don't have duplications in training. I just don't think we have the money, or don't think we have time, don't think we have room for duplications.

I do think that the vocational education has done and is doing an outstanding job in training for specific trades, so I would hope that we wouldn't have duplications.

My only criticism of vocational education is we are just not expanding fast enough, and we are not doing enough of the things that I feel that we all know should be done.

And I thank you.

Chairman PERKINS. Let me thank all of you gentlemen, and state that I largely concur in every statement that has been made, and I particularly concur in the statement that you have just made, Mr. Ramey, that we are not doing enough in the field of vocational education.

I would like for us to go a lot farther, and neither do I want to see any duplication anywhere.

Now I have always felt that we were almost a generation behind in vocational education. In late years, we have made tremendous progress, but we have very few residential centers in the country today, and I am particularly proud of the school in Vienna, Ohio.

I think this is a great institution, and I just wish that more States had inaugurated residential schools years ago:

We may say that we are in an infant state, insofar as residential centers are concerned in vocational education, and I think all of you gentlemen will agree with that statement.

Is that statement correct, Mr. Watson? We are in an infant state of residential centers? Do you agree to that?

Mr. WATSON. Yes.

Chairman PERKINS. All of you agree with that. Well, with that in mind, what percent of your students, Mr. Ramey, out of the 500 enrolled, are now high school graduates?

Mr. RAMEY. Eighty-five.

Chairman PERKINS. Eighty-five percent. So, out of 15 percent of the 500 that are not, how much education would you say the other 15 percent have when they come to educational school?

I am not talking about your MDTA programs.

Mr. RAMEY. You are talking about the MDTA, too?

Chairman PERKINS. No, just the other program.

Mr. RAMEY. The others will average about the eighth grade.

Chairman PERKINS. The others, about the eighth grade.

Would you say the majority of that other 15 percent would have some high school education?

Mr. RAMEY. I didn't quite hear you.

Chairman PERKINS. Would you say the majority of the remaining 15 percent would have some high school?

Mr. RAMEY. Yes.

Chairman PERKINS. Now does that account for about the same ratio in your school system, Mr. Seagren, in Miami?

Mr. SEAGREN. Well, because of the size of the program, Mr. Chairman, I don't think I could give an accurate account on it, although we——

Chairman PERKINS. What is your enrollment, though?

Mr. SEAGREN. The current enrollment in the entire program, in the Lindsay Hopkins Center and its 13 branch centers, runs around 18,000 to 20,000 at any one time.

Chairman PERKINS. Eighteen to twenty thousand. Just what percent would you say are high school graduates?

Mr. SEAGREN. Well, I don't think it would run quite as high as 80 percent, because some of the areas that we are working with, with adults that have been out for quite some time, dropped out in probably the eighth grade, a long time back, and are coming back at various age levels.

So that would be hard to state, but I do say this: That in the tests that we give them to determine the levels that are required for a certain type of occupations, we have a lot of high school graduates that come to us that rate around the 10th-grade level.

Chairman PERKINS. In other words, you test all of your students before they come there?

Mr. SEAGREN. Yes.

And I also want to say, Mr. Chairman, that we don't deny any of them in the training program, because we put them into the adult high school program, and built them up, and then put them over into our vocational program afterwards.

Chairman PERKINS. Let me ask you one thing.

In writing your vocational programs, you have a lot of applications that you don't serve, too—is that right, Mr. Seagren, in your area?—that can't be admitted.

Mr. SEAGREN. No, I think we take in anybody that wants to come to the program, and because of the diversity.

Chairman PERKINS. After you give them tests?

Mr. SEAGREN. Yes.

Chairman PERKINS. In other words, there is freedom according to your own regulations.

Mr. SEAGREN. Right.

Chairman PERKINS. What are your regulations that you screen them by?

Mr. SEAGREN. Well, our psychologists have taken these regular standard tests that all high school students take to determine grade levels.

Chairman PERKINS. In other words, you give regular standard high school tests to all of them that are admitted to your institution?

Mr. SEAGREN. Right.

Chairman PERKINS. And if they fail this test, they are not admitted?

Mr. SEAGREN. If they fail this test, they go over into our adult high school program, and continue on that, until they come up to the minimum standard, and then they move over into the vocational program. We don't turn them away, Mr. Chairman.

Chairman PERKINS. Yes.

Now my point is, here there is room for the Job Corps without any overlapping with the regular vocational training courses. I am talking about the youngster that is at the bottom of the totem pole, that must, that needs basic fundamentals in education, needs extensive counseling, the youngster that has dropped out of the third grade or the fourth grade, or the eighth grade, that has never had a job, and in many instances, are juvenile offenders, and above everything else, just are not recognized any more by society.

That type of youngster, you don't touch, do you?

Mr. SEAGREN. Well, I am sure we do, Mr. Chairman, because they are coming in there from all over the country.

Chairman PERKINS. I am talking about the youngster that is lacking in basic education. You are not touching that youngster, are you, in your vocational school?

Mr. SEAGREN. I think we are.

Chairman PERKINS. What about you, Mr. Ramey?

Mr. RAMEY. I am afraid I would have to plead guilty to a large extent on that. We don't deny anyone admittance, but to me, and maybe I am wrong here, maybe we are too concerned about the future of this individual, maybe we are too concerned about his getting a job and keeping a job.

In today's world the skilled tradesman some way just has to have some educational background. He just can't come in without being able to read and write intelligently and do fairly complicated mathematics, and become a skilled tradesman.

Now there may be semiskilled, and we just haven't developed them in our school.

So at the present, no; we are not taking those students. That is, they are not coming, because they know that they can't do the work that is set up in this course for them.

Chairman PERKINS. Your dropout rate: Is it comprised largely of youngsters that are lacking in basic education at your vocational school?

Mr. RAMEY. Our dropout rate is not tremendously large at all; but on the other hand, the news is out, good or bad, in our whole area, that if a boy wants to be an electrician, that there is quite a bit to being an electrician, so people just don't like to fail. I don't like to fail, and you don't; so he just doesn't come in and apply, and that is the person that I think that we all should be much more concerned with than we have in the past.

Chairman PERKINS. Well, you have visited Job Corps, have you, Mr. Ramey?

Mr. RAMEY. No, sir, I haven't. I am ashamed to say I haven't, but I haven't.

Chairman PERKINS. You do know that from what knowledge you have obtained that they are giving special attention, special basic education, and special training to this type of youngster, at the bottom of the ladder.

Do you understand that?

Mr. RAMEY. Yes.

Chairman PERKINS. Vocational schools are not equipped to do it.

Mr. QUIE. I should have taken exception with you. I found this interesting that you keep asking Mr. Seagren and Mr. Ramey these questions, and Mr. Watson runs a school which is very comparable.

Chairman PERKINS. I will get to Mr. Watson.

Mr. QUIE. A very comparable program to the Job Corps, in comparison of the job vocational education can do.

Chairman PERKINS. The reason I am taking these two gentlemen separately is because they run a different institution from Mr. Watson.

Mr. QUIE. I did not mean to infer that they are incapable of taking, only that all members of the panel are qualified to discuss this subject, including Mr. Watson, and they should all be questioned.

Chairman PERKINS. You did say, though, Mr. Seagren, that you tested all of them that came to your institution.

Mr. SEAGREN. In the occupational areas, yes.

Chairman PERKINS. And that test was equivalent to a high school education.

Mr. SEAGREN. No, no, I am sorry if you have drawn that impression.

If a person is going into auto mechanics, we accept them at an eighth grade level on mathematics. We find that that experience is sufficient to do it.

Now it is moving up because of the complication of employment.

Chairman PERKINS. How many youngsters in your school do you have below the eighth grade level, Mr. Seagren? If any?

Mr. SEAGREN. We have a lot of them. We are not requiring that they be high school graduates to take a course. If we find out that they need eighth grade math to do a job.

Chairman PERKINS. I am talking about your straight vocational education.

Mr. SEAGREN. That is still at all levels, depending upon the type of occupation they are going into. It could be an eighth grade level for one type of occupation, it might be a tenth grade level for another.

Chairman PERKINS. What do you have for a fifth grade level youngster?

Mr. SEAGREN. We put them into what we call operational type of programs, rather than going into a trade, and we take them at any level, in that case, for just job operations.

Maybe filling station attendant, for example.

Chairman PERKINS. How many do you have of those?

Mr. SEAGREN. Well, out of according to the enrollment of some 18,000, 19,000, we may have well over 500, in that category. Maybe more.

Chairman PERKINS. Would you document for the record the education and equivalency of your youngsters that are now enrolled? I imagine you have that information available where it would not be difficult, any difficulty.

Mr. SEAGREN. No, I don't have that at hand, because I can say this: That the average age of our group going to school may be up in the high twenties, or may be in the low thirties. That is the average age, but we have a sizable group of dropouts that are, or potential dropouts that the guidance department and principal of the high school refer to us, because they are not adjusting in a high school atmosphere. They come down to us and they continue right in our program with the adults, and that group carries on. Your percentage dropouts with these youths is less than 5 percent.

Chairman PERKINS. Now we have provided in our Vocational Education Act of 1963 that in accordance with any approved State plan, such funds may be used—

*** * * for any or all of the following purposes: Vocational education for persons who have academic, socio-economic or other handicaps, and permit them to succeed in a regular education program.**

Do you have a program of that kind?

Mr. RAMEY. Yes, we do.

Chairman PERKINS. How much money are you spending?

Mr. RAMEY. That is made up right in connection with our regular high school program, so that is absorbed in our regular instruction personnel. I wouldn't know the cost.

Chairman PERKINS. That is absorbed in your regular program?

Mr. RAMEY. Regular, comprehensive, high school program.

We take them in at a lower grade level there, because we can help them in the lower level of mechanical training again, or occupational training, and at the same time, give them their basic education subjects.

Chairman PERKINS. What would you say was the average educational attainment level of the people who attend your institution, your enrollees have?

Mr. RAMEY. I would say the adult division would be above the 10th grade level.

Chairman PERKINS. Adults, above the 10th grade level?

Mr. RAMEY. Adult division.

Chairman PERKINS. And below that, below the adult, what would it be?

Mr. RAMEY. You say below the adult, you are over in the high school program.

Chairman PERKINS. You were talking about 21 years of age, weren't you? When you said the adult level?

Mr. RAMEY. Oh, yes. That is in our adult division. My whole remarks were devoted to adult education, because I am not in the high school division.

That is operated separately, in our county.

Chairman PERKINS. You would say about 10th grade?

Mr. RAMEY. About that. There is a long slope to that, though, because it goes down to eighth or seventh grade, in many classifications, and in our dental assistant program, for instance, those are high school graduates.

It depends again on the nature of the course.

Chairman PERKINS. Don't you agree with me that one of the principal problems of vocational educators today is to learn how to deal with the extremely disadvantaged youngster that is at the bottom of the ladder that has never had any basic education, that does not know how to read and write?

Do you consider that one of the principal problems of vocational education today?

Mr. RAMEY. Yes, and I think we are handling that, right at the present time. Right along with our regular program. And we even are having referrals from those that have been convicted of some incidents by courts, and we take them in and help them to rehabilitate.

Chairman PERKINS. Do you consider that one of the great problems of vocational education, Mr. Ramey?

Mr. RAMEY. Well, I think it would be for me. I wouldn't know about the rest of the country, because we just haven't had a tremendous amount of experience along that line.

Chairman PERKINS. Don't you feel that the experience that we are obtaining now from the Job Corps in dealing with that type of youngster can be fed back to the vocational schools, the secondary schools of the country, and this can be most useful for the whole program in the future, in developing residential centers?

Mr. RAMEY. Yes, if we are going to get into that type of training, some place, there is going to have to be some research and some experiments with it.

Chairman PERKINS. What is your feeling, Mr. Seagren?

Mr. SEAGREN. We are actually taking a lot of those from the Job Corps right into our program right at the present time. They are attending our school at the same part time while they are in the Corps, and some of them have by working with the adults in our program, in some of these basic education subjects, have moved over into our program to continue basic education, then over into vocational.

We don't lose them.

Chairman PERKINS. I want to visit your institution some time, Mr. Seagren. I know that it is outstanding institution, and I still feel that none of us, none of our institutions are infallible, but this is an area where we can benefit tremendously from the knowledge that we are now getting from the Job Corps.

Have you visited the Job Corps?

Mr. SEAGREN. No, members of my staff have, but I haven't.

Chairman PERKINS. You have not, and you are not acquainted with the curriculum, or this special education and training they are giving this particular youngster?

Mr. SEAGREN. My staff is, because they helped them develop some of those in the Job Corps. We have been working jointly with the Job Corps group, and with the Neighborhood Youth Corps group, because we meet once a month with the coordinating committee, and exchange ideas on that.

Chairman PERKINS. You do not operate a residential center in Miami, do you?

Mr. SEAGREN. Well, Lindsay Hopkins is considered an area vocational school, because we have students from all over the country that come there. Not just confined to Dade County, Fla., so I would say it would be considered an area training program.

Chairman PERKINS. Now Mr. Watson, Mahoning Valley has a great reputation, and I know it is an outstanding institution, but tell us, who are the students, how disadvantaged are they, and how many are functionally illiterate, or have about a fifth grade education?

Mr. WATSON. Well, of course one test, one indication of the degree of being disadvantaged would be their level of educational attainment, and now as in the past 3 years, we have had approximately 50 percent high school dropouts and 50 percent that have graduated from high school, but still unable to get a job because they did not have that skill required.

Chairman PERKINS. You would say you had a dropout rate of about 50 percent?

Mr. WATSON. Our enrollment would include 50 percent high school dropouts and the other half would have completed high school, but were still considered unemployed or unemployable because of lack of vocational skill.

Chairman PERKINS. How many of them, would you say, that would average, have some high school, 75 percent of your total enrollment of 485?

Mr. WATSON. I would say 50 to 75 percent of the people that have dropped out dropped out above the eighth grade.

Mr. QUIE. Would the Chairman yield?

Chairman PERKINS. Yes.

Mr. QUIE. Do you know what the figures are for the Job Corps?

Chairman PERKINS. Well, yes, we can get those figures. They have been put in the record. Maybe I am wrong.

Mr. QUIE. I don't recall them offhand.

I know we heard about the fifth grade.

Mr. HAWKINS. It averaged, as I understand, below the eighth grade. The reading only, I think, was about fourth grade, fifth grade.

Mr. QUIE. That is something different. Maybe all it is is lower reading average.

Mr. HAWKINS. But the average is still below the eighth grade.

Chairman PERKINS. You have the figures. Could you give them to us?

Mr. DAVID GOTTLIEB (Associate Director of Job Corps for Plans). Twelve percent of the boys are high school graduates, and 40 percent have been classified as functional illiterates, which means reading below the third grade level, sir.

Mr. QUIE. What percentage have had some high school?

Mr. GOTTLIEB. Thirty percent have had some high school but only 12 percent have finished high school, and almost 40 percent are classified functional illiterates, which usually traditionally means reading below the third grade level.

Mr. QUIE. And some of those may be high school graduates too?

Mr. GOTTLIEB. Twelve percent of the total Job Corps population, males, are high school graduates.

Mr. QUIE. And they may be functional illiterates?

Mr. GOTTLIEB. Yes, there is very little relationship with how well they read.

Mr. QUIE. And I think it would be well to have your name for the record.

Mr. GOTTLIEB. I am David Gottlieb. I am the Associate Director of Job Corps for Plans.

Chairman PERKINS. Go ahead with your answer.

Mr. WATSON. We have had, with a population of 400 students, our typical number of nonreaders would run, or, maybe 15 or 20, in this group that were completely illiterate, or nonreaders.

The average reading level of our students has been running fifth and sixth, on fifth and sixth grade level.

Mr. QUIE. About the same as the Job Corps?

Mr. WATSON. Yes.

Chairman PERKINS. Go ahead.

Mr. WATSON. I am not sure how far you want me to pursue this as to the characteristics of the background. Do you want to get into the social problems our trainees have been involved in before, or scrapes with the law? I would have no accurate figures, figures indicating the exact number, but I do know quite a number of them have been in several scrapes with the law, and the testing that is administered when they enter Mahoning Valley is not to eliminate anyone, or not deny them entrance, but to determine exactly what area they should be in.

In other words, we test them and then channel them into that area that they think would be the proper area, according to their interest, their aptitudes and their abilities, and of course, I think it is essential that they need to be in that area that they have the best chance of becoming successful, and they agree with this.

They don't want to try something that they have very little chance of being able to succeed in.

As an example of this, I have a survey here that was conducted in one of the counties in Ohio that compared the referrals to Job Corps.

Chairman PERKINS. Let me ask you some questions.

You stated a cost per trainee, I believe, was $2,500, down from what figure, did you state, a while ago?

Mr. WATSON. This cost was $2,680, I believe.

Chairman PERKINS. For a period of 6 months?

Mr. WATSON. Well, not necessarily. This is for the number of students. This is the result of dividing the amount of dollars that are approved for the project and the amount of students.

Chairman PERKINS. And the project, usually the average length of the project is how many months?

Mr. WATSON. They run from 6 to 12 months, so I would say the average length would be 8 or 9 months.

Chairman PERKINS. Now what about the hidden costs for improvement, staff training, educational materials, schooling, medical-dental care, travel, placement, and so forth?

Who pays that cost?

Mr. WATSON. This is included in the cost.

Chairman PERKINS. Do you mean that you furnish them medical attention?

Mr. WATSON. Right. These students receive a training allowance of oh, probably the youth allowance would be $20 per week, and they, the students themselves pay for insurance policy, hospitalization policy, takes care of part of the medical expenses.

We have a medical service, a nurse on duty at all times, and a medical director, and part of this expense is absorbed through—we have a unique setup as far as the residential phase of our program is concerned, and that is, the total budget of a residential phase of our program comes from the subsistence pay that the students receive.

Chairman PERKINS. The way I understood your figure a few moments ago, the $2,500 did not include the expenses, such as medical, dental, clothing allowances and allotments and transportation.

Mr. WATSON. Yes, it does.

Chairman PERKINS. You mean that it does?

Mr. WATSON. It does.

Chairman PERKINS. And the actual training cost would run in the neighborhood of about $1,400. The total cost, generally the cost, the nontraining costs are about the same as the training costs, so we are up in the neighborhood of 26, you are saying 25.

Mr. WATSON. I am saying 25 or 2,680. This is the figure that we were using at the end of last year, and this includes not only the administrative costs of our referral or referring agency, Ohio State Employment Service, that portion of the staff that is involved in this, it also includes training allowances and subsistence pay to the students, transportation to and from school, as well as their training costs.

Chairman PERKINS. Who pays for their initial capital outlay? Who makes those payments?

Mr. WATSON. On the training, as far as the capital outlay on training, the equipment and the minor remodeling is paid under the Manpower Development Training Act.

Chairman PERKINS. That was paid for under MDTA.

Mr. WATSON. Right, and as far as the capital outlay——

Chairman PERKINS. Let me ask you this: Are these youngsters taking courses under the MDTA program there?

Mr. WATSON. Yes.

The total program is part of the Manpower Development and Training.

Chairman PERKINS. The whole program?

Mr. WATSON. That is right, completely, except now for the 10 percent State.

The housing phase of the project, of course, as I indicated earlier, $250,000 was donated by the local industrialists to serve as a revolving fund, and this revolving fund is still intact.

In other words, we reach, we have times when one project is completed, prior to another group of students coming in, but housing has a very low income, so during that time, it is necessary, we still have staff to pay, and it is necessary to have a fund to operate out of, so what it amounts to is that it is a general fund that is used in lieu of the subsistence pay that we receive from the students.

In other words, the income that our housing division has is determined by our enrollment.

Chairman PERKINS. What about your buildings?

How did you come by your buildings, where the equipment is housed, the youngsters are housed?

Mr. WATSON. This is an Air Force base. We are sharing the facility with the Air Force. I think we have 10 buildings. Now it was necessary to remodel some of these buildings. We didn't have to build these buildings, fortunately. We would never have been able to afford it, had we had to build, but through remodeling. Again, the training, if we have to, because of the nature of the Manpower Development and Training Act, we have to be very careful that we do not spend money that comes under our 4,000 series from Health, Education and Welfare to our State, back to the local level, we do not spend these funds for nontraining functions.

In other words, we can't do anything in housing, out of training funds. Housing has to be self-supporting.

Chairman PERKINS. What is your appropriation from the State of Ohio for the 485 youngsters there enrolled annually for the residential center?

Mr. WATSON. It would be 10 percent, now. In other words, if our operating costs are $900,000, the State's 10 percent would be approximately $90,000.

Chairman PERKINS. Is that all the public money that the State of Ohio is putting into it?

Mr. WATSON. Yes.

Chairman PERKINS. Are you getting any other funds from the vocational education programs?

Mr. WATSON. No, we can't qualify for funds under the Vocational Educational Act of 1963. We did realize some funds under the work-study program, Vocational Education Act, but we are going to lose this, I understand.

Chairman PERKINS. You are presently; how many of these youngsters are participating in the work-study program?

Mr. WATSON. Well, during the year, we will have 60 to 70 students participating in the work-study program, and these would be students that are not eligible for training allowances.

Chairman PERKINS. They do not work more than 15 hours a week?

Mr. WATSON. Yes, they do not work more than 15 hours.

Chairman PERKINS. Now what does this subsistence, what does your subsistence allowance include?

Mr. WATSON. $5 per day per student, and the student has to be there, and we have tried since the beginning to get some kind of guarantee.

In other words, if we have a student in the hospital, or if he just doesn't come back, say, he doesn't get back from the weekend until Monday or Tuesday, we still have our same ——

Chairman PERKINS. No expenses are included except when the youngster is present?

Mr. WATSON. Right.

Chairman PERKINS. How residential is the program?

Are all youth from Cleveland, or do they spend weekends at home, evenings?

Mr. WATSON. They spend weekends at home. Normally, 50 percent of them go home every other weekend.

Chairman PERKINS. How close are they to their homes? Give the committee an idea.

Mr. WATSON. They could be anywhere from Cincinnati, Toledo. Cincinnati, I think, is around between 200 and 250 miles.

Chairman PERKINS. Yes, and how often do they go home?

Mr. WATSON. Every other weekend.

They don't all go home, but they are permitted to do so, if they like. And I guess Cincinnati would be the farthest distance any of them would have to travel.

Chairman PERKINS. How were these youngsters recruited?

Mr. WATSON. Our Ohio State Employment Service recruits all the boys that come to Mahoning Valley, through their local employment service offices.

Chairman PERKINS. These are all Ohio State Employment Service recruited?

Mr. WATSON. Right.

Chairman PERKINS. In what occupations are your graduates employed? Give us the starting wage and how many are still on the initial job 6 months.

Mr. SEAGREN. Mr. Chairman, I have to make a plane. I wonder if I may be excused.

Chairman PERKINS. Let me refrain from asking the gentleman any more questions, and yield to Mr. Quie here, to make sure.

Mr. QUIE. I think if Mr. Seagren wants to leave, I would be willing to ask my questions of the other two gentlemen.

Chairman PERKINS. We thank you for coming, Mr. Seagren.

Mr. SEAGREN. Well, I appreciate the opportunity.

Chairman PERKINS. We appreciate your appearance. You have been helpful to us.

Chairman PERKINS. Go ahead.

Mr. QUIE. In other words, the same organization, Mr. Watson, is recruiting your enrollees as is recruiting the Job Corps enrollees?

Mr. WATSON. Yes. I know that they are recruiting 100 percent of ours, and I understand they are recruiting 100 percent of the Job Corps. I cannot swear to this. I am not sure. Or whether they are making all the referrals from the State of Ohio to Job Corps.

Mr. QUIE. Do you have any trouble getting enough enrollees for your school?

Mr. WATSON. In some areas, we do. Some that are considered less desirable, we have problems, sometimes, filling a class.

Normally, we have pretty full complements. I cannot say that is a major problem, because we generally have enough recruits, and in some areas, we will have more than we can handle. Not that they are not—that they are not qualified, but there just isn't room for more.

Mr. QUIE. So you don't have any problem getting enough for the school, but you do have a problem getting enough for some classes?

Mr. WATSON. In some areas; yes.

Mr. QUIE. So in this way, it operates differently from the Job Corps, which has gone to a big recruiting task sometimes, to get enough people?

Mr. WATSON. Yes.

Mr. QUIE. To come into the corporation. I judged by your comments to Chairman Perkins that you then take in a group which is very comparable to the Job Corps, and would be able to make a judgment, from your school, as a comparison to the Job Corps because of that, would this be right?

Mr. WATSON. Yes, I would say that they are very similar in characteristics.

Mr. QUIE. Do you have any idea how the Ohio Bureau of Employment Security makes the determination of whether they recommend a young person to the Job Corps or to Mahoning Valley Vocational School?

Mr. WATSON. I think one criterion they would use, I would imagine, would be based upon the preference of the student. I think if a young fellow would walk into the Employment Service and ask specifically to go to Job Corps, I imagine they would make every effort to channel him into Job Corps.

I know many referrals come about from an unemployed youth coming in, looking for a job, and after determining that he really had very little to offer in the way of a skill, that they may suggest that he go to a training program, such as a Mahoning Valley or Job Corps.

Mr. QUIE. Now you give the basic education as well as the vocational education at Mahoning Valley.

Mr. WATSON. Yes. We have what we think is a very complete basic education program.

A typical day schedule at Mahoning Valley would be a student may be in his vocational classes maybe 6 or 7 hours a day. He would be scheduled into basic classes of reading, communications, and math for another 2.

Every student is scheduled for 9 hours per day. In the beginning we were setting up an 8-hour-a-day schedule, and we were told it wouldn't work; we couldn't hold them this long. And we found that we can hold them 8 hours.

In fact, they are scheduled now for 8 and 9 hours, and many of them go back into the program instruction center at night on their

own for an additional 2 or 3 hours. So we have many students that are being trained 10 or 11 hours per day.

Mr. QUIE. It is interesting that just recently, Dr. George F. Cleveland of the Women's Job Corps Center spoke of the fact that they now have 8 hours of classes for the girls. They seemed very insistent that it is possible, and they are doing that.

In fact, they said after they had been there for 3 weeks they were in this class for 8 hours. But other Job Corps programs, I notice, have them in class for 5 hours, looking over one report on them.

Has there been any evaluation of the results of Mahoning Valley School and the Job Corps? I know we used the information—this was last year—that one time you had a Job Corps dropout in Mahoning Valley.

Mr. WATSON. Yes, this is the case. We have more than one. But, of course, at the same time, I couldn't say the Job Corps doesn't get some of ours, too, whether we have had boys that have been in the Job Corps prior to coming to Mahoning Valley.

We have one survey that involved a relatively small number of students. In other words, one county has referred 45 boys to Mahoning Valley, and they referred 39 to Job Corps.

Mr. QUIE. Which county is that?

Mr. WATSON. Ashtabula County. And of these 45, we had 17 graduates from Mahoning Valley, and we had 25 that were terminated, as well as three presently in training.

Of the 39 the Job Corps referred, they had four graduates, and they had 31 terminations, as well as four currently in training.

Mr. QUIE. Thirty-nine with four graduates, 31 terminations, and four still in training.

Mr. WATSON. Right.

Mr. QUIE. You have 45?

Mr. WATSON. They referred 45 to Mahoning Valley. We had 17 of these 45 graduated.

Mr. QUIE. And 28 terminated. Is that the figure?

Mr. WATSON. Twenty-five terminated.

Mr. QUIE. Twenty-five.

Mr. WATSON. One for good cause and 24 for not good cause.

Mr. QUIE. What do you mean by "good cause" and "not good cause"? What do these terms mean?

Mr. WATSON. If, as an example, a student were being terminated for good cause, that is because in our opinion the student had absolutely no choice but to leave the school. Maybe this would be for medical reasons, that he would need to go back home, or maybe for emotional reasons. Or it could be because we found that we could not cope with his particular problem.

"Not good cause" would be that he would become involved in one kind of situation that we couldn't live with him. Maybe we could train him, but we couldn't live with him. Or maybe he just dropped out.

Now this is the case, I would say for the majority of those 24 that were listed for "not good cause": They just went home and and did not come back. We know that many of these fellows that just go home and do not come back find jobs.

We try to follow up on those cases as much as we can, to determine whether they are working or not, what kinds of jobs they have, and

if the job they have is the result of what training they had at Mahoning Valley, or if this helped them in any way.

This report I have here is about 13 pages long. It makes a comparison all the way through of characteristics of the referral, the age at the time of the referral, and the educational attainment.

Mr. QUIE. At the time of referral?

Mr. WATSON. At the time of referral.

Mr. QUIE. How do they compare between the Job Corps and the Mahoning Valley School?

Mr. WATSON. All right, I will break this down into three parts.

One is the educational attainment of the graduates at the eighth grade or less. Now this is based on 17 graduates of Mahoning Valley and four graduates of Job Corps.

Seven of these 17 have eighth grade or less education. That is, they dropped out prior to the eighth grade. Five dropped out somewhere between the ninth and 11th grades, and five of them were high school graduates.

Of the four that graduated from Job Corps, two of them were eighth grade or less, and one had attained ninth through the 11th. One was a high school graduate. One of the four.

Of the 25 of those people that were terminated from both Mahoning Valley and Job Corps, 25 that were terminated from Mahoning Valley, 12 of them were eighth grade or less, 11 of them attained somewhere between ninth and 11th grades, and two of them were high school graduates.

For Job Corps, 20 of the dropouts had eighth grade or less, 11 had ninth through 11th attainment, and there wasn't any terminants that were high school graduates.

Currently in training: One Mahoning Valley, eighth grade or less; two in ninth or 11th. And Job Corps: three eighth grade or less, and one ninth through 11th.

Physical characteristics, the handicapped, the graduates: Five Mahoning Valley were handicapped, one in the Job Corps.

Terminants: Five in Mahoning Valley were handicapped; one of the Job Corps was handicapped.

Then it gets into labor status at the time of referral, whether they were employed or unemployed, the weeks of employment prior to referral, in an effort to get a comparison between the two, employment status now, the graduates Mahoning Valley has. Of 17 of them, 15 obtained employment from Job Corps.

Of those currently employed, 12 of the 17 were Mahoning Valley graduates. One of the Job Corps graduates is now employed.

Then it gets into the activity since graduation, time employed since then, number of jobs held since then, number of weeks between graduation and employment, and a change in earnings.

Before they went to Mahoning Valley or Job Corps and then the earnings after they graduated, those figures are given.

Mr. QUIE. What were the earnings? I assume they were improved.

Mr. WATSON. This comparison was made by averaging the hourly earning of all trainees with known earnings prior to training, with the average of all known earnings following training.

Mahoning Valley: Before they entered, $1.28 per hour; after, $1.72 per hour. This was the figures on the graduates.

For the terminants there are the figures: $1.28 per hour before they entered; after they left Mahoning Valley, $1.51 per hour.

On Job Corps—and again this is referring to only four people, so it would not be very valid in this particular case: An average of $2 an hour before they went and $1.84 after they came back—and there is something wrong here.

Mr. QUIE. It sounds like regressive training.

Mr. WATSON. Determinants, before they went to Job Corps were $1.07 per hour and after they came out, $1.68 per hour.

You have this on record, and you can refer to the more specific details. It would take quite a long time to go through the total report.

There is a note at the end worthy of mention, that the total number of trainees referred to Mahoning Valley (45), 10 met the employment security specifications as handicapped. Of the Job Corps it was one. This is saying 10 of the 45, that they referred to Mahoning Valley were handicapped and one of the 39 Job Corps was handicapped.

Mr. QUIE. That is interesting. Your program student year basis is probably less than $2,000 a year. You have 17 graduates compared with four from the Job Corps.

We see an increase in salary when they graduate from here——

Chairman PERKINS. I think the witness said that in his judgment that was not a fair comparison.

Mr. QUIE. It is a comparison that the Ohio Bureau of Unemployment Compensation made of it, and it is true there may be some others. From this it looks like they are doing a far superior job with less money in the Mahoning Valley School.

If vocational education can do that kind of job, we ought to turn it over to them.

How do you consider peaches with apples when it turned out to be 10 handicapped on top of it, as compared with one handicapped from Job Corps? It looks like they had more difficult apples in Mahoning Valley.

Chairman PERKINS. You had the local employment office recruiting youngsters, many of them with a high school education, a majority of them had already had jobs. Recruiting them locally, for a local school, a residential school partially, not all together, not a problem child.

Mr. QUIE. Just problems in the Job Corps.

Chairman PERKINS. The child was going to enter this school with the understanding that he could go along home and on his own in the community every weekend. It is just more or less training for the convenience of the youngster. This is altogether different from the problems in the Job Corps.

Mr. QUIE. They are dealing with, evidently, from the figures here, a comparable group. To me this is the advantage of having the school or the facility in the community so that enrollees can go home on the weekend.

Chairman PERKINS. I well understand what your argument is along that line, but we just have very few residential schools, and this is only a partial residential school.

Mr. QUIE. What do you mean a "partial residential school"?

Chairman PERKINS. I mean they can go home, if they want to, right in their own communities. It is more or less a boarding school. It is not a school to deal with problem children. That is my point of view.

Mr. QUIE. Well, if the Job Corps changes to where they take them closer and closer to home and get away from this flying all over the country, they are going to be in the same boat, and they will have the opportunity to go home.

Chairman PERKINS. Well, I wish we had more true residential schools over the country to deal with these problem youngsters, and they are not just in existence today.

Where can you name any schools——

Mr. QUIE. The question is with regard to those schools that we have. Is it better for OEO to continue here and they have been making terrible mistakes in the Job Corps, at tremendous costs, and we had to get a limit on it last year, or——

Chairman PERKINS. I would say that within 10 years the Job Corps will work itself, perhaps, out of existence, and the secondary schools——

Mr. HAWKINS. Due and deliberate speed.

Chairman PERKINS (continuing). And we can do something about this problem youngster. Let everybody work together. But as I see it today, to undertake to cut back on the Job Corps' operations when we do not have the residential centers would be turning our backs on the problem youngsters in this country.

Mr. QUIE. I would say that OEO and Job Corps have worked themselves out of a job already, and it depends on whether Congress has the wisdom to transfer it elsewhere.

Chairman PERKINS. Many of use feel that the OEO has done an excellent job, and intends, in the future, to do a better job, and OEO has profited from their experience.

Mr. QUIE. When you look at the example of a school run on a military base, with the same kind of children all the way through, comparable to the Job Corps, where they can run it for less money, with a better graduated——

Chairman PERKINS. What you are trying to make is an evaluation on one school that isn't even a comparable situation. I don't think it would serve any useful purpose for us to go on.

