This does not take into account the additional income accruing to the Government from taxes received as a result of the individual's productive employment. From an overall point of view the average net Federal benefit-cost ratio, defined as direct and indirect benefits to society (again exclusive of increased taxes paid) compared to the Federal investment per trainee, is 3.28 to 1 for on-the-job training, 1.78 to 1 for institutional training, in *one* year after training.

It must be recognized, however, that these results have been achieved with a relatively select, albeit disadvantaged, group of trainees, and with a substantial sharing of the OJT costs on the part of private industry. The best estimates we currently have available suggest that the employer dollar investment in training has been nearly triple that of the Government. Total estimated cost (Federal plus private) per individual completing OJT (including related instruction) exceeded $2,800 of which approximately $800 represented the Federal investment.

The training and job resources of the private sector are essential to the success of the manpower programs. If private industry is to share in the more difficult tasks now confronting us in aiding the most severely disadvantaged, a larger proportionate Federal investment is required. To ask industry to assume increased risks and expenditures concomitant with employment and training of severely disadvantaged persons in view of present employee productivity-profit ratios would be unreasonable.

That costs per trainee will increase as the severely disadvantaged are enrolled has been demonstrated many times. Research and experimental and demonstration programs under the Manpower Development and Training Act in many areas of the country, experience under the poverty programs, such as the Job Corps and Neighborhood Youth Corps, have reaffirmed the need of the most disadvantaged for extended and comprehensive training programs and related services if they are to succeed in breaking through the barriers to success whether self-imposed or resulting from a combination of social, educational, economic, and related factors.

As the Committee is aware, the Department of Labor is just now launching the President's JOBS Program which will enlist full industry support in hiring, training, and retaining in employment the hardest of the hard-core unemployed. Within the next few months, the Department expects to gain further insight into what industry considers to be a realistic estimate of the extra costs to an employer in endeavoring to restore these persons to employability.

Chairman PROXMIRE. One final point. Will you give us a breakdown of unemployment by city—you referred to it earlier; some of the members of the press here, I understand, have been asking for it; they do not have it. If you have it with you, it would be most helpful. We would like to have it. Do you have it duplicated?

Secretary WIRTZ. Yes; it is. I do not know about the matter of mechanics.

Chairman PROXMIRE. We will have our staff distribute it to the press.

Secretary WIRTZ. We will; yes.

Chairman PROXMIRE. Congressman Curtis?

Representative CURTIS. I want to second the remark just made, and say education has economic returns. Yet, our tax laws do not treat it as a capital investment; they treat it as current. And, in this business of so-called economy and establishing priorities, this would be of such high priority that we won't touch it. But I can identify the areas where, at least in my judgment, our expenditures could be cut effectively.

In September, the Monthly Labor Review said:

Independently conducted surveys of the cost effectiveness of the War on Poverty Program show there is little to justify optimism about the value of educational expenditures in general in ameliorating poverty and its conditions. However, expenditures on vocational training are thought to constitute an exception to this rule.