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**PUBLIC SERVICE EMPLOYMENT PROGRAMS FINANCED  
UNDER THE COMPREHENSIVE EMPLOYMENT  
AND TRAINING ACT (CETA)**

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**HEARING**  
BEFORE THE  
**JOINT ECONOMIC COMMITTEE**  
**CONGRESS OF THE UNITED STATES**  
NINETY-FOURTH CONGRESS  
SECOND SESSION

\_\_\_\_\_  
MAY 12, 1976  
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# PUBLIC SERVICE EMPLOYMENT PROGRAMS FINANCED UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA)

WEDNESDAY, MAY 12, 1976

CONGRESS OF THE UNITED STATES,  
JOINT ECONOMIC COMMITTEE,  
*Washington, D.C.*

The committee met, pursuant to notice, at 10:13 a.m., in room 1318, Dirksen Senate Office Building, Hon. Hubert H. Humphrey (chairman of the committee) presiding.

Present: Senator Humphrey and Representative Pike.

Also present: John R. Stark, executive director; Michael J. Runde, administrative assistant; Lucy A. Falcone and M. Catherine Miller, professional staff members.

## OPENING STATEMENT OF CHAIRMAN HUMPHREY

Chairman HUMPHREY. We will open our hearing today. This morning the Joint Economic Committee will be looking into the functioning of the public service employment programs financed under the Comprehensive Employment and Training Act, commonly known as CETA.

But before turning to our witnesses who have had direct experience with this program, and who, I believe, can give us a better insight into how it works than those of us who sit in Washington and write and comment about it, I want to set this hearing in perspective.

We have all been gratified with the reduction in the national unemployment rate from 8.9 percent last May, to 7.5 percent in April, 1976. But we should keep in mind how high this unemployment rate is by historical standards.

Outside of the 1974-75 recession there has only been 2 months in which unemployment was above 7.5 percent in our whole post-World War II experience; in other words, in the last 30 years, there have been only 2 months in which we have had an unemployment rate of 7.5 percent, with the exception, of course, of this period in late 1974 and 1975. We therefore have a long way to go in returning this economy to full employment, which is our objective. The reduction which has occurred in the unemployment rate in the last year should not be a reason for any relaxation of our effort to provide stimulus for job creation in the private and public sectors.

Second, I want to remind all of you of the continued high unemployment rates in many States and cities. In February of this year, Alaska, California, Connecticut, Florida, Massachusetts, Michigan, New York, Oregon, Rhode Island, and the State of Washington all had unem-

ployment rates in excess of 10 percent. That is an incredibly high rate and a terrific loss of productivity, of jobs, and income. So, we clearly need in addition to overall fiscal and monetary policies other programs specifically targeted at areas with stubborn pockets of unemployment.

I believe that CETA fulfills this need, at least in part, and with proper administration it could be expanded to bring the unemployment rate down even more quickly and to give people useful work.

In the past year there have been criticisms of CETA, and some of them seem to be justified; but a great many of them are based on erroneous information and simply not supported by the facts.

Let me mention just a few of them here today.

One of the more vocal critics of the public employment program has been—imagine that—the Council of Economic Advisers to the President. They have claimed that it costs as much as \$90,000 to create a public service job, because within 2 years of the establishment of a job creation program, the net public job creation is only a fraction of the original number of jobs established.

I want to point out that the Council's own analysis shows that the net job creation in the whole economy after 2 years is still higher with a public job program than with a tax cut of equal amount.

So, I would suggest that if we are going to subject CETA to these artificial cost estimates, we should do the same for other forms of fiscal stimulus. For example, using this same criterion, it may cost up to \$100,000 in lost tax revenues to create a single job in the private sector.

A second criticism made of CETA is that some of the funds were used by city and State governments to simply maintain regular civil service employment, and that as a result we cannot count on a program like CETA to bring about any net reduction in unemployment or any new job creation.

I do not believe that we have given CETA a fair chance to demonstrate its job creation ability. In a period of sharply declining tax revenues, accompanied by higher outlays for unemployment insurance, welfare, and other income support, many States and cities were in a desperate financial strait. The need was clear for a countercyclical grant program to help maintain State and local budgets.

As you know, Senator Muskie, myself, and others proposed this type of program. We passed it here in the Congress. The President vetoed it. If the administration had not vetoed that appropriation, these grants would have enabled local governments to support the program.

I might also add that the recession in 1975 caused a loss of income to State and local governments, revenues I am speaking of, of \$27 billion. So, the recession is not only taking its toll on individuals, but upon the kind of public services that our State and local governments are supposed to provide.

I believe that the need or the desire to use CETA funds for maintaining employment would have been minimized if we had been able to keep, of course, our economy moving. I don't think that the 1974-75 experience has been an indictment of CETA. Rather, it has demonstrated that many States and cities have made a serious, and by and large successful, effort under extremely adverse conditions to create public service jobs for those who were otherwise unemployed, and most of whom were not laid-off city and State workers.