Mr. QUIE. It is as comparable as it ever could be. It is more comparable than some of the Job Corps are with each other, if that is what you are trying to prove.

But we have pointed out in Mahoning Valley, and I am sorry we haven't had a chance to hear from some of the other schools—but I mentioned Milwaukee—some time, which is not a residential school, and I would wager if they had the opportunity to run a residential school that they would have as great a success as they do with their day program. When I talked with them they had 600 in school and 550 on payroll. These are not exactly the best children in the school.

They had an 85-perecent placement in the area of training, those who completed training, which I think is a pretty good record, too, and I don't think we ought to turn our backs on these facts and information that are made available on it.

Chairman PERKINS. I feel it is perfectly appropriate for us to maybe go beyond the pilot project for residential centers in the future, because by the time they are constructed and we get them into operation, we are gaining all the time from the experience in operating the Job Corps, and the experience gained will be fed back into the operation of the residential centers, and the State vocational people.

That is one of our biggest problems today in vocational education, like Mr. Ramey stated, is the problem child. We have not experimented. We need to experiment much more than at the present time.

Mr. QUIE. It looks like the experimenters in the Job Corps, they went full fledged into it, and now people who have had years of experience say, "We can experiment a little bit."

The Mahoning Valley did not use 100 percent funding——

Mr. WATSON. It was 100 percent the first 2 years.

Mr. QUIE. It went to 10 percent later?

Mr. WATSON. It went to 10 percent this year. I think the trend is to do more on the basic education problems. I know it is in Ohio——

Chairman PERKINS. Up to the present time we have done very little in the vocational schools, on the basic education level. Would you agree to that?

Mr. WATSON. I up until the last 3 years, yes, because the manner of vocational education didn't have enough funds to have a large enough program. So they ended up getting——

Chairman PERKINS. It doesn't have enough funds now to handle the program.

Mr. WATSON. No, it doesn't.

Chairman PERKINS. We are in agreement.

Mr. WATSON. Yes. And if the funds become available there would be a definite decrease in the need for residential schools. I have made this statement time and time again everywhere I go. Local school administrators say, "That is a pretty expensive program you are operating," and it is.

We are not really proud of what it is costing Mahoning Valley. It is an experimental program, but the same job, if it were done where it should be, back in the local school level and the trend is in that direction—we are going to get there, and I hope that this would occur through a network of residential vocational schools.

For example, if we could catch up——

Chairman PERKINS. I think we can agree to this, that all of us in Congress would like to see the residential schools work themselves out of a job, and Job Corps work itself out of a job, and maybe some of these days in the future we can, when the high schools, the comprehensive high scools, can do this. Now that is today, we certainly need the Job Corps; it is doing a job that has never been done before. We need to expand it. We are only touching the surface, if we consider all the dropouts that we have in this country today, about 600,000 annually. We are only touching the surface, and where does it make sense to cut back on the Job Corps this year $105 million when we do not have the facilities?

Mr. QUIE. Let me ask you a question: If you were given the money it takes to run, or that share, to run the Job Corps, given the opportunity through the State Vocational Education Agency, do you think you could do the job?

Mr. WATSON. I haven't any idea how many dollars this would come to in Ohio. We have worked out a tentative plan that would call for five or six residential schools in Ohio, and if we—of course, if we could get existing facilities that would require only minor remodeling, the investment would be lower, but it would cost two and a half million dollars per facility for new facilities, this would be a total of $15 mil-

lion for the first year, and an estimated operating cost including everything of about $2 million per center, or $12 million per year.

We could meet the need in Ohio with these six residential centers, and there is a little more detailed report in the written statement, but I think the significant thing here is that the size of these schools would be limited to about 500, and I think a network of this, and I made an estimate of an average of three per State—I known some States would have to have more than three, and some States could maybe get by with one or two—but I think this would meet the need, providing adequate programs are offered for those people that do not require the residential setting.

Chairman PERKINS. Let's stick to the illustration as you have given to the committee: the six schools; and you have to make your own capital outlay investment, it would cost the State of Ohio, oh, $15 million for the construction, and how much to equip those schools in addition to the $15 million?

Mr. WATSON. This could include——

Chairman PERKINS. The equipment?

Mr. WATSON. Right.

Chairman PERKINS. How long would it take, if you had the money tomorrow, to get those schools completed and get them into operation?

Mr. WATSON. It would depend on whether there are existing facilities that could be made workable, or whether we had to start from scratch and build.

I am not that familiar with Job Corps. But if we had to build then from the bottom up, it would take 2 years.

Chairman PERKINS. If you had to build from the bottom up, what do you figure costs would be per enrollee, stretching your capital outlay out over a period of 15 years?

Mr. WATSON. I would estimate it would be less than we are spending at Mahoning Valley, over a period of 15 years. I think——

Chairman PERKINS. Do you have any figures along that line?

Mr. WATSON. Just our experience at Mahoning Valley.

Chairman PERKINS. Do you have any other figures you can give the committee, projecting into your future, on the six schools you propose?

Mr. WATSON. The operated costs would be $2 million per center, or $12 million a year.

Chairman PERKINS. And that would be for 3,000 enrollees in the six centers?

Mr. WATSON. No. It would be more than 3,000, because this would be a maximum of 500 per center, but we could handle as many as 800 to 1,000 students per year.

Chairman PERKINS. You are planning on making a day center in connection with the—day schools in connection with the residential centers?

Mr. WATSON. I am saying we wouldn't keep them all for a year. I think this is the danger of training too long.

Chairman PERKINS. Here, then, you are going to provide two sets of regulations: one for your problem youngster and another set for the youngster who is only going to be there in the daytime?

Mr. WATSON. There wouldn't be anybody there but residential centers. We are in agreement. I am just saying that even though the maximum enrollment would be 500, there may be a turnover of two.

In other words, we may handle two groups of 500. In other words, I am saying it is not necessary to keep them a full year to make them employable. I would say we could do it in 6 months, and then take in another 500. This is not the case in all areas.

Production machine operators, auto mechanics, some of these areas require more than 6 months. Many other areas can be made trainable in 6 months, and I think it is a mistake to keep them a year or two if it is not necessary.

We have boys who don't wnat to leave Mahoning Valley because they have found security, and we have——

Chairman PERKINS. I know your State director, Dr. Shoemaker, and he is a most outstanding one, and he has my good wishes. Tell him, furthermore, that he has had a good representative here today promoting the residential center concept. I certainly have no disagreement with the residential center, but I want to see residential centers come into existence. But from my knowledge and experience, we cannot afford to turn our backs on the present operation of the Job Corps because the residential centers are going to provide benefits much too far in the future to meet real urgent present-day needs, and the problem that we have is so great that it would be a terrible mistake, and my colleague here will have to admit that we don't have these facilities in existence at the present time.

I just wonder what they are going to do when they cut back $105 million on Job Corps.

Mr. QUIE. We find vocational education can do it so more efficiently than OEO, that they can keep the present centers open, and start new ones.

Mr WATSON. There would be existing facilities that could be used within 3 months. It took us 3 months to start Mahoning Valley.

Chairman PERKINS. You had an Air Force Base there.

Mr. QUIE. The Job Corps had the same thing.

Chairman PERKINS. The Job Corps has constructed several new centers.

Mr. QUIE. They didn't do it overnight either.

Chairman PERKINS. No. They did it in a period of a couple of years. From the time they made the announcement it was a couple of years.

Mr. QUIE. They did it when there was a better than 2-to-1 majority of Democrats in control of Congress.

Chairman PERKINS. I don't know whether the Republicans or the Democrats—well, the Job Corps has made mistakes, and it welcomes criticism.

Mr. QUIE. Have you had any trouble with the loss of your staff?

Mr. WATSON. I mentioned this the last time I was here. We have lost two to the Job Corps, and one of them is coming back. I understand—I probably shouldn't say this publicly—Job Corps friends may wonder who it is and when they are leaving, and maybe word hasn't gotten out, but we did lose two of our staff, and we did not particularly want to lose one of them, and I think we are going to get this one back, but we couldn't pay them what they could make in Job Corps.

Mr. QUIE. What kind of an increase did they receive when they went to Job Corps?

Mr. WATSON. I am not sure. One, I understand, was a sizable one, of $3,000 or $4,000 per year increase.

Mr. QUIE. That is quite an inducement.

Chairman PERKINS. Go ahead, please.

Mr. WATSON. I would like to mention just one more thing to the committee as far as using the existing structures to operate a network of residential centers.

I think if each State were given responsibility, I think there would develop a friendly competition there that would make every State want to do the job and do it well, provided they had funds to do it, and I think this network, with the leadership that is available now at the Federal and State level, that this network could be put into effect pretty quickly and effectively, and I think there would be a great deal to be said for the State being so actively controlled and actually responsible for taking care of problems in their State, and I think the State and local people would have a better view, knowing exactly what the problems are, where they are, and what has to be done about these problems.

I know the criticism has been made, "Sure vocational education is moving nicely in some States, but not in other States, and what are we going to do about this?"

And I think it is very simple: If the State isn't doing the job, HEW contracts directly with industry, or some agency in that State to get the job done.

I am confident it would work the same way, and I think the responsibility placed in the hands of the individual State departments of education would not only get residential training available to more people that need it—I think eventually it would strengthen vocational education overall, to the point of letting them see what can be done with the means provided—if the means were provided.

I agree with many of the things that were said this morning, that there is very little innovation and experimentation in some of our public schools, but I think the matter of being caught in tradition so long with no money to do it gets to the point of "What's the use?" And I have enough confidence in the educators of America that if the funds are made available they will innovate and experiment and stay up to date.

I think a striking example is vocational education, and I don't want to sound—appear to be bragging by mentioning Ohio so often, but this is the only true example you have that I can cite with any degree of justification, and that is, when the funds were made available, they moved, and they are doing well, and vocational education is moving in Ohio. If it had not been for the Vocational Education Act of 1963, we would be right where we were before.

I think this has happened in other areas of our education too.

Chairman PERKINS. I have gone through your residential center in Ohio, and I have gone through several Job Corps centers. I have gone through George Ramey's school there, but everywhere I have gone I have seen a different kind of youngster in a Job Corps, and in the vocational schools. I would like to ask Mr. Ramey what experience you have had in the MDTA programs in training youngsters and adults who lack basic education, whether the State of Kentucky is oriented in that direction.

Tell us something about the problem we have in Kentucky along that line.

Mr. RAMEY. Maybe we have been criticized in Kentucky some, on skimming the cream of the top off with the manpower development program, and I think maybe that has been true. Personally, I haven't had too much experience with the bottom of the totem pole, you might say.

We are right now in a problem in Kentucky where the work experience training program had to get rid of some of their clients, and they gave them to the vocational school to train, and some several of these trainees were just functionally illiterate, and frankly, we are in the process of doing something with them. We are going to drop them, because we are not set up at the present to handle these.

I am not saying we shouldn't be set up, but we are not.

If you take a class of 18 people and five of them are functionally illiterate, the others are somewhat better, it creates quite a problem there. Maybe it is a problem of selection——

Chairman PERKINS. I think you have as high a placement rate as any vocational school in the country. Do you know of any vocational school in Kentucky that is competent to give training to this kind of youngster at the present time, or have they all been taking the cream of the crop and have we been overlooking the youngster at the bottom of the totem pole?

Mr. RAMEY. It goes back, Mr. Chairman, to lack of facilities. If you have 18 prospects, it may be good business to take those instead of 18 poor prospects, because you can only train 18 at a time. That is probably true all over the State. I couldn't verify that statement. I can only speak for the one school I am a director of, but I think that is true all over the State.

Chairman PERKINS. Don't you feel that is true, limited facilities, all over the United States?

Mr. RAMEY. I think so.

Chairman PERKINS. And you have associated with vocational training program people all over the country?

Mr. RAMEY. That is true.

Mr. QUIE. Could you do the job if you had the money?

Mr. RAMEY. Congressman, I would hope so. I would hope so. You asked me a direct question. I don't know whether we could or not. We might be able to teach law in our schools. I don't know. We just haven't tried it. We might be very capable if we tried it.

I don't mean to evade the question there at all, but as far as knowing, I don't.

Mr. QUIE. Do you think you can do it as well as corporations who haven't had any experience?

Mr. RAMEY. This is the second time I am embarrassed——

Mr. QUIE. You are like the witness we had the other day who said of all the things she had not studied, she had not studied the Job Corps most.

Mr. RAMEY. It is embarrassing, because as an educator I should have visited them. I intend to visit them.

Mr. QUIE. That is all the questions I have.

Chairman PERKINS. Let me ask you another question, Mr. Watson—go ahead, Mr. Hawkins.

Mr. HAWKINS. No, go ahead.

Chairman PERKINS. How do you define a graduate, Mr. Watson, at Mahoning Valley?

Mr. WATSON. This is a boy that has completed the requirements as scheduled. We put our proposal in a year in advance and our various vocational areas require different lengths of time, determined by the complexity of that particular vocational area. To cite just two examples, our production machine operators, we feel that to offer them everything they should have, they should be there 12 months.

Now we are revising our thinking a little bit on this, and we think now we can do the job in 9 months, and, of course, if we can, this is going to increase——

Chairman PERKINS. How many Negroes are in your center?

Mr. WATSON. Thirty-five percent. In that neighborhood.

Chairman PERKINS. What percent are high school dropouts, and how many are urban—how many of your enrollment?

Mr. WATSON. Of the total, 50 percent are high school dropouts.

Chairman PERKINS. And how many are urban?

Mr. WATSON. Here, again, I would just have to guess, that 60 percent of them come from large cities, and 40 percent from the rural areas.

Chairman PERKINS. Do you have any survey, or have you made a survey or followup on how long your graduates hold jobs after they have completed the course of training?

Mr. WATSON. Of course, we only have a 3-year experience factor to base it on, and I am not sure I can answer that accurately.

I have placement data here for the years of fiscal year 1965 and fiscal 1966. It does not tell how long they have been employed.

Chairman PERKINS. In other words, you made no study along that line?

Mr. WATSON. I do not have a study available, but our Ohio State Employment Service would have this information on how long they have been employed.

Chairman PERKINS. Mr. Hawkins?

Mr. HAWKINS. I think that you or someone from the State of Ohio did testify before another subcommittee in support of expansion of vocational education.

Mr. WATSON. I did in July 1966. This was on amendments.

Mr. HAWKINS. So you do need additional money for the vocational education programs?

Mr. WATSON. Definitely.

Mr. HAWKINS. You have a waiting list of students for your schools now, don't you?

Mr. WATSON. Well, with the money that is available now, a priority list has been established, and for example, a project we are working on now, we have a priority list, and I doubt if we will come up as being eligible this year for funds under the Vocational Education Act of 1963.

Mr. HAWKINS. If you had the money, who would you use the money on, on the disadvantaged students, or the ones who are more highly qualified and the more trainable ones?

Mr. WATSON. If this money would come—well, it could—it would depend on the purpose and source of the money. If it were under the Vocational Education Act of 1963 for the purpose of expanding voca-

tional curriculums in the State for high schools and adults, it would go into that direction.

If it would come for the purpose of disadvantaged youth——

Mr. HAWKINS. Are you saying it would be used only for disadvantaged youth if the Congress earmarked the money?

Mr. WATSON. If the money became available for this purpose, that is where it would all be used.

Mr. HAWKINS. Have you ever considered using money for this purpose even if it is earmarked by Congress? If it is so desirable, and you have said it is, why don't you go ahead and do it in the State without waiting for the Congress to hand it over to you?

Mr. WATSON. We have our existing public education offerings that are inadequate as far as the vocational education is concerned. We are trying to head the problem of before they become disadvantaged youth, 16 to 21 years old. This is where we have to get at the problem first, and this is the problem we are working on with the Vocational Act of 1963 money. That act does not provide for residential centers.

Mr. HAWKINS. But it does provide for money to deal with the problem of the disadvantaged. Apparently your States and the other States haven't used much of it for that purpose, and yet you have testified you would like to get the Job Corps. I wonder why you don't institute the program even now. Is it because local money would be involved, is it because the States as well as the local district would have to contribute money as they do for the vocational education program?

Mr. WATSON. I am not sure I am correct on this. But there is an amendment to the act of 1963, I think section 13, that would provide the residential centers, but there was no appropriation made for this particular thing, and without the appropriation, then, even though it is legal, we cannot do it.

As I say, we are concentrating our efforts on——

Mr. HAWKINS. Do you think you are prohibited from doing it?

Mr. WATSON. If there is no money, yes.

Mr. HAWKINS. Quite aside from the money, you received Federal money, and the thrust of my question is, you obtained money.

Are you going to leave those out completely, those being served by the Job Corps, and ignore them unless you are specifically directed to do so? Why don't you place them in the same category you do as the others who are also seeking vocational education?

Mr. WATSON. We are using the Manpower Development Training Act to work with the disadvantaged in Mahoning Valley, and several other centers are working with disadvantaged youth now. Mahoning Valley is not the only institution in Ohio which is dealing with the disadvantaged youth.

We would do more. For example, our manpower appropriations last year were cut from $13 million the previous year to $8 million this last year, and if this appropriation—we could have used twice as much.

We have manpower projects that have not been funded simply because there is not enough in the appropriations to cover the cost.

Mr. HAWKINS. You indicate the actual cost is $2,680 per student. I assume that is on a 9-month basis, is it not, sir?

Mr. WATSON. That is the number of students served, whether they were there for 6 months or a year. So I would state the average would be approximately that.

Mr. HAWKINS. Does this include equipment——

Mr. WATTS. It includes everything.

Mr. HAWKINS. Does it include the $5 subsistence allowance you indicated was paid to each student?

Mr. WATSON. Yes.

Mr. HAWKINS. I calculate that $5 a day would amount to $1,350, and you talked about $1,400. How do you get that under the figure? You haven't included land, transportation, equipment, administration, and a lot of other items. Where does the $5 a day come in?

Mr. WATSON. The training allowance and the subsistence allowance——

Mr. HAWKINS. Is included under the $5?

Mr. WATSON. Yes. That $5 a day is not everyday. It is on the days they are in class.

Mr. HAWKINS. Assuming they are in class virtually every day——

Mr. WATSON. Five days a week.

Mr. HAWKINS. Using 9 months, this would be over a thousand dollars, substantially over a thousand for that one item, and in the $1,400 in the actual training costs, that would come to $2,400 itself.

Now what about medical and dental care? You have indicated that that is included.

Mr. WATSON. Part of the medical and dental care comes from a hospitalization policy which the students pay for themselves, $1.50 per week.

Mr. HAWKINS. This is only in the event that they have some service rendered during the year. Is that right?

Mr. WATSON. They pay for it whether they ever need it or not, just as you and I would pay for an insurance policy.

Mr. HAWKINS. It does not include any corrective medical care at the time of entry into the school?

Mr. WATSON. This has been one of our big problems. We do have the cooperation of the Bureau of Vocational Rehabilitation that came into the picture about 2 years ago.

That has helped on this and of course the work that the Bureau of Vocational Rehabilitation does is not included in this figure.

Mr. HAWKINS. What would you do if an individual comes with half of his teeth out and is in need of glasses and a lot of other mental and health problems?

Mr. WATSON. If it is a problem that would prohibit his being employable, he is qualified, then, for Bureau of Vocational Rehabilitation benefits.

Mr. HAWKINS. How many individuals were so qualified?

Mr. WATSON. We have had as many as 40 or 50 percent of our students that would be qualified for those benefits.

Mr. HAWKINS. This is not included?

Mr. WATSON. No, this is not included.

Mr. HAWKINS. So all the other costs would be added to the $2,680. You have added one at this particular point. So would you not, in a comparison of costs, add that $2,680?

Mr. WATSON. Well, if it—well, this would be an additional cost that would be——

Mr. HAWKINS. If you were going to make it comparable to the Job Corps, which does this at the time the kid comes in.

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 subsistance 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.

Mr. HAWKINS. Did you indicate the average rate completed of the enrollees?

Mr. WATSON. I said that 50 percent of them were high school dropouts, and in the testing, well, the first 2 years, the average was around the sixth grade, overall.

Mr. HAWKINS. Let's stick to the other 50 percent——

Mr. WATSON. They were high school graduates.

Mr. HAWKINS. Would that mean an average of about the 10th grade? Do you know how this would compare with the Job Corps?

Mr. WATSON. I know little about the Job Corps.

Mr. HAWKINS. How many coeducational students do you have?

Mr. WATSON. All of our students are boys. We would like to have a center in Ohio for girls.

Mr. HAWKINS. You say the reading grade level is what?

Mr. WATSON. The first 2 years, the attainment level, or functional level, would be around the sixth grade.

Mr. HAWKINS. Are you aware that it is less than the fifth grade in the Job Corps?

Mr. WATSON. No. I would have no way of knowing this.

Mr. HAWKINS. Thank you, Mr. Chairman.

Chairman PERKINS. Are you aware that 23 percent of youngsters who were enrolled in the Job Corps are vocational school dropouts?

Mr. WATSON. No, I wasn't aware of this. As a matter of fact, our experience, on occasion—we have very few students that have been involved in vocational education, and this indicates to us that if more of them were given opportunities in vocational education they would never have come to us in the first place.

Chairman PERKINS. 50 percent of your youngsters are high school graduates, and the other 50 percent have had high school education?

Mr. WATSON. Yes.

Chairman PERKINS. Mr. Quie, any other questions?

Mr. QUIE. I just refreshed my memory—I believe it was the Governor of Indiana who came here in 1965—no, it was 1964—testifying on the Job Corps, and he had the experience where the boys who were illiterate, that in their school they ran for the problem boys—they had an average, I think it was of about 10th grade they had gone through that were illiterate, so I think this is quite an indictment of our public school system, it is true, but it surely shouldn't be an indictment of Mahoning Valley——

Chairman PERKINS. I think Mahoning Valley is doing a good job, but it is not a comparable situation with the Job Corps.

Mr. QUIE. If anything, they have some toughter problems. There is one county where they showed there was 10 handicapped in Mahoning Valley, where there was only one who went to Job Corps.

Chairman PERKINS. This is more like a community college, set up to accommodate the youngsters in the area, and they are screened for that purpose. So it is quite different from the problems that we have here involved in the Job Corps.

I say that this school is doing a wonderful job. I just wish we had more of them, and you have got one of the best vocational education directors in the whole country.

Mr. QUIE. He wouldn't be in the Job Corps.

We are going to get Job Corps enrollees who drop out of the Job Corps. We need something like that——

Chairman PERKINS. 23 percent of the Job Corps enrollees are dropouts from vocational schools.

Mr. QUIE. That is Mr. Ramey's type of vocational school.

Chairman PERKINS. Mr. Ramey has perhaps as high a placement record as anybody in the whole country. I have seen outside industries there to pick them all up before they even graduated.

Is that correct, Mr. Ramey?

Mr. RAMEY. That is right.

Chairman PERKINS. He is dealing with the cream of the crop. That is the difference.

Mr. QUIE. I imagine that Mr. Ramey may have some connection with private industry, too.

Mr. WATSON. We have had excellent cooperation with industry, and this would be another hidden cost that I have not indicated here. We have been provided instructional supplies in the way of steel from local industry to use in our welding and machine shop courses. This would not be a significant increase, but it does indicate the cooperation.

We have now, as our classes come out, we have many representatives from industry coming in recruiting boys to go to work for them.

We have had them come in from all over the country trying to get our boys to go with them, and many boys will have a half a dozen offers of jobs, and it is a matter of selecting the job he wants.

Chairman PERKINS. Any further questions, Mr. Quie?

Mr. QUIE. It would be interesting to see the adequacy of Mahoning Valley and the Job Corps. The Harris poll shows that Job Corps training—well, it would be interesting to see what you have been able to do with the same type of individuals.

Chairman PERKINS. That is a good way for him to make a self serving concluding remark.

Mr. QUIE. I have learned from the chairman.

Chairman PERKINS. Thank you, gentlemen, for your appearance. You have been most helpful to the committee. We invite you back again.

Mr. RAMEY. Thank you.

Chairman PERKINS. Thank you for your experience here today, gentlemen.

Chairman PERKINS. Come around, Mr. Mitchell. We are sorry to keep you waiting here today like this.

You have been before the committee several times. You represent several organizations, and you represent them well.

We are delighted to hear from you at this time, and I know the committee feels the same way.

Mr. HAWKINS. In view of the lateness of the hour, I want to underscore what you have said, Mr. Chairman, to welcome Mr. Mitchell to this committee.

Chairman PERKINS. Incidentally, we had your brother before us the other day. He made an outstanding statement.

Mr. MITCHELL. I am glad to hear that. He is much younger than I am.

I am very fond of him, and I am happy to hear he made a good impression here.

I would like to have your permission to file my statement.

Chairman PERKINS. Without objection, your statement will be filed in the record at this point, and any other supporting data you want will be inserted in the record.

(The prepared statement of Clarence Mitchell follows:)

STATEMENT OF CLARENCE MITCHELL, DIRECTOR, WASHINGTON BUREAU OF THE NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

Mr. Chairman and gentlemen of the Committee: I am Clarence Mitchell, director of the Washington Bureau of the NAACP. The principal purpose of my appearance today is to express support for H.R. 8311, the Economic Opportunity Act.

The more than 2,000 delegates from 44 states who attended our national convention in Boston (July 10–15) passed the following resolution:

"This nation has at its command the basic resources to eliminate deprivation, want and hunger, and the moral and political responsibility to provide a more just distribution of income and wealth among its people. There are more than 32 million people living in abject poverty, of whom 40 percent are children under 15 years of age. While Negro citizens constitute more than ten percent of the nation's poor, and the Negro poor are 52 percent of the total Negro population, American Indians and people of Spanish and Mexican origin and poor whites also constitute a high percentage of disadvantaged poor. This condition is intolerable and inexcusable.

"The Economic Opportunity Act is a vital part of the war on poverty, and its role of marshalling resources through community action must be continued with increased and flexible funds.

"The community action program was designed to stimulate local intiative and to muster local resources in an unprecedented attack on poverty in the urban and rural communities of America. Its hallmark should be flexibility, ingenuity, and bold local leadership. It should focus on the need for fundamental administrative and political changes, responsive to the needs of the disadvantaged citizens by giving the poor an opportunity to participate and hold positions of leadership in effecting these changes. Community action provides the framework for coordinated attacks on poor education, bad housing, inadequate job skills and neglected environments. Flexibility and local decision-making are the heart of community action, and adequate Federal financial support is its life blood."

The NAACP heartily supports the program of the Office of Economic Opportunity. We do not pretend that it is perfect. We have acted and will continue to act to correct problems within the agency and in communities where the program is operative. However, we oppose any dismemberment of the agency. We are against giving the O.E.O. functions to the U.S. Department of Labor, the Department of Health, Education and Welfare and others.

We are shocked by the intemperate and partisan attack made on the President this week. This is no time to play politics with human misery. President Johnson, most public officials, the NAACP and millions of Americans want peace and progress in our country. All of us condemn crime, riots and anti-social behavior. The terrible calamities that have befallen our great cities in recent days should cause the men and women of good will to be united as never before in seeking solutions. Nothing will be gained and a great deal of dangerous bitterness will be generated, if those who may disagree with the President for political or economic reasons try to buttress their arguments with appeals to base emotions and to racial prejudice.

No one can provide a simple formula for preventing riots. All will agree that demagogues who fan the flames of hate or participate in acts of violence should be dealt with sternly and swiftly in a manner approved by the United States Constitution. But we also have a duty to try with might and main to use our wealth, our brain power and our resources to correct the causes of want and despair. We must find ways to build confidence, to provide opportunities for self betterment and to lift the level of those lowest down in our country. The program of the Office of Economic Opportunity is one way of trying to accomplish this result.

A year ago I was in Newark, New Jersey. One of the daily papers carried two stories of great significance to me. One story said that the Employment Service had more jobs than it could fill. The other story said that unemployment among colored people was about three times as high as unemployment among white people. Ever since I read those stories I have been trying to get an answer to this question, "How can we get the unemployed into the available jobs?"

Perhaps we shall never find the complete answer, but we have a better chance to find it if we continue to try new ideas and pioneer in the manner that is possible under the O.E.O. programs.

During the March, 1967, hearings conducted by the Senate Labor and Public Welfare Subcommittee on Employment, Manpower and Poverty, we heard the voices of the poor who were urging greater expenditures to meet the problems of their communities. We also heard mayors testify on the needs of their cities. Perhaps some of the most poignant words uttered during those hearings were spoken by a witness who said, "These problems seem like nothing to you. But they're mountains to the people." Perhaps the most helpful words came from Mayor Jerome P. Cavanaugh of Detroit. Representing the United States Conference of Mayors he said that at least $3 billion was needed for the war on poverty during fiscal 1968.

At mid-point in 1967 we are confronted with massive destruction and the loss of human life in our cities. Yet there are those who seem to think that we can continue to pinch pennies and practice false economy while our fellow Americans are in want or are denied opportunity. No one can say that we did not have ample warning that during the summer of 1967 the demagogues would do all in their power to promote friction and discord. Yet we also had great opportunity to deprive them of a platform by vastly expanding and rapidly implementing the programs that will better the lot of the common man.

Instead of seizing the chance to begin fulfillment of the dreams and aspirations of the poor, we have consigned them to uninhabitable housing by killing the rent supplement program. We have laughed at their plight while refusing to make war on the rats that infest their neighborhoods and bite their children. Now there are those who would make further inroads upon the hopes of the deprived by emasculation the program of the O.E.O. We must not let that happen.

The NAACP urges that this committee and the whole Congress support the concepts of self help and community organization that are a part of the philosophy of the O.E.O. We urge that you continue the independence of the agency and that you give it adequate funds to do the job that the times demand.

Mr. MITCHELL. I would like to associate myself with the positions of my longtime friends, Mr. Andrew Biemiller and Dr. Flemming. We have had many years of experience together in Washington, and I think their views represented the usual good commonsense they express.

It is very comforting to know that while Mr. Biemiller has a record of having been elected to the Congress as a Democrat, and Dr. Flemming is clearly a Republican, and has always been, as far as I know, they both have a common point of view on this problem.

I think it is important to note that, because it is my judgment that what we are faced here with is the problem that Mr. Gibbons mentions earlier in this hearing, and he said that we are in a situation where we are down to 166 to 199 votes as possible votes from the House in getting this program through, which means the only way we are going to get it through is that there is going to have to be substantial support from the Republican Party.

I have a voting residence, and at that meeting—at that voting residence I am registered as an Independent, but I have tried through the years to be fair to members of both parties, so much so, that a lot of my Democratic friends think I am a Republican, and which I am not, but I would like to say for the record and for the Republicans that the future of OEO is really in the hands of the Republican Party.

We have had some unfortunate experiences in this session of the

Congress, when the elections were held a number of newspaper reporters came to me and said, "Things are going to be awful for you now because the Republicans have increased their numbers in the House."

I went through the records of the individual Republican members, member by member, and said to the press that I did not see on the basis of the records that we would be substantially worse off just because Republicans had been elected.

Then along came the rent supplement program, and all of us know that the number of Republicans who voted for that was very small, which is really a terrible blow to colored people in this country, in that they are depending on that program to try to break out of some of the slum conditions in which they live.

I have, for example, from Albany, Ga., where a hundred-year-old Negro church is embarked on a program of providing 100 units of rent supplement type housing for Negroes who now have to pay as much as $60 a month for—$60 a week for adequate accommodations without the conveniences that they ought to have.

Now, the church proposes to reduce that rental fee to $50, and it would do it if the church got the money to have this rent supplement project built.

If a vote is cast against the rent supplement, it is a vote cast against that particular church in Albany, Ga., which is trying to make it possible for colored people to get decent housing at a decent price.

We had an awful problem with the food stamp program, and the question, as you gentlemen know, was whether Mr. Sullivan's amendment was going to prevail which would knock out that requirement that there be a State subsidy of 20 or 30 percent.

I cannot remember which it was.

I am sorry to say, when I looked down in the well of the House, I saw people for whom I have a high regard, Republicans, voting against the amendment. The story was different on the rollcall.

The same might be said for other programs I mentioned. I bring it up merely to say that the posture of the OEO at this point, is exactly like the posture of these programs which have either been emasculated or threatened because of the changes in the congressional seats in the last election.

I say to you, Mr. Chairman, and members of the committee, that there is a direct relationship between these votes against the things that make it possible for people to have a better life in this country and some of the incredible, brutal, and stupid things that we see in the cities that have exploded.

Now I don't think we can get anywhere by attacking these programs for partisan reasons. I think that if we are going to really act in the best interest of the country, and we have some alternative program to offer, it seems to me that we ought not to throw out a program which is in operation, but we ought to have whatever the alternative ready, and be able to demonstrate that it is really going to meet the need.

I was listening to this colloquy here on the vocational schools, for example.

Now I have lived in Minnesota, Mr. Quie. I lived in the good city, St. Paul, and as a matter of fact my first son was born there, and I know, and I am sure that anybody living in the Northwest knows, that

the regular vocational schools have not gotten colored people into them to the same extent that we are able to get them into these programs under the Job Corps and things of that sort.

So to say that we are going to shift this program to the vocational schools of this country would merely mean that we are going to shift the Negroes out, and we are going to consign them to a category of persons who are not skilled.

This gentleman from Ohio who was here happens to come from a State where we have had to go into court just to get colored people opportunities to work at skilled trades and become apprentices, and get into certain kinds of things in vocational schools even if they are going to work on State-financed projects.

Now I can't see how, in any fair program, it would be suggested that we be again thrown into a den of lions, as far as vocational training is concerned.

I heard the gentleman from Florida speaking and talking about how we should transfer this program to the Florida schools. They are the worst foot draggers in the country as far as desegregation is concerned. They are under sanctions from NEA.

When we say give it to vocational schools, gentlemen, or the Florida education system, we are saying, give it to more discriminators, and of course, the colored people of the country are expected to accept that and assume they are being treated fairly by their Government.

I would like to say another thing, which I think is awfully important in this picture:

There has been, in my judgment, a most unfair attack on the President of the United States in connection with some of the disturbances. As I have said these disturbances are in large part directly traceable to some of the failures on the part of the Government. In my judgment, this has not been the President's fault. All of us know that when the President starts trying to spend the money for some of these programs, there is a great hue and cry about economy.

In the city of Cambridge, Md., it is my personal belief, on the basis of facts I know first hand that that trouble could have been avoided if we had had more money with which to face some of the needs of that community.

It came to my attention that there was a great deal of community discontent about the fact that a swimming pool program was not in operation so that the adult, or young adult colored group could participate in it, and I understood that that was, while only one thing, it was a rallying point of discontent.