I want to make it clear from my own point of view, however, that if there were money available to hire laid-off State and city workers, I see no reason not to hire them. In New York City, at the time of their crisis, and it still is, of course, a serious situation, the city was required to lay off 75,000 people because of budgetary restraints.

In the meantime the Federal Government came in and set up a program of 16,000 CETA trainee employees. Now, would it not have been a lot more sensible to have a countercyclical program, such as the one we passed to provide New York City with the funds to keep on the job its trained State and local employees and then to have added the CETA program as an addition to cut into the unemployed figures?

This morning we have with us Mayor William D. Schaefer, the mayor of Baltimore city, and Harry Wheeler, director of employment and training for the city of Newark, and Mr. William Meadows, CETA Director for the city of Columbus, Ga.

Each of these gentlemen has a personal commitment to make the CETA program in his area or his city work, a commitment which is so often lacking from those who view these programs through the journalist's eye, through the commentator's eye, or even through the congressional eye.

Each of you is accompanied by enrollees who have been placed in jobs under the CETA program. I would like each of you as you testify or speak to identify yourself and make a brief statement to the committee.

Before calling on our witnesses, I want to reiterate that the cities represented here today have good public employment programs, but they are by no means the only ones with good public employment programs.

I want to call first on a very highly respected public official, the mayor of Baltimore, Mayor Schaefer, and then the enrollees who are accompanying him, and then we will call on Mr. Wheeler and Mr. Meadows.

We will ask for your participation as you see fit, as well as that of those who have accompanied you here today.

We have Congressman Otis Pike with us, and I want to thank him very much for coming to share this morning with us.

Congressman, I may have to depart for a very brief period of time shortly, and if I do, I want you to preside at this meeting. John Stark, our executive director, will be here to aid and assist. Thank you.

Mayor Schaefer.

**STATEMENT OF HON. WILLIAM D. SCHAEFER, MAYOR, CITY OF BALTIMORE, MD., ACCOMPANIED BY LLOYD JAMERSON, RODNEY COOK, AND JOANNE BAILEY, CETA ENROLLEES; AND MARION PINES, MANPOWER DIRECTOR**

MAYOR SCHAEFER. Senator, first let me thank you and Congressman Pike very much for inviting us over. I would like to start off by commenting that whenever we come over, we are always so limited on time. I am warned to be brief and have our witnesses be very brief.

Chairman HUMPHREY. We have a couple of hours.

[General laughter.]

Mayor SCHAEFFER. I appreciate that, because when we come over and talk about things that directly affect our city, we try to be so brief that sometimes we do not get our message across. I think it is necessary for me to start off by explaining a little bit about our city.

Our city is not a dying city, it is not a dead city. It is a living city. It is a city that is moving forward. You were a former mayor and you know the problems that we have. We have all the problems that any other city has. We are worried about whether revenue sharing is going to be passed. We are very concerned about that. We depend on the Federal Government for a great deal of the money and the programs that we have.

This public service employment program has been a superb one, as far as we are concerned, one which really worked, and we are trying to manage it within the context of what the Federal legislation intended. In our interpretation PSE was not to take the place of already created jobs. It was to give us new employment, new persons, new service projects. Its purpose was not to create a job where you go out and clean up the street, but to try to come up with something productive for the individuals, to give them a good training record so that they could go into private employment or come into the city; to create something that we could show you and the rest of the Members of the Congress, the Senate, and the President. When programs are put before us, we are able to handle them.

Some of the things that we will testify to I am very proud of in our city. We have used public service jobs to good advantage.

Whenever you get publicity, it is always on the side of the negative. It is always the side that has not worked.

I think this program has worked for the major cities in the United States, and we strongly support its continuation. It has reduced unemployment in our city, given work to people, taken people off of welfare who would have been on, and given them good, productive jobs, as we will see from our people who will testify.

Unfortunately, or fortunately, I have a prepared statement, and I will try to keep it as brief as I possibly can so that we can get to our people and so they can show you what they have been able to do.

I am here today to testify before you about the manpower activities in my city of Baltimore funded by CETA, and particularly to focus on public service employment.

I have also invited some of the participants in our activities to come with me and to share their own thoughts and their own activities with you. I have brought a few informal visual aides that will graphically depict the aspects of our manpower program.

By way of a brief background, I want you to know that even before CETA became law, we recognized that prime sponsorship would give us the opportunity and some of the tools to deal with our local labor market problems. Baltimore responded to CETA by mounting a fully integrated manpower services delivery system for both job seekers and employers in the metropolitan area.

You notice I said that is a delivery system for the metropolitan area. Since we believe that manpower planning activities are most logically and economically carried out in a common labor market, we formed a consortium with the five metropolitan counties surrounding the city of Baltimore. Administrative authority for designing and running

the system has been delegated to my Office of Manpower Resources. Let's take a look at this manpower system.

Our CETA system provides a network of one-stop manpower service centers and mobile vans that provide easy access to the unemployed residents of the metropolitan area to all CETA services and programs including public service employment.

Our manpower system provides skills development through training programs that have jobs at the end of training. That I think is so very important—not to train people for jobs that are not existent.

One thing that Marion Pines, who is our head of manpower, clearly understands is the need for training people so that they can be employed, because the greatest frustration at the end of training is to find no job. Even in times of high unemployment we have found that there are still some skill shortages. We think the key to accurate information on labor market demand is close ties to our business community. I am sure that is a large part of the reason that over 7,900 CETA enrollees are now in unsubsidized jobs since the advent of local management under CETA in July of 1974. This is no small accomplishment in view of our economy over the last year and a half.

Chairman HUMPHREY. That is a very, very splendid record, Mr. Mayor. That means people who have gone through the program now have jobs in the private sector.

Mayor SCHAEFER. Yes.

I think that is important because we have absorbed some of the public service employees, some of the manpower training people. But one of the objectives is to get a good training record, get good training, and move them on to the private sector, because the city, the State, and the Government cannot provide all the jobs for everyone in the country.

Chairman HUMPHREY. Right.

Mayor SCHAEFER. Since jobs are a key to the success of our efforts, our delivery system includes a metropolitan marketing service that reduces duplicate calls on employers and increases early identification of jobs.

Under CETA, we at the local level, and the Congress at the national level, have been able to revise our strategies as the economy changed. Midway through the recent recessionary period. Congress recognized that our problems far exceeded our resources and provided prime sponsors with a major tool to fight unemployment—additional public service jobs.

This strategy, public service employment, provides what we need most—immediate jobs for our unemployed—and immediate expansion of public services for our community as a whole. I cannot over-stress the value and importance of this resource to Baltimore, almost \$20 million creating over 2,500 jobs and reaching over 3,500 unemployed people.

Given this valuable resource, what did we do with it in Baltimore? Harry Reasoner recently stated on ABC National News, "Many experts think Baltimore has one of the best public service jobs programs in the country." Mr. Reasoner also stated, "It has been a good thing both for the participants and the city."

Our concept of public service employment in Baltimore has been to design activities that maximize the benefit for all of our citizens. Not



only do our newly hired public service employees collect a much needed paycheck that they spend in our city, but our whole community benefits from their work projects—work projects that have been long overdue and projects that Baltimore, like most other cities, just could not afford.

Let us describe a few of those projects, and we have some photographs also.

Public service employment teams are turning high street curbs into safety ramps so that the handicapped and the elderly, particularly in areas around hospitals, shopping centers, and community centers will be safer and less accident prone. You know, you never know about a handicapped person and the disadvantages they really encounter in trying to move around the city until you talk with them. Being able to put these curbs in through the city, in all the intersections downtown, for the elderly also, the high steps, is something that we could not have done. It has been very productive.

Public service employment teams are bringing the homes of our elderly poor up to safety and fire code standards. This activity has brought about a new spirit of hope for the elderly. I went to a house—you know, certain standards of housing are something that you must enforce. Senior citizens on fixed incomes whose houses are in code violation—we feel sorry that they cannot borrow the money to comply. They want to comply. We have been able to use public service employees to go into their homes and bring these houses up to standard.

If you ever felt good, you do so when you go in and see these houses and the people saying we thank you so much, we did not have the money, and the Federal Government through these programs was able to do it. This is real gratification.

There was one lady, 82 years of age, who was so happy that she no longer had to worry about code violations and the things the city must require. This was a very gratifying project and we could not have done this without public service employees.

**Chairman HUMPHREY.** In Minnesota we have been using public service employees in home insulation programs. The State government put up a fund before the Federal Government acted at all. We have a very good energy conservation program, and we have been using public service employees, and youth and summer employees to help insulate these older homes for the poor people and the elderly people.

**Mayor SCHAEFFER.** Senator, you are talking about things that are not frivolous. These are things that the cities just could not do. We just could not do this without the help of programs like this.

Public service employment teams are installing new safety crosswalks at intersections surrounding every school in the city. Safety at intersections is very important from the standpoint of young people. Public service employment teams are conducting an astounding clean-up of debris in our inner harbor area which enhances its possibilities as a major recreational and visitors area.

I am not talking about just going down and picking up cups and things like this. I am talking about a major clean-up of this additional area that we use not only for large-scale recreational purposes, but for business and commerce.

Public service employment teams are engaged in a citywide tree and flower planting campaign.

I never knew how important it was to have an attractive city, particularly when you are trying to get industry to come in. When industry comes in, they look to see are there some flowers in your city? Are there some trees in your city? Is it an attractive city?

We have been able to use these public service employees and we were successful in getting a major industry to come, not totally on this, but it helped.

Chairman HUMPHREY. Yes, it helps.

Mayor SCHAEFER. Public service employment teams have undertaken a major conversion of unmetered water accounts to a citywide metered system. This conversion of flat rate accounts to metered charges will bring substantial increases of revenues to our city. We would have been 5 years doing this, but we have cut the time down maybe to 2 years because of public service employees.

Public service employment teams have replaced over 100 obsolete fire hydrants in a major drive to reduce loss of life and property through fire. We could not have done this without our public service employees.

Public service employment teams are assigned to expand and improve a variety of Baltimore's human resource needs as well. For example, public service employment teams have eliminated the delay in processing clients for food stamps. Prior to public service employment there was a 46-day wait for certification of eligibility; fortunately that is now a thing of the past.