I understood further that there was a great deal of difficulty about the matter of jobs and housing. Well, I have brought this to the attention of people who were in a position to do something about it here in Washington, and the main reason why they couldn't do some of the things that needed to be done in that situation was because they just didn't have the money.

Now one of the agencies that could have acted but didn't have the money was the OEO. When the money was not forthcoming the demagogic group moved into the picture. I have no hesitancy about condemning demagogues.

The first newspaper assignment I ever covered as a reporter back in 1933 was a lynching of a Negro down in Princess Anne, Md., down on Maryland's eastern shore.

I condemned those monsters then, and I condemned those who went down there and stirred up the people with racial animosty then.

But I say the people who live in Cambridge, Newark, Chicago, and New York, would not be susceptible to those kinds of appeals if our Government would not be the victim of these narrow, pennypinching types of activities which try to prevent money from going to where the people need it.

We don't hesitate to spend money for the betterment of pigs, and I think we should expend money for the betterment of pigs, because this is good for the economy of the country.

We don't hesitate to subsidize the airplanes and the railroads, and we waste an awful lot of money on rockets that go out into space and don't function. We don't say anything when we have a couple of million dollars in an airplane or rocket that fails, but let somebody in OEO or the Job Corps or something slip up just one little bit, and we are right at the throats of those people of that agency and trying to show that the program is no good.

Well, Mr. Chairman, I think that we have a duty to the people of this country. I am proud to say that circumstances and life make it possible for me to be a taxpayer to my Government, and I am proud that I am in a position to see my tax money spent for things that benefit the people of this country.

I consider the antipoverty program one of those kinds of programs.

I think we have a clear choice in this Nation. Either we are going to continue to spend our money in a way that is making it possible for every single human in this country to live decently, to be able to say to his children, "America is a land of opportunity," or we are going to have a thousand jungles around the country where people are going to fight on the lowest level for recognition.

I am happy to have enough faith in this country to believe that the great majority of our people are not going to revert to the law of the jungle for survival.

I think they are going to mobilize their political strength, their intelligence and their decency, and they are going to make America what it ought to be.

But I implore you gentlemen who are on this committee, and particularly the Republican Members, some of whom are my really dear friends, and very good on matters of civil rights, I implore them not to take chances at this time with the OEO program.

I implore you to spend more money trying to do the constructive things. I implore you not to turn this over to the agencies which have so long neglected this problem. The Employment Service would be the worst possible agency to which to give any of the functions of OEO.

I was in Newark last year, and one of the sad stories that came out in the papers there was one story which said that the Employment Service had more jobs available than it could fill.

In the same paper was another story which said that the rate of unemployment among Negroes was three times as high as the rate of unemployment among whites.

I have been busy with the Employment Service trying to find out why this is so. I get a lot of nice talk out of that agency, but I know why it is so. It is so because the Employment Service does not believe

that it ought to be the agency which tries to place these people that it is difficult to place.

They want the easy placements. They don't want to get the kind of people that the chairman has been talking about, who are school dropouts, who have to get specialized training in order to be put back into the mainstream of society.

But, gentlemen, we can't turn our backs on people like that. We have got to bring them into the mainstream of society. OEO is doing, in my judgment, a very credible job in that respect, and it would be a tragedy if we say we are going to turn this back to the same people who are responsible for the country being in the plight that it is now insofar as employment is concerned.

I have really come to the end of what I might say. As I said at the outset, my statement is incorporated in the record, but I would just like to close with a brief mention and comment about the investigation that the committee is undertaking in connection with the riots.

To me, it is fantastic that anyone would make the charge that workers from the OEO would be the starters of riots. It is incredible to me that that charge is dignified by an investigation. But in addition, I would worry about who is chosen to do that investigating. We have the FBI, which is a competent investigative agency; we have the Treasury Department, Secret Service, if we want to use them. We have all sorts of really competent investigators that we can send out to check on these things if we really want to check on them.

I would really worry about whether a group of investigators from a committee of Congress, under the present emotional circumstances, would be able to come back with a reliable report and I don't want to sound cynical, but experience has taught me the facts of life here in the Congress.

I would say, Mr. Chairman, and members of the committee, respectfully, that I doubt whether whatever is found in that investigation would change a single vote on this antipoverty program.

The only way we are going to change votes in this antipoverty program is for those who have now made up their minds that they are going to emasculate it and dismember it, to be human and considerate and merciful enough to continue this program in a way that is going to help the people who need to be benefited.

I thank you.

Chairman PERKINS. Thank you for an excellent statement, Mr. Mitchell.

Mr. Hawkins?

Mr. HAWKINS. I agree with everything Mr. Mitchell has said, and the only question I would like to ask him—I assume the statement is going to be filed, Mr. Chairman?

Chairman PERKINS. Yes, it has already been ordered filed.

Mr. Quie?

Mr. QUIE. No questions.

Chairman PERKINS. Mr. Mitchell, do you feel that we have inadequately supported the antipoverty programs this far?

Mr. MITCHELL. Yes, I do, Mr. Chairman. I support the position taken by Mayor Cavanaugh of Detroit. He said that he thought we needed $3 billion to give adequate attention to the antipoverty program. I don't think Mr. Gibbons was being at all unrealistic when he

talked in terms of $12 billion. A great, rich country like this ought to be willing to spend that if it means the rehabilitation of our population, so I don't think we are spending enough.

I don't think we are even asking for enough if we were to get the maximum that the bill calls for.

Chairman PERKINS. You feel that the Negro population of this country would not receive fair consideration if the OEO—Office of Economic Opportunity——

Mr. MITCHELL. Yes, sir. I would like to support that with this statement.

The Employment Service has been notorious for years. I don't know whether you remember Secretary Schwellenbach, when he was Secretary of Labor, but my first attempt to correct the conditions in the Employment Service was under Secretary Schwellenbach, and a few months ago I was in the same room where I had met with Secretary Schwellenbach meeting with some of the people there now trying to correct the same sort of situations that existed then.

If we talk about putting this in HEW, the HEW is under virulent attack because it has tried to move forward in enforcement of title VI. I would predict the same forces that have attacked HEW would also attack OEO functionings if they were put in HEW.

I would also think that being a sensible agency, HEW would try to protect its regular functions and in doing so would neglect the functions put into it from OEO.

As for the schools, the record is clear. This is 1967. The school desegregation decision was handed down in 1954. Those same people running the educational system of this country, who have done everything they can to promote racial segregation, and footdragging in the schools, cannot be entrusted with any kind of educational program that calls for innovation, imagination, and forwardlooking attitudes.

I would say it is a clear disaster for colored people in this country if there is any intention to put this program in the hands of those who have always been in favor of turning back the clock.

Chairman PERKINS. Thank you very much, Mr. Mitchell. We appreciate your appearance. You have been helpful to the committee.

The committee will recess until 9:30 a.m., tomorrow morning.

(Whereupon, at 5 p.m., the committee recessed, to reconvene at 9:30 a.m., Thursday, July 27, 1967.)

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

THURSDAY, JULY 27, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The committee met at 10 a.m., pursuant to recess, in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the committee) presiding.

Present: Representatives Perkins, Green, Thompson, O'Hara, Hawkins, Gibbons, Ford, Ayres, Quie, Goodell, Ashbrook, Reid, Erlenborn, Dellenback, and Steiger.

Also present: H. D. Reed, general counsel; Robert E. McCord, senior specialist; Louise Maxienne Dargans, research assistant; Benjamin Reeves, editor of committee publications; Austin Sullivan, investigator; Marian Wyman, special assistant; Charles W. Radcliffe, minority counsel for education; John Buckley, minority investigator; Dixie Barger, minority research assistant; and Phillips Rockefeller, minority research specialist.

Chairman PERKINS. The committee will come to order. A quorum is present.

The first witness this morning is Edward Robie, vice president, the Equitable Life Assurance Society of New York. Mr. Robie, I am delighted to welcome you here today and I am most anxious to know your views on the Economic Opportunity Act. Unless there is objection, your prepared statement will be inserted in the record and you may proceed in any way you prefer.

(The prepared statement of Edward Robie follows:)

STATEMENT BY EDWARD A. ROBIE, VICE PRESIDENT AND PERSONNEL DIRECTOR, EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

I am Edward Robie, Vice President and Personnel Director of the Equitable Life Assurance Society of the United States. I'm here today to discuss with you our viewpoint, and share with you our experiences in an area of major concern to the Equitable and to the Nation. This concern centers around what can and should be done to help the growing number of our nation's unskilled, untrained and unemployed young people, many of whom face the additional handicap of coming from proverty-ridden households and racial minorities.

It is my hope that my comments will be helpful to you in your deliberations concerning HR10682 and specifically regarding Title IV of that Bill calling for an Industry Youth Corps.

The Equitable is the third largest life insurance company in the country. We are headquartered in New York City and have offices in all 50 states, Puerto Rico and the District of Columbia. We have approximately 12,000 salaried employees, 7,000 at our Home Office and 5,000 at field locations. In addition, we have more than 6,500 commissioned agents who sell our insurance.

The Equitable's concern regarding the employment of youth grows out of two separate circumstances. First, our Chairman, James F. Oates, Jr., has for many years had a deep conviction that employers have a social responsibility

to do what they can to solve the problems of unemployment among America's youth. His concern was such that he readily agreed to serve as a member of the late President Kennedy's Committee on Youth Employment when he was asked to do so. His concern was reflected in the approach which the Equitable, on a completely voluntary basis, adopted to help a troubled segment of our unemployed youth, which I will discuss shortly.

The second circumstance from which our concern grows is the fact that we are a major employer of young men and women in their teens, particularly in New York City. In fact, during this month (July) well over 1,000 teenagers from the graduating class of June 1967 will begin employment with us. We are expecting about 1,000 new employees from this age group at our Home Office, and a total of about 500 at our field locations. As a major employer of youth, we feel a special obligation to be concerned with and sensitive to the problems this population is facing. Our concern is heightened as we find we must adjust to a changing labor pool prompted by the flight of the middle class to the suburbs. Our concern is strengthened each time we note that many of the jobs being done away with, as a result of increased use of electronic data processing equipment, were formerly filled by young inexperienced men and women. Our concern is intensified each time we hear statistics like the one which tells us that there are about 100,000 young men and women between the ages of 16 and 21 out of school and out of work in the City of New York alone.

As evidence of its concern with the problem of youth unemployment, and at Mr. Oates' specific urging, the Equitable several years ago addressed itself to doing something about a particular segment of this population—the high school dropout.

In addition, again several years ago, we put considerable time and the effort of some of our senior-level officers into formulating suggestions and an approach to combating the overall problem of unemployment, with particular attention given to youth unemployment. The result was a major speech advancing some new and innovative ideas given by Chairman Oates at the 34th National Business Conference of the Harvard Business School Association in June of 1964.

I would like to share briefly with you our experience in aiding the high school dropout, as well as some of Mr. Oates' thought-provocating suggestions.

In 1961 the Equitable started a special program for the employment of some so-called unemployable youngsters who had for varying reasons dropped out of school and who did not meet our normal employment standards. We were interested in seeing if these youngsters could do Equitable's beginning-level jobs, and if they could be prepared, like the hundreds of inexperienced high school and college graduates we hire each year, for positions with greater responsibility and higher earnings.

We've been working on this project in a modest way since 1961, and by 1965 we had employed over 80 of these so-called unemployable young men and women. The youngsters who came with us started as general clerks, inside messengers, mailroom attendants, addressograph clerks and Xerox machine operators. For the most part, general clerks start in jobs which require that they open and sort mail, and after a period of training, that they become familiar with the responsibilities of various units of a department so they can see that the right individual receives all changes of beneficiaries, another gets all correspondence asking for a change in the manner in which premiums are paid, and so on. Inside messengers, we euphemistically call them appchasers, are responsible for searching out policies or applications for insurance which are in various stages of the processing pipeline when they are needed for special attention, or when additional information is received or is needed. Our mailroom attendants staff a number of small individual mailrooms on each floor which are connected by a conveyor system, and are responsible for the pickup and delivery of mail on a set schedule. The fact that these rooms are spread throughout our 38-story building means the employees assigned to them have a considerable amount of unsupervised time. Addressograph clerks and Xerox machine operators carry out the duties that their job titles imply, with the understanding that they are often responsible for scheduling the use of their equipment and establishing priorities. Over the last several years our starting salaries on beginning-level jobs have gone up from $56 to $67 per week. Promotions to more demanding work are available to the youngsters who prove themselves reliable and capable.

It won't surprise you that we have had problems as we have sought to help these so-called unemployable youngsters adjust to our work environment. For example, we encountered difficulties in instilling in these employees an appreciation for the importance of punctuality and attendance, for many of these youngsters came from homes in which there were no established routines, often no one to see that they left mornings on time or at all. In some cases they were actually being criticized at home and by their friends for attempting to hold down a regular job. In some instances we faced the problem of poor attitudes, "chips-on-the-shoulder," and in most instances our usual performance standards were not met on the normal time schedules with normal training routines.

But, thanks to a specially selected group of sensitive and understanding supervisors, by 1962 and 1963 we began to appreciate and combat the pressures these youngsters were encountering. We decided special counseling help was necessary for many of the youngsters, and we were able to secure the services of a young man on work-leave from the Union Theological Seminary, who gave support and guidance to them. Between 1962 and 1965 we used three such counselors for a year each, all from Union.

But, along with the problems we encountered we also had our successes. By late 1956, we still had 18 of a total of 82 dropouts with us. In view of some of the difficulties they encountered, this turnover rate of about 77% does not compare unfavorably with the turnover rate we have generally averaged over recent years with the rest of our younger employee population.

Several of our former unemployables have advanced to second and third level jobs and have assumed supervisory responsibility for younger, newer employees. It is our hope that with increased experience and training, some will move to technical or supervisory level jobs. We are also encouraged by the fact that several returned to evening school in an effort to retrace their steps and pick up the high school diploma they had missed.

In late 1966, contrary to our earlier thinking but building upon our experience, we decided to include a requirement for supplemental education aimed at preparing a group of newly hired dropouts, through formal classroom preparation, for their high school equivalency diplomas. It was our plan to select 20 young men from a larger number who were to be screened and referred to us by J.O.I.N. (Job Orientation in Neighborhoods), an agency of the City of New York which works primarily with dropouts. At the same time we entered into an agreement with the Board for Fundamental Education, a non-profit organization chartered by Congress to provide education and training for the disadvantaged, which called for them to provide a curriculum, instructors, and materials to prepare this group, through formal classroom instruction, to pass the New York State Equivalency Tests. We understand that we are the first employer in American industry to offer this opportunity.

On October 13, 1966 we had 20 young men scheduled to begin work on regular, full-time jobs with the understanding that they would be attending class on their own time for two hours each night, four nights a week, for about one year. It was surprising to us, and here perhaps there is a lesson to be learned, that in spite of three screenings—by J.O.I.N., to determine the extent of their interest in getting their equivalency diplomas, as well as general suitability for the work which the Equitable had to offer, by the Board for Fundamental Education, to again gauge their level of motivation and importantly to determine the extent of their verbal and arithmetic skills so that the curriculum could be tailored to the group, and by the equitable for the standard pre-employment interview,—three of the 20 young men did not appear on their first day of employment. We later determined that one young man received his induction notice and chose not to report, one decided he needed a job which paid more money (the group was starting at $58 per week), and one literally disappeared and we were unable, after repeated tries, to locate him. We continued to interview and screen applicants in the weeks to follow, had two early terminations, and 30 days after the original group began we closed the program to new entrants with 17 young men at work and attending class.

We are encouraged by the fact that the course of study these young men are pursuing will be completed in three-quarters of the time we expected, or about eight to nine months rather than one year.

The method used by the Board for Fundamental Education is geared toward having those in a class who pick up a subject first share their grasp of it with their classmates. The fact that the course will be completed ahead of schedule is attributed by the B.F.E. instructors to this sharing and a general climate of cooperative learning that existed. In addition, we have already had one young

man receive his New York State Equivalency Diploma and have 11 others ready to take their examinations. Although we have lost 6 of the young men from the 17 we had in the program after its shakedown period, we find it encouraging that this number compares almost exactly with turnover among a random sampling of high school graduates hired at about the same time as this group. In the past, turnover among dropouts has, as I pointed out, been higher than that among high school graduates. Of our 6 terminations, one was to enlist in the Armed Forces, two were due to move from New York City, and one was involved in a scrape with the law. It was necessary to terminate two others because they failed to adjust to the requirements of their jobs and were generally performing in an unsatisfactory manner.

We fully expect that the opportunity for full-time employment, and the chance to prepare for and hopefully to pass the Equivalency examination, will start most if not all of this group of young men on the road to becoming successful, productive members of society. From all indications the Equitable and its policyholders, as taxplayers, will benefit from this experiment and the $700 fee necessary to provide this educational opportunity for each of the young men in this group. At the moment we are in the process of evaluating this project with an eye toward our future plans.

As I mentioned earlier, the Equitable's concern with youth employment, while reflected in our program to employ the dropout, was also the subject of an address given by our Chairman, James F. Oates, Jr., before the Harvard Business Association in June 1964. I think Mr. Oates' own words best state his concern and commitment to finding possible solutions to this problem. To quote from his talk:

". . . let me remind you again of the very special character of our national unemployment problem. It has a hard core, and this hard core presents unique and most disturbing features. I refer to the fact that a very substantial percentage of the unemployed today are young people, teenagers. These young people are a vital national resource. Their lives lie in front of them. If their problems are not effectively dealt with, whole lifetimes will be lost in idleness and bitterness, with corrosive long-term effects on our economic and social structure. Consequently, the problem of the untrained, unskilled, unemployed teenager requires special study and profound reflection."

Mr. Oates went on to disagree with those who feel a substantial segment of these teenagers are permanently unemployable and to suggest that bold new avenues must be explored, including those that might appear novel and startling.

Mr. Oates noted the relationship between minimum wage laws and youth employment:

"Each time the minimum wage rate is raised to a higher level or its application is extended to cover additional job classifications, businessmen are given a financial incentive to eliminate jobs. They are stimulated and challenged to cut out services or to substitute machines in order to help keep their price structure competitive and to maintain the profitability of their business enterprises."

He mentioned that the unfortunate aspect of this situation is that, "this powerful negative incentive must result in denying job opportunities to many people, particularly the unskilled, untrained, young workers."

By no means was Mr. Oates suggesting the repeal of the minimum wage laws, but only drawing attention to the fact that if his fears were well founded, "we have unwittingly brought about the elimination of jobs in precisely those unskilled categories in which our unemployed labor force is expanding . . ." Mr. Oates asked that measures be explored, "to ensure that the burden of these laws shall not fall entirely on one harassed and desperate minority—the unemployed youth."

Mr. Oates saw a number of alternatives to dealing with the problem of unemployed youth. Among them were provisions for a payment by the Government of a proportion of wages necessary to cover the differential between labor's true economic value and the minimum legal rates. He expressed confidence that the American businessman would be able, given access to a supply of labor, priced at its true economic value, to quickly devise ways of using it effectively.

Obviously Mr. Oates' suggestions, made in 1964, are similar to Title IV of H.R. 10682 covering the Industry Youth Corps.

Actually Mr. Oates, and those at the Equitable who had devoted significant amounts of time to studying this question, saw at that time two possible methods that could be used to encourage employment of marginal labor—one being a federal income tax incentive, and the other a direct payroll subsidy. Mr. Oates

compared the income tax incentive to the investment credit which was incorporated in the 1962 revenue bill. He suggested that a similar tax credit could be offered, "to employers who make payroll expenditures at the legal minimum rates for certain carefully defined classes of unskilled, marginal labor whose employment we seek to encourage." While this idea is not before this Committee because it incorporates a tax approach, I feel sure that members of the Committee are interested in its careful consideration by the Ways and Means Committee, in the form of H.R. 4574. (Human Investment Act.)

Regarding the Industry Youth Corps payroll subsidy approach that is before the Committee, we recognize that care will have to be taken to avoid having subsidized labor simply replace or compete with labor being paid at the full minimum wage. Employees receiving the benefit of the subsidy must also receive on-the-job training preparing them to move up into the regular, unsubsidized labor force, and, in some cases, supplemental basic education as well. Experience must be gained with local community action groups in the development of programs designed to meet local conditions and needs and opportunities with adequate controls, but a minimum of red tape.

Although this approach might begin with unemployed boys and girls, it also has possible applications in aiding displaced adult coal miners and farmers. The total costs to our society of the payroll subsidy should be viewed against the savings resulting when the people involved start contributing to the national product to the full extent of their ability, where formerly they were being supported in idleness.

We have embarked on our approach to the employment of dropouts completely voluntarily and without Government subsidy. The number of jobs to which these youngsters can be assigned is limited. But we believe most employers, large and small, have appropriate employment opportunities for some of these youngsters, provided the incentives are positive and the approach and methods of training are demonstrated as we and a few other companies have been able to do.

It is especially true that small employers cannot mount complex training projects of the kind contemplated in the Manpower Development and Training Act, and it is small employers who can still use a very high proportion of our unskilled labor if the price is right and a local agency is willing to provide imaginative approaches to make the labor avalable and to help train it.

We see very distinct advantages in having the applications for, and the administrative procedures associated with these subsidies, kept as simple as possible. We also see great merit in having responsible local community action groups involved in such a program. It seems reasonable that those at the local level could best thrash out such problems as to the selection of both employers and employees.

Thank you, Mr. Chairman and gentlemen, for this opportunity to make known the Equitable's concern regarding the question of youth employment. We intend to continue to do what we can in an effort to find workable solutions to what is certainly one of the Nation's major domestic problems.

STATEMENT OF EDWARD ROBIE, VICE PRESIDENT, EQUITABLE LIFE ASSURANCE SOCIETY OF NEW YORK

Mr. ROBIE. The scope of my remarks will be somewhat less broad than you had perhaps hoped or anticipated and certainly broader than you indicated in your invitation. I don't feel that I am qualified to comment on the entire Economic Act or many sides of it.

I have come here with particular intention of discussing one aspect of H.R. 18602 that is before the committee and particularly the Industry Youth Corps proposal in that bill.

There are two reasons why I feel I may have some helpful information and experience to give the committee. One is because the chairman of Equitable, James F. Oates, Jr., has for some time had a special interest in the youth employment problem which led him

several years ago to make some proposals, one of which is very much similar to the proposal for the Industry Youth Corps.

The second is that this same concern by Mr. Oates and by a number of the rest of us has led us to do some experimentation with the employment of youngsters who don't meet our normal standards. This experimentation I want to share with you.

Chairman PERKINS. That is what we want from you.

Mr. ROBIE. First, I guess I should say just to give you a framework that we are a large mutual insurance company, the third largest in the country. We have employed 7,000 people in our home office in the heart of New York City and about another 5,000 throughout the country, and perhaps another 6,000 or 7,000 sales agents throughout the country.

My responsibilities as personnel director have to do with these salaried workers. Unlike the automobile industry, which can use subprofessionals for such routine jobs as bolting automobiles together, our routine clerical work is done by youngsters right out of school.

A high proportion of these people are girls. A good many are not career people. They stay with us for several years until they get married and then they leave. So there is a high turnover of these lower level people.

As a result of this we are as an industry probably the biggest employers of youngsters, both Equitable and the insurance industry in general.

For example, just in our home office building, this summer we will employ over 1,000 youngsters just graduating from high school this year for their first job. Naturally, we have a particular interest in what is happening to the youngsters and we have a particular concern when we find the changing population mix in our cities, particularly in New York, a different labor pool than we have seen in the past.

Over a thousand of these youngsters in New York City are out of work, dropout youngsters, supposedly unemployable. This gives us a great deal of concern.

About 5 years ago we decided to see what we could do to find out more about the so-called unemployable of the dropout youngsters and with that in mind we employed a small number of these, cooperating with a local agency. We have actually cooperated with several agencies over a period of time and most recently our cooperation has been with a city agent called JOIN—Joint Orientation in Neighborhoods.

It was our intention to employ a limited number of dropout youngsters. Initially the thought was just give them a job that they can do and let them learn the discipline of working and see what this will do to improve their motivation and to give them some chance to support themselves.

We have employed in 5 years about 80 of these youngsters. Before our program beginning late in 1966, which is a little different than I will come to in just a minute, of these 80, we have about 16 left.

These youngsters have been given on-the-job training but no supplemental education. We have learned from our experience that just giving these youngsters a job and on-the-job training is not adequate. They need basic educational help, supplemental help, and they need counseling. They come from homes in some cases where even holding a regular job is looked on as something derogatory.

They come from homes where there is nobody to get them up in the morning, any kind of a schedule to get any place on time is something they are completely unused to, so they need special counseling, special supervision and they need a great deal of care in job assignment.

Having learned this, in 1966, we decided to change our program somewhat and to offer a special kind of supplemental education to these youngsters.

This was provided through a contract with the Board for Fundamental Education, which is a nonprofit educational agency chartered by the Congress which has specialized in developing unusual techniques for, first, adult education of various levels of illiterates.

I think we were the first experiment trying to apply these unusual basic educational techniques to youngsters.

The arrangement we made with approximately 20 young dropout boys was that we would give them jobs at the lowest level, messengers, Xerox machine operators, addressograph operators, APT chasers, fellows who go around and locate papers throughout the building as we need them.

It was decided they would go to school—we didn't call it school—they would take extra education 2 hours a night, 4 nights a week, and we would provide the education.

The Board of Fundamental Education provided two instructors under this contract. The cost was geared to be $700 to $750 per boy for approximately 1 year's education on this basis, and the goal was the high school equivalency examination and high school equivalency diploma. We now feel we have had enough experience with these techniques to say it works. Eleven of these youngsters have been able to stick it out and we think are going to be able to pass their high school equivalency in the near future.

We think that these youngsters have also demonstrated enough ability on the job so that they will be able to have reasonably good careers with us.

Some of them can even get up into the supervisory levels and the technical job levels, we think.

As a result of this, we are encouraged to think that with this kind of care, with this kind of supplemental education, these youngsters are not unemployable. They may be a hard core that we have not touched that are although I doubt even that if enough care is given but these so-called unemployable youngsters are not unemployable. They can be taught but it costs money and it takes time.

To go back to Mr. Oates' earlier ideas, I expressed when I started my informal summary here, I believe about 3 years ago at an address at the Harvard Business School, Mr. Oates pointed out that one of the problems with these youngsters was simply that as far as jobs were concerned they couldn't produce enough on the job to warrant the minimum salary level that was required to pay them.

The financial loss was there and there was no financial incentive. He suggested drawing on the 1962 tax incentive formula. This was embodied in a bill before the Ways and Means Committee or the idea of a payroll subsidy was suggested by Mr. Oates as a way of making up the economic difference between what the company would pay these youngsters and what it would pay for educating them and what they were actually worth on the job.

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

to be relatively close to the cost we found it takes using this kind of supplemental education for merely the supplemental education piece and if one assumes that the other time, the counseling time, the special supervisory time and so on doesn't amount to a great deal in cost, then it could well be that the 25-percent subsidy would provide enough to give adequate supplemental education.

Mr. GOODELL. What kind of process do you go through in screening these youngsters? I notice that you now have an organization called JOIN screening the youngsters for you. What process do you go through and what process do they go through?

Mr. ROBIE. Even with the most careful screening it surprised us to find out that all of the youngsters did not show up on the job.

We started out this program thinking we would get 20. The JOIN organization, the local community agency first screened basically using two or three criteria. One criterion was the youngsters should specifically be told the kind of company and work and express some interest in that kind of work.

In our earlier program we found the kids were sent to us just for a job and we had kids that the last thing they wanted in the world was to be in a clerical operation. This was just not their cup of tea so we decided part of the screening should be an interest in our kind of organization, our kind of work.

Second, we did require a minimum educational attainment. We did not for this particular program want complete illiterates. We knew we were getting dropouts but we did want some minimum educational requirement.

Third, because we have a very large number of young girls in our organization, there were some minimum requirements with regard to things like narcotics involvement and sex offenses and things like that.

We did not eliminate anybody with a police record but if they had a record we took a look at the record.

Then the board of fundamental education screened youngsters to find out about their attainment level. This involves the youngsters working together, and a big part of their new technique is getting the kids to work together in education, helping each other. Therefore, it was important for them to find out how much variation was there in the educational level attainment of these youngsters to begin with and they had to gear their program to that.

We screened them with our normal preemployment interview to see if there was any serious motivational problem. The youngster who was being pushed into it, and said he wasn't too sure he wanted to come, we didn't want. Even after this screening for motivation, educational achievement and attainment for our kind of work, of the 20 kids set to come to work, two did not show up, so you really can't tell about the motivational problem. Screening is very necessary. You can waste an awful lot of time and effort setting up a program for kids whom you could tell in advance are not interested.

Mr. GOODELL. One of your major concerns in screening, I take it then, is determining the motivation of the youngster to take advantage of the type of job opportunity that you can offer and; secondly, to evaluate what qualification or ability he has so that you can cope with those in the training period.

Mr. ROBIE. That is right.

Mr. GOODELL. If I understand you correctly, you are not eliminating those who possess some difficult educational problems.

Mr. ROBIE. By and large, all of these youngsters are difficult educational problems and all of these youngsters exhibit one or another form of rebellion and difficulty.

Mr. GOODELL. To put it another way, you are not just trying to take the cream of the crop?

Mr. ROBIE. No, depending on how you slice it. I am sure there are youngsters with problems who need help who, compared with the youngsters we took, would make our youngsters look like the cream of the crop.

But if you compare our youngsters with the youngsters we have been normally taking they are definitely below the normal level of standards.

Mr. GOODELL. I did not mean the hardest core. We all recognize that special programs are necessary and you named some of the categories of those who were screened out.

I am interested that you point out that the dropout rate with these youngsters was given special attention and now it is comparable to the shakedown period for breaking in a high school youngster.

Is that a fair statement?

Mr. ROBIE. Yes, sir. The dropout rate for the youngsters for the first 5 years before we learned to deal with them was higher. The dropout for the 1966 program is comparable to the normal group.

Mr. GOODELL. Could you expand a little bit on the concept which you explain on page 7, the concept of sharing?

Mr. ROBIE. Yes, sir. I should first say that my knowledge of this is second hand. I have not spent hours in these classes watching these youngsters but there are several elements in the way the board of fundamental education goes at this that are important. First of all, and I am just describing what they say and do, they don't believe in using normal teachers. One of their qualifications to teach these youngsters is that the teacher has never taught before.

Mr. GOODELL. What is behind that?

Mr. ROBIE. I think they feel they have special problems that have to be dealt with in a special way and too many of the teachers who have had teaching experience already have pretty fixed notions.

I certainly would not want to be quoted here as saying this is true or damning of all teachers but it has been their experience the unusual techniques they want to use, teachers who have had normal teacher training, have a hard time adjusting. It is easier for them to teach people, who have certain qualifications, their techniques.

For example, they look for people who have actually had jobs, held a job and gotten a paycheck other than a teaching one. They think that is necessary. They think it is necessary for the guy who is teaching these youngsters to know what it is to work on the kind of job these youngsters are aspiring to. That is one aspect.

Secondly, they are looking for people who are dedicated or have a special interest and are dedicated to the kind of experimentation we are teaching these kinds of kids they are doing. They are not looking for a person on a kind of Peace Corps basis to come in for a couple of years. They are interested in people who are making a career out of a new kind of education for adults who are improperly educated or who haven't got a good basic education or for youngsters.

It has been their experience, at least, that it is better to have people who have not had teaching experience before.

Furthermore, as far as the technique in the classroom is concerned, they have built their own textbooks. They have done some of the things that I read out, the educators having done. They have pulled together their subjects. They try to relate English and arithmetic and so on together in one textbook so these don't appear to be separate subjects.

They try to get the youngsters who move along a little more rapidly and who become leaders in the class to help the kids who move along more slowly.

They try to get coaching between the youngsters going.

What they do, and I am not describing very well how they do it, I am afraid, is build a climate in the classroom in which it is the "in" thing to do to move ahead educationally. Everybody is interested in everybody getting ahead. That is really what they do.

I might mention I understand the genesis of the experience of the board for fundamental education was working in prisons and working with prisoners, many, if not most, of whom had the same kind of educational problems. It was trying to determine how to overcome the frustrations of these prisoners in education that led them to the techniques that they are using now.

I understand they have just signed a contract with the steel workers and the steel companies to do a very ambitious educational job for some of the unskilled steelworkers. I think some 10,000 steelworkers are going to have the experience of this kind of education under a contract with the steelworkers and the board of fundamental education and I believe this particular contract is financed under fundamental education.

Mr. GOODELL. You make one point in quoting Mr. Oates, the president of Equitable, which is in complete accord with my viewpoint on minimum wage. You favor the minimum wage but you recognize its impact on employment opportunities for young people.

I think you recognize it realistically. It does destroy a certain number of employment opportunities and it makes it a little more difficult to hire these youngsters, and to a degree, it stimulates the process of automation instead of employment.

Do you feel that a program such as the Industry Youth Corps in which the Government could pay a portion of the wage for a year and then possibly in another year's extension, perhaps combined with on-the-job training help, personnel and equipment, could be an inducement to employers to get these youngsters started, to train them so they can hold a job?

Mr. ROBIE. We feel very strongly this idea is worth an experiment. To say it would work as the panacea or on a huge basis to start out with would not reflect our views.

Mr. GOODELL. I agree with you.

Mr. ROBIE. We know this is a tremendous problem and we know you are just as much, if not more, concerned about it than we are. We are far from having found successful solutions. It is a problem that is going to haunt us for many years to come.

We note that the many experiments such as the Job Corps at a great annual expense that are being tried, we think this particular way of going at it with the payroll subsidy with a local agency in-

volvement, with a minimum of redtape, with the opportunity not only to involve large employers but especially to involve the hundreds of thousands of small employers where the unskilled jobs really are, we think a simple procedure like this simply understood, hopefully, reasonably and simply administered which would have to be worked out because that would—part of the experiment offers great promise in being another way of dealing with this problem.

Mr. GIBBONS. Would the gentleman from New York yield?

Mr. GOODELL. I yield.

Mr. GIBBONS. For a year and a half we have been doing exactly what you have been talking about. They have the community action program and they built Neighborhood Youth Corps centers. The amendments we passed last year make all of this possible.

We do it not only for youth but we do it for older persons, too. I am very happy to hear this responsible gentleman from business say what he has and I think his comments as well as what you are talking about can be expanded into something useful.

I think it is a good concept and it would work well in many communities.