Public service employment teams are assigned to our schools as attendance monitors in an attempt to stem the rising trend of truancy and get our kids back into school.

Other public service employment teams in our schools are working to prevent truancy by improving the communication between the family and the classroom teacher, particularly in cases where children have learning disabilities.

And, in Baltimore, we have not confined public service employment opportunities to governmental agencies only.

A major expansion of cultural activities has taken place in Baltimore because public service employees are now with our symphony, our ballet, our opera company, our theaters and our museums. That is important. Those are the things that make a total city. You have to have cultural activities, and public service employees have been able to augment and supplement the symphony, which was out of money also.

In fact, our entire urban environment has been enhanced by a major public project—"Beautiful Walls for Baltimore", in which over 35 outdoor and indoor murals have been created.

We are now completing one particularly unique painting, a three-dimensional textured wall at the School for the Blind. I think that is unusual and useful.

In addition, public service employees have enabled over 70 local private, nonprofit social agencies to expand their activities, such as scouting, family counseling, services for the handicapped and community health services.

Reports are submitted to me monthly by each project outlining the specific public service employee accomplishments. That is important, also, so that we know exactly what we are doing, and if the program is not the right one, we can stop and move on to something else.

So, reporting is important to us, and we have had good reporting methods and procedures.

You may well ask, who are the unemployed that Baltimore has hired to accomplish all of these projects?

We have a chart that graphically demonstrates that we are reaching those who need jobs the most—not political appointments, not someone that the mayor picks, but people who really need the job. I think that is important for the credibility of the public service employment program in Baltimore City. The poor, the minorities, the veteran, the offender are chosen. From the diversity of projects that I have described, you can see that we have also recognized that unemployment hits all segments of our community.

The chart over there shows who are the public service employees in Baltimore under title II and title VI.

Chairman HUMPHREY. Titles II and VI are both CETA.

Ms. PINES. They are both part of CETA. Title VI is the emergency legislation—

Mr. WHEELER. Title II is the regular jobs; VI is the emergency program.

Mayor SCHAEFER. We have not given you an exhaustive list of all of the things that we do as far as public service employees are concerned; but you can get an idea of the scope of the Baltimore public service employment project.

It is important to add that all of the jobs, all of the projects I have described are in addition to regularly budgeted city activities. We did not use public service employees fill in jobs. We have not had mass layoffs. These are separate jobs, over and above our own regular employees.

We have used public service employees to create new jobs, deliver new or expanded services. I presume that is why Harry Reasoner also said, "The Baltimore program has done what it's supposed to—create jobs and cut the unemployment rolls."

But I must take this opportunity to be frank and realistic with you and place the funding and employment levels in the context of total unemployment in our area. We had funds to create 2,500 jobs for 80,000 unemployed in the metropolitan area, or only one public service employment opportunity for every 32 unemployed people in our area. In other words, we are reaching only 3 percent of our local unemployed.

I would like to reaffirm today my hope that Congress and the administration will continue to support and expand this very useful, constructive, and productive activity, particularly insofar as Baltimore is concerned. I can speak specifically of Baltimore. We need a continuation of public service employment funding and we need it now.

I am sure I do not need to remind the committee that although national unemployment statistics may appear encouraging to some, local unemployment statistics remain grim. Baltimore City is still living with close to 10 percent unemployment, and we are in imminent danger of reduced public service employment levels. I want to express my strong support for continuing the efforts and funding directed toward public service employment.

I want to thank you for allowing me to very briefly tell you the story of Baltimore's public service employment.

[The prepared statement of Mayor Schaefer follows:]

PREPARED STATEMENT OF HON. WILLIAM D. SCHAEFER

Mr. Chairman, Members of the Joint Economic Committee, I am William Donald Schaefer, Mayor of Baltimore, Maryland. I am here today to testify before you about Manpower Activities in my City funded by the Comprehensive Employment and Training Act (CETA) and to particularly focus on our recent experiences with Public Service Employment.

I am very happy to be here today, because I am extremely proud of our accomplishments, and I am gratified that some of these accomplishments are receiving national recognition. At your suggestion, I have also invited some of the participants in our activities to come with me today to share with you their own perceptions. And I also brought a few informal visual aids that graphically depict aspects of our manpower programs.

By way of a brief background, I want you to know that even before CETA became law, we recognized that Prime Sponsorship would give us the opportunity and some of the tools to deal with our local labor market problems. Baltimore responded to CETA by mounting a fully integrated Manpower Services Delivery System for both job seekers and employers in the Metropolitan Area.

You notice I said a Delivery System for the *Metropolitan* Area. Since we believe that manpower planning activities are most logically and economically carried out in a common labor market area, we formed a Consortium with the 5 metropolitan counties surrounding the City. Administrative authority for designing and running the system has been delegated to my Office of Manpower Resources. Let's take a look at this Manpower System.

Our CETA System provides a network of onestop Manpower Service Centers and Mobile Vans that provide easy access to the unemployed residents of the Metropolitan Area to all CETA services and programs including Public Service Employment.