Mr. GOODELL. I don't know what is happening in your community but the law as written does not include private profitmaking companies as employers with one-quarter of the wage being able to be paid.

All we did was expand it to on-the-job training.

Mr. GIBBONS. That can be pretty generous.

Mr. GOODELL. This is, in effect, what Mr. Shriver said. They circumvent the law by being generous about the training.

Mr. GIBBONS. Let's say they live on spirit. I am not arguing with you, I am agreeing with you. The only thing I say about training, of course, is it is more flexible than a flat 25 percent. In some types of jobs 25 percent may be too little and in other places it may be too much.

Mr. GOODELL. Our percentage is up to 25 and can be more or less and secondly, it can be combined with your subsidy of training costs.

Mr. GIBBONS. If we are falling down in that area it is because we don't have the follow-on basic type of education as a compulsory part of the program. But what you are saying has been done in New Haven, Conn., for instance.

I want to commend you for what you are talking about. I will have some questions later.

Mr. GODELL. I will yield to my colleague for questions.

Mrs. GREEN. I have been reading your statement. Are you associated at all with the "Plans for Progress?"

Mr. ROBIE. Yes, Mrs. Green, we are. At the time we became associated with it we were not involved in Government business so we did not do it for that reason. We did it because we thought it would help us make progress, and I am happy to say it has. It has been very helpful.

Mrs. GREEN. I have not been familiar with this Board for Fundamental Education which has been chartered by Congress. When was it chartered?

Mr. ROBIE. I am sorry I cannot give you the date. I think it was relatively recent. My memory says about 1961, but I would have to check on that.

Mrs. GREEN. Prior to the establishment of the Office of Economic Opportunity?

Mr. ROBIE. I believe so. I would be happy to get that for you and submit it to the staff of the committee. I am sure this is easily obtainable.

Mrs. GREEN. As I was listening I thought I remembered your talking about young women who were employed and your statement referring to men. Do you have both young men and women?

Mr. ROBIE. Yes. Actually for our lower level jobs, the highest proportion is young women. Overall, we employ about 60 percent women and about 40 percent men.

Mrs. GREEN. For this particular program?

Mr. ROBIE. For this particular program. The one I spent most of my time describing is all young men. There are a couple of reasons for this. One reason was we felt that the hardest core of the problem is the young men, not that there are not problems for the young girls, but as we talked to people in the city, the opportunity for the young men who dropped out of school to get jobs seemed to be one that people were having more difficulty in solving than women.

Secondly, we did employ some dropout girls earlier but we found that they seemed to need less of the fundamental education addition than the boys did. We could put these girls into our regular typing and steno training. We train most of our typing and steno training ourselves.

The school system in New York City does not turn out enough to meet the mark and we train our own rather than meeting the premium price for girls trained by the school system.

We learned that the girls seemed to do relatively better than the boys in typically girl-oriented jobs. What I am saying is equally important for the girls as well as for the boys and one of the things we are going to think about in the future is extending the same basic type of education to girls as well as to the boys.

However, I think the toughest part of the problem in the ghetto area is the boy part, not the girl part, and the girls don't have the career aspirations that the boys have.

Mrs. GREEN. Do you have a more detailed report or study of the number involved?

Mr. ROBIE. We have several more detailed reports which have been prepared for various reasons, and I would be happy to make available any additional information you would like but I don't think we have any one report that might be looked on as a detailed summary of everything about all of these programs.

However, there is nothing about any part of these programs that is confidential and we would be happy to share any of our information with you or any member of the committee staff.

Mrs. GREEN. I would be glad to have any additional information that you have. I think it is a great program, and I know that some of the companies in my area are part of the Plans for Progress and I have great admiration for what they are doing.

In regard to compulsory school attendance and child labor laws, would you or any member of your company have recommendations here for any changes? Do you think these add to the problems?

Mr. ROBIE. I think I would have to speak very personally on this and not as a representative of the company. It is not a problem to

which we have given detailed company attention. I have a personal opinion perhaps growing more out of my experience as a member of a school board.

It would lead me not to particular notions with regard to the impact of the existing laws, school-age laws on this problem. It seems to me in general the combination of the environmental factors prior to school and the kinds of techniques that have been developed over the last 50 years in public education are such that the school just does not provide what these youngsters need. It is not just there.

I don't say this necessarily critically about the schools, but by and large, these youngsters have had it as far as school is concerned. This is why when we started out the program not to provide the kids with any more schooling because the kids don't want anything like school.

We learned then that the problem was more complicated. They needed school and they needed what school would provide but you had to provide it in a kind of setting with a kind of technique that was acceptable to these youngsters and that is when we looked around for somebody who had something like this.

That is when we founded the Board for Fundamental Education and thought if what they had done worked reasonably well with adult illiterates and people deficiently educated, particularly people in prison, maybe it would work with kids and they were interested in seeing if it would work with kids.

To go back to your original question, I don't see anything in the requirement that normally kids should stay in school to such and such an age and some of the other requirements that bears on this problem unless perhaps if a way could be found to surround the local school systems with less redtape with regard to what they do and encourage more experimentation with new techniques.

I think this would be very promising. As a member of a school board, I remember the oceans of redtape we had to go through with, I am sure over the years, well-intentioned controls, but many seemed to inhibit the types of experimentation we need for these youngsters.

I should add, I had contact with the most dedicated kind of educators and teachers in our school system, too, and I would not want what I am saying to say these people are all blind to the problem are not trying to do fine things because, of course, many of them are.

Chairman PERKINS. Mr. Hawkins?

Mr. HAWKINS. Mr. Robie, I would just like to commend you on your statement. You have a wonderful experiment there. There are several questions I would like to ask you concerning the administrative problems it seems to me may be involved in a substantive approach.

Are you suggesting under this approach that subsidy would equal the difference between the actual worth of the individual and the wages paid?

Mr. ROBIE. This would have to be an approximation. I think we are suggesting it makes economic sense to say that a youngster who conceivably is worth economically perhaps 75 cents an hour or $1 an hour is difficult for a lot of employers to employ at minimum wage levels without some help, particularly if he has to give some additional training expense to these youngsters.

We don't see any sense at all in trying to repeal the wage laws as a way of getting at those youngsters. Not only does it not make economic sense, but it does not make political sense.

Therefore, it seems to us building from the Investment Credit Act experience, here is a simple approach for approximating for some youngsters at least their economic value to their employer and what he has to pay them or what he should pay them.

Mr. HAWKINS. You make it sound very simple. I certainly agree with your desire to get away from redtape, but I am wondering who is going to ascertain the actual worth of the individual and the difference between that worth and the salary that would be paid? Is this going to be fixed by the employer who does the training or will it be fixed by some neutral agency, some governmental agency, or who is going to ascertain this for the various industries?

I assume that yours would not be the only industry which would take advantage of it. Now, who will do it for various industries?

Mr. ROBIE. As I understand the proposal, and as I would contemplate it, the notion of making any kind of exact economic difference is not really involved.

I would say this would be succesfuly administered only if this 25 percent were thought of as a rough approximation of the kind of incentive that would be sufficient.

Mr. HAWKINS. Would this vary from industry to industry?

Mr. ROBIE. Theoretically, as I understand from Mr. Goodell, there could be a situation in his bill leaving it flexible so than 25 percent or less could be given. The 25 percent we have provided for the youngsters in this experiment happens to equal about 25 percent of their wages for 1 year, so I assume the research that went into the drafting of the bill took this into consideration, too.

It is not just a coincidence.

Mr. HAWKINS. You have had experience in this field. You have employed young people for a long time at the lower level jobs. Is it not conceivable that some industries would not have that experience, and maybe it would not be 25 percent or maybe 30 or 33 percent if you are going to equalize it?

Mr. ROBIE. I think the administrative questions, and actually they are more than administrative questions that you raise, are all important questions, and some of these administrative details would have to be worked out. Actually, these are not different problems from what the poverty program is already facing. When negotiations are undertaken for the Manpower Development and Training Act subsidies these same questions come up and determinations still have to be made as to whether the youngsters are the appropriate youngsters to get this type of subsidy and whether the industry is the appropriate industry and also with regard to the number of subsidies needed.

Some say that the trying at Chrysler Corp. is a great success. I am one who admires this although some say too much Government money is being spent and that the companies ought to spend more money.

Mr. HAWKINS. We are trying to avoid redtape and it seems to me we must also anticipate instituting this system would involve a lot of redtape and administrative problems and they will not abate simply because we shift to a new concept.

Mr. ROBIE. I agree there will undoubtedly be administrative problems but there are some concepts that are sufficiently attractive and different from what has been done up to now to give it promise both politically and psychologically and also in terms of a stated attempt

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?

Mr. ROBIE. Both, there are those under the existing law that are adequately set up as I think in some cities. We just had a referral to New Haven where they did an outstanding job in setting up such an agency. It does not make sense to set up another one since that has been done so well.

It would be my hope that one effective local agency would sit on one side of the table and the employer would sit around the table with a labor union representative and possibly a local school official and they would say what is our problem.

Here is a way of working out our problem. How can we work out the program so it would not be manipulating or anything but would do the job? The experimentation could see if that could be done within a limited number of dollars and along with the Job Corps and Neighborhood Youth Corps and a lot of other things we are doing whether this adds another dimension.

Mr. HAWKINS. I may not agree with all of the things you have said with respect to the simple administrative problems on the innovative and creative matter on which you have approached the subject.

I personally believe it can be done under existing law but whether it can or can't I think you have certainly offered something for us to consider. It has been very constructive.

Mr. ROBIE. Thank you, sir.

Chairman PERKINS. Mr. Erlenborn.

Mr. ERLENBORN. I am very interested in the statement you made and some of the questions that have been asked of you indicating that to accomplish this might be too difficult.

The so-called Industry Youth Corps to a great extent would be patterned after the present Neighborhood Youth Corps so the administrative problems would not be any greater.

Mr. ROBIE. As I understand, the Neighborhood Youth Corps has been designed and implemented mainly as a public operation but in broad concept the notion of a payroll subsidy and certainly some of the same administrative problems, I suppose there are public agencies that want to make a good and proper deal that has to be avoided so in that respect I would say some of the Neighborhood Youth Corps experience which I think has been pretty successful could be applied.

Mr. ERLENBORN. We have Neighborhood Youth Corps programs now in the law and there are programs outside of Government.

I would like to have you verify that there is a great wealth of opportunity for employment of this sort among small employers who cannot afford the type of program you have undertaken—a great wealth of opportunity that is just not being used.

Mr. ROBIE. This seems to be a reasonable proposition. It seems to be well worth exploring. Certainly the jobs and the work are there. Whether this avenue would open it up is the question and I think it has a good chance.

Mr. ERLENBORN. I think it seems obvious an employer who could hire two, three, five people of this sort cannot afford to establish the recruitment and the training program that is necessary to go along with it, but there must be many small employers in this category who could, if someone else did the recruiting and took care of the training, enter into a program such as this.

Mr. ROBIE. This certainly seems to be true, and it seems to me to have the merit of the commonsense observations and experiences of

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

Mr. ROBIE. 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. ERLENBORN. 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. ROBIE. 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-

mentation going on on this. I am quite encouraged by the techniques that we have been using and I also have a fairly strong bias, I guess you would have to say, that the normal educational techniques wouldn't work with these kids and you have to use some of these new techniques that involve cooperative education between the kids. Helping each other, small group instruction, special textbooks, special, and I didn't mention this previously, connection between the job and the education.

You see our kids know that they are surrounded by kids who have got it from their point of view and they have the same expectation that the high school kids have, some of them higher, oddly enough, and there is a reinforcement in their knowing if they are going to get promoted not as a cold requirement but as a basic necessity, they have to be able to read, they have to be able to do some arithmetic and so on, and they see that.

We get that reinforcement. We give them the education in our company building in a training place and these two things reinforce each other. Some of these elements about which I could talk more expertly which the Board of Fundamental Education has developed seemed to be necessary. Possibly some of them could be developed more effectively by the public schools and probably are in some school systems.

Mr. ERLENBORN. Thank you very much.

Chairman PERKINS. Mr. Gibbons.

Mr. GIBBONS. I am so glad you came here and I am so glad our Republican colleagues invited you to be one of their witnesses.

I agree with about 99 percent of the things you have said and as I have interjected from time to time in this testimony a lot the things you are doing can be done and should be done right now and they are being done right now in other places in the United States.

I want to commend your company for the progress and leadership in this.

Mr. ROBIE. There are a lot of employers doing the same things or similar things. I don't know enough about the specific programs to specify them but the Prudential, as one example, has been involved in a very interesting program along with some other companies to train clerical workers in special education classes.

I think these were largely girls, typists and stenos in a multicompany training effort from which they would then draw some employees for themselves and others would go elsewhere.

I am not sure of the details. I believe the Connecticut General in Hartford has done some special work. I know Eastman Kodak and Xerox, to get outside of our industry, have done some work.

I mentioned the steel industry. It seems to me Owens-Illinois has done some work. More and more employers are experimenting in a small way with this kind of thing, but it is my feeling that what we need to do is multiply this by a thousand and particularly to get the small people involved because big employers have fewer and fewer of these jobs.

We are automating these jobs out of existence, and particularly the manufacturing companies.

Mr. GIBBONS. Let me say I heartily agree with you there and I think it is the most realistic type of opportunity we can offer people, having a great deal of built-in motivation factors, and it takes people off the so-called Federal payroll and puts them in private employment where they should be.

I have pushed this in my own community wherever I could get an audience to listen.

Let me talk about tax credit because that seems to be an issue here and let me express my own opinion to see if you agree with me.

In larger industries, you have people sitting at your management level and you are always looking at opportunities to take advantage of the tax laws so that you can perform certain services, but the average small businessman does not find out about these tax credits until finally some alert bookkeeper or professional accounting service says, "You know if you could go back and reexamine a few of those vouchers you paid last year you might be able to get a tax credit." That has been my experience in small tax credits and I think that is what would happen if we got into a massive tax credit for massive training.

Based on your experience, do you think this is a reasonable assumption?

Mr. ROBIE. I think it is a reasonable fear. First, I should say that we are in an unusual tax position in the insurance business. We are not taxed the way other companies are taxed. We don't get the same kind of credits that other people get.

I am a personnel director and not a controller. First of all, I don't know enough about the tax picture in our company but I know enough to know that we are different. I think the tax credit technique does have certain dangers which you mentioned. If we begin multiplying the uses of the tax credits I can see some problems but it does happen to be a method that worked when we were trying to get something else done.

Mr. GIBBONS. For equipment, I agree, and the reason why is all of the salesmen of equipment come in and say, "I can save you a lot of money this year," but you are not going to find poor people knocking on the door, particularly of small business, and saying, "You can save money by hiring me," but when somebody comes in and says, "I can sell you a Xerox machine that will probably cost about a thousand dollars for the machine and this tax credit if you buy it this year is going to save you a lot of money."

Their ears begin to perk up and they buy it, but you have pointed out that industry is so involved in training anyway, wouldn't we in effect have a tendency just to try to tax credit all of the training we already do?

Mr. ROBIE. I know darn well I do not know enough to be of any help to you on this at all. I think the tax credit idea is worthy of consideration but the tax laws are so darn complicated and there are so many dangers, all of these things have to be looked at and I don't know enough about it.

Mr. GIBBONS. Let's get off taxes and ask you as a personnel man if a community has a broad base like the labor unions, the poor, and others typical of our community action agencies, with a person like that coming around to you and saying, "Mr. Personnel Officer, we have many people here we would like to interest you in. We know there are excellent job opportunities in your company and there is a rather unique group you are talking about and you are going to take a little time to train them, we will help you work out a training program and agree on the cost of that training program, and we will reimburse you for the training."

Is that a viable technique for getting job opportunities opened up for the hard core unemployed?

Mr. ROBIE. Yes, and it is being done but it does not seem to me that it is being done anywhere near enough. I am not sure there are enough people in community action agencies if we expect them to take all of the incentive to come around to enough personnel directors.

I am not sure there are enough personnel directors on first blush who are going to sit down that sympathetically. The thing that interests me about the Industry Youth Corps is that you might work it in such a way that the personnel director or in a small company where they don't have a personnel director, the president, or an officer of the company would take the initiative.

Now we have an Industry Youth Corps, something that is easy for us to understand. We realize we have to work it out but I think the psychology and the incentive to get going is somewhat different.

Mr. GIBBONS. I agree with you and that is what some of us attempted to do. I think we succeeded in doing it in last year's legislation. Perhaps we don't have the right title on it and perhaps with the community action agencies there is a lag in leadtime between the time the Congress acts and the time that an administrative agency at a local level has a chance to put a local program into operation, particularly when it takes this bureaucracy up here 6 months to get out simple guidelines so the action we took last fall is just beginning to trickle down to the local level.

That is one of the problems of looking at the program every year—we see what we did 2 years ago.

Let me say in closing, I certainly agree with the techniques that you have used. I think that they ought to be expanded vastly and I think there is a great potential in hiring not only young people but wouldn't this technique also work for older people?

Mr. ROBIE. Yes, it seems to me particularly since the educational technique was started out on older people, I see some potential for farm workers which, certainly, in many parts of the country are a problem, I see some potential for miners and I would think the technique certainly could work very well for adults as well as for youngsters.

Mr. GIBBONS. I appreciate your remarks.

Mr. ROBIE. Of course, this whole thing is predicated upon a growing, healthy economy. I see the whole thing going up in smoke if we do not have that.

Mr. GIBBONS. That was in our report last year, and none of this would work unless we have that. I agree with you.

Chairman PERKINS. Mr. Dellenback.

Mr. DELLENBACK. Thank you, Mr. Chairman.

Mr. Robie, I regret that I did not have a chance to hear your testimony but I have had an opportunity to read it while you were answering Mr. Gibbons' questions.

I note from the testimony, and I think you just gave this as an answer to a question a minute ago, that normal techniques of teaching don't work with these kids. It is either in the testimony or something you just said.

By and large, do you feel that the program even so far as youth taking it has been successful?

Mr. ROBIE. Yes, if you will accept our standards which you could have as many standards as people looking. Also, if you accept or appreciate the qualification that we have dealt with very few kids and the part of the program that seems to me now to be working best has been going a very short time.

With all of those qualifications, I guess we should show we are showing encouraging signs that what we are doing will work out sufficiently well to be worth the money and that it has implications which if tried through the medium of something like an Industry Youth Corps might be quite helpful.

I qualified it all over the place, I realize, but I think it is necessary. We started out with 17 kids. We tried to get 20, but it turned out to be 17. We have 11 kids still going and we think all of those kids are going to make it as far as the equivalency examination is concerned.

When you look at those who dropped out, many dropped out for behavior reasons—two went into the service, two moved away, and so on, and I think we just had two we couldn't do anything with. They couldn't come in on time continuously and they couldn't develop work habits.

Mr. DELLENBACK. I think that is an excellent record. In the selection of the 17, how selective were you?

Mr. ROBIE. We were reasonably selective and I can only tell you in general the criteria. These youngsters had to have a motivation, a positive motivation about working for us. We had to be reasonably assured that the kids were coming with a positive notion and were not being bopped on the head to come.

Secondly, they had to have a minimum educational level. We did not accept complete illiterates. This involved certain test scores and so on.

I believe, and I should know the answer more accurately, it was roughly the eighth grade level that we were looking for. Of course, eighth grade level is different to different people, but there were the educational people we were working with did apply some minimal educational standards. Part of the problem was we could not work both with the same group of kids some of whom were complete illiterates and some who had some literacy.

The scope had to be within minimal levels.

The others had to do with narcotic offenses and sex offenses. We did eliminate those who had narcotic or sex problems or particular emotional problems, particularly those that might threaten our young girls.

Mr. DELLENBACK. So there must be screening and I think it is important that we realize that you are not here talking about a program which goes down to the complete illiterate. You are not talking about taking the young person who is at the bottom of the educational ladder, the really lowest level and starting from scratch. You were selective in what you did.

Mr. ROBIE. That is correct, although the educational people and the professionals who have done the educational piece started out, as I understand it, developing techniques and are still using these techniques on complete adult illiterates. They started their programs in the prisons dealing with people who couldn't read or write and developed the techniques there and more recently they have three levels. Level 1 is grade 1 to 5, level 2 is 5 to 8, and level 3 is 8 to 12. We were

here dealing with level 2 which they had a little experience with adults and level 3 which they had no experience with at all. They were drawing on some of the techniques they learned at level 1 but we were not in our program taking complete illiterates and we didn't want them for this.

Mr. DELLENBACK. With this plan that you are working with at Equitable, do you feel you need residential control over the young people or are you able to function successfully having them within your control from the time they begin in the morning until whenever the last classes are completed?

Mr. ROBIE. No, we don't need residential control. In fact, it is a practical impossibility. I should not say that. I should say it is not within the cards for us to try to get involved with residential control.

Some of our problems grow out of our lack of it which is not another way of saying we would like to have the control. The homes from which some of these youngsters come are just impossible by standards many of us would think were normal.

Our experience seems to show so far, at least, that the work experience and the educational experience on the job is a sufficient counterbalance to work out successfully without the residential control.

Mr. DELLENBACK. I think that is important, and I think there are several phases of this which it is important that the record show because there has been a good deal of testimony about the need for residential control over young people in order to achieve the results.

I think that when the flat statement is made that there must be residential control, to use that particular phrase, they fail to realize there is quite a continuum with people at the bottom of the ladder, the center part of the ladder and at the upper end of the ladder.

You don't necessarily need control for all of these young people. You may need it at one spot on the ladder, but what I read you as saying to us is that there is a group of young people who might otherwise be considered unemployable whom you are able to bring in and through what you do on the job and through what you do with the education which is an adjunct to the job, into productive society without residential control.

Do I read you correctly?

Mr. ROBIE. Yes, sir, you do, and I would also agree with you that we would make a big mistake to say all these kids are the same. There is a continuum and even where residential control is necessary, I think we have a lot to learn about residential control. We have a very interesting experiment in New York which involves residential control virtually in the same kind of section that the kids came from, the Bedford-Stuyvesant area, against the Job Corps, take them out to a camp-type of thing.

In our experiment, the kind of kids we have been getting it looks to us like residential control is not necessary.

Mr. DELLENBACK. Since you have been this selective in choosing your still relatively small number because you are still reaching forward experimentally with the Equitable program, I assume, do you feel that your experience has been sufficiently successful that Equitable is going to go on with this program?

Mr. ROBIE. We are now taking a look at what we are going to do in the future. Since we have not decided, I can't make a commitment. We just have not made our decision.

Expressing the view that I would expect to add to other views in helping to make this decision, I hope we will go on with in in a modest way as we have done for the last 5 years. I hope we will build on the experience and go on with about the same number, perhaps, of kids that we have been trying to build into the program each year for the last 5 years but we have not sat down and taken a look and included the costs and decided.

Mr. DELLENBACK. What is it that we might be able to do with Federal legislation to help assist Equitable and companies like Equitable come to the conclusion that they were performing a very valuable social function here that they ought to continue?

Mr. ROBIE. This really, I suppose, is one of the reasons for our interest in the Industry Youth Corps. We look at that proposal and it looks to us as though reasonable administrative arrangements would qualify what we are doing and it looks to us as though the cost fears we have—we have to worry about our policyholders—in a sense, we are taking money out of their pockets to put into this program—and we have to feel it is a worthy thing from their point of view and certainly one of our fears is whether what we are doing is justified or not, whether it would be greatly enhanced if we could see getting this roughly $700 back under a program of this sort.

I cannot honestly say it would encourage us greatly to enlarge the numbers because there are a limited number of jobs. There is a matrix of things that have to be fitted together, but I think it would give us encouragement to go on at a reasonable level if we had something like the Industry Youth Corps and that kind of subsidy if we could do it without a lot of redtape.

Mr. DELLENBACK. As you are aware, and as I am sure Mr. Gibbons is aware, a tax credit really is not involved here; it is involved in the Human Investment Act.

To confine our thinking and talking here to the opportunity crusade per se, we are talking about some type of direct governmental assistance to companies like this. But is it your feeling then that we really are dealing here with a group of young people who might otherwise be considered unemployable, whom social conscience so far has driven Equitable to make a given attempt to bring into employability and for whom you are going to have to decide for the future whether you are going to continue the program. If there were some governmental assistance akin to the type that is involved in the Industry Youth Corps you would be much more apt to go forward and possibly expand the program at least in modest degree?

Mr. ROBIE. I think that is a fair statement assuming the administrative arrangements could be kept reasonably simple and we would not conclude that it was not worth the candle to fuze with it.

I know that is a statement of principle at least that is involved in bill because there is a statement of hoping of leading for simplicity of arrangements.

Mr. DELLENBACK. I am very encouraged by some of the statistics I read in your testimony, Mr. Robie, because I see here when you talk in terms of the 17 in the program for example, the statement in your testimony that you find it encouraging that the six young men that you have lost compare almost exactly with turnover among a random sampling of high school graduates hired at about the same time as this group.

This shows, it seems to me, that there is real potential in this group of dropouts, that there is a reasonable expectation that if industry approaches it with an enlightened and sound and concerned attitude, you are going to be able to do something with this group.

Mr. ROBIE. It certainly leads in that direction. I don't want to repeat this more often than necessary but we are dealing with an awfully small number. I would hope that we could conclude that this is encouraging but not conclusive.

Mr. DELLENBACK. It is this type of experimentation that must go on in various places so that we can learn either that this is good or that this is poor and then take it and hopefully multiply the good results throughout all of the other companies in the United States that might be able to do something with it.

Essentially, if I may say this to you, and it has already been in the record in prior testimony among those of us who are involved in at least considering the Opportunity Crusade, we feel very strongly that to a great degree the private sector of the economy, private industry has not really been brought into this war on poverty to the degree it ought to be.

The war on poverty has to date been largely a matter of governmental involvement in an attempt to do some things. Here is this great, tremendous instrument of private enterprise of the private sector of the economy which has been largely left standing on the wayside to go its own way while the war on poverty is waged by Government.

We are convinced that if we are really to succeed with the number of young people and older people with whom we must succeed, if the war is to be successful, it can be done only if we can take private enterprise, companies like Equitable that are sound and forward-looking and bring them right into the middle of the battle.

Without this we are wasting probably the greatest asset that we could have in the war. This is our feeling. I don't ask you to comment on this because I think your testimony today and the record of Equitable shows that this is the feeling of your leadership.

Again I thank you, Mr. Robie, for your testimony and the help you have given us.

Mr. STEIGER. I would have no questions for Mr. Robie but to commend you and to commend Equitable for the job you are doing. Your testimony is eloquent, compelling testimony in support of the Youth Corps concept.

I think that the job that you are now doing is outstanding. I am going to send your testimony to Northwestern Mutual in Milwaukee to ask what they are doing and why if they are not doing it, because I think you have taken the leadership and the initiative necessary.

I am very, very happy to have you here, and thank you for coming.

Mr. ROBIE. Thank you, Mr. Steiger—and they are a very good company.

Chairman PERKINS. I take it from your testimony that there is a certain type of youngster, the youngster lacking in the basic education, for whom your normal techniques wouldn't work and we have to have special training and special instruction, and for that reason I think we feel the Job Corps is doing a good job in the way of giving these youngsters some of that special instruction.

Mr. ROBIE. I really can't comment on the Job Corps because I have not had any direct experience. I have been interested enough

to read quite a bit about it, and I don't know that our particular experience has much bearing on the Job Corps.

I have the impression that the Job Corps is dealing with a different kind of youngster.

Chairman PERKINS. That is what I wanted to bring out. You do have the impression that the Job Corps is dealing with a different type of youngster than the youngster with whom you deal.

Just explain that a little.

Mr. ROBIE. My impression is that the Job Corps youngsters are from a less employable, harder core, if you want to call it that, group, perhaps a group with police records, if you will. I don't know this. I have this impression. Whether or not the Job Corps method for dealing with that kid is a good method, I don't know.

I have personnally in the past, not speaking for my company, supported some continued experimentation with something like the Job Corps because I think we have to continue experimenting, the same argument that leads me to say we should experiment with an Industry Youth Corps for a reasonable time, at least we should experiment with something like the Job Corps.

Chairman PERKINS. Don't you feel the experimentation of the Job Corps and the techniques and know-how that we are obtaining to better deal with this type of youngster will be fed into industry to benefit you and benefit the educational system?

Mr. ROBIE. I would certainly hope so. Many of the Job Corps contracts are run by industry so industry techniques are being fed into them and hopefully this will help.

As you know better than I, this is at tremendous cost.

Mr. GIBBONS. I know the gentleman at the table did not want to run down Job Corps enrollees, and I think the record shows that not all Job Corps enrollees are what you might classify for want of a better word, a "bad" boy, or a "bad" girl, coming out of some institution.

Some of them come from some really isolated places in the United States. You will find the youngsters of some farmers or fishermen living in isolated areas. Really, it is the only technique where you can get enough of them together so you can get a viable enough unit together for instructional purposes.

Perhaps you and I come from rather large cities and we tend to think in terms of our own environments, but there are a lot of small creeks and hollows, and by and large, many of these people who are really fine individuals are finding their way into the Job Corps and they are as my colleagues over here want to talk about residential skills, these are residential skill centers.

I will admit some of them in the Job Corps have pretty unsavory backgrounds. Perhaps we are making a mistake by mixing unsavory with ones who are untouched, but I think we do a disservice to a great many Job Corps enrollees by continually blighting them and by continually saying they are all a bunch of misfits and people who have had a chance but they goofed and this is their last chance.

They are not all that. They are from rural, isolated America.

Mr. ROBIE. I am very happy to have any impression that I might have created to the contrary corrected. I think you have already heard

from a fellow who seems to me to have some of the most objective views and that is Sol Levitower. I have seen some stuff from him on the Job Corps which I find immensely helpful.

Chairman PERKINS. You do not handle this type of youngster at Equitable Life?

Mr. ROBIE. What type do you mean?

Chairman PERKINS. One lacking in basic education. Most youngsters you employ are graduates or have had some high school.

Mr. ROBIE. Most of the youngsters we employ have graduated from high school. We are now, as I have indicated, beginning to employ some numbers both in the special program and to some extent beyond it which I did not mention, who are, in our judgment, seriously deficient in basic education, so I would say we are employing youngsters with deficient education and with the statement Mr. Gibbons just made I suppose some of the children we are employing are different from some Job Corps kids.

If you took the average quantity and standardized them that way, there may be a difference.

Chairman PERKINS. Up until recently you have always screened them to try to get the best personnel in your recruitment?

Mr. ROBIE. This is correct. Even with our best screening we have taken kind of a cross-section. The market is pretty competitive. And I did not mention this earlier, one of the reasons for our experimenting in one way we have is kind of selfish. We have a problem of getting this low-level, very boring, uninteresting competitive work done. It is a paper factory. We also have a problem of creating a pool to promote people to technical levels.

One of our fears was we would put so much emphasis on the promotional pool that we were putting youngsters into these lower level jobs that were highly underqualified and this was contributing to high turnover and cost problems.

One of the interests in our dropout problem was to see in taking less-qualified youngsters for the lower level qualified jobs which would not be as promotional might be more efficient.

I didn't want to leave the impression we were taking a uniform level of youngster. We have had sort of a cross-section in recent years.

Mrs. GREEN. In regard to age, what age bracket would you think that this kind of a program would be best suited for? How young do you take them?

Mr. ROBIE. If I recall the title 4 correctly, it seems to me it was 16 to 22. I, frankly, have not given much thought to the age question. That sounds reasonable to me. I guess that is all I really ought to say. It has potential beyond that, and Mr. Gibbons brought that out, the possibility of extending this principle to adults, say, people from farm areas or miners.

It seems to me that is promising but we were directing our thoughts and the industry corps seemed to be the problem of the kids and if you are going to do that you have to have some brackets.

Mrs. GREEN. If this has been discussed before I will read it in the transcript.

What age do you have?

Mr. ROBIE. The youngsters in our experiment?

Mrs. GREEN. Yes.

Mr. ROBIE. I would have to estimate because I did not foresee this question and did not check on it. I think these youngsters vary. I think the youngest one is 17 and the oldest one I would estimate at about 21. If it turns out to be different I will correct this for the record but I think it is about 17 to 21.

Mrs. GREEN. Have you or have others who have engaged in the plans for progress program run into any conflict with child labor laws?

Mr. ROBIE. No, we have not. That might become a problem in a different kind of industry but it has not been for us. We don't have a lot of machinery of the type that would be involved with the child labor laws. We have not used these youngsters on night shift work. We do have some night shift work but we have not used them for this.

It may be for a program that was very promising in many other respects; it may be necessary to make some special arrangements through the Secretary of Labor if that were possible. I can conceive of that being a problem.

Mrs. GREEN. Has any thought been given to lowering the age to 14 in sort of an apprentice program as we know it?

Mr. ROBIE. We have not given any thought to that principally because there are so many kids in the age bracket we are considering we are only taking a handful, and also just quick whether I would have some question about the degree of maturity of youngsters anyone than the ones we are taking to associate the kind of offers and atmosphere and climate and job that we have.

Chairman PERKINS. Thank you very much for your appearance here this morning.

Mr. GOODELL. Perhaps you were questioned on this when I had to step out. On page 10 you made a reference to the proposal for human investment. I would like you to briefly and for the record, indicate whether you feel that with these various other proposals, the industry Youth Corps and OJT and other improvements, a proposal for a tax credit for employers who accept human investment, would have some significant impact in this area in motivating employers. Also, tell us a little about the need for something of this nature because of the special problems involved with moving in that direction.

Mr. ROBIE. Mr. Gibbons did ask me several questions on the Human Investment Act principle which quickly demonstrated my lack of qualifications in the tax area in terms of the types of administrative details and problems and dangers that are involved.

I think I should limit my comment on that to the notion that if the experts in tax legislation, in tax problems, in tax controls and so on, felt that a way could be figured so that a tax incentive could be a fairly clean-cut, simple way to achieve this result, I would think that it would be promising.

Mr. GOODELL. I might say there are various proposals for this, but Congressman Curtis who originated the idea has pressed for it and has got over 100 Members of the House supporting the bill. One of our outstanding Members is a member of the Ways and Means Committee. He has estimated the total cost of a 7 percent tax credit for all types of training, not limited to the unskilled or uneducated, to be in the neighborhood of $300 million per year.

Now when we are talking about that amount, compared to the money we are spending in other areas, and in this program as far as that is concerned, it could conceivably have a rather great stimulative effect. If it applies to all expenses in training and educating, training and upgrading employees, it would then be a very simple tax procedure.

In other words, what I am trying to establish, and I won't go into it since you have indicated that you are not an expert, it can be done across the board with a ceiling of something like $300 million.