Our Manpower System provides skills development through training programs that have jobs at the end of training. Yes, even in times of high unemployment, we have found that there are still some skill shortages. We think the key to accurate information on labor market demand is close ties to our business community. And I am sure that is a large part of the reason that over 7,900 CETA enrollees are now in unsubsidized jobs since the advent of local management under CETA in July 1974. This is no small accomplishment in view of our economy over the last year and a half.

Since jobs are a key to the success of our efforts, our delivery system includes a Metropolitan Marketing Service that reduces duplicate calls on employers and increases early identification of jobs. In the past, under categorical programs, we found we had more job developers out there pounding on doors than we had jobs. We are working toward a rational system for contacting metropolitan employers in cooperation with the Employment Service and our Local Economic Development Office.

Under CETA, we at the local level and the Congress at the National Level have been able to revise our strategies as the economy changed. Midway through the recent recessionary period, Congress recognized that our problems far exceeded our resources and provided Prime Sponsors with a major tool to fight unemployment—additional Public Service Jobs.

This strategy, Public Service Employment, provides what we need most—immediate jobs for our unemployed—and immediate expansion of Public Services for our community as a whole. I cannot overstress the value and importance of this resource to Baltimore, almost 20 million dollars creating over 2,500 jobs and reaching over 3,500 unemployed people.

Given this valuable resource, what did we do with it in Baltimore? Harry Reasoner recently stated on ABC National News (and I Quote), "Many experts think Baltimore has one of the best Public Service Jobs Programs in the Country." Mr. Reasoner also stated, "It has been a good thing both for the participants and the City." (End of Quote.)

Our concept of Public Service Employment in Baltimore has been to design activities that maximize the benefit for our citizens. Not only do our newly hired Public Service Employees collect a much needed paycheck that they spend in our City, but our whole community benefits from their work projects—work

projects that have been long overdue and projects that Baltimore like most other cities just could not afford. Let me describe a few of our projects to you. We also have some photographs of our projects.

Public Service Employment Teams are turning high street curbs into safety ramps so that the handicapped and the elderly, particularly in areas around hospitals, shopping centers, and community centers will be safer and less accident-prone.

Public Service Employment Teams are bringing the homes of our elderly poor up to safety and fire code standards. And this activity has brought about a new spirit of hope that is indeed heart-warming. I had the privilege recently of visiting one of these "hardship homes" and enjoyed cake and punch with a grateful 82-year-old home owner.

Public Service Employment Teams are installing new safety cross-walks at intersections surrounding every school in the City.

Public Service Employment Teams are conducting an astounding clean-up of debris in our Inner Harbor Area which enhances its possibilities as a major recreational and visitors area.

Public Service Employment Teams are engaged in a City-wide tree and flower planting campaign.

Public Service Employment Teams have undertaken a major conversion of un-metered water accounts to a City-wide metered system. This conversion of flat rate accounts to metered charges will bring substantial increases of revenues to our City.

Public Service Employment Teams have replaced over 100 obsolete fire hydrants in a major drive to reduce loss of life and property through fire.

Public Service Employment Teams are assigned to expand and improve a variety of Baltimore's human resource needs as well.

For example, Public Service Employment Teams have eliminated the delay in processing clients for food stamps. Prior to PSE, there was a 46-day wait for certification of eligibility ; fortunately, now a thing of the past.

And Public Service Employment Teams are assigned to our schools as Attendance Monitors in an attempt to stem the rising trend of truancy and get our kids back in school.

Other Public Service Employment Teams in our schools are working to prevent truancy by improving the communication between the family and the classroom teacher, particularly in cases of children with learning disabilities.

And in Baltimore, we have not confined Public Service Employment opportunities to Government agencies.

A major expansion of cultural activities has taken place in Baltimore, because Public Service Employees are now with our Symphony, our Ballet Company, our Opera Company, our Theaters and our Museums. In fact our entire urban environment has been enhanced by a major public project—"Beautiful Walls for Baltimore" in which over 35 indoor and outdoor murals have been created. We are now completing one particularly unique painting—A Three-Dimensional Textured Wall at the School for the Blind.

In addition, Public Service Employees have enabled over 70 local private, non-profit social agencies to expand their activities—such as scouting, family counseling, services for the handicapped and community health services.

Reports are submitted to me monthly by each project outlining specific PSE accomplishments.

You may well ask, who are these unemployed that Baltimore has hired to accomplish all of these projects?

We have a chart that graphically demonstrates that we *are* reaching those who need jobs the most: The Poor, the Minorities, the Veteran, the Offender. But from the diversity of projects I have described, you can see that we have also recognized that unemployment hits all segments of our community.

[In percent]

	Title II	Title VI
Economically disadvantaged.....	77	71
Minority.....	81	65
Veterans.....	26	42
Offenders.....	13	18

Note: Totals on chart.

Of course, what I have described is not an exhaustive list, but it does, I think, give you an idea of the scope of Baltimore's Public Service Employment Projects.

It is important to add that all of the jobs, all of the projects I have described are in addition to regularly budgeted city activities. We have used PSE to create new jobs, to deliver new or expanded services. I presume that is why Harry Reasoner also said, "The Baltimore program has done what it's supposed to—create jobs and cut the unemployment rolls."

But I must take this opportunity to be frank and realistic with you and place the funding and employment levels in the context of total unemployment in our area. We had funds to create 2,500 jobs for 80,000 unemployed in the metropolitan area or only one public service employment opportunity for every 32 unemployed people in our area: In other words, we are reaching only 3% of our local unemployed. Even that is probably an overestimate, because I am using official Bureau of Labor Statistics data, and we all know that the persons too discouraged to even look for work are no longer being counted as part of the unemployed.

Therefore, I must reaffirm today my hope that the Congress and the administration will continue to support and expand this kind of useful, constructive, and productive activity. We need a continuation of Public Service Employment funding, and we need it now. I am sure I do not have to remind this committee, that although national unemployment statistics may appear encouraging to some, local unemployment statistics remain grim. Baltimore City is still living with close to 10% unemployment and the imminent danger of reduced Public Service Employment levels. So I want to express my strong support for continuity of efforts and funding directed toward Public Service Employment.

Ms. Joanne Bailey is a Public Service Employee working in the Department Baltimore Story on Public Service Employment and provide you a brief review of what Baltimore has been able to accomplish as a result of CETA. Some of our participants are here today, and you may like to meet them.

Ms. Joanne Bailey is a Public Service Employee working in the Department of Education to improve communication between parents, children and teachers for those children affected by language and hearing impairments. Ms. Bailey can probably describe the importance of her job to herself, her family and our City better than I.—Ms. Bailey.

And I would also like you to meet Mr. Lloyd Jamerson, a Vietnam veteran who is working in the fire hydrant replacement program I described.—Mr. Jamerson.

Mr. Rodney Cook is a PSE Artist Apprentice working on our "Beautiful Walls for Baltimore Project." We have a sketch of one of his Walls, and I am sure you will agree that his efforts to improve our urban environment will give us pleasure for years to come.—Mr. Cook.

In brief, Mr. Chairman, that is an overview of our story. I will be pleased try to answer any questions you or the committee members may have.

Chairman HUMPHREY. Mayor Schaefer, I will have to depart for about 20 or 25 minutes, but I will be back. I want to say that Congressman Pike will follow through, and then we will go to Mr. Wheeler and Mr. Meadows and finish off. So, I will be back as soon as I can.

Would you take over now, Mr. Pike?

Representative PIKE [presiding]. Go right ahead, please, Mayor Schaefer.

Mayor SCHAEFER. Congressman, we have brought three public service employees with us and I would like to introduce them. The first is Ms. Joanne Bailey, a public service employee working in the Department of Education to improve communications between parents, children, and teachers, for those children affected by language and hearing impairments. Ms. Bailey can probably describe the importance of her job for herself, her family, and our city, and I would like, if you will, Ms. Bailey, for you to tell Congressman Pike about the program.

Representative PIKE. Go right ahead, Ms. Bailey. You are going to need the microphone so that we can hear you.

Ms. BAILEY. Before I became a public service employee I was in school, in college, and I had been there 3 years. I had two children of

my own. After being there 3 years I found out that I could not do it any longer and I needed to go to work, so I stopped going to school and I started with a job.

I found a summer job in a recreation center that only lasted the summer. After August I started looking again, and I looked for about 2 months, and I did not find anything until a friend of mine told me about a manpower employment service. I went there and I was really lucky, because the day that I went was like the last day that anyone could have interviewed for this job.

I went for an interview, and she said she would call me later, and she did, and I got the job.

Representative PIKE. I'm sorry. I did not hear what you said you do.

Ms. BAILEY. The job is as a parent-liaison worker. I am assigned to a school. My job consists really of a lot of duties, mainly involving the parents in the schools, working with them and the children, and letting the parents know what they can do at home to help the children; because these are children with learning disabilities—you know, they range from mental retardation to just slow learning.

I set up workshops with the parents. The parents would come into the school and learn of activities and things that they could do at home.

I also have to register new kids that come into our program. I have to set up appointments for children to come in to be screened before they can come into the program. Another large part of my job is actually as an assistant teacher, like a teacher's aide, helping to make materials in the class, or, if a child has a specific learning problem, like in math or reading, or something, I might work with one child, or I might work with a group of children.

The job has really been very important to me because it has given me and my family a substantial income, which before, living on welfare, I did not have. I think it has been important to the school because a lot of the things that I am doing now they would have had a teacher do. It has helped me move from a very crowded area to a much nicer living condition.

I went through a training program, and my principal and the teacher said I had been working well there and have expressed their gratitude for having me. I really hope to see it continue.

Representative PIKE. My question is what does the job pay you now?

Ms. BAILEY. How much does it pay me?

Representative PIKE. Yes.

Ms. BAILEY. I recently got an increment, so I cannot be too sure. It's somewhere about \$6,000 a year, a little more than \$6,000; whereas before on welfare I was living on maybe \$3,000.