Mr. ROBIE. I think Mr. Erlenborn also asked some questions along that line and I am happy to repeat some uneducated fears about the administrative problems of Government subsidies across the board for all kinds of training, including upgrading training and so on.

Mr. GOODELL. It would be through tax credit.

Mr. ROBIE. I guess I must say I just have not given this enough thought to be able to comment intelligently. My problems have been pretty much focused on the youth problem which seems to be one of the major national problems we have in a time of great prosperity.

Mr. GOODELL. That is another way to focus it. You could just set up a program for which only youngsters under 22 years of age would qualify.

Mr. ROBIE. That is where my attention has been focused and I don't think I can be helpful on commenting on the other.

Mr. GOODELL. You have been extremely helpful to the committee and I thank you for testifying today.

(The following material was submitted by Mr. Robie:)

AETNA LIFE & CASUALTY,
Hartford, Conn., July 18, 1967.

Hon. CARL D. PERKINS,
Representative in Congress,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: You may find it helpful to have the views of a businessman on the legislative and budget proposals for the Office of Economic Opportunity now before the House. I urge prompt, favorable action.

Through OEO we have begun our first organized assault on the causes of poverty. Conventional welfare programs serve the needs of those who are temporarily poor because of industrial layoffs, disability, loss of the breadwinner or age. A different kind of help is needed for those disadvantaged by birth or upbringing.

We need both kinds of programs. If OEO receives generous support now, it may succeed eventually in making itself unnecessary by removing the causes of hard-core poverty. The logic, economy and humanity of turning tax-spenders into tax-payers is obvious.

As a member of the Business Leadership Advisory Council to OEO, I am informed as well as interested in the services it performs nationally and in Connecticut. To give you examples of OEO at work, I am enclosing a report on the Community Action Program in Hartford. Such activities place demands on the consciences of all more fortunate Americans.

Sincerely yours,

OLCOTT D. SMITH, *Chairman.*

REPORT ON THE COMMUNITY ACTION PROGRAM IN HARTFORD, JULY 1967

Hartford saw the need for the Community Action Program approach early. In 1962 the Greater Hartford Community Renewal Team (CRT), which became the Community Action Agency there, was established. Its purpose was to coordinate a number of existing programs and to formulate the new ones needed

to attack the root causes of poverty. As an agency of the Office of Economic Opportunity CRT continues to be more than a contracting agency channeling funds to other agencies. It is an operating agency itself. It innovates, develops new programs and passes those that succeed along to city, state or private agencies.

In addition to financial support received from the Office of Economic Opportunity, CRT has received grants from the City and the Greater Hartford Chamber of Commerce. These grants were for a 3-year period ending in September 1967. Hopefully they will be renewed. In the spring of 1967 the Connecticut Legislature passed a Community Development Act, which will bring an infusion of State money. The business community gives CRT both financial support and the concern and leadership of business executives who participate in CRT activities.

All elements of the community participate in CRT. The 72-man Board of Directors includes business, labor, professional, religious, government and civic leaders—and 29 elected members who represent their neighbors in the poor sections of the city. The poor were a key part of the enterprise from the beginning.

On balance the success of our combined effort exceeded expectations. CRT currently supports 14 major activities. Rather than outline all, I will cite a few of the outstanding ones. (The appendix contains a list of all activities.)

The Neighborhood Youth Corps has been functioning with overall success, but two notable examples come to mind. One is a young man who on release from a boys' reformatory applied for help. They helped him find his first job—at the minimum wage—and encouraged him to secure training that brought him employment as a laboratory technician. Another young man a year after joining the Corps was employed as a chef in Alaska at $16,000 a year.

The Manpower Development Program has established a high degree of interagency involvement. Welfare, government, business, labor and churches work together to counsel and guide the unemployed. One young man they placed works as a commercial artist earning $8,000 a year—quite a step up from welfare.

Contrary to reports from other sections of the country, Headstart is extremely successful in Hartford. The Board of Education feels that a large part of the success comes from the involvement of parents. The children find encouragement at home from parents who understand and appreciate the opportunity being offered.

The Community Service Corps hires neighborhood people at the minimum wage to serve for 6 months as welfare, training, instructional and recreational aides. The services they perform are useful. Even more valuable in the spreading effect in the neighborhood that comes when their friends see them leave welfare and start off on their own. With the new-found self-respect, many aides find places in the job market and their success encourages others.

What is the future of CAP in Hartford? For the long range, hopefully it will play a diminishing role as it eliminates the causes of poverty and equalizes the opportunities for education, jobs and decent housing. For the near future it must play a much larger role. Economy demands that we move ahead faster so that our work will be completed sooner. The continued financial support of the City, the Chamber and the major corporations is still needed. Desperate human wants will go unserved.

Both for humane and economic reasons the work of The Office of Economic Opportunity must go forward as rapidly as possible. To do this it must have much greater financial support on the municipal, state and federal levels as well as the continued and increasing support of the business community.

Admittedly our nation has pressing international obligations. It also has domestic fiscal responsibility not to impair the system that serves so many of us so well. But I urge federal administrators and congressmen to travel the path of true economy by giving the full financial support needed for a successful assault on the root causes of poverty.

There is no economy in doing less than our humane instincts demand from us.

THE COMMUNITY ACTION PROGRAM IN HARTFORD

The overall CAP organization in Greater Hartford is the Community Renewal Team. The current CRT program shown below includes the funding rate for the year just ending. Budgets for the year ahead have not been approved.

Program	Objectives	Operating agency	1966-67 Federal funding rate
Child development—Headstart.	Runs year-round preschool for 750 4-year-olds.	Hartford Board of Education.	$396,465
School-community work study.	Provides staff for program in which 400 high school youths work half-time in Hartford industries.	----do----------	50,308
Homemaker-teacher------	Instructs families in child rearing, home management, etc.	Hartford Welfare Department and Family Service.	41,340
Administration----------	Provides administration, program development, and control for all CRT operations.	Community renewal team.	71,564
Assistance to residents of public housing.	Provides tenant relations advisers in low-income housing projects.	Housing Authority of the City of Hartford.	64,818
Services to unwed mothers.	Provides education, social and health services to young women pregnant out of wedlock.	Children's services, Hartford Board of Education, Visiting Nurse Association.	42,199
Welfare aides----------	Provides nonprofessional aides hired from city welfare rolls to assist city welfare caseworkers.	Hartford Welfare Department.	38,330
Community Service Corps.	Provides for development of neighborhood projects by neighborhood groups and unskilled manpower to work on these projects.	Community renewal team.	76,236
Neighborhood services----	Provides for multiservice centers, smaller neighborhood progress centers, consumer protection program, CRT fieldworkers and fieldworkers contracted to Hartford neighborhood centers and city of Hartford.	----do----------	261,162
Comprehensive manpower.	Provides for strengthening and coordination, including intensive data and followup on all activities in Hartford.	Community renewal team, Hartford Board of Education, city of Hartford.	272,440
Legal services----------	Provides neighborhood-based legal services for the poor.	Neighborhood Legal Services, Inc.	53,400
In-school Neighborhood Youth Corps.	Provides work experience for 186 high school youths paid $1.25 an hour in a variety of school and other jobs. Program increases to 200 in summer.	Hartford Board of Education.	355,000
Out-of-school Neighborhood Youth Corps.	Provides full-time work experience in a variety of agencies for 200 out-of-school youths paid $1.25 an hour.	Community renewal team and YMCA.	308,760
On-the-job training------	Provides training costs to companies and stipends to trainees for 200 unemployed or under employed at more than 24 companies.	Community renewal team and Urban League of Greater Hartford.	75,000

NOTE.—In addition, CRT supports several small locally funded projects, including housing, Project Companion (operated at St. Michael's Church), and recruitment and training assistance for Girl Scout operations in low-income neighborhoods.

Chairman PERKINS. Thank you very much.

Our next witness is Mr. Richard Boone, Citizens' Crusade Against Poverty.

Come around, Mr. Boone. I know you are the executive director of the organization.

STATEMENT OF RICHARD W. BOONE, EXECUTIVE DIRECTOR, CITIZENS' CRUSADE AGAINST POVERTY, WASHINGTON, D.C.

Mr. BOONE. Thank you, Mr. Chairman.

Poverty, as we know, is nonpartisan. It knows no difference between Republican or Democrat or other party affiliation. The solutions to the complex problems of poverty require an unrelenting inquiry and understanding that goes beyond partisan politics.

Your committee, with the enthusiastic support of the administration, molded the most significant tool in the history of American pov-

erty fighting—the Economic Opportunity Act of 1964. This was bold legislation, drawing upon the experience of past successes and failures, along with the best knowledge available then as to the Federal Government's responsibility in this area.

I. SPECIFIC RECOMMENDATIONS CONCERNING THE ECONOMIC OPPORTUNITY ACT

A. In establishing this act, the Congress declared that the Nation needed a fresh and vigorous effort to fight poverty in the other America. Old ways of doing business simply hadn't worked to our satisfaction and, in making community action programs the central force in this new national commitment, the Congress established the vital role of the Federal Government as one of helping people to help themselves. The community action concept rejected old forms of public paternalism.

By offering local communities and community groups the opportunity and responsibility to play vital roles in a war against poverty, the Federal Government established an important precedent.

In offering the poor the right and responsibility of a first-class partnership in local programs it reaffirmed and gave new life to the concept of self-help with Federal support. This commitment to local community action was and still is vital to developing a sensible war against poverty.

Any congressional dismantling of OEO by the outright transfer of programs would be a disservice to the poor of this Nation at a time when the war on poverty, even with the limited resources extended thus far, is beginning to win significant victories.

The Citizens' Crusade Against Poverty supports the Office of Economic Opportunity as the central antipoverty agency of the Federal Government, with particular emphasis on the community action program.

B. Our national security is dependent as much upon the well-being of our people as it is upon the strength of our foreign commitments and our exploration in space.

The question of national priorities must be raised now. Are we, as a nation, committed to a war against poverty? Are we willing to forgo just a few of our luxuries in order to marshall resources necessary to wage this war?

As of now, the answers to these questions are not heartening.

In 1966, Americans spent four times as much on tobacco ($8.4 billion) as the administration is requesting for OEO this year;

More was spent on TV commercials in 1966 ($2.75 billion) than in all OEO antipoverty efforts;

In the development of military hardware, we spent $1.5 billion to build two B-70 aircraft, $500 million for parts and drawings of the Skybolt missile, $400 million for studies and drawings of the Dynasoar missile, $170 million for parts and drawings of the Advent missile. This amounts to a total of $2.570 billion on weaponry which, because of obsolescence or defectiveness, never got off the ground;

The combined community action efforts of New York, Chicago, Los Angeles, Philadelphia, Detroit, the District of Columbia, Atlanta, Boston, St. Louis, and Houston in fiscal 1966 was actually $30 million less than the cost of developing and launching one Saturn rocket.

We urge the Congress to provide a minimum of $3.6 billion for Economic Opportunity Act programs for fiscal year 1968. This is a conservative amount based on 5-year projections for the Office of Economic Opportunity.

C. Greatly increased versatile funds need to be appropriated for the hub of all antipoverty efforts—the community action program. Congress should continue to support the local community's right to determine the shape of a community's antipoverty program. While there are many common problems in dealing with the elimination of poverty, availability of local talent, resources, and desires make the solution of poverty in each community a unique undertaking.

D. Central to the community action program is the concept of maximum feasible participation of the poor in all aspects of local antipoverty programs.

We view the words "maximum feasible participation" as an act of rededication to fundamental democratic principles—and as a public acknowledgement that all Americans are entitled to enjoy the full status of citizenship, including the opportunity to contribute toward the common good. Participation of the poor seeks to bar condescension and paternalism and confers the right to participate. * * * We would hope that the Congress would continue to stress the importance of this concept, highlighting the "quality of involvement" of persons from low-income areas in these programs.

Some have mistakenly suggested that supporting such involvement has only led to trouble, and, in fact, to riot. Actually, the contrary is the case. It is where the poor have gained the power to influence their immediate communities that the spectre of riot does not hover.

We need not less, but more, involvement of the poor. We need not less, but more, support of OEO programs embodying this principle.

E. One of OEO's most important innovations has been in developing "subprofessionals" and "new careers" jobs for the poor. Originally developed in response to the Congress mandate that the programs of OEO be developed with the "maximum feasible participation" of the poor, these jobs have gone beyond involvement.

Through redesigned jobs, "new careerists" have also proven they can assume many of the less technical tasks of professionals, thus increasing the efficiency of the professional staff and relieving pressing professional manpower shortages in health, education, and public welfare.

Just underway are programs funded under the Scheuer amendment to the EOA. They are potentially one of the most effective means of training poor people for new jobs and carriers to help them gain the skills needed to permanently escape poverty.

F. The administration proposal to raise local matching contributions by 100 percent would be disastrous to local antipoverty efforts. Many rural areas, particularly in the South and smaller cities, would find it difficult, if not impossible, to provide 20-percent matching contributions. Stipulating such an "entrance fee" would be a severe blow to the poor of this Nation who would be precluded from continuing and developing new self-help programs.

The Citizens' Crusade Against Poverty (CCAP) opposes increasing local matching contributions to 20 percent and urges the Congress to reduce the amount to the original 10 percent. We fully support the

law's provision authorizing the Director of OEO to waive even the 10-percent requirement when this amount would produce a hardship to local antipoverty programs.

G. The CCAP supports the recommendations of the administration to increase from 5 percent to 10 percent the moneys available for demonstration and research purposes.

H. Crucial to successful national and local antipoverty planning is the extending of congressional authorization for OEA programs from the present 1 to 2 years or more. This would allow communities to plan ahead and to better facilitate the hiring of quality personnel. The uncertainty of year-to-year authorization only serves to add confusion to the very difficult and complex task of eliminating poverty.

I. In addition, we urge this Congress to create a Joint Congressional Committee on Poverty not only to recommit the Nation to what should be its No. 1 priority, but, in a systematic way, to gather and disseminate the best knowledge about eliminating poverty.

II. THE ISSUE BEFORE THE NATION

The most important domestic issue in this Congress is the war against poverty. What at one time were seen as remedies to this great domestic problem have fallen far short of solutions. Poverty has persisted as a cancerous sore imbedded in our communities. In suffering, cynicism, anger, and as a challenge to our democratic system, its costs are enormous.

We have begun, though much too slowly, to launch new programs, many of them important deviations from the old, ineffective ways of attacking these problems.

There are fundamental dangers in our solutions if we proceed to launch programs based alone on our crisis reactions to issues or on commonly advertised, facile panaceas to these problems. Tragically, poverty is a part of the fabric of American life. If the goal of attacking poverty in America is basic institutional change, it is important that the change be in keeping with basic goals of our society. Too often, in our anxiety to solve problems, we have developed strategies whose primary thrust has been "on target," but whose secondary effects have produced new problems for the beneficiaries and the society as a whole.

The question before us all must be: Consistent with our need to protect individual opportunity and responsibility as fundamental to a free society, what are the best tools with which to attack poverty?

Poor people are powerless people. People who are powerless do not have the opportunity to be responsible. Yet a free society is dependent upon the actions of responsible individuals. From decisionmaking based upon alternative choices comes the process of acquiring responsibility. This does not take place quickly. It does not happen overnight. Yet it is basic to the preservation of a free society and the elimination of poverty.

Too often, in the name of curing the Nation's ills, we have created machinery which has reduced, rather than extended, individual opportunity and responsibility. Of course, at the program's inception, we haven't seen it in that way. We did not think that much of our public housing would degenerate into bureaucratic paternalism. We did not think that many public welfare programs would become institutionalized, devaluating human life generally.

It is not implied that we must penalize the poor in the interest of a free society. A society cannot be free with huge numbers of poor people. But we must carefully choose our tools and find those which can be used to eradicate poverty and build a free society.

In the current crisis of grinding poverty amid highly visible affluence, the immediate alternatives seem clear:

We can establish new crash programs and temporary task forces, pumping money into urban and rural ghettos through public programs and institutions which have thus far failed to move toward solutions. This might be called the "cooling out process," or the "temporary relief syndrone."

We can greatly step up our police activities, deciding that the basic task is one of repression. In so doing we can prepare for a lengthy period of guerilla activities among the more militant poor.

We can proceed to help build local communities and neighborhoods, consistent with the needs and aspirations of their residents, making available the kinds and volume of resources necessary, and making certain those resources are used in a self-help process—not superimposed on the people and not used as the instruments of those who would detract from and pervert the process of self-help.

Obviously, we opt for the third alternative. And we believe of all the Federal agencies, the Office of Economic Opportunity, and the community action program in particular, represent the soundest approach to reach this goal.

The philosophy of the community action approach is creative, dynamic, and democratic. What should be done is not to weaken that program, but constantly seek to improve it, demanding levels of performance consistent with the terrible need that is upon this Nation.

Thank you, Mr. Chairman.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. Thank you, Mr. Chairman. I am sorry I did not hear all of your testimony. First of all I would like to pay my respects to this group and to Walter Reuther's leadership. From the beginning it has shown a very enlightened attitude toward the whole program.

I am also in agreement with you in terms of the dollars spent. I don't know how we can wage a successful war on poverty if we are unwilling in other programs—education, and so on—to make the kind of investment that has a reasonable chance of paying off.

As I understand your statement, you would not make any change at all in the organization in the Office of Economic Opportunity. You would leave this intact?

Mr. BOONE. We would leave the Office of Economic Opportunity intact, believing that any changes which could or should be made could be made as a matter of executive or administrative discretion. That is to say that we see already that the Office of Economic Opportunity has delegated some programs to other agencies, probably most noteworthy is the Kennedy-Javits amendments program. These kinds of procedures by the Office of Economic Opportunity obviously take place under administrative and executive decisionmaking and discretion. We see that if there are to be further moves in that direction, this can be separate and distinct action from congressional action.

Mrs. GREEN. I am at a loss to understand the very inflexible position of this group and others that the Office of Economic Opportunity

simply must not be touched even if the Congress or if their members feel that there would be a greater coordination of programs that are identical in purpose if they were put in one agency. Why this attitude? Somehow it seems to me the witnesses have given the impression it is almost sacred, that you cannot touch the official there or you are going to destroy the whole program. I am thinking of Headstart. Educational leaders across the country have testified repeatedly that this program should be coordinated with other preschool programs and should be under the administration of local educational people and directed down from the Office of Education. Why is your position such that you would not do this?

Mr. BOONE. To review what I just said, Mrs. Green, we feel that the kinds of changes which can be made to increase the effectiveness of the Office of Economic Opportunity can and should be made within the framework of the office itself and the discretion of the administrator of those programs.

We feel further that the Office of Economic Opportunity should remain the central coordinating vehicle of antipoverty programs.

I might even correct that and say it should become the central coordinating vehicle of antipoverty programs simply because we do not believe there has been the effective authority present with which to effectively coordinate Federal antipoverty efforts in relation to and in support of local antipoverty efforts.

Mrs. GREEN. On page 7 you said Congress should continue to support the local communities' right to shape programs. What you just said, I think, would negate this. First, what do you mean by the local communities' right?

Mr. BOONE. I am referring to the local community action agency in establishing priorities based upon its survey of local need and expectation.

Mrs. GREEN. What you really mean is Congress should continue to support the CAP's right to determine the shape of a community's antipoverty program; is that right?

Mr. BOONE. Only if there is an on-going monitoring evaluation of the effectiveness of local community action programs and their abilities to respond effectively to local need and expectations within their communities. I say that——

Mrs. GREEN. That is a pretty big "if."

Mr. BOONE. It is a very big "if." I think the community action programs can be successful only if there is a system of evaluation and monitoring and only if that system is backed up with the authority to act based upon the results of that monitoring and evaluation. I think that in all Federal programs we have seen a great deal of evaluation, a great deal of monitoring without results being taken to change those programs consistent with the evaluations of them. I think this requires coverage. I think it requires a lot of guts. I think the community action programs cannot succeed unless such systems are developed and adhered to.

Mr. GOODELL. Would the gentlelady yield?

Mrs. GREEN. Yes; I will be glad to yield.

Mr. GOODELL. May I ask in simplified terms what you feel OEO should do? You, in effect, feel that OEO itself should be concerned with a minimum of the administrative details but should be the conduit

through which all funds should travel and to the maximum degree possible it should delegate the administration of the programs to existing agencies. In doing this, OEO should retain some authority and guidance, evaluation, and power over the funds. Is that a fair statement?

Mr. BOONE. I think it is not a statement of the crusade as a policy position because the crusade has not gone into detail on that question.

The Congressman, I think, is quite familiar with my personal view on the matter. I do think that the Office of Economic Opportunity has in an interesting way set a precedent for the type of action to which you allude, the delegation of programs. As mentioned before the foster grandparents program, the Kennedy-Javits impacted areas program are both demonstration of this delegation authority carried into being.

Consistent with that, I think a key role of the Office of Economic Opportunity, once those programs are delegated, is to be responsible for evaluating the effectiveness of those programs under that delegative authority and have the right and the responsibility to act upon the results of that evaluation.

Mr. GOODELL. I take it that the answer to my question is that the crusade has no position and to that degree you personally agree the answer is "yes"?

Mr. BOONE. My answer stands as given, Mr. Congressman.

Mr. GOODELL. I do not have any desire of putting you in the position of having to testify beyond the policy of your organization.

But I would like to ask you, as long as the gentlelady has apparently yielded permanently to me at this stage, a question about your evaluation of the degree of involvement of the poor in the community action program across the country today—true involvement.

Mr. BOONE. When you talk about involvement versus true involvement——

Mr. GOODELL. I focused the question to true involvement.

Mr. BOONE. I think I get your point. I would say that there is a great deal of variability in the quality of involvement. I refer to the quality of the involvement of the poor. I think that, generally speaking, two areas of involvement can be identified, have been identified, traditionally, in the program.

First is the role of the poor or their representatives in establishing procedures and policies around programs and in developing program priorities.

The other is the entitlement of working within programs.

In many cases the growth of the subprofessional program in the Office of Economic Opportunity is a demonstration of that kind of involvement. I am assuming that you are referring to the first, the so-called policy——

Mr. GOODELL. I am interested in both aspects.

Mr. BOONE (continuing). Policy level involvement. Again I would say there has been great, great variability in that.

Mr. GOODELL. Let me put to you a very specific question.

As you know, the Quie amendment was passed last summer. It required at least one-third of the membership of the community action boards to be truly representative of, and chosen by, the people to be served. The deadline has passed for compliance. It is our own view that many communities have essentially conformed to the requirement.

It is the view of OEO that all but a handful have complied and have true representation, and they have so testified. I believe they listed at one point early in our hearings eight to 12 communities that had not complied and subsequently indicated that this number was smaller now because others have complied.

Do you agree that there are only 12 or less community action agencies in this country that have failed to comply with the requirement of true representation of one-third on community action boards?

Mr. BOONE. It would be very difficult for me to agree with that.

First of all, I think all of us should be concerned with the problems surrounding how representatives of the poor or residents of the areas affected are chosen or are elected or whatever they are for policymaking positions.

Let me be very candid. Although I would say I have no substitute for the so-called election procedures, the fact remains that the great majority of poor people are disorganized. One can point to very few leaders in poverty-impacted areas who have any kind of organized constituency. The process of selecting or choosing people to sit on boards is one which can either be a facade or it can be one that represents a bone fide moving up of people as effective representatives of poor people, people who have responsibility to be responsive to their constituency, and I mean constituencies of poor people.

I think that one of the reasons that there are such great problems in the whole policymaking area and the choosing or the election of people for policymaking positions on CAP boards is that the people who get there are often not spokesmen and often not effective representatives of the supposed constituency which they supposedly represent.

Sometimes this is the fault of the system which chooses them, and I mean the system from above. Sometimes it is a problem directly related to the process from below.

We have already seen that it is rare in local antipoverty elections for board membership that the local vote is over 3 to 5 percent. There is something wrong somewhere if that vote is so small.

I am not prepared to say what is wrong, but it does speak to the quality of the processes by which poor people are chosen or are elected to sit on and participate on antipoverty boards.

Mr. GOODELL. Mr. Boone, you obviously like short questions and long answers, but I prefer short questions and short answers. Let me give it to you directly. Your organization is one of the leaders committed to true involvement of the poor. I agree with you. As a matter of fact, I worked with you in this connection.

Now, of all of the organizations, yours should be able to give us a direct evaluation of what we have achieved thus far. The Office of Economic Opportunity has told us that they have complied with the letter and the spirit of the one-third requirement, and they have told the American people that apparently there are just a handful of communities that have failed to comply.

Now your organization certainly should be one that could evaluate that statement in direct, meaningful, and understandable terms.

It is my understanding that you do not agree with that assessment, that we are a long way away from getting true involvement. I agree with all of the statements you have made in answer to my questions

about the difficulties in getting involvement, but I think you and I could sit down right now and identify a hundred of these community action agencies that are far, far away from true involvement in representation on their community action boards.

Mr. BOONE. I agree with you that there are many, many community action programs that are far away from what I would call quality involvement of low-income people on community action boards—far away. I don't have any quarrel.

Mr. GOODELL. Let me put it this way. I don't like to get obsessed with one particular community, but it always comes up, and I am very familiar with how they select their representatives of the poor. The city of Chicago is listed as in compliance. Do you agree?

Mr. BOONE. I would not agree.

Mr. GOODELL. After great deliberation, I appreciate that short answer. I think that it does a disservice to the whole cause—and I don't ask for your comment on this—of true representation when anyone comes before this committee and says Chicago has true representation. This is the plantation type of involvement, if I may say so. Selection is by the administrators who choose people who can probably accurately wear the label of being among the impoverished, but there is virtually no process from the bottom up.

Mr. BOONE. I might say, Mr. Goodell, in view of my recent contacts with Chicago, I feel called upon to say that the mayor of Chicago interestingly has recognized the value of effective neighborhood participation, and I might say not on his coattails by endorsing the funding of the Woodlawn organization's proposal to deal with unemployed, out-of-work youngsters, many of whom I presume are members of youth gangs in the area. I look upon that as a noteworthy move in the right direction.

Mr. GOODELL. I think it is a hopeful sign, but frankly, if you have converted Mayor Daley, I will put you in the category of Saul being transformed into Paul with a vision. I think it is probably a minor concession that had to be made. I talked with people around him and have heard so much from them, not only of their resistance to the concept, but their aggressive antagonism to the whole concept.

From my knowledge of Chicago, I have seen very many signs that this has changed significantly.

Mr. BOONE. I just point to one, Mr. Goodell.

Mr. GOODELL. May I ask one other question on which I think we do agree? You do feel strongly, not only that the concept of the involvement of those to be served is an essential part of the community action program, but that this concept should be infused into as many other programs affecting these people as possible?

Mr. BOONE. I am particularly glad that you asked that because I do feel that many of the Federal programs are extremely rigid and are in very few ways, if any, responsive to this concept of participation.

Only 3 days ago our office received an urgent television call from a coalition of ministers in an eastern city asking what we might do to help them convince the Urban Renewal Administration not to fund the proposal being forwarded to the Urban Renewal Administration by that city's mayor.

The group felt that the people had not been involved in the development of that proposal and were fearful that if the proposal were

funded, that it would in fact be another human removal program and could very well lead to great unrest and disorder in that area.

It has taken us two and a half days, maybe 3 days now, depending upon what happens this afternoon, to get through to the Urban Renewal Administration the kind of problem we think they are dealing with.

I would heartily endorse the idea that there should and must be ways found for much more effective involvement of the supposed beneficiaries of programs on the part of the Federal agencies.

Mr. GOODELL. Let the record show that he underscored the word supposed. I do anyway. Thank you very much for your testimony.

Chairman PERKINS. Mr. Quie, do you have any questions?

Mr. QUIE. I will do this real quickly because Congressman Goodell asked some pretty good questions involving the poor, and in spite of what has happened in some of the communities, I am strongly for, as I have always been, the involvement of the poor. I think this is still the key to eventual involvement of people in the ghettos and rural depressed areas.

You mentioned the riots and the national tragedies that we have witnessed. You say they result from years of frustration, helplessness and denied opportunities.

The unrest that I have intimate experience with, is that which I have seen in the rural area. When times get worse, the people there get upset. Violence occurs when prices go down and their income has been greatly reduced.

Despite the fact that we have not brought the people out of poverty in 3 years of the so-called war on poverty and with many, many years of substantial Federal expenditures to help these people, I have the impression that they are slightly better off than they were 3 years ago and at least not worse off.

Am I wrong on that, or has there been a regression for these people?

Mr. BOONE. I would not say that there has been an absolute regression. I think one of the problems is that the progression has been so limited and so small and when there is, in fact, grinding poverty, and in so many of our urban and rural ghettos, and at the same time affluence, the riches of the Nation and in fact sometimes the promises of the Nation have been so great and so visible, it is that highly visible, relative difference that I believe becomes the spark for and the catalyst for the kind of upheavals that we see today.

Mr. QUIE. You would say, then, that it would be wiser for the Federal Government to make promises within that which it can deliver rather than make promises and thereby embarrass the Congress into delivering to the extent of the promises?

Mr. BOONE. Two things, Mr. Quie. One, I heartily agree that to promise more than you can produce is disastrous, and I believe it has already produced certain kinds of disastrous consequences.

Secondly, however, as I have tried to make clear in testimony, I think it is high time that the Nation reevaluate its priorities and make some basic decisions as to whether it is prepared to fight a war against poverty or is prepared only to launch skirmishes.

Mr. QUIE. We seem to find the same difficulty in our war in Vietnam and in our war on poverty in this country. They both seem to be running pretty much at a stalemate from what I have been able to observe

even with substantial expenditures of money. By the war on poverty I don't mean the $1,600,000,000 we spent last year, but the addition as well. Even though we have not won the war in Vietnam or did we win the war in Korea with the high expenditures, an armistice is pretty well accepted since the Defense Department has preferred to make a better Military Establishment and have it better coordinated than the one before.

You used the reference to the Defense Department saying we would not suggest dismantling that. I don't find that kind of analogy with all of the efforts the Federal Government is making to fight its war on poverty with its total expenditures.

There is a tendency in the Office of Economic Opportunity to do this within its own programs. However, some of them have been transferred already to other agencies. OEO has decided to delegate some of this responsibility elsewhere. Don't you agree there really isn't the kind of coordination of the efforts to help people in poverty in the Executive Branch as there is in the Department of Defense with the efforts of the military?

Mr. BOONE. I would agree. I think that the coordination of the war on poverty is much more complex, much more difficult than the coordination of the defense effort.

Mr. QUIE. Don't you agree, however, as limited as this coordination is, that the Congress needs to pursue ways to effect a better coordination?

Mr. BOONE. I would certainly fully endorse the Congress' right and responsibility to examine that question.

My own feeling, however, is that effective coordination of Federal antipoverty programs—and obviously I go beyond those directly under the responsibility of the Office of Economic Opportunity—effective coordination of those programs is going to be dependent upon the firm support of the President.

Mr. QUIE. No matter what kind of administrative changes we can write into the law, without the effective determination of the President to back this coordination, we probably would be moving in vain. Is that what you are saying?

Mr. BOONE. I am saying there is, has been, and I presume always will be a Federal bureaucracy, and that the bureaucracies are part of the Federal agencies, and while performing many, many valuable services, also in many cases they are also anticoordination. They have vested enclaves, and certainly in many cases they are not particularly willing to evaluate their own services and then act rationally and objectively upon that evaluation.

I think to deal with that problem is basically an executive responsibility, should be an executive responsibility, must be an executive responsibility if there is to be effective coordination.

Mr. QUIE. What should we do on the legislative side then—sit idly by?

Mr. BOONE. No, I have suggested some points in my testimony which I would hope you would give consideration to.

I do feel this, Mr. Quie, that at least from where I sit that one of the most effective demands the Congress could make would be for systems of evaluation and monitoring of programs and an accountability by the Office of Economic Opportunity to respond categorically to what it finds in the field.

I know very few Federal agencies which act quickly and objectively upon evaluations of their own programs. I think this is extremely difficult to do, given a whole variety of circumstances, but I do feel that the Congress has an unusual opportunity to move strenuously in the area of demanding this kind of evaluation and demanding action upon the results.

I would say one other thing, and I have been saying it for a long time. In the evaluation of human service programs, I find that from the university world on down there is a strange tendency not to ask the consumer of services what he thinks about them. There is a reticence to do this.

One can ask those who are in charge of delivering services what they think about those services and how they think they are affecting the people, but we draw back from asking the crucial question—what the people themselves think of the quality of resources that they are getting.

I would hope that the Congress would push for this kind of ongoing evaluation or market research of our programs.

Mr. QUIE. You make your point very effectively, and I hope we can make some headway in bringing this to a realization.

I thank you.

Chairman PERKINS. Don't you feel that without specific instructions from the Congress that it is elementary, on any agency, that where we have programs, after reasonable period of time, there should commence some evaluation? Do you likewise feel that way, Mr. Boone, without instruction from the Congress as to what public funds were being expended? Or don't you feel any good administrator in this country would believe that? You would not throw money down rat holes if you knew it was going down rat holes.

Mr. BOONE. Of course not.

Chairman PERKINS. You did not mean to state that various programs like the Job Corps should be delegated, did you, Mr. Boone?

Mr. BOONE. The Citizens' Crusade Against Poverty has taken no position on that.

Chairman PERKINS. I take it you are against the spinoff?

Mr. BOONE. Yes, we are against the spinoff, and I would like to make that distinction clear in any statement that we have made about delegation.

Chairman PERKINS. That is what I wanted you to clear up.

Mr. BOONE. This does not mean in our terms the complete separation of the program from the authority of the Office of Economic Opportunity.

Chairman PERKINS. In other words, you still feel that the Office of Economic Opportunity should be maintained as presently constituted because it is doing a good job?

Mr. BOONE. This is the position of the Crusade.

Chairman PERKINS. You are making no recommendations to the committee to spin off any functions that the Office of Economic Opportunity is presently engaged in?

Mr. BOONE. That is correct, Mr. Chairman.

Chairman PERKINS. I think you have made a good statement. I did not think that your prepared statement jibed with one of your statements there about the delegation. It threw me off a little and I wanted to make sure I understood. I am delighted that you have come here

to so ably represent the Citizens' Crusade Against Poverty. You are their executive director, are you not?

Mr. BOONE. Yes.

Chairman PERKINS. From your experience, let me put this question to you: Do you feel it would be a real great mistake at this time to transfer Headstart to the Office of Education? If that is not in your statement, I am just asking from your experience. I know you know something about Headstart and the value of it.