Representative PIKE. With two children?

Ms. BAILEY. Yes.

Representative PIKE. Thank you very much.

Mayor SCHAEFER. Thank you, Ms. Bailey.

I would like you to meet Mr. Lloyd Jamerson, a Vietnam veteran, who is working on the fire hydrant replacement program.

Mr. Jamerson, will you tell us what you are doing?

Mr. JAMERSON. I am working on the fire hydrant replacement program from the Public Works and Water Department.

I have served 3 years in Vietnam. I received my GED while in the Army. I also received an AA degree in administration after my release from the military. I searched for employment for just about a year. In June I was employed for 6 months and the company went out of business. I then continued my search again for employment. Having searched just about every agency, State and Federal and city, I found there was a hiring freeze; so I went around and did odd jobs, various types of odd jobs, until I came across the manpower project.

In this project I went, applied, and was accepted. Since I have worked in it I have also had an opportunity to learn about the basic functions of the water department, such as repairing water mains, installing new services, and also basic plumbing, which are things that I think you really need.

If it had not been for this program, I would not have had a job, and I do not know what I would be doing.

Representative PIKE. I am going to direct a question back to you, Mayor Schaefer.

One of the things that the program does get criticized for is that it is, in effect, doing jobs which some other agency of your government, the city's government, ought to be doing anyway.

In connection with what Mr. Jamerson has just said, would that not normally be a proper function of your Water Department to do?

Mayor SCHAEFER. Maybe 5 years from now it would. Let me explain what I mean.

Take repairs to roofs, repairs to recreation centers, fire hydrant programs, all of these programs we know we should do. We have a amount of dollars. We have the highest tax rate of all of the surrounding counties. Our employees—we are very limited on the extra money we can give employees. We are undoubtedly going to have a strike because we do not have any more money. We have gone through a reassessment process. We are under very heavy pressure to keep the tax rate down, not to increase it. We are trying to hold it at \$6.02 against the surrounding counties' \$3.50. We would not get to this project. We would not do this. This is not on the highest priority that we have. Three years, 5 years from now it will cost us triple the amount to do the work that Mr. Jamerson is doing. The work that Ms. Bailey is doing are the extra things in those schools that we could not provide.

If you say, are not those things that you should do, the answer is yes, fine, if you have the money. But if you do not have the money, you cannot do them.

Representative PIKE. In other words, what you are saying is we are getting some jobs done which need doing and which would not otherwise be done, because they are low priority in present fiscal conditions?

Mayor SCHAEFER. Well, let us not say that they are a low priority.

Representative PIKE. Lower.

Mayor SCHAEFER. They are priorities that we set aside that we just cannot do. We got our credit rating raised from A to A-1 on a conservative policy. We cannot get ourselves to a situation where we are overspending. We have to watch that. We have to keep the essential services moving. We have to keep the first equipment up.

Representative PIKE. I'm from New York. You do not need to tell me about these situations.

Mayor SCHAEFER. That is exactly what I am talking about.



I think what Marion Pines tried to do was to take those projects that we have to do, that must be done, that we just could not do within our budget for the next 2 or 3 years, and that one is a perfect example.

Representative PIKE. Mr. Cook, please proceed to tell us your story.

Mr. COOK. I was born and raised in Baltimore. I have a BA in Literature from Trinity College in Connecticut. I served a 3-year enlistment in the U.S. Army and was trained as a Vietnamese interrogator-interpreter.

After an honorable discharge in January of 1972, I enrolled in a 3-year Masters' Program at the Maryland Institute of Art. During my schooling the GI bill paid for about three-fourths of the basic tuition.

To pay the remaining schools costs and maintenance costs of an apartment and a car I worked 20 hours a week for minimum wages in a craft shop and gave art lessons to nursery school children for 2 years.

With rising inflation these jobs proved insufficient to live on, and I gratefully took a part-time PSE work education job as an income maintenance worker for the city department of social services. This terminated with the receipt of my master's degree in fine arts and painting in June of 1975. I had previously begun to look for full-time employment back in December of 1974.

I sent out over 300 resumes to colleges and universities around the country, and I attended a college art association convention in January 1975, all in hopes of obtaining some teaching or administrative position.

In addition I pursued possible openings in social work.

Although I had sterling recommendations for rehire, my 9 months of part-time work did not fulfill minimum prerequisites for any positions open during my job search at the time for the State.

Meanwhile, 2 months after graduation, I still had several good teaching and administrative possibilities waiting for final hire and budgetary confirmation. By August my savings were being quickly devoured by living costs, and I jumped at the chance for a PSE position as a city mural painter.

The program was organized to present as broad an artistic spectrum as possible. Twenty artists were hired, working in 10 two-man teams, each working in a different style. The program hoped to give as much artistic freedom as possible in an attempt to make meaningful visual statements and to avoid producing mere decoration, and yet at the same time work within the confines and desires of specific communities.

My team believed that you could improve the quality of life in the neighborhood by presenting specific favorable aspects of the community in mural form. Other teams offered alternative experiences either in fantasy, universal symbols or concepts that tried to raise the esthetic consciousness of the surrounding neighborhood.