Mr. BOONE. If I may, I would like to respond to you, as I think you have suggested that I might, as an individual.

First of all, I am against any kind of spinoff of programs, that is to say, the outright transfer of any program from the Office of Economic Opportunity to any Federal agency I think is destructive to an effective, coordinated war against poverty.

Chairman PERKINS. Let me state that I think more of your own personal views in this matter than your views of the organization. I think you have had considerable experience in this area and know something about the whole poverty program. From your personal viewpoint you are against the spinoff of the Job Corps.

Mr. BOONE. Yes.

Chairman PERKINS. And against the spinoff of any of the programs?

Mr. BOONE. The spinoff of any of the programs, yes, sir, that is correct.

Chairman PERKINS. Again I ask you for your own personal views. I take it that you believe that we should keep the Office of Economic Opportunity as presently constituted, and give us your reasons.

Mr. BOONE. First of all, I think in being in the Executive Office of the President, structurally it has the opportunity to perform as an important coordinating link and have the major coordinating function in the war against poverty.

I feel that that Office should have a planning program development, program operations, program delegations, program monitoring, program evaluation function.

Chairman PERKINS. I personally feel that Sargent Shriver is one of the good administrators we have in the country and from my conversations, of course, you cannot start out to evaluate a program from nothing, but he is making every effort to evaluate the on-going programs.

Mr. BOONE. I believe Mr. Shriver is setting into motion the kind of evaluation machinery that could become the model for other Federal agencies in human service programs.

I think that every effort should be made on the part of all us in and outside the Government, in and outside the Congress to support that effort. I say that, Mr. Chairman, because I——

Chairman PERKINS. I agree with you, the governmental agencies and the Congress likewise should support this and see that it is adequately funded.

Mr. BOONE. I agree and I say this for a specific reason. It is one thing to develop good evaluation machinery. Very few Federal agencies have done this. I think the Office of Economic Opportunity holds out the possibility of developing good machinery if there is enough money to do it and if the will is there, and I think Mr. Shriver has the will. The real question is whether a variety of special interest groups will

tolerate effective, corrective action based upon effective evaluation. Mr. Shriver will need the support of the Congress to take corrective steps as that evaluation material——

Chairman PERKINS. I agree wholeheartedly with that statement. I know there will be times when he will need the support of Congress and I think every time he comes here before this committee or any other committee that he will have the support of the Congress and not only the committees in the Congress but the Congress itself. He deserves their support.

I have one final question and here I will ask for your personal view. Tell me whether you feel personally that we should delegate either the Job Corps or the Headstart program to any governmental agency other than the Office Of Economic Opportunity.

Mr. BOONE. Are you making a distinction between delegation and spinoff?

Chairman PERKINS. Yes. In spinoff you lose complete control and in delegation you may not lose complete control. That is the distinction I am making now.

Mr. BOONE. First of all as I have said before——

Chairman PERKINS. The timing of anything you had reference to here—did you mean in the futue? The timing is perhaps where we may have misunderstood you.

Mr. BOONE. I think we understand each other completely when I say I am against the spinoff under any condition.

On the question of delegation where the Office of Economic Opportunity does continue to have control over the program, I would say that, No. 1, the Office of Economic Opportunity has already delegated some programs and I would say it is very possible in the future that—a date which I would not care to predict—it may find it important from its own administrative vantage point——

Chairman PERKINS. From obtaining the experience we are obtaining at the present time?

Mr. BOONE. That is correct. It may be important to delegate other programs. I am certainly not so bold as to suggest I have a timetable.

Chairman PERKINS. I appreciate that answer.

Mr. BOONE. I want to thank you very much for your appearance here today. You have been most helpful to the committee and we appreciate your coming. You are certainly one of the experts in the field.

Do you have any other data there with you that we have not inserted in the record?

Mr. BOONE. No, sir; I believe not.

Chairman PERKINS. Our next witness is Mr. Lawrence Speiser, of the American Civil Liberties Union.

Without objection, your prepared statement will be inserted in the record.

(The prepared statement follows:)

STATEMENT OF LAWRENCE SPEISER, DIRECTOR, WASHINGTON OFFICE, AMERICAN CIVIL LIBERTIES UNION

The American Civil Liberties Union appreciates the opportunity afforded by this Committee to testify on H.R. 8311, a bill "to provide an improved charter for Economic Opportunity Act programs, to authorize funds for their continued operation, to expand summer camp opportunities for disadvantaged children, and

for other purposes." Once enacted this bill will constitute another significant step forward in this nation's battle against poverty.

Although eminently desirable, such measures do not fall within the purview of our organization. In testifying today, I will therefore limit myself to those provisions of the bill which, in our opinion, raise civil liberties questions.

A. PROVISIONS OF THE ACT THAT LIMIT THE POLITICAL ACTIVITIES OF OEO EMPLOYEES UNCONSTITUTIONALLY INFRINGE THEIR RIGHT OF FREE EXPRESSION.

The Hatch Act, first enacted in 1939, prohibiting governmental employees from engaging in political activities, was conceived with the most laudable of intentions, and was based on a sound philosophy of government. The original Act, and those provisions of the Economic Opportunity Act, as amended, and H.R. 8311 that deal with partisan political activities, are designed to safeguard the political independence of federal employees and prevent them from becoming subject to political coercion.

However, we believe that some of these provisions raise serious and fundamental civil liberties questions that demand comprehensive modification. It is our strong belief that these provisions infringe on the constitutional rights of Office of Economic Opportunity employees, and even those who are not government employees who work for private delegate organizations. These restrictions are far out of proportion to the pressures they were designed to mitigate.

Because of those provisions, the vast majority of employees covered by the above provisions elect to remain completely detached from any involvement in political activities, although some limited political activities are allowed. The American political system is therefore deprived of the contributions that could be made by many well-informed, interested citizens who are intimidated by the existence of these provisions.

As Senator Daniel Brewster of Maryland has said in regard to the Hatch Act itself, in hearings before the Senate Subcommittee on Privileges and Elections 89th Congress, 1st Session:

"[The] Act has gone from preventing improper political pressure on governmental employees, which is desirable, to hampering United States citizens in the performance of their normal civic responsibilities and has prevented them from carrying out their fundamental right as United States citizens, the right to participate in government."

Justice Black recognized this situation when he stated that:

"Certainly laws which restrict the liberties guaranteed by the First Amendment should be narrowly drawn to meet the evil aimed at and to affect only the minimum number of people imperatively necessary to prevent a grave and imminent danger to the public. Furthermore, what Federal employees can or cannot do, consistently with the various civil service regulations, rules, warnings, etc., is a matter of so great uncertainty that no person can even make an intelligent guess." [1]

We state our unequivocal support of the fundamental concept of the Hatch Act, contained in § 107 of the Economic Opportunity Act, as amended, that "no officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof." [2] It is essential to retain this flat prohibition on any employee being subject to political coercion by his superiors, and on use of government time or facilities for any partisan purpose.

However, we emphatically disagree with the requirement that "no officer, employee or enrollee of the Corps shall take any active part in political management or in political campaigns" [3] and the interpretations given this provision in memorandum 50–A of the Office of Economic Opportunity.[4] We believe that this provision is repugnant to the constitutional guarantees of the First Amendment.

Deletion of this section from H.R. 8311, coupled with continued vigorous

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[1] Justice Black dissenting in *United Public Workers* v. *Mitchell*, 330 U.S. 75, 110 (1947).

[2] This provision modelled on the first sentence of § 9 of the original Hatch Act (5 U.S.C. § 1181) is preserved without change in § 118b of H.R. 8311.

[3] This provision modelled on the second sentence of § 9 of the original Hatch Act (5 U.S.C. § 1181) is contained in § 107b of the Economic Opportunity Act, as amended, and is included in identical form in § 118b of H.R. 8311.

[4] Memorandum No. 50–A of the Office of Economic Opportunity, December 1, 1966, constitutes the official interpretation regarding restrictions on political activities to OEO operations under Titles II–A and III–B. Although § 107b of the Economic Opportunity Act, as amended, covers only Title I, these interpretations are based on U.S. Civil Service Commission Poster, Form 1982, March 1964, and as such constitute the Hatch Act restrictions designed to cover all governmental employees.

enforcement of the second provision of the first sentence of §107b (§118b in H.R. 8311), barring use of official positions to interfere with or affect elections, would be sufficient to continue the present situation, under which misuse of government authority to influence elections has been negligible.

The interpretations of Hatch Act activities deprive a large segment of the population of their fundamental American right and responsibility to participate actively in the operations of government. We find it deplorable that these regulations proscribe many voluntary leisure-hour pursuits carried on away from government property, such as:

1. Be a candidate for or delegate to a political convention.
2. Act as an officer of, or prominent participant in, a primary meeting, caucus, or mass political convention.
3. Hold office on a political committee, club, or organization, or be a member of a committee of a political party, organization, or club.
4. Act at the polls as an accredited checker, watcher, or challenger of any party or party faction.
5. Solicit votes, or help to get out votes on election day.
6. Distribute campaign literature, badges, or buttons.
7. Publish or edit a partisan political newspaper or newsletter.
8. Express opinions in public in such a way as to constitute taking an active part in a political campaign.[5]

When coupled with the vigorous enforcement of the prohibition against using official influence in connection with any of these activities, these activities by themselves cannot be considered detrimental to the fulfillment of the federal employee's responsibilities.

While we favor widespread liberalization allowing political action on the part of Office of Economic Opportunity employees, we recognize that there may be exceptional cases where some restriciton is necessary. Such exceptions would have to be worked out after detailed study of individual situations.

We strongly support the dissenting opinion of Mr. Justice Black in *United Public Workers* v. *Mitchell*:

"Legislation which muzzles several million citizens threatens popular government, not only because it injures the individual muzzled, but also because of its harmful effect on the body politic in depriving it of the political participation of such a large segment of our citizens. Forcing public employees to contribute money and influence can well be proscribed in the interest of 'clean politics' and public administration. But I think the Constitution prohibits legislation which prevents millions of citizens from contributing their arguments, complaints and suggestions to the political debates which are the essence of our democracy; prevents them from engaging in organizational activity to urge others to vote and take an interest in political affairs; bars them from performing the interested citizen's duty of insuring that his and his fellow citizens votes are counted. Such drastic limitations on the right of all the people to express political action would be inconsistent with the First Amendment's guaranty of freedom of speech, press, assembly, and petition. And it would violate, or come dangerously close to violating, Article I and the Seventeenth Amendment to the Constitution."[6]

B. THE OATH REQUIREMENT CONTAINED IN §106C SHOULD BE DELETED

Section 104d of the Economic Opportunity Act, as amended, whose wording is retained without change in §106C of H.R. 8311, provides that:

"Each enrollee (other than an enrollee who is a native and citizen of Cuba described in §104(a) of this Act) must take and subscribe to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.' The provisions of §1001 of title 18, United States Code, shall be applicable to the oath or affirmation required under this subsection."

This oath is identical with that required under the National Defense Education Act and the National Science Foundation Act. The 1st session of the 89th Congress wisely repealed the negative disclaimer oath required by the original Economic Opportunity Act, Pub. Law 88-452, 78 Stat. 1069.

However, we believe that many of the objections presented against the original oath still remain true even with the oath as amended. Although it is true that governmental benefits can be withheld altogether, it is not true that they can be

[5] Office of Economic Opportunity, Memorandum No. 50-A, December 1, 1966.
[6] 330 U.S. at 111.

subjected to any conditions which the state desires to impose. Cf. *Speiser* v. *Randall*, 352 U.S. 531 (1958) and *Sherbert* v. *Verner*, 374 U.S. 398 (1963).

The oath raises serious constitutional questions under the First, Fourth and Fifth Amendments. It has no reasonable relationship to the purpose for which distribution of funds under the OEO is designed. The oath constitutes an infringement on the rights of freedom of speech and privacy which encompass the right to remain silent, or to refuse to proclaim one's loyalty, or to make any statement, unless some clear and present danger requires it.

The terms of the oath are vague and indefinite. What is meant by the terms "bear true faith and allegiance to the United States" and "will support and defend the Constitution and laws of the United States?" Specifically, is there implicit in these terms a promise to bear arms in any or all wars? [7] Does the second phrase stated above imply a disavowal of any intent to change any law or constitutional provision now in effect? [7a].

The Supreme Court has dealt with affirmative oaths in two recent cases. In both the oaths were found unconstitutional, either because of infringement with the right of free association, *Elfbrandt* v. *Russell*, 384 U.S. 11 (1966) [8] or because of a denial of due process resulting from the vagueness of the oath, *Baggett* v. *Bullitt*, 377 U.S. 360 (1964).[9]

We agree with the statement of the National Association of Social Workers that:

"We do not see how the poverty program is involved in matters affecting the security and safety of the U.S. . . . It is our firm conviction that benefits and services including employment opportunities should be available without regard to race, color or political beliefs."

The fact that the oath itself serves no purpose is seen by the fact that a special exemption is provided citizens of Cuba. This exemption indicates that loyalty to the United States as manifested by the oath is apparently not regarded even by the bill's drafters as essential for participation in the Job Corps.

Oaths of allegiance have historically been required as part of the ceremonies when individuals assume government positions. Their value has been largely ceremonial.

Recently, however, there has been an undesirable trend—reflected in this bill, and in the National Science Foundation and National Defense Education Act—of requiring oaths of allegiance as a condition for getting a federal grant or funds. This demands the historical importance of oaths.

The Washington Star in a perceptive editorial stated the case against disclaimer loyalty oaths when the Economic Opportunity Act was first being debated. Much of what the Star said is also relevant to the affirmative oath found in H.R. 8311.

"They are demeaning and insulting to selected groups of citizens. They are superfluous, since any substantial 'disloyalty' to the Nation has always been punishable as treason. Finally, they are a monumental exercise in futility, since obviously anyone in any field who had determined to practice 'disloyalty' to the United States would not hesitate to take an oath that he had no such intention.

"The oaths have alienated parts of our intellectual community from the whole society and convinced many of our best friends abroad that we were in the grip of a national paranoia. It would be a sign of maturity if the whole silly business would drop in every State. The sooner the better." [10]

Similarly, Justices Douglas and Black in their concurring opinion in the case of *West Virginia State Board of Education* v. *Barnette*, 319 U.S. 627 at 644, in-

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[7] Cf. *Girouard* v. *United States*, 328 U.S. 61 (1946); [7a] *Keyishian* v. *New York Board of Regents*, 35 U.S. Law Week 4152 (1967).

[8] The oath in *Elfbrandt* as reported in 384 U.S. at 12 stated that:

"I, (type or print name) do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution and laws of the State of Arizona; that I will bear true faith and allegiance to the same, and defend them against all enemies, foreign and domestic, and that I will faithfully and impartially discharge the duties of the office of (name of office) according to the best of my ability, so help me God (or so I do affirm)."

The opinion of the court by Justice Douglas dealt primarily with the legislative gloss on the oath regarding Communist Party membership.

[9] The oath in Baggett as reported in 377 U.S. at 361, 362, stated that:

"I solemnly swear (or affirm) that I will support the constitution and laws of the United States of America and of the State of Washington, and will by precept and example promote respect for the flag and institutions of the United States of America and the State of Washington, reverence for law and order and undivided allegiance to the government of the United States."

[10] Washington Star, June 14, 1964.

volving a required affirmative pledge of allegiance, stated succinctly and trenchantly the same thought.

"Words uttered under coercion are proof of loyalty to nothing but self-interest."

C. SECTION 1201 OF THE ECONOMIC OPPORTUNITY ACT, AS AMENDED, SHOULD BE REPEALED, BECAUSE IT CONSTITUTES A BILL OF ATTAINDER AND DENIES DUE PROCESS

Section 1201 of the Pub. Law 89–794, 80 Stat. 1477, provides that:

"No part of the funds appropriated under this Act to carry out the provisions of the Economic Opportunity Act of 1964 shall be used to provide payments, assistance, or services, in any form, with respect to any individual who is convicted, in any Federal, State, or local court of competent jurisdiction, of inciting promoting, or carrying on a riot, or any group activity resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned."

Although § 1201 requires a conviction prior to the imposition of a cut-off of funds, the automatic nature of the cut-off precludes escape from the bill of attainder clause. While the conviction necessary under § 1201 was obtained through the judicial process, there is no judicial determination as to whether a cut-off of "payments, assistance or services" is a justified punishment for one convicted "of inciting, promoting, or carrying on a riot." For a bill of attainder to be present it is not necessary that individuals be named, only that the legislature has made a decision to inflict some punishment without a judicial determination as to whether the punishment is warranted. *United States* v. *Brown*, 381 U.S. 437 (1965).

Further, there is no question that a cut-off of funds as found here constitutes punishment, which is one of the criteria to establish a violation of the bill of attainder clause. *United States* v. *Lovett*, 328 U.S. 303 (1946).

The contemporary view of the bill of attainder clause, formulated by Chief Justice Warren in *Brown*, is that it seeks to preserve a separation of powers between the legislature and judiciary. The judiciary, with its institutionalized procedures, can more accurately determine what punishment those inciting or encouraging riots deserve. As *Brown* itself said:

"[The] bill of attainder clause was intended not as a narrow, technical (and therefore soon to be outmoded) prohibition, but rather as an implementation of the separation of powers, a general safeguard against legislative exercise of judicial function, or more simply trial by the legislature." [11]

The penalties imposed by § 1201 bear no relationship to their avowed purpose of curtailing civil disturbances. Where such relationship is absent, a violation of due process is present. Cf. *Meyer* v. *Nebraska*, 262 U.S. 390 (1923). In the absence of some rational relationship between the ends desired and the means employed, the action assumes the appearance of mere arbitrary fiat. No matter how many years have passed—even thirty or forty—an employee cannot be paid if he has ever been convicted of these crimes.

Further, § 1201 unwisely interferes with civil service requirements regarding discharge of governmental employees. The practical effect of a denial of funds to any employee is the same as a discharge from employment. The statute contains no standards whereby a discharge is to be effectuated. Provisions for removal of classified civil servants is contained in 5 U.S.C. § 562. Included within this section is the requirement of notice of charges, opportunity to answer the charges, and the right to receive a copy of the decision. Such safeguards are missing from § 1201.

A person's competence for the position he holds can better be determined by his superiors than by those whose only criticism is directed at his outside activities, rather than his professional competence.

In the United States, with its separation of powers, it is important that "the acts of each [branch of government] shall never be controlled by, or subjected, directly or indirectly, to, the coercive influences or either of the other departments." Mr. Justice Sutherland in *O'Donoghue* v. *United States*, 289 U.S. 516, 530.

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[11] 381 U.S. at 42. See also *Cummings* v. *Missouri*, 71 U.S. (4 Wall.) 277 (1867) and *Ex-parte Garland*, 71 U.S. (4 Wall.) 333 (1867).

D. THE PROVISION IN § 214 PROHIBITING ACTIVITIES IN CONNECTION WITH THE PERFORMANCE OF DUTIES THAT ARE IN VIOLATION OF LAW SHOULD BE CLARIFIED

§ 214 of H.R. 8311, which has no counterpart in the Economic Opportunity Act, as amended, provides that:

"Each community action agency shall . . . define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law."

We are afraid that this provision might be used to prevent OEO workers from championing the rights of the poor by such means as protests when there is serious question as to the constitutional validity of the law they are supposedly iolating by their protest. These protests may be no more than verbal ones, and state laws which preclude such protests may very well contain provisions that are contrary to the first amendment. Some clarification is therefore warranted, either in the report that this committee will file, or in the act itself.

STATEMENT OF LAWRENCE SPEISER, DIRECTOR, WASHINGTON OFFICE, AMERICAN CIVIL LIBERTIES UNION

Mr. SPEISER. I will merely summarize the points that are in the prepared statement.

Chairman PERKINS. You may do so.

Mr. SPEISER. Although the bill, H.R. 8311, and its predecessors are eminently desirable and necessary in our society, such measures don't fall within the purview of the American Civil Liberties Union. We are solely concerned with what we conceive to be the civil liberties issues that exist and are present in the bill and my remarks are directed to those problems.

First of all, the bill continues a provision extending the Hatch Act to employees and enrollees and members of the Job Corps so that they come under the Hatch Act. Basically, our position is in opposition to the provision of the Hatch Act which bars officers, employees, or enrollees from taking any active part in political management or in political campaigns.

The Hatch Act bars voluntary political action and there have been a number of civil service rulings on the Hatch Act section which indicates the wide scope of the Hatch Act and in barring political activities. We believe one of the purposes of the Job Corps is to train good citizens and we fail to see how this is accomplished by quarantining members of the Job Corps from engaging in permissible political activity which individuals in private life can participate in.

First of all, they are not really Government employees. They are there because it has been determined that they need training and it seems that this is a false kind of lesson to give them to indicate that you are going to bar them from political activity.

Chairman PERKINS. Let me ask you a few questions along this line.

I take it that you are against the principle of the Hatch Act, that you feel it is interfering unduly with the freedom of the Government worker?

Mr. SPEISER. Yes.

Chairman PERKINS. That is your feeling.

Mr. SPEISER. That is right, Mr. Chairman.

Chairman PERKINS. It is for that basic reason that you are against the Hatch Act principle?

Mr. SPEISER. That is correct. It is the extension of it here. I think there is an additional factor I might suggest and that is Job Corps enrollees are not Government employees and I think you are compounding the error by expanding it to cover individuals in that situation. The provision of the antipoverty program which covers employees and officers who are direct employees of the Government——

Chairman PERKINS. But you would have no objection to it covering the direct employees?

Mr. SPEISER. No. We have an objection to that because we basically disagree with the concept of the Hatch Act. Let me make it clear that we do not disagree with the provision of the Hatch Act that bars coercive political pressures on employees or officers of the Government but we are concerned with the provision which bars them from participating in political campaigns and activities as a way of sterilizing the process.

Chairman PERKINS. I just wish more members of the committee had been here. We have your statement in the record. Do you have any other material you want to put in the record?

Mr. SPEISER. I have three additional points. I recognize the hour is late, Mr. Chairman, and I will just briefly mention the other points as well.

Chairman PERKINS. You may go ahead.

Mr. SPEISER. There is an oath of allegiance that is required for Job Corps enrollees. It is the fairly standard kind of oath of allegience that is required for persons who obtain employment. We object to that oath under the circumstances on the grounds that you are singling out these Job Corps enrollees who are not Government employees and making it a condition for them to get Federal financial grants. There is a wide range of Federal financial grants and subsidies and programs and there have only been two other instances in which I know an oath of allegiance has been required as getting them, the National Defense Education Act and the National Science Foundation which requires the oath of allegiance as a condition for getting fellowships or grants under those programs. We believe this demands the kind of oath which historically has been used in a ceremonial fashion for when individuals go into public office.

There is also an interesting problem I believe in the oath of allegiance, although it has a provision excluding nations as Cuba, in it effect, excludes or could have disastrous effects on aliens who are in this country who may very well be in need of the Job Corps program. Many countries have similar provisions similar to our laws which, although the question of the validity of our expatriation laws is very much in doubt, holds that an individual takes an oath of allegiance to a foreign country thereby loses his citizenship to the country to which he belongs and we do not feel this is a necessary condition for individuals being in the Job Corps.

Thirdly, we are opposed to the so-called Broyhill amendment which was not in this present bill but it is a continuation of the law last year that was added to the act without any debate, as it has been this year to the appropriations for the Departments of Labor and Health, Education, and Welfare. Although the original Broyhill amendment barred those who participated in riots or promoting or carrying on riots, it was changed so that it covered those who were convicted of such crimes. That does not solve the problem. It is still a bill of attainder; it still

bars people from programs even though a conviction of those crimes may have occurred 30 or 40 years ago, and they were fairly frequently, as the chairman may recall, individuals who were involved in labor organization strikes in which it was a very common phenomenon of individuals being convicted of engaging in riots. It is unlikely that anybody will be in the Job Corps program who would be in a labor strike many years ago, but the fact is, individuals participated in civil riots—demonstrations—over a period of time.

In many cases they were arrested after demonstrations caused riots in the sense that onlookers objected to the demonstrations. They were convicted in many Southern States and for a number of reasons they did not appeal their decision and they are thereby disqualified in the Job Corps.

This is a bill of attainder and it has no place in the law. With the riots going on, wide range of people being picked up, the question of guilt is an individual one in determining whether people are guilty of crimes. With that vast number of people, there is a problem as to whether some people are going to be improperly convicted. The fact is you have a bill of attainder in the present antipoverty law which has no business there.

Lastly, there is a section in provision 214 of section 103 of setting up the community action program which says:

> Each Community Action agency shall define employees duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating in connection with the performance of their duties in any form of picketing, protest or other direct action which is in violation of the law.

Many States have laws that are unconstitutional and infringing on freedom of expression in picketing and protest. There is some ambiguity about them and you seem to have a provision here which seems to give the OEO the right to spell this out. It seems to me if individuals do get involved in activities, if they are convicted, if it is determined that their convictions should disqualify them from participation in the program that is time enough to determine whether they should be eliminated after proper notice, hearing and charges.

Thank you for your attention.

Chairman PERKINS. Thank you very much.

The committee will stand in recess until quarter after two.

(Whereupon, at 1:10 p.m., the committee recessed, to reconvene at 2:15 p.m. of the same day.)

AFTER RECESS

Chairman PERKINS. The committee will come to order.

We will have our next witness, Mr. John E. Hansan, executive director of the Community Action Commission, Cincinnati.

Come around, Mr. Hansan, we are delighted to welcome you.

STATEMENT OF JOHN E. HANSAN, EXECUTIVE DIRECTOR, COMMUNITY ACTION COMMISSION, CINCINNATI, OHIO

Mr. HANSAN. Thank you, Mr. Perkins. The clerk of the committee has been given a copy of my testimony as well as some exhibits to go with it and also attached is a factbook with a good detailed breakdown

of costs, participants, and the other things that invididual members may want to refer to at some future time.

I would also like to call attention to the picture book there that was paid for by Mr. Jeffry Lazarus, a prominent Cincinnati businessman.

With your permission, I would like to read my prepared statement and then, if there are any questions, I would be pleased to answer any questions.

First, let me say it is a great honor to appear before this distinguished committee and I want to take this opportunity to say I admire you for the courage and sensitivity you demonstrated in recommending the original Economic Opportunity Act while maintaining its basic integrity over the past 3 years.

That you have been able to do this is evidence of your commitment to making the United States a truly open society.

I am here as an advocate for the community action programs. While all parts of the Economic Opportunity Act are important and contribute to the alleviation of specific problems, the most significant and most needed contribution has been community action.

Using Federal funds, local communities have been enabled to develop and conduct the kind of programs they know to be needed.

Just as all the Federal money in the Treasury won't eliminate poverty without local initiative, so local initiative alone can't work without Federal money. This partnership of effort is essential to our success in Cincinnati or wherever community action is at work.

As you gentlemen know, the law requires that community action programs be coordinated with other efforts to eliminate poverty, and also that there must be maximum feasible participation of the poor.

Both of these requirements have benefits far surpassing what most of us ever imagined. The heavy emphasis on coordination has brought together different sources of funds, public and private agencies, and it has sparked a degree of cooperation at the local level, which is refreshing to all who experience it.

The brilliance of title II, however, remains in the fact that community action has insisted on total involvement of the poor. Serving on boards, planning groups, and actually conducting the work of many programs, poor people have been brought in to achieve jointly what none could do alone.

Because of the successful participation of poor people in community action, it is not an exaggeration to say there has been a rebirth of a sense of democracy wherever community action has been doing its job.

I am appearing before this committee as a public voice for the thousands of poor people in our community who still live in silent despair, waiting for community action to touch them.

The experience of Cincinnati in mounting a local war on poverty is probably typical of most of our Nation's communities. We have made a few mistakes, encountered a number of difficulties, and we have been frustrated in our attempts to do all that needs doing.

Our very existence is a measure of our success. For the program was born quickly and has had a stormy youth; but it has survived and it gives promise in ways we have not seen before if we continue to have the support of Congress, local public officials, community leaders, the poor themselves, and all those concerned with one of the most serious problems of our complex society.

Even in conservative, skeptical Cincinnati few will say, "We don't need a poverty program." Some may call for a change of name, demand more Federal control or less of it, but few responsible Cincinnatians are willing to surrender or even curtail the effort that has been mounted.

More than 600 community leaders, governing 22 public and private organizations, have responsibility for the control of the community action funds the Congress has made available for our area.

Government officials, educators, social workers, religious leaders, businessmen, and civil rights leaders have joined with them and asked for more, not less, help in combating our local problems.

Those few individuals who, without the firsthand knowledge or responsibility for the programs, criticize without knowing, must speak either from ignorance or malice.

Established as a nonprofit private organization in September 1964, the Community Action Commission of the Cincinnati Area serves five counties in Ohio and Kentucky.

Our board of trustees reflects a broad range of community interest groups, including a heavy proportion of elected officials.

We have developed a system of autonomous neighborhood councils in every target area from which we obtain representative poor people to serve on the board of trustees.

Most of the services funded by OEO were developed during our first year of existence. Essentially, the funds go for education, neighborhood organization and employment programs. This is contained in the detailed factbook I have given to the committee.

Among the most important contributions we have made in our short time of existence has been that for the first time there is a single voice in the community speaking for the needs of the poor; for the first time there is an awareness of an involvement by the total community in meeting the needs of the poor.

The Community Action Commission helps make other Federal programs more responsive to local needs. Community action stresses coordination, melding of funds, blending of services, seeing the person as a whole, eliminating competition, duplication or unnecessary overlap.

Community action is becoming a reservoir of vital information about the poor. Community action has demonstrated that poor people, given opportunities, will use them fully.

Then, Mr. Chairman, I refer to some activities we have had with the education system. The employment programs funded by a variety of sources, I call your attention to the fact that there is still not enough job opportunities for the untrained; then I make reference to the dialog that has developed between the county welfare department director and the clients on welfare.

Then I touch on the very excellent relationship we have with the United Appeal or Community Chest, it is called different things in different communities, pointing out without their financial support we very well might never have met the 10-percent-local-contribution requirement.

Poor people and residents of poor neighborhoods usually feel outside of the system.

Education systems in the five-county area have been stimulated to provide additional programs to fill the many needs of the poor. Two

thousand nine hundred twenty children in Headstart and preschool programs, 20,854 medical and dental visits, 48 school community centers, school social work for 413 children are a few examples of programs successfully started and which give promise of being continued by our public school systems. Much of this has been done, using poor people as staff to get an important job done.

In the Cincinnati public schools alone, 356 target area residents are employed as teacher assistants or aides.

Employment programs, too long fragmented by a variety of sources of funds, have been brought closer together through the efforts of the community action commission.

Focusing on the needs of the individual poor people, the CAC has been able to influence and bring about significant change in the State employment service and the board of education as well as the Federal agencies charged with the responsibility for training and employment opportunities under the Manpower Development and Training Act.

Using neighborhood people trained especially for the task the CAC has reached 2,604 unemployed persons and assisted them to obtain jobs or training opportunities.

In addition, more than 291 youth have been recruited for the Job Corps, and we have assisted in the placement of hundreds in the various Neighborhood Youth Corps programs in the five-county area.

Despite what we have done and despite the full cooperation of the Labor Department, the OEO, and other Federal agencies, there are still insufficient job openings for the untrained.

While our community has enjoyed the benefits of one of the finest county welfare departments in Ohio, this department like all others, has become overworked and understaffed for the gigantic tasks imposed by our changing society.

Not surprisingly, the welfare department is often viewed as insensitive to the individuals who require financial assistance.

Community action programs have stimulated a dialog between the clients and the administration of this most important public agency.

Also, with financial aid from title V of the EOA the welfare department is training 175 persons for jobs. Twenty-two trainees have already secured permanent placement.

United Appeal agencies, long a bulwark in the war against poverty, has given full cooperation to the community action commission. Much of our accomplishment is due to the technical knowledge and community support we have received from experienced professionals and dedicated board members of the private health and welfare agencies.

While there have been times when it was necessary to be critical or challenging of one particular service or another, we have found general support to go in the direction envisioned by the legislation.

A major source of our local contribution has come from the new funds raised by the United Appeal. The president of the community chest and council officially appealed to our local congressional representatives, urging the continuation of Federal funding for community action programs.

Poor people and residents of poor neighborhoods usually feel outside of the system. The personal lives of the poor, their poverty, their schools, their housing, and in fact their whole environment demonstrates to them constantly their inability to do anything about conditions which affect them.

Today, this is changing because of the leadership of the OEO and the stimulation of the local community action programs.

Working through 10 automomous neighborhood service centers, usually with poor people as staff, we have developed a large number of groups which are designed to help individuals to feel a sense of participation while achieving worthwhile goals.

In Cincinnati, community action funds have helped create: 25 community councils, five credit units, 111 block clubs, nine Headstart advisory committees, seven neighborhood welfare committees, four neighborhood housing committees, five consumer education committees, four police-community relation committees, six recreation committees, and a host of other task-oriented committees.

It is a fact that there is now more citizen participation to improve our city in the slum areas than in all the other parts of the city combined.

The people who have the least of everything, including opportunity, are working hardest to make our community a good place to live in.

This is and should continue to be a major purpose of community action. Community action programs were never funded to take the place of the welfare department, the State employment service, the community chest agencies, or city government responsibilities.

Rather and more to the point of these hearings, community action programs were created to bring out the best of these established agencies and to instill hope and interest in the hearts of the poor people so that they would use better the resources available to help them move into the system—the same system that makes this the greatest Nation on earth.

Then, Mr. Chairman, I give some personal observations on the amendments that are being considered, the hardship of the present 20-percent-local-contribution requirement, the earmarking of funds, the tendency to promulgate personnel policies and procedures of the OEO and community action agency and the community action agency program, a plea to try and obtain for the Office of Economic Opportunity more than a year's authorization, and then, five, a request that you consider higher authorization because in Cincinnati under the present legislation we are going to have to cut back more than a million dollars and finally, I want to add my voice to those asking you to revise the movement to dismantle the Office of Economic Opportunity because the OEO is needed on the Federal level the same as the community action is on the local level.

In conclusion, I would like to say as a social worker who has worked 17 years in slum neighborhoods, I know community action is vital to our national effort to create a great and open society.

Members of this committee have demonstrated already their courage by recommending the original legislation. I am here on behalf of the board of trustees, the public and private agencies, the hundreds of people who have responsibility for these local programs, and the poor who benefit from these efforts to confirm your belief in the rightness of this legislation.

Despite public attacks, misleading headlines, charges of mismanagement, or worse, community action under the leadership of the Office of Economic Opportunity is working as the attached program statistics and exhibits clearly indicate.

Whether it goes forward 1 year and back another, whether it is expanded or restricted, community action is here to stay because we know it is needed.

Our communities, urban or rural, need community action to be a bridge between old systems and new problems.

It is a new means for bringing together public and private resources and solving problems which are not confined to either the public or private sector.

We need community action to revive and sustain democratic participation for all the groups in our communities. I firmly believe it can help us in all these ways and many more. All the problems will not be answered nor will all the needs be met, but it is a step forward and in the right direction.

Chairman PERKINS. I want to compliment you on what I consider to be a very fine statement.

Have you done all your social work in Cincinnati?

Mr. HANSAN. No, sir, I have worked in Kansas City, Missouri; Philadelphia, Pennsylvania; Peoria, Ill., and then Cincinnati.

Chairman PERKINS. I wanted to say it has been my observation that some of the most effective local directors in my State have been so coordinated.

Mr. Ayres?

Mr. AYRES. I will pass until I have the opportunity to read the first part of his statement.

Chairman PERKINS. Mr. Ashbrook?

Mr. ASHBROOK. One of the things said about the poverty program is that most people are insensitive of what is going on and we don't know about the larger world of poverty.

I am inclined to agree. But when we hear these glowing comments of how OEO is operating, I am inclined to think there is another world of OEO that is not getting as much attention as it should.

While I feel there are a great many problems not brought to our attention in Cincinnati, I realize that is not Mr. Hansan's problem alone.

First, the community councils mentioned on page 27, you say 25 community councils have been set up.

Mr. HANSAN. Yes, sir.

Mr. ASHBROOK. Are you aware of the West End Community Council?

Mr. HANSAN. Yes, I am very much aware of it.

Mr. ASHBROOK. I notice your address is 820 Linn Street Mall, and the Community Action Council is 822 Linn Street Mall, so I presume it is next door to you?

Mr. HANSAN. It's upstairs.

Mr. ASHBROOK. So I assume you are aware of their activities.

Are any of the employees on the staff working in the West End Community Council?

Mr. HANSAN. Let me say first of all, it may help you to realize my further connection with the program, when I was director of community house, it was my job to revive the West End Community Council before the war on poverty was initiated.

Subsequently we have had offices in several locations, but because of the limitation of funds, and so on, they use this space that my

office is in. I am real sensitive to this because we get watched very carefully.

Mr. ASHBROOK. You would know more about the West End Community Council than most of the other 25 councils since it is in the same building?

Mr. HANSAN. Yes. The West End Community Council, for the information of the committee, is an association of residents that has, usually, articles of incorporation, bylaws, and so on; it receives no funds from us or from anybody that I know of. They may have a picnic, or a dance, or a festival, and raise a few dollars.

Mr. ASHBROOK. They are one of the 25 you are taking credit for, for helping to start out and sustain them?

Mr. HANSAN. Yes, helping to sustain. I would like to point out one of the purposes we stated in our original proposal and that we have tried to follow through on was to use community action funds through established neighborhood centers, and one of the purposes of these centers is to staff such councils.

If they are not in existence, they will bring them into existence and try to bring them along and try to extend them.

Mr. ASHBROOK. I thought this 822 might be next door.

Are you aware the West End Community Council has called for a customer boycott against a Kroger store?

Mr. HANSAN. Yes, I am aware of it.

Mr. ASHBROOK. Do you think this is a proper function for the community council?

Mr. HANSAN. Yes.

Mr. ASHBROOK. Are you aware that of the 14 points they make, seven violate the Civil Rights Act?

Mr. HANSAN. I am aware of only a few. I know I personally have tried to shop there, and, if I had a preference, I would try not to.

Mr. ASHBROOK. For instance, the people want—a Negro manager from the West End, a Negro bookkeeper from this area, preferably all Negro employees, remove the white policeman, Negro clerks from the West End, Negro produce man available at all times, Negro youth to be employed as bag boys.

Is this the kind of activity you are trying to stimulate in the West End Community Council?

This of course violates the Civil Rights Act.

Mr. HANSAN. If we are in violation of any law, we will be notified right quickly, I am sure. What the West End Community Council exhibits is the interest of the people who reside in the West End.

Mr. ASHBROOK. In legal or illegal activities or preferably just legal activities?

Mr. HANSAN. What I am saying is it reflects the interests of the people in relation to this supermarket. If they know whether it is legal or illegal, I am not aware. It does not have any bearing on the poverty funds, the council is a separate organization.

Mr. ASHBROOK. You have taken credit for this council on page 27, and you said you knew more about it than the other 24 councils, and you said it is in the same building you occupy, so I would think the activities going on there would be more under your supervision than some of the others.

Mr. HANSAN. May I make one point?

Mr. ASHBROOK. Yes.

Mr. HANSAN. About this matter of supervision—this is difficult for the OEO to understand, too——

Mr. ASHBROOK. It is difficult for me to understand.

Mr. HANSAN. We in Cincinnati do not control everything ourselves; we contract out to public and private organizations to do much of the work that is in fulfillment of the goals of the Economic Opportunity Act. This particular area of the city, the project we identify as a community action funded project is conducted by Seven Hills Neighborhood House, which, as I said, is a community chest program.

Mr. ASHBROOK. With Federal funds?

Mr. HANSAN. They have Federal funds and community chest funds.

Mr. ASHBROOK. Mr. Chairman, if I may have my time and Mr. Ayres', there are several points I would like to develop. I rarely request the extra time, but I have done extensive study——

Chairman PERKINS. You may have all the time necessary.

Mr. ASHBROOK. Thank you. If I take too much time, remind me.

There are four names on this bulletin, James Gray, chairman, poverty committee; James McGriff, chairman, strike committee; William (Babe) West, president (WECC), and William (Bill) Mallory, executive secretary. Are any of those employees of your program?

Mr. HANSAN. Not that I know of. Mr. Mallory is the State representative from that district. Mr. West is the president of the West End Community Council.

Mr. ASHBROOK. Mr. McGriff or Mr. Gray, as far as you know, are not employed in your agency?

Mr. HANSAN. My own agency only has about 16 employees including my office in Kentucky and in Claremont County. I don't recognize the names as part of my staff. To my knowledge, they are not a part of the neighborhood service projects staff of Seven Hills Neighborhood House.

Mr. ASHBROOK. One of them might be working, and I would appreciate it if you would, when you return to Cincinnati, find out if either of these employees is employed by you.

Mr. HANSAN. I will do so, but, even if I find out, I don't think there is a regulation that says they can't be members of a community council and work for a CAP-funded program.

Mr. ASHBROOK. Probably not, but I think some of the activities might be of interest to this committee.

One of the other bulletins put out by this community council, one of your 25 councils, it says—

> Attention, Attention, Attention, Soul Brothers and Sisters. Are you tired of being pushed around. . . . Hit in the head. . . . Taken advantage of. . . . Put in jail for no reason!!! If so, then come to the West End Community Council Office Sunday, July 9, 1967, at 6 o'clock p.m. . . . 822 Linn Street Mall, behind the Provident Bank.

That is your headquarters. "Refreshments will be served."

Signed by James Gray, James McGriff, chairman of the West End Community Council.

I point this out because so many times this is the other side of the property program which is not pointed out. I don't know how closely you follow riots, but this "Soul Brothers and Sisters" business, "Are you tired of being pushed around, hit on the head," and so forth—this is the kind of inflammatory reference that sparks riots.

Mr. HANSAN. Would you rather we didn't have a West End Community Council?

Mr. ASHBROOK. No, I have not said that. I would rather they work along the objectives you point out in your wonderful report here.

Mr. HANSAN. Our program cannot set the program in any association of neighbors. We don't control them.

Mr. ASHBROOK. You create them, as you say on page 7.

Mr. HANSAN. That is correct; but we operate on the basis that the vast majority of people in the United States are good people, if not all of them, the vast majority of them are good people, and these people coming together will ultimately choose what is best for them.

Mr. ASHBROOK. That is the way many of these riots are being stirred up around the country. They say that is best for them.

Mr. HANSAN. We can talk of the riots if you want to, but what I am saying is this committee and others—I don't think a man on the committee would deny it—is that with the people in poor neighborhoods, particularly slum neighborhoods, there has been an apathy that is devastating, and one of the reasons for this is these people don't think they can do anything about their own lives.

Through community councils they have done a great deal. You have a few examples in front of you about things you think are questionable, but we can talk all day and all night about activities you would be proud of.

Mr. ASHBROOK. As I say, there are two points: we have been accused of not knowing the world of poverty, and I think sometimes we are not aware of the other world of the poverty program.

Mr. HANSAN. Let me say again, the actions of the community councils are not the actions of the programs funded by the OEO. These are independent associations; they don't get a nickel from us. Now, staff helped to organize and keep them going, but it is the residents—the people—who decide what they are going to do.

Mr. ASHBROOK. Let's look at something that has been funded. In the words of Mr. Sargent Shriver himself—I have the June 21, 1967, edition of the——

Chairman PERKINS. Before you leave that point, if you will yield, I think we should leave it clear in the record that no funds, no OEO funds were involved at the time of the meeting where these remarks were made at this west end council.

Mr. ASHBROOK. No, I wouldn't want that said. Mr. Hansan said he helped create it. He said the west end council is in the same building as the Community Action Committee of Cincinnati?

Mr. HANSAN. The west end council is a resident association that has as their address this office.

Mr. ASHBROOK. They meet there. They have the same address as your office—822 Linn Street Mall?

Mr. HANSAN. It is a separate office paid for by the west end neighborhood service project, part of Seven Hills Neighborhood House.

Not only is this true of west end, but of many neighborhoods. The address for community councils is in neighborhood centers. They may or may not be funded by OEO. Insofar as they are using space, lights, heat that are possibly paid for by poverty funds, it is so connected, but their actions, their work, their postage, and all of that, to my knowledge, is out of their own treasury.

Mr. ASHBROOK. Isn't this so often the case, we take credit for things—I say "we" in the sense of the agency and the Director—we take credit up to a point, but from then on we don't want credit anymore?

But there is one thing Mr. Shriver has taken credit for, that I would like to discuss. I started to refer to an article of the June 21 Evening Star, which mentions that OEO funds have been used for people arrested in riots in cities, including Cincinnati. Can you tell us about that?

Mr. HANSAN. Yes, the Legal Aid Society has been in existence about 50 years in Cincinnati. That is the delegate agency to receive legal service funds from us. When the riots occurred and there were many, many arrests, the Legal Aid lawyers provided for them, plus the public defender who receives part of his salary from community action funds, went and worked to prepare these people for hearing. I have testimony of this, and I also have a commendation to the director of the legal process, Judge Heitzler, which I received from Judge Heitzler, which I can enter in the proceedings.

Chairman PERKINS. That will be fine.

(The letter referred to follows:)

CITY OF CINCINNATI,
CINCINNATI MUNICIPAL COURT,
Cincinnati, Ohio, June 26, 1967.

RALPH F. CRISCI,
Attorney at Law, Legal Aid Society,
Cincinnati, Ohio.

DEAR SIR: I would like to express my appreciation for the past prompt and efficient action of your organization, in furnishing attorneys to represent all defendants brought into Criminal Court during the recent riots. I would especially like to thank Messrs. George Darden and Robert Gorman, who worked day and night to assure each defendant a fair trial and protected all their legal rights.

Yours very truly,

GEORGE S. HEITZLER, *Presiding Judge.*

Mr. ASHBROOK. It is interesting to hear both sides of this. As a director of the community action program in Cincinnati you would certainly be able to state whether or not any of your employees of your poverty agency have been involved in riots or arrested for involvement in riots.

Mr. HANSAN. Two persons that I know of were arrested. To my knowledge neither has been brought to trial so I could not say——

Mr. ASHBROOK. They are obviously still working for your agency so you feel you could not prejudge?

Mr. HANSAN. That is correct. Both were arrested during the performance of required duties on their part, Mr. George Dardin and the other Mr. Layton Johnson, assistant director of the Cincinnati Federation settlement, who was trying to calm down some of the teenagers in Cincinnati. He has just been accepted in the doctoral program at the University of Cincinnati. He is leaving the agency in order to get a doctoral program.

Mr. ASHBROOK. What about community workers, not employees? Would you know whether anybody from the West End Council or other poverty program affiliates have been involved in the riots?

Mr. HANSAN. No; as I say, my own personal investigation only turned up these two. The OEO I know has had somebody down there.

I did not talk to the man myself but I heard that he was in town. I am almost certain that if they knew of anybody they would have, sure as the devil, been on the phone to me. I would like to say it is possible there were some youth from the Neighborhood Youth Corps who were arrested. It is hard to know because these are kids—they don't release the names to the paper if they are juveniles.

I would also like to enter for Mr. Ashbrook's information the statistics on who was arrested in Cincinnati, which came out of a special report in the Post and Times Star by a Miss Marilyn Magness and Salli Nichols who broke it down into ages, the race, previous arrests, employed and unemployed. As we can expect, one of their conclusions from it, anyway, was that the majority of those unemployed fall into the 18 to 25 age bracket and most of those employed had unskilled jobs.

(The information follows:)

WHO TOOK PART IN RIOTS

(By Marilyn Magness and Sallie Nichols)

Three hundred sixty-two riot-connected arrests were made in Cincinnati from June 13 through June 18.

What is the background of those persons who were arrested during the disturbance? The following statistics will provide some of the answers.

How many persons were arrested?

Adults—298; juveniles—64.

How old are those who were involved?

12 to 17— 64
18 to 20—119
21 to 25— 96
26 to 30— 43
31 to 35— 23
36 to 40—6
41 to 50—5
51 to 60—4
No age given—2

What is the race and sex of the adults?

Male Negro—227
Male White— 44
Female Negro—27
Female White— 0

How many of those arrested had previous police records?

126 of the 298 adults had previous records.

Male Negro—105 (*Juvenile record, 25; adult record, 56; both, 24.*)
Male White—13 (*Juvenile record, 3; adult record, 6; both, 4.*)
Female Negro—8 (*Juvenile, 2; adult, 6.*)

How many of the rioters do not have jobs?

114

What is the breakdown of employment figures according to race and sex?

Male Negro:

Employed—129
Student—9
Unemployed—88
No information—1

Male White:

Employed—28
Student—3
Unemployed—12
No information—1

Female Negro:

Employed—13
Unemployed—14

Some additional information gathered from police records:

The majority of those arrested were charged with disorderly conduct—112. The second most frequent charge was loitering—42. Twenty-four were released without being charged.

Three hundred two adult arrests were made. One man was arrested three times on three different days. Two men were arrested twice. Of the 302 arrests, 143 were made June 14.

During the first three days of the disturbance, most of the rioters were from 18 to 22 years old. As the riot progressed, more older persons became involved. The majority of those who are unemployed fall into the 18 to 25 age bracket. Most of the ones who have jobs are unskilled laborers.

QUARTERLY PROGRESS REPORT, LEGAL AID SOCIETY, CINCINNATI, OHIO LEGAL SERVICES PROJECT

All of the activities described in our last Quarterly Report are continuing. In this past quarter, seven of our attorneys attended the OEO-sponsored course on Consumer Credit given at Ohio State University by the Ohio State Legal Service Association. In the last report, we indicated that we were working with the Better Business Bureau in drafting articles of incorporation for a consumer credit counseling service; this has now been done, and I am enclosing a newspaper clipping which refers to and discusses the new corporation. We will continue to work with George Young, and hopefully this project will be operative within the next few months.

During this period we also drafted a new proposal for the coming fiscal year. I am enclosing a copy of this proposal, and one of the proposed budget.

The month of June, 1967 saw Cincinnati involved in its first race riots of this century. We did take, and are still taking, an active part in the defense of the indigent persons charged with acts committed while the riot situation was rampant. Events transpired in this manner: on Monday, June 12, several stores in two predominantly Negro areas had windows smashed, automobile windows were shattered, and a few Molotov cocktails were thrown into some businesses. On Tuesday, June 13, the rioting became much more serious; "Soul Brother" signs offered the only protection in some areas, as more damage was done, and several large establishments were set aflame by Molotov cocktails. One large commercial laundry in the area of our Walnut Hills-Evanston office was practically demolished, having almost $750,000.00 of damage done to it; another fire to a large business caused over $300,000.00 in damage. Large crowds of rioters were seen in all the predominantly Negro suburbs, and looting became the order of the day. It was at this time that the city manager called upon the Governor to send in the National Guard and declared the city in a state of riot.

The Riot Act was printed in the newspapers on Wednesday, and was read to the crowds the same day. The Municipal Judge who was sitting in Cincinnati Criminal Court at the time made the statement to the press that all rioters convicted of acts of violence during the period while the riot state was in effect would be given the maximum sentence, which is one year in the workhouse and $500.00 fine. This same day, the judge personally called me and requested that we have additional men available in Criminal Court to represent the people who were picked up as a result of the riots.

On Thursday morning, there were well over a hundred riot-connected cases on the Criminal Court's docket. Four of our attorneys, our voluntary defender, and a number of volunteer lawyers divided the cases, interviewed the people, and presented their defenses that day. A few of the rioters had retained private counsel, but most of them were unemployed and unable to afford an attorney. There were some dismissals; however, the majority of those who were charged were convicted, and were given the maximum sentence as they had been warned. I am enclosing an article taken from the front page of the *Cincinnati Enquirer* on Friday, June 16 describing the scene in court after Judge Mathews had sentenced twelve persons to the maximums under the Riot Act.

That evening for the first time in the history of the City of Cincinnati, night court was held, so that those people picked up could be brought before the Municipal Judge immediately for hearing or for setting of bond. Our men were at Criminal Court in City Hall until 2:30 Friday morning working on that evening's cases.

Friday morning and afternoon we also had five men in court, together with volunteer lawyers from the NAACP and the ACLU. After the trials, motions for new trials were filed for all of the defendants, including those whose cases were heard on Saturday. These motions were overruled, and the judges were asked for stays of execution, which were granted, and bonds were set in each case individually. This was the result of a series of negotiations between the mayor, the city manager, the safety director, the city solicitor, and the judges, as well as the defense attorneys. It took about two days of meetings before the judges would agree to set bonds and grant the stays of execution.

In the meantime, working in conjunction with our local Community Action Commission, we gave the names of all of the defendants, together with copies of the ROR form, to the neighborhood workers. The CAC neighborhood workers went out and interviewed the families, friends and neighbors of the defendants to obtain information which could be helpful on the motions for new trail, as well as giving us some basis on which we can appeal to the Parole Board to allow these men out on parole if other relief fails.

As Earl Johnson, Jr. stated to the Congressional committee, "It would be a violation of legal ethics for us to separate the deserving from the undeserving or the popular from the unpopular in providing legal representation." This office echoes these sentiments very strongly; we further feel that among those who were convicted, there are quite a few "innocent bystanders." We here at Legal Services know that the hard core rioters and looters were not all caught. As a matter of fact, it is our feeling that only a few of these hard core agitators were apprehended, and that it was the people who were swept up by the hysteria who were in court and being tried. This is in part based on our investigation into the background of the defendants whom we represented, which indicated that not too many of them had prior police records.

This has been a joint effort with the lawyers and other leaders of our Negro community and with the Community Action Commission. We feel that the CAC has done a marvelous job in assisting us in conducting these investigations, and it is this type of cooperation that will foster good working relations in the community.

Our latest legal move was to file notices of appeal and applications to file them without court costs. I am enclosing a copy of the application, which we mimeographed because of the large number of cases. We are continuing to work with the CAC's neighborhood workers, and I have assigned one of our aides as a liaison man to coordinate information and to work in the communities where the riots occurred to ascertain what we can do to perpetuate the calm that has prevailed since the riots ended.

All three of our full-time neighborhood offices are centrally located in the riot-torn areas, and it may or may not be significant to note that none of them was touched in any way.

Another significant development in the past quarter again involves activity with the CAC. The two juvenile judges called a meeting at which they, our Juvenile Court attorneys, members of the Court's staff and I discussed the various problems arising from the Gault decision. The first proposal made by Judge Schwartz was to appoint our neighborhood staff attorneys as special referees of the court; however, it was our feeling that we do not want our offices to be "courtrooms," nor do we want the people whom we serve to feel that we had become judges and prosecutors rather than defenders of their legal rights. The suggestion that we then approved, in order not to make official records on all juvenile cases, is this. Judge Schwartz will appoint some of our volunteer lawyers as Juvenile Court referees; it will be their duty to hear complaints while sitting in the neighborhood where the juvenile lives, as is presently done in other cities and villages in Hamilton County. The referee will work closely with the CAC neighborhood worker to try to alleviate some of the conditions which cause delinquency. The judges felt that with this grass-roots approach, the neighborhood workers will also benefit, by being able to observe the legal side of the situation. The referees will "hold court" in the various CAC neighborhood offices, and at the present time it is proposed that a neighborhood worker be assigned to the "courtroom" during all hearings. The more serious cases, of course, will still be referred to the judges for disposition.

We at Legal Services have high hopes that this project will succeed and perhaps be used in other parts of the country. We shall keep you informed as to the progress of this project.

The consumer credit and landlord-tenant legislation which we proposed is presently in committee, and some of it has already been passed in the House of Representatives, and is now awaiting Senate approval. Some of this legislation was proposed directly from our office and drafted by our attorneys; some came as a result of a meeting of all the project directors in the State of Ohio called by the Ohio State Legal Services Association.

Respectfully submitted.

RALPH F. CRISCI,
Project Director, Legal Aid Society of Cincinnati.

Mr. ASHBROOK. I thank Mr. Hansan and thank the other members of the committee. I realize I have taken a great deal of time on this problem but there are a few additional points I would like to clarify. I would only conclude from my study that there are more than 110 Federal programs in Cincinnati at the present time spending upward of $300 million in and through OEO, HEW, and the Department of Labor. I strongly urge the chairman to accede to the request of Mr. Ayres and myself and others to send a committee to Cincinnati to see first hand how this program is working in the field.

Chairman PERKINS. Let me say to the gentleman that I have never denied any member of this committee the opportunity to bring in witnesses just like you brought them in today. If you want to bring any more witnesses, you have the opportunity, but I know we can't hold this record open indefinitely. I have been on a timetable, more or less, but, if there is any other witness in Cincinnati that you want to call here yourself, you call him in and we will hear him tomorrow.

Mr. ASHBROOK. I would say respectfully that there is so much to be gained by a field hearing that it is much more important than adhering to a timetable.

Chairman PERKINS. Let me say to the gentleman we know the situation existing in this country at the present time and if we undertook to hold up the bill until we made investigations throughout this Nation, we never would get a bill this year and some of my friends would like to see that happen. If any mayor from any city, if any chief of police, or responsible individual makes the charge that employees of OEO, or local community action committees, if the OEO has any control over them, we will certainly send investigators out but we are not going to run out there at random, and I don't think any responsible person would want us to run out there and commence investigating, because we don't know where we are going. But if there are any charges along that line by responsible people, bring them before this committee and we will send investigators.

Mr. FORD. I would like to ask Mr. Ashbrook, did I understand you to say there were 110 poverty programs?

Mr. ASHBROOK. I said Federal programs. I mentioned HEW and OEO.

Mr. FORD. Funding $300 million?

Mr. ASHBROOK. Funded for $300 million over the years.

Mr. FORD. The point I am trying to reach is, are you suggesting that we have spent, under the legislation before this committee now, the Economic Opportunity Act and the so-called poverty program, $300 million in Cincinnati?

Mr. ASHBROOK. No, I said all programs.

Mr. FORD. Do you have the figure we spent on Sargent Shriver's program in Cincinnati?

Mr. ASHBROOK. I could give you that but I was going to spare you.

Mr. FORD. $300 million could scare the pants off some people and I would not like the discrimination of that figure for Cincinnati to show up in my State.

Mr. ASHBROOK. I can give you this itemization; it has the breakdown on the numbers.

Mr. FORD. Could you give us the figures for what has been spent in Cincinnati?

Mr. ASHBROOK. I will add them up.

Mr. HANSAN. With the chairman's permission, I think I can save Mr. Ashbrook some time. We have had slightly over $15 million come to the Cincinnati area, that includes more than Cincinnati. The Cincinnati area, since the legislation was initially funded in October or November 1964, our present spending rate, Mr. Ford, on a year's program under title II is approximately $4 million. Under title I, the Neighborhood Youth Corps, it is a little better than two and a half million dollars. If you throw in title V, a proportion for VISTA, and a proportion for basic literacy, and so on, it comes up a little higher. In round figures we say we benefit from this legislation by approximately $7 million, my office, the Community Action Commission is only responsible for about $4 million of that.

Mr. O'HARA. Mr. Chairman, I want to commend my soul brother, Mr. Ashbrook, for his movement, in what I think is the right direction. A couple of years ago when we took up the Civil Rights Act of 1964 he did not feel he could support it and now today he is apparently trying to extend it. Certainly, I point out to the gentleman from Ohio, nothing in the Civil Rights Act of 1964 prohibits the urging, advocating, or whatever, in support of hiring of Negroes, or Caucasians, or Swedes. It has nothing to do with urging. The only provision——

Mr. ASHBROOK. Will the gentleman yield?

Mr. O'HARA. Yes, sir.

Mr. ASHBROOK. I think the urging of the consumer boycott action against the Kroger Store, would be breaking the law. If they hired them just because they were Negroes, they would be breaking the law.

Mr. O'HARA. If they hired Negroes only for that reason, the act would be violated but for a group to merely urge the employment of more Negroes is not a violation of the civil rights law.

Mr. ASHBROOK. But certainly their actions are questionable tactics. I think the gentleman from Michigan would agree to this conclusion.

Mr. O'HARA. I think it is a questionable tactic and I would like to see the gentleman from Ohio join me on my bill which would prevent boycotting of stores by farmworkers by putting them under the National Labor Relations Act.

Mr. ASHBROOK. I will endorse that.

Mr. O'HARA. I was also interested in the comment with respect to use of OEO funds to defend persons connected with charges arising from the recent disturbances in Cincinnati. I gather OEO funds are used to pay the personnel of the legal service agency and also used to pay part of the expenses of the public defender of Hamilton County, is that correct?

Mr. HANSAN. Yes, that is correct.

Mr. O'HARA. I know my friend from Ohio is not suggesting that the public defender's services should not be available to people who otherwise qualify for them.

Mr. HANSAN. I might add on this legal services program, it has been a service of the Office of Economic Opportunity to every city and State in the Nation that more and more people are availing themselves of this help.

Mr. O'HARA. I think it is an excellent idea. As one who worked in legal services for the poor before coming to Congress, I can testify to the need for this type of service and to the great lack of it that has heretofore existed.

I would like to just straighten out one question that seems to have gotten fuzzed up a little bit. As I understood it from Mr. Ashbrook's questions and your responses, one of the things your agency has undertaken has been to inspire and assist in the creation of neighborhood councils. Is that right?

Mr. HANSAN. That is correct.

Mr. O'HARA. Do you in any way fund the continued operation of these neighborhood councils?

Mr. HANSAN. No, sir, we fund neighborhood centers which are staff, and part of the purpose of a neighborhood center staff is to foster organizations of a variety of kinds. The community council is one but they also organize mothers' clubs, cooking classes, or they might organize something like recreation committees, or any number of these things.

I might add it was the role of the neighborhood centers to do this long before the Economic Opportunity Act but, because of the limited united appeal funding, it has never been able to make a significant impact.

Mr. O'HARA. Once a neighborhood council is organized, whether on its own or with the assistance of a neighborhood center, they are on their own, they have their own constitution and bylaws, adopt their own resolutions, raise their own funds, et cetera?

Mr. HANSAN. That is right. And I might add when they get real good they begin to criticize the neighborhood center and me and our office.

Mr. O'HARA. I was going to get to that. I imagine one of the things they frequently do after they get going is criticize the poverty program and the way it is implemented.

Mr. HANSAN. It is particularly difficult for me, if I may presume on your time, so many are in Negro areas and they feel if they ask Mr. Barry of OEO he will straighten me out and take the heat off.

Mr. O'HARA. I am glad this matter in straightened out, I don't know if Mr. Barry has time to handle all these problems. He must be pretty busy with his own responsibilities.

Mr. HANSAN. You can't convince the people in the neighborhood of that.

Mr. O'HARA. I think it is clear you do not exercise any control over resolutions and actions taken by neighborhood councils once they are organized. I wanted that straightened out for the record.

I have read your testimony and I have had the occasion to hear a few things about the Cincinnati area program. As community action programs go, the Cincinnati program is a pretty good one because I think you have more neighborhood activity and neighborhood involvements through the operation of your neighborhood service centers and through the creation of these neighborhood councils than many other cities. I am in accord with your philosophy in doing this. One of the most important things in these neighborhoods is to get people banded together, discussing and becoming aware of each other's common problems, and taking the first steps toward common action to meet common

problems. I think that is a legitimate function of a community action program. I think your organization in that regard has been successful.

Mr. HANSAN. Thank you.

Mr. AYRES. I have had the opportunity to read your complete statement plus listening to your testimony and I understood that you testified previously that you are not a native of Cincinnati?

Mr. HANSAN. That is correct.

Mr. AYRES. What would prompt you to say, "Even in conservative, skeptical Cincinnati." What makes Cincinnati stand out as conservative and skeptical?

Mr. HANSAN. Well, the person testifying after me can probably tell you better than I about the history of Cincinnati. All I can tell you is "conservative" is a word Cincinnati residents use with pride in referring to themselves in business, politics, education, and many other fields. In skeptical Cincinnati, I am referring to the fact there are many persons and there have been many persons who have questioned the philosophy and the purposes of the program as envisioned under the Economic Opportunity Act.

Mr. AYRES. The reason I ask is it is very unusual to find editorializing such as you have taken the liberty to do in statements brought before the committee of that particular nature. I am glad for your explanation. I would have to respectfully disagree with you and I am not from Cincinnati either.

You also mention educators, social workers, businessmen, civil rights leaders, and religious leaders have joined with them to ask for more help in combating our local problems. What part have religious leaders played?

Mr. HANSAN. Since creation of the community action programs and the general stimulation in the poverty problems, the archdiocese in the Cincinnati area has created a formal commission on poverty. In addition to that the archdiocese has made poverty one of three points for study by the newly created pastoral council and the various parish councils that relate to it. In addition, the council of churches has been one of the delegated agencies through the memorial community which started the Mount Auburn Council. In addition, members of these councils serve on our board and there has been an interfaith commission which is trying to figure ways and means for the lay people in all the faiths to become involved in affairs in community problems.

Mr. AYRES. Does Mr. Bob Taft work with this at all?

Mr. HANSAN. Not directly, although he is a warm supporter of the kind of activity in the community councils. That is all I can say about that.

Mr. AYRES. The chairman discussed the possibilities of sending investigators into your areas where there was some doubt as to the effectiveness of your programs but he did not think that field hearings would be necessary. Do you feel perhaps this committee could gain by talking to these local leaders on a firsthand basis? You know, it is much cheaper for us to take a few members of the committee to Cincinnati than for you to bring these people here.

As far as the Chairman is concerned, I love him dearly; but I do feel it incumbent upon me to point out that it does not cost that much to take a few members of this committee out on a field hearing. Many of our members have been to Sweden, England, Italy, France, in fact,

we have been around the world. I fail to see why we can't hold field hearings where necessary and essential. I intend to bring this to the committee for a vote.

Chairman PERKINS. Let me say to my friend——

Mr. AYRES. If the gentleman will yield, we might even get over into Kentucky if the situation so requires.

Chairman PERKINS. I would be delighted for you to come to Kentucky on any occasion. You are welcome. You may go anywhere you want to go but I told Mr. Ayres that I would discuss this problem with the leadership on this side of the aisle, on this side of the committee aisle. We took this matter up before the full committee the other morning and voted on it. It was the view of your side and of the minority on this committee that we should proceed in the way that we are now proceeding.

Mr. AYRES. If you will yield for a moment, to clarify the record, I should point out it was a meeting of the executive session; I didn't vote the proxies. If I had we would have the mayor of Newark before the Commission to find out just what happened up there and why, and thus be better able to prevent similar occurrences elsewhere in the future.

Chairman PERKINS. Let me say if you get any statement from any responsible public official, or any responsible private individual that poverty workers have done the wrong thing in connection with inciting any riot or any other wrongful act, we will send investigators, but first come in here with some responsible statements and let's not just go fishing trying to do the program much harm.

Mr. AYRES. It is not the intent of any member of this committee to do anything that would disrupt helping the poor, but I think the American taxpayer is becoming a little confused with hundreds of millions of dollars going into this program without creating very many jobs. It has always been my observation until people learn to earn you are not going to break the pockets of poverty. I definitely think we should all direct our efforts in that direction.

Chairman PERKINS. I agree with my friend that we should all direct our efforts in the direction of improving the program but, to my way of thinking, much good has come from the program, from the Job Corps, the work-study program, the Neighborhood Youth Corps, these are programs that have kept thousands and hundreds of thousands of youngsters in school and we have given them the necessary training to earn.

I know mistakes have been made, and I don't defend the mistakes. I know we come across instances where poverty employees have gone overboard, done things they should not have done but, by and large in my mind where one has done wrong, 99 have done good for the welfare of the country.

Mr. AYRES. I move that we recess so we can answer the call for the final passage of the bill before us on the floor.

Chairman PERKINS. The committee will stand in recess for 10 minutes.

(Short recess.)

Chairman PERKINS. The committee will come to order.

Go ahead, Mr. Ashbrook.

Mr. ASHBROOK. Mr. Hansan, you have stated that very little poverty funds were used in this west end community council. It is my information that all of these circulars, just two of which I brought to your

attention, have been printed in the Office of Economic Opportunity in Cincinnati at 820 Lynn Mall.

I assume you probably wouldn't know about that. It is something that you wouldn't have direct access to, or maybe you would have specific information?

Mr. HANSAN. No, I do not. It is not unusual that mimeographing and paper and supplies are provided for community councils, although this would vary with the neighborhood.

Mr. ASHBROOK. I can well understand that this wouldn't be something over which you would have day-to-day knowledge.

Mr. Chairman, that is all I have.

Mr. HANSAN. Mr. Chairman, may I make just a brief reply to the question of Mr. Ayres?

Chairman PERKINS. Go ahead.

Mr. HANSAN. About the number of programs that use Federal funds and he listed HEW, OEO, and Labor, and he gave the figure of $300 million.

In our model city application submitted officially to the Department of Housing and Urban Development the figures were given about the year to year contract grants such as those received by my office and that totals $42 million. That includes all of the funds that are received in our area under the Manpower Development and Training Act, various programs like the Elementary and Secondary Education Act, the Economic Opportunity Act, the National Institute of Mental Health programs, and these go to the University of Cincinnati, the city of Cincinnati, the community chest, and many other public organizations, but the very large amount of Federal funds that comes into Cincinnati comes into the city of Cincinnati to our government for urban renewal and this is the very large grant, and I think the figure is misleading.

In the papers what has been the request to you to have an investigation in Cincinnati about all Federal funds has been more or less boiled down to an investigation of the poverty program, which I do not believe is what Mr. Clancy, the Congressman from the Second District, requested. And I would for myself and the board of directors of the Community Action Commission feel very honored if this committee would come again to Cincinnati to do an investigation of the program.

You will recall that 2 years ago your staff did an intensive study of program in Cincinnati.

Finally, I would like to point out that through the generosity of the Federal Government the U.S. Department of Commerce, we have recently received an EDA grant to permit the city Government to do something in the field of unemployment in which they have not done much before. Now with this $130,000 grant they are going to pick up some suggestions that our office and others have made over the past year and a half.

Chairman PERKINS. Thank you very much.

Will Mr. Ayres be back?

Mr. ASHBROOK. I don't know, Mr. Chairman. I think he is catching a plane, to be honest with you.

Chairman PERKINS. I certainly don't want to leave any wrong impressions.

Mr. ASHBROOK. I don't think there were any.

Chairman PERKINS. The committee the other morning acted and Mr. Ayres did offer a resolution and then a substitute resolution was offered by Mr. Gibbons from Florida. The substitute resolution reads as follows:

I move that under the direction of the Chairman the Staff be deployed to collect information and report back immediately to the Chairman and the Committee on the involvement of any persons employed by the Poverty Program in any of the riotous actions that have taken place in the United States.

If the minority want an investigation in Cincinnati they are going to get it by the staff just as that resolution provides, and if any responsible individual makes a statement to me as chairman of this committee that poverty workers have gone overboard and done the wrong thing, who are on the payroll of the U.S. Government, there will be an investigation in Cincinnati. So none of us is trying to cover up anything. In fact, I feel that everything should be exposed.

The bill is so important that if there are any weak points in the legislation it is the duty of us all, and incumbent upon the membership of this committee, to improve the legislation in every way possible.

I for one know that mistakes have been made and don't intend to defend those mistakes. I think that we have laws and we all must adhere to the laws that are already on the books and if there are amendments that can improve this legislation, and I know there are amendments, I know it is the duty of the committee to amend the legislation accordingly.

Thank you very much for your appearance.

Mr. HANSAN. Thank you, Mr. Chairman.

Chairman PERKINS. Our next witness is a member of the city council in Cincinnati. We are delighted to welcome you here. Come around, Mr. Held.

I notice we have one of our distinguished colleagues here, Representative Clancy.

Mr. CLANCY. Thank you, Mr. Chairman.

Chairman PERKINS. Congressman Clancy, go ahead.

STATEMENT OF HON. DONALD CLANCY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. CLANCY. It is my pleasure and my privilege at this time to present to this distinguished committee a very, very distinguished member of the Council of the City of Cincinnati, Mr. John E. Held, my long time friend, serving in many capacities with the city council, and he at the present time is the chairman of the Crime Study Committee, a special committee of the council, and is here to renew the request that he made through me several weeks ago in which I sent to you a telegram respectfully requesting that this committee appoint a committee of Members of Congress and not staff to come to Cincinnati and to observe first hand the programs over which this committee has jurisdiction. This request was made in response to a letter that I received from Mr. Held shortly after the riots in Cincinnati in which several members, who at that time, represented themselves as being spokesmen for various groups of the city of Cincinnati, came to the chambers in city hall and said that nothing was being done for the underprivileged and the unemployed.

Mr. Held asked that I contact you and we did that and we are here at this time to present some of the facts that enabled us to reach the conclusion that an investigation is warranted and that you should appoint a committee of members and have them come to Cincinnati to see and to hear just how these programs are working; whether they are efficient and whether they have achieved the results that those who have preceded us have indicated by these brochures which we do not have, and by the pictures and the testimony which we have not had the opportunity to present to you because we do not know.

So we are here to assist you and perhaps you can assist us. And it is my pleasure and privilege at this time to present to you Mr. Held.

Mr. ASHBROOK. Before Mr. Held proceeds, could I intervene at this point?

Chairman PERKINS. Yes.

Mr. ASHBROOK. It wasn't my intention to take issue with the chairman, but I think the gentleman from Cincinnati has ably pointed out the different aspects of what the investigation is to be. The proposed investigation was not necessarily to look into the activity of the poverty people and riots, but look into the general effectiveness and the operation of the program. I think this is the one point where I would make such a distinction to what the chairman said just a few moments ago.

Chairman PERKINS. Let me say to the gentleman that we have been conducting hearings since June 12. I made a statement earlier and invited all the Members of Congress to participate at our hearings and offer suggestions in any way that they could and no witness that wanted to come before this committee has been denied that opportunity.

Now when the riots had started over the Nation the question came before this committee based on a rumor that some so-called anti-poverty workers had gone overboard, maybe, and perhaps violated the law, and we considered it in this committee. A resolution was adopted and I will read the resolution that was offered by Mr. Gibbons of Florida. There was no record vote on this resolution, but I was hesitant, and it passed on a voice vote without vote being requested. I am stating publicly that the resolution was adopted overwhelmingly and many members on the minority side supported this resolution, supported this approach. They thought it was the soundest approach. We know that this is an important piece of legislation and we know that we have to approach a problem of this magnitude with due care, and here is the resolution:

"I move that under the direction of the chairman and staff that the staff be deployed to collect information and report back immediately to the chairman and the committee on the involvement of any persons employed by the poverty program in any of the riotous actions that have taken place in the United States."

It is the purpose of this committee to write the best piece of legislation possible.

Mr. THOMPSON. Will the chairman yield for an observation?

Chairman PERKINS. Yes, I yield.

Mr. THOMPSON. I arrived late on the day this was adopted but I arrived in time to hear the last 30 minutes or so of the discussion. The Gibbons' amendment was a substitute to another amendment which had considerable support. However, a majority voted it down and

then it is my recollection that the adoption of the substitute was virtually unanimous.

Chairman PERKINS. Anything further?

Mr. THOMPSON. I am talking about the actual passage of the Gibbons' substitute after the Ayres' amendment had been rejected.

Chairman PERKINS. And I want to make it perfectly clear that my district runs within 50 miles of Cincinnati, with papers of course in the northern part of my district, and somebody else quoted for me then. I didn't even object to that, but my point is that we are not trying to cover up anything around here. We are glad to have the suggestions and I am delighted to welcome you here today, Mr. Held, and you proceed in any manner that your prefer.

STATEMENT OF JOHN E. HELD, MEMBER OF THE CINCINNATI CITY COUNCIL AND CHAIRMAN OF THE CRIME STUDY COMMITTEE, CINCINNATI, OHIO

Mr. HELD. Yes, Mr. Chairman.

My name is John E. Held. I am a member of the Cincinnati City Council, which is the equivalent of an alderman in some of your areas.

I am delighted to be here and I am grateful for the opportunity, sir, to appear before this committee. I think it is very fair of you to invite any witnesses who would like to come forward to come before this committee, but I would like to say to you that if all the people who have contacted me either personally or by phone or by letter, if all of these were to come before this committee, sir, I think you would need a special train.

Chairman PERKINS. Let me say this to you, Mr. Held: I know how those things happen. I have served as a prosecuting attorney, but you are a responsible city councilman and any witnesses that you bring in here between now and next Wednesday night I will hear him whether it is a trainload or whether it is a half dozen.

Mr. HELD. I was about to say also, Mr. Chairman, that most of these folks couldn't afford the train fare, to be quite honest about it. I might add that I came up here at my personal expense. Quite frankly, sir, it is a personal sacrifice, I want to point that out, a financial sacrifice. The people I am talking about really would find it impossible to appear. I don't say this critically, sir. I wanted to simply point it out.

Chairman PERKINS. I take it that you have some good evidence that you can give us, some witnesses who have violated the law. That is what we are after. Go ahead.

Mr. CLANCY. Mr. Chairman, if you will permit me to speak at this time——

Chairman PERKINS. Yes.

Mr. CLANCY. Again the record is very clear that I sent to you a telegram, not requesting an investigation as to whether or not any specific law was violated or not. We asked you to appoint a group of members of this committee to come to Cincinnati to determine whether or not what was stated in the chambers at the city hall was correct or not. That statement was that the programs for the poor and the underprivileged and the unemployed were doing nothing for their particular circumstances at that time. That is what I requested of this committee,

not as to whether you should come to see whether there is a law violated or not. We are not here for that purpose today. We know that this committee has under its jurisdiction many, many programs other than OEO.

Mr. THOMPSON. Will the chairman yield?

Chairman PERKINS. Yes, I yield to the gentleman from New Jersey.

Mr. THOMPSON. I don't know whether I understood Mr. Clancy's statement correctly, but if I did it would seem to me that he has reached the conclusion with which he wants us to agree. It seems to me that this isn't bilateral in the slightest, if I understand the statement. Apparently they are about to establish in their minds involvement which we are to agree with without having the opportunity to hear both sides.

Now, your offer, as I understood it, is that both sides will be heard. I appreciate the witness's sacrifice of money and time and effort to be here. I think it is splendid. Somehow or other an arrangement could be made to hear other people, I am sure.

Mr. O'HARA. Will the chairman yield to me for just a moment?

Chairman PERKINS. The gentleman from Michigan.

Mr. O'HARA. The gentleman from Ohio suggested that a statement was made in the City Council of Cincinnati that this program hadn't done the people of Cincinnati any good at all.

Mr. CLANCY. No, sir.

Mr. O'HARA. What was the statement?

Mr. HELD. That was not said. Could I read my statement? We will go from there and you cross-examine me afterwards.

Mr. O'HARA. I am not going to cross-examine you now, but I just simply wanted to say that as I understood Mr. Clancy's statement we are being told that we ought to go to Cincinnati because a statement had been made in the city council that this program, although spending money, was not doing any good.

I would simply like to suggest that if the author of the statement would care to present the facts and figures on which he based that statement, perhaps the committee might be willing to go.

Mr. HELD. Mr. Chairman, may I reply?

Chairman PERKINS. Yes.

Mr. HELD. Sir, there was never a statement made, that this program, this OEO program, by anybody was a failure. In the aftermath of our riots a self-appointed group of leaders came to the city officials and simply stated and restated—and it is in the public press, which I will be happy to send to the committee, sir—that nothing has been done for the downtrodden, the underprivileged, and the unemployed. It was our position that if this statement is true we should find out about it and find out where all this money went, and if it is not true I think we ought to know that too, sir, but if I could go on with my statement I might answer some of my own questions, sir. Cincinnati first of all, is a community of 502,000 people in a metropolitan area of about 1 million people. I am not here, and I want to make this quite clear, as an official representative of the Cincinnati City Council. But I feel sure, and I think you can be sure and I think you can find out easily enough, that my queries, my observations, and my appeal to you here today do reflect the sentiments of the vast majority of the citizens of our Cincinnati community.

Our city is in deep and serious trouble. The criminal riots and the lawless actions, the anarchy of the past few weeks has placed our city government, and this isn't Cincinnati alone but I am interested in Cincinnati, in a physical and a financial crisis that might well be classified as an emergency. We have already been told that we are going to have to reduce essential city services before the end of the year to try to continue to make ends meet. Our people, the citizens of Cincinnati, are scared and they are disgusted. Millions of dollars worth of businesses have been destroyed. Countless employees have been thrown out of work by the destruction. The morale and the outlook of the business owners who survive these riots is bad.

In short, gentlemen, Cincinnati is genuinely as many other urban communities, at the crossroads and we are here to say we need all the help we can get. Under these circumstances to waste 1 Federal dollar that could be put to productive use in our own area constitutes a criminal act against the taxpayers. If the war on proverty in Cincinnati is a boondoggle, the public has a right to know it. If it is being used for political purposes the public has a right to know. If it has been a hopeless failure the public has a right to know and if it has been a success, the public should know. If the public doesn't know and if we local officials don't know, and believe me we don't know, certainly if you gentlemen don't know firsthand there is really very little hope for truly effective action in our Cincinnati area.

You gentlemen of the committee are the only ones who have the power to get all the answers and in my judgment, and I say this respectfully, sir, I don't think you can get them here in Washington from professional witnesses. You can only get these answers by coming out into our area and getting the facts firsthand.

We urge you with all respect to investigate, to assess, to evaluate the effectiveness of the Federal funds that are flowing into Cincinnati and the programs these funds are supposed to support. We local officials are helpless. We have no way of getting this information.

Now, sir, I have a letter here. It is just one of many. It is from a man of the cloth. He has no political connections. He has no motive other than he is dedicated to working with the poor. I will be merciful and not read the whole thing. I will try to stick to what I consider the pertinent points in the letter.

I think the enclosed letter is self-explanatory. I really feel frankly in favor of what you and Congressman Clancy are trying to do.

This whole antipoverty program, and I quote, "stinks to the high heavens and it is about time the public found out about it."

Now in the letter to Congressman Clancy, I will skip the first paragraph which generally compliments the Congressman for his interest.

As you know, I spent five years as assist pastor at St. Leo's in North Fairmount and just two months ago, I was transferred to St. Bernard's in Winston Place and the Mother of Christ Mission in Winston Terrace. All of these places are so-called 'target areas' for the anti-poverty program.

I might add that Congressman Clancy was born and raised in one of those target areas and he can tell you first hand about that area in North Fairmount.

I am no expert on these things by any means, but I have observed enough of these programs in action to say (and this is about the most charitable comment I can make) that they leave much to be desired.

One of the complaints of Negroes during the recent riots in Cincinnati was that they have been lied to. It is my feeling that they are right in many instances and that the very anti-poverty program which is supposed to help them is actually becoming a cause of increasing discontent. What I mean by that is this: tremendous promises are made about what will be done and statements are forthcoming about the hundreds of thousands of dollars being appropriated for this that and the other thing, and then nothing happens. The effect is the same as when a parent keeps promising his child things and then never delivers.

To make this concrete, allow me to cite three examples of what I mean:

(1) Shortly after the June riots $140,000 plus was designated for the hiring of additional recreation workers to supplement the 'Cool Summer' program. In our area of Winston Place-Winston Terrace-Findlater Gardens, seven additional workers were hired. By their own admission, they have been able to do nothing, because they have no funds available for equipment, programs, etc.—all of their appropriation was spent on salaries. The net effect is that seven people collect salaries for doing nothing and the area benefits not at all.

(2) The Metropolitan Housing Authority last year promised to set up six "Tot Lots" in the above-mentioned areas. They were to be ready for July 1, 1967. When July came, two lots were equipped with inferior swings, slides, etc. purchased at Sears. The equipment lasted one day and collapsed under the heavy use it got. The explanation was given that no more money was available ($160 having been spent for this equipment), but that something would be done next year.

(3) I spent an afternoon with Sister M. Cherubine, OSF of Our Lady of Angels High School. She is a diocesan coordinator for federal projects in the poverty schools. St. Henry's School in Cincinnati—in the heart of the poverty area—has benefited so far to the tune of two pairs of shoes. She expresses frustration in her efforts and disgust for deviousness of officials who maintain that funds always run out just before they get to the grassroots level.

I cited these three examples to bolster my contention that money is being spent alright and plans are on paper, but people are not being helped. Appropriations are being spent on administration and a little trickle is reaching the people. It is not fair to the taxpayers who think they are doing so much for the poor, nor is it fair to the poor as we build up their hopes and then leave them high and dry. I am convinced that by doing this, we are laying the groundwork for the next series of riots, not only in Cincinnati, but throughout the country. Before one more cent is spent on a Federal antipoverty program, we should find out where the money is going and why people are not being helped. You're not going to find this out from the people who administer the program. You can find it out only from the people in poverty areas, from the poor themselves and from the people who are trying to work with them.

There is plenty or a Congressional committee to see and hear in Cincinnati, provided that they are sincerely interested in learning the truth and then doing something about it.

Kindest personal regards and best wishes to you and thanks for all of your hard work on behalf of the people of this district.

God bless you.

Father LAWRENCE R. STRITTMATTER.

Mr. HELD. I think that letter is self-explanatory. We have other letters.

I should also like to read from the Cincinnati Enquirer. I will read only two paragraphs from an editorial dated July 14, with which I fully agree:

Despite the anguished cries——

Mr. THOMPSON. Mr. Chairman.

Chairman PERKINS. Mr. Thompson.

Mr. THOMPSON. I would ask unanimous consent that the letter, the statement of the gentleman and such other statements as he has be made a part of the record at this point. I will be glad to sit here and listen to them. This isn't a court, of course, but these are something short of evidence.

Mr. HELD. Sir, they are not intended as evidence.

Mr. THOMPSON. No, I don't think so. It is my understanding that the gentleman and our colleague, Representative Clancy, are asking that this committee look into the matter. I think it should in one way or another. I think that our staff will no doubt report back and make suggestions upon which the committee can act. I do ask this, though. I think it is important that these statements be put in the record in full.

Mr. HELD. I will be happy to do that.

Mr. THOMPSON. Let the gentleman summarize rather than read all of them.

Chairman PERKINS. Mr. Ashbrook.

Mr. ASHBROOK. I would object to that. It seems like very good testimony. I assume we want to hear about the other poverty.

Mr. THOMPSON. Do I understand the gentleman is objecting to my unanimous consent request that the letter just read and that any other letter or clippings that the witness has be put into the record?

Mr. ASHBROOK. No.

What I was objecting to is the gentleman articulating that the witness somewhat cut down on what he is saying.

Mr. THOMPSON. I am not asking that. The gentleman who read the letter did say, I am paraphrasing what he said, "I shall read parts of it." I would think it would be to the advantage of the writer, the addressee, and the witness that the whole letter be made a part of the record. I withdraw my unanimous consent request. You make it.

Mrs. GREEN. Mr. Chairman.

I would like to ask the witness to proceed as he started out.

Chairman PERKINS. Go ahead.

Mr. HELD. Mr. Chairman, dated Friday, July 14, 1967, it is an editorial:

> Despite the anguished cries of "preposterous!" and "Smoke screen!" that have arisen from some quarters over the forthcoming congressional investigation of the manner in which the antipoverty program——

Mr. THOMPSON. Mr. Chairman, I object to the reading of this editorial. I do not know whether the witness is reading it in full, whether he is reading parts of it, or what. I want him to have the opportunity to be heard. Even though I don't agree with the philosophy in some of this, I am not objecting in any way to his opportunity to be heard. I simply want to insure, as I am certain that he and Mr. Clancy want, that the whole story be made a part of the record. Then he can do whatever he wants with it, but I want to insure that the committee has the opportunity to see the entire letter, the entire editorial and any other materials that the gentleman has.

Mr. ASHBROOK. I will ask unanimous consent that all of the documents, editorial, letters, et cetera, referred to by the witness from Cincinnati be included in toto in the record and that he then synthesize, as the chairman suggested.

Chairman PERKINS. Without objection it is so ordered.

Go ahead and identify now what you are reading.

Mr. HELD. I am not going to read the editorial. The only reason I wanted to read it was to point out that we didn't come up here like darned fools just to ask for this without reason. I am trying to point out why, what brought all this on, our request. So I won't read that. I will just submit it for the record. It is not that important.

I would like permission to read a letter, though, dated July 1967. I will read it in full. This is a letter from Hewis H. Evans, the Area Manager of the Ohio State Employment Service. It is to the city manager of the city of Cincinnati. The purpose of my reading this letter, gentlemen, is to show the lack of coordination or to indicate it, the lack of coordination between programs particularly our manpower programs in the city of Cincinnati.

DEAR MR. WICHMAN: You are no doubt aware of a public announcement appearing on Friday, July 7, concerning the establishment of a "temporary labor exchange" involving cooperation of several job finding agencies which is to begin Monday at the Community Action Commission. The release indicated that plans have been worked out among four agencies, including the Ohio State Employment Service and contained a plea to all employers who have summer job openings to contact the Community Action Commission.

Our office was completely unaware of this arrangement prior to reading the announcement and did not participate in the planning.

The Cincinnati office of OSES, including the Youth Oportunity Center, began planning early this spring to participate in the President's campaign to secure summer employment for youths which was spearheaded by Vice President Humphrey. Much publicity attended the initiation of this campaign and included the mailing of hundreds of letters to local employers to solicit their active participation in the program and encourage them to list all their summer job openings with OSES. The program has been pursued diligently and, of course, is still in progress at the present time. We are also heavily involved in a permanent program of Human Resources Development (HRD), in which the full cooperation of other agencies and groups is not only heartily welcome but is mandatory if the desired results are to be achieved.

We are not in a position to delegate the responsibility assigned to our agency by the President of the United States and we consider the "temporary labor exchange" as a dilution of this nationwide effort, a situation which we have constantly tried to avoid in Cincinnati and which surely can only work to the disadvantage of those whom we are obligated to serve.

Mr. Chairman, I am not pointing a finger at the Community Action Commission or anybody else. I use this just to indicate some of the confusion we have in our area regarding these programs.

I also would like to say at this time that we are not here to scuttle your program or your bill in any way. I think our purpose is the same as Mr. Hansan's. I think we feel we represent the poor also. I think our main reason is to try in our way, and obviously you and some of your members don't agree, to insure, be insured in a maximum way that this program will be as efficient as is humanly possible, particularly under current circumstances, and that we would do everything to see that it is.

I will finish with my final paragraph.

Mrs. GREEN. Mr. Chairman.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. Some of us on this committee have sat here for dozens and dozens of hours and we have probably listened to 3 or 4,000 pages of testimony. I don't see why the gentleman who is a member of the city council of Cincinnati should try to decide how much of the editorial he wants to read, and I am requesting that he or Mr. Clancy would read that editorial. I as one member of the committee would appreciate it at this time.

Chairman PERKINS. He has the right to read it and he refuses to.

Mr. HELD. Mrs. Green, we appreciate your courtesy. Thank you. I really don't think it is that pertinent. I was only at the time trying to point out the reasons and leading up to the reasons of exactly why

we are here so there are no misunderstandings when we leave this chamber.

Mrs. GREEN. It seems to me it would make the record more complete if either you or Mr. Clancy would read the editorial as you started to do a few moments ago.

Mr. THOMPSON. Would the gentlewoman yield?

Mrs. GREEN. Yes.

Mr. THOMPSON. My unanimous-consent request was that the witness have the opportunity to read any or all of whatever he had. He had said earlier that he was paraphrasing it. I wanted him to have the opportunity to take his choice, to synthesize; if that is the proper word, or to read it in full, but that the record include the entire correspondence and any newspaper clippings and editorials that he had. It was in no way an attempt to silence the witness.

Mrs. GREEN. I don't think there is any person in the room who is not aware of what has been said and what has been done in the last half hour, so Mr. Chairman, I would renew my request that he read the editorial he started to read.

Mr. HELD. I would first like to say, Mr. Thompson, I wasn't trying trickery. I should know a little better because I am on committees myself.

Mr. THOMPSON. I didn't mean that you were.

Mr. HELD. Just so we understand each other.

Mr. THOMPSON. You read a letter from a priest and you said in the course of reading it that you weren't reading every bit of it.

Mr. HELD. You are correct.

Mr. THOMPSON. I simply wanted you to have the opportunity.

Mr. HELD. I appreciate it.

Mr. THOMPSON. To have the whole thing in the record and not to be silenced. Was it your impression that I was trying to silence you?

Mr. HELD. No, sir; in no way.

Mr. THOMPSON. Thank you.

Mr. HELD. Dated July 14, 1967, Cincinnati Enquirer, lead editorial:

THE POVERTY PROBE IS NEEDED

Despite any anguished cries of "Preposterous!" and "Smoke Screen!" that have arisen from some quarters over the forthcoming congressional investigation of the manner in which the anti-poverty program is being administered in Cincinnati we believe such an investigation, properly intended and conducted, will have good results.

And these could apply both to those persons for whose benefit the program is designed and the taxpayers whose money is being expended.

One would get the impression from some of the reactions of those opposed to the probe that a witch-hunt is about to be launched. We firmly believe such is not the case.

Rep. Carl Perkins (D., Ky.), chairman of the House Education and Labor Committee, agreed to make the field hearings following a request by Cincinnati's Republican Rep. Donald Clancy. Mr. Clancy said he made the request at the suggestion of Councilman John E. Held.

At the moment, at least one other city, Phoenix, Ariz., is on the committee's schedule for a similar inquiry. There may be others, according to the committee's ranking Republican, Rep. William Ayres of Akron, who said other large cities may well request reviews.

Representative Perkins' committee currently is considering a request for $3 billion in antipoverty funds, and it seems beyond argument that their efforts would be enhanced by gleaning information on how the program is working in various American cities.

There have been numerous charges that the antipoverty program suffers from excessive administrative costs, that in many ways it is floundering, that its effects on the betterment of those whom it purports to assist are not what they should be, that indeed the antipoverty program is begetting more poverty.

The more airing that can be given to such charges, and their concomitant countercharges, the better, we think. It would seem, indeed, that those charged with the administration of the program would be among the first to welcome inquiry.

The fact that the exact opposite seems to be the case convinces us even more that the congressional review is a good thing.

Mr. HELD. End of editorial, and with this I will conclude my remarks, my personal remarks, and my opinions.

Now it is not really important what I think as a city councilman, but you can be certain and a field trip would quickly convince you that a great skepticism and a dark cloud of distrust exists in our city, rightly or wrongly, toward the federally funded programs that are supposed to be designed to assist the downtrodden, the underprivileged, and the unemployed.

The drift and the business-as-usual methods and the lack of coordination between programs, the report of the abuses, have no place in our quest for urban survival.

Gentlemen, Mr. Chairman, I thank you for this time and I thank you all for young courtesy and I do urge you to come out and investigate our program.

Chairman PERKINS. Let me thank you and I want to thank your paper for performing so well on so much hearsay information.

Mr. HELD. In the editorial, sir?

Chairman PERKINS. Sometimes—I know, we all know—newspapers can be one of the greatest sources of hearsay in the world and come by it innocently.

Mr. HELD. That wasn't the reason I didn't read the whole thing, sir.

Mr. ASHBROOK. What the gentleman is saying is that sometimes he didn't recognize his own statements when made by others.

Chairman PERKINS. No; I am not necessarily insinuating that my statements have been made by anybody. It is one of the outstanding papers in the country and I do not want the belief to go out anywhere that we try to cover up anything. That is not the case and I think we all hold the same view, that we want to improve this program and do not want to destroy the program.

It is impossible for this committee to run all over the country. That would be the heighth of irresponsibility. I can take you to my office and show you a half dozen letters that I received today just condemning me for not making investigations in my home district about this thing and that thing, that the program was worthless, nobody had received any value from the program, and it is a difficult program to understand.

It is a program that is in its infancy and there is a lot of misunderstanding and we can understand statements of that kind—the committee can—and we have been trying to go before the public and expose the operation of the program here for the past 6 months.

I agree with the statement that to waste a Federal dollar to be put to a productive use in our urban areas constitutes a criminal act against the taxpayer and I think that as to your statement here today even though it is not specific and you are simply saying what other people have stated who say that the war on poverty in Cincinnati is a boon-

doggle, the public has a right to know it. If it is being used for political purposes the public has a right to know it. If it has been a hopeless failure the public has a right to know. If the public doesn't know, if we local officials don't know, and certainly if you gentlemen don't know, there is very little, really, very little hope for truly effective action.

Now, I think as a county official many, many years ago that I knew how every dollar in my county was expended at that time. I knew I was going to be held responsible and I think you should know and I am going to see that you do know how every dollar has been expended.

I am going to call on the OEO to tell me how the funds have been expended in Cincinnati and I call Mr. Hansen up here and I think if he has any figures right now, since he is here that we should let him follow that point. If you have any breakdown as to how these funds have been expended just answer concisely and don't get on any other issue.

FURTHER STATEMENT OF JOHN E. HANSAN, EXECUTIVE DIRECTOR, COMMUNITY ACTION PROGRAM, CINCINNATI, OHIO

Mr. HANSAN. Mr. Chairman, you are particularly interested in the Economic Opportunity Act at this point?

Chairman PERKINS. Yes.

Mr. HANSAN. In the factbook which I gave to each member of the committee there is a page by page breakdown representing each program in the Cincinnati area including northern Kentucky and Clermont County.

The total level of spending in the Cincinnati area, if you include everything, is about $4,550,000 for 1 year. That includes some programs over which we are not directly responsible. It breaks down approximately like this: Legal services, $190,000; Headstart, $885,000; Foster Grandparents, about $70,000 the Small Business Development Center which has been phased out, $90,000. All other programs under title II which would include the neighborhood centers, family planning, all of what we call undermarked, would total about $1,485,000. We were very generously treated by the President's special appropriation for summer program and have received in Cincinnati and Clermont County $250,000. We have received $78,000 for the area of northern Kentucky and particularly Covington and Newport. We have received in the past month or two a $60,000 grant jointly funded by the Office of Economic Opportunity and the Labor Department. We have received $130,000 for title V to the Hamilton County Welfare Department. We have received a $46,000 grant for a Vista Training program which will be completed next week. We have received—this is a difficult figure—approximately $2 million in Neighborhood Youth Corps funds.

Then the most recent and the one we are the very most proud of is that we have received a $50,000 planning grant for a pilot neighborhood center which is——

Chairman PERKINS. How many benefits from your NYC funds?

Mr. HANSAN. At least 2,255 Neighborhood Youth Corps kids are involved in programs at the present time. This does not include another 100 in the city of Covington, so we would have 2,355 Neighborhood Youth Corps enrollees both in school and out of school.

Mr. ASHBROOK. Mr. Chairman, may I interrupt with a question at that point.

Chairman PERKINS. Yes.

Mr. ASHBROOK. That is an impressive amount of money and I realize not all funds are directed toward specifically helping the poor in the sense of getting them off the poverty rolls. A lot of it is to help the council and Neighborhood Youth Corps but with all that money can you give me the name and address of one family that is not on relief rolls, now that you have been spending all this money?

Mr. HANSAN. I perhaps couldn't give you the address, but I could give you the names of persons and I might——

Mr. ASHBROOK. Who were on the welfare rolls and are not on the welfare rolls now.

Mr. HANSAN. With your permission I would like not for the——

Mr. ASHBROOK. The name.

Mr. HANSAN. No, the question of welfare. Mr. Shriver got mad at me once before when I said in answer to Mr. Clancy, "We are not in the business of taking people off the welfare."

As you know from the State of Ohio, if you can get on welfare in Ohio you darn well deserve it. It is a program that is set up to help people who by definition and by investigation are not employable. They are children, old people, sick people, and disabled and I am tired of people asking because of the misinformation they get over and over again how many people have been taken off welfare. That is not our job.

Mr. ASHBROOK. It isn't?

Mr. HANSAN. No, sir. Hopefully it is to prevent people from going on welfare.

Mr. ASHBROOK. Let's go to just one other question. I don't want to take too much time. What percentage of the total funds spent that you just indicated, A, for Federal employees, B, for other employees; C, for other administrative costs? Do you have a breakdown on that?

Mr. HANSAN. Under the title II funds you could roughly estimate that 80 percent of the funds are for personnel.

Mr. ASHBROOK. That is Community Action programs?

Mr. HANSAN. Yes, title II. Under the Neighborhood Youth Corps, title I program, you could say, almost 88 percent is for salaries, which again is for all the youth, and only about 12 or 15 percent is administrative cost.

In some other programs it would be more difficult to break down, but I have said before, and I will say again, that it is correct in saying that almost all the funds given by the Office of Economic Opportunity or the Labor Department in this legislation are for salaries.

The reason for that is, as you so well know, this law does not permit giving an individual person or a company money for anything other than a service performed on behalf of the program.

Mr. ASHBROOK. Thank you.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. Did I understand you to say that 12 to 15 percent of the NYC programs are spent for administrative costs?

Mr. HANSAN. I think that is correct. That is what I stated, yes, ma'am. I am not administering the Neighborhood Youth Corps in Cincinnati. I have not been responsible for it. I don't even have an opportunity to monitor it financially or otherwise. This is a failing

of our community. We have been unable to get the Neighborhood Youth Corps sponsors to use the local board of trustees, the Community Action Commission, and we are very hopeful that the Labor Department will be more insistent on this in the future so that we can become informed about the actual financial operations of the program. The Neighborhood Youth Corps is not a local program in the sense of Community Action.

Chairman PERKINS. If the gentlelady will yield to me, I think you were way off base because the administration of the Neighborhood Youth Corps is done through agencies that are already constituted whether it is a day-school program or out-of-school program.

I doubt that the cost of the administration of the program would exceed 3 percent.

Mr. HANSAN. You could very well be right. I just know in one out-of-school program I think it was something like 12 percent. I don't have any figures for the inschool program.

Mrs. GREEN. For what out-of-school program would it be 12 percent?

Mr. HANSAN. No, the out-of-school is the one sponsored by a city agency in Cincinnati called the Citizens Committee on Youth.

Mrs. GREEN. What do they do? How is this operated? For the NYC?

Mr. HANSAN. They operate it. They get the money from the Labor Department.

Mrs. GREEN. But you said you know in that one case it was about 12 percent administrative cost. I just want to know what kind of a program would bring the administrative cost that high. What do they do? What do the kids do?

Mr. HANSAN. Most of the youth work in public or private nonprofit settings, such as the general hospitals, the city departments, community chest agencies, hospitals, and the like.

Mrs. GREEN. And the administrative cost of that is 12 percent?

Mr. HANSAN. Again I am sorry, Mrs. Green. I do not have the facts on this.

Mrs. GREEN. I misunderstood you then. I thought after the chairman spoke you said you did not know the total, but you knew that the one out-of-school was 12 percent. I thought that was what you said.

Mr. HANSAN. No, that is what the one I did refer to I believe, on memory alone, that I recall asking this same question of the director and I got the information that approximately 86 percent went for salaries, the other 13 percent went for administrative costs. You see, there is another problem. I have not the figures to support whether or not this figure includes the local contribution which is almost all overhead and is allocated in terms of supervision on the part of the host agency.

Mrs. GREEN. Who runs Headstart? Does CAP run it?

Mr. HANSAN. No, Ma'am. In Cincinnati it is run by the Cincinnati Board of Education. We also have a very small program run by the Cincinnati Montessori Society for three—what you would call Headstart classes.

Mrs. GREEN. Mr. Chairman, I think you asked just to testify on the costs so I will hold for later the other questions I have for any of the witnesses.