Whatever the approach, in each case the artist's work and general designs were presented to the community for approval. With the help and advice of district city planners we worked through organized community groups, local business associations, and, when necessary, door-to-door canvassing to insure approval because first of all, these people have to live with the murals, and second, if they do not like them, the paintings will have a very short life.

Communities have generally been receptive and willing to chance artistic experimentation. In fact, we have had more problems with

professionals who try to predict the responses of specific communities than with the communities themselves.

Professionals tend to fear offending the public and demand merely decorative art as a result.

When problems did arise between communities and specific artists, the program was broad enough in scope to offer alternative designs from different artists.

During the winter months our work moved inside to high visibility walls in publicly funded buildings. The idea was to present art to not only as many people as possible, but also to those who were seldom exposed to it. Consequently, murals have been painted in hospitals, senior citizens centers, railroad stations, recreation halls, and unemployment offices, et cetera.

Admittedly the city has taken a gamble. It has tackled the difficult task of putting artists, traditionally considered antisocial and uncompromising, into a bureaucratic framework to work on community-approved projects.

In my opinion a 70-80 success rate is an admirable achievement, and with a going rate of \$25 a square foot, the city murals are costing less than \$5 square foot, a real bargain.

Representative PIKE. Have you produced any murals that the outraged citizenry has demanded be removed?

Mr. COOK. Not to date.

[General laughter.]

Representative PIKE. Well, Mayor Schaefer, I think you have brought us a fine perspective on the nature of your program.

Do you have anything you want to say in conclusion?

Mayor SCHAEFER. Just that obviously we think it is an excellent program and we strongly recommend the continuation of it.

Representative PIKE. Your statistics, as I read them, average out to a cost of \$8,000 per job created. Of that, can you tell us how much would be characterized as overhead, and how much goes directly to the recipients?

Mayor SCHAEFER. All right.

I think Marion, Ms. Pines, can give you the specific views on that.

Ms. PINES. I would say that we are running this program at somewhere close to 4-percent administrative costs.

Representative PIKE. Four percent? That is a remarkably good statistic.

Well, if it holds up under examination, you should be thoroughly proud. I am sure that a lot of people have tried to examine it because, as you know, politically throughout the country the program is rife with criticism.

Mayor SCHAEFER. Congressman, I think on any statistic that Ms. Pines will give you, the books will be open to anything you might want to examine in our program.

I am very proud of Ms. Pines.

Representative PIKE. I think you should be. A 4 percent administrative overhead cost is an amazing statistic.

Mayor Wheeler, I would like very much to have you present the perspective of the city of Newark, which we sometimes consider as somewhat hardpressed. I am sure you can give us your story, your version of how this program has worked out.

**STATEMENT OF HARRY WHEELER, DIRECTOR, MAYOR'S OFFICE OF EMPLOYMENT AND TRAINING, NEWARK, N.J., ACCOMPANIED BY MARIBET DUMEY, INTERVIEWER, COMPREHENSIVE MAN-POWER AND DELIVERY SYSTEM, AND A FORMER CETA ENROLLEE**

Mr. WHEELER. Congressman Pike, I would like nothing better than to be the mayor of the city of Newark.

Representative PIKE. I apologize to you, sir.

Mr. WHEELER. My dear friend Kenneth Gibson is the mayor of the city of Newark, and I serve as the director, the Mayor's Office of Employment and Training.

Representative PIKE. Senator Humphrey had it right, and I blew it—director, Mayor's Office of Employment and Training, city of Newark.

The Honorable Harry Wheeler, would you please proceed?

[General laughter.]

Mr. WHEELER. Thank you very much.

First of all, on behalf of the mayor of the city of Newark and certainly myself, I wish to express our thanks and appreciation for this opportunity to present our views on CETA.

I would like to start out by saying that we thoroughly believe categorically that CETA is one of the finest programs that has been created by the Congress in this modern period in American history.

We say this from the point of view of being what is characterized as a have-not, as you indicated, a city faced with a multitude of problems. When the pundits here in Washington and our newspaper people, that is the written media and the television media, talk about the unemployment rate nationally, when it was at the 9-point et cetera level, being a recession, I submit to you that in that period the unemployment rate of the city of Newark was 23 percent, and therefore it was not a recession, it was a depression.

I further submit to you that currently the unemployment rate of the city of Newark is 20 percent. This is coupled with the exodus of manufacturing to the suburbs and other parts of the country, and the change from a manufacturing area to a service area.

In my brief statement I am going to point out that there are just a multiplicity of problems associated with that kind of activity taking place.

When Senator Humphrey was present and you had not yet arrived, Congressman, he listed a number of States that had an unemployment rate in excess of 10 percent. If my hearing served me correctly, he did not mention the State of New Jersey, and for the record I would like to certainly insert that in the State of New Jersey the unemployment rate is in excess of 10 percent also.

Representative PIKE. Well, far be it from me to correct the Senator's statement in his absence, but I will assure you that your statement will appear on the record.

Mr. WHEELER. Thank you very much.

What I would like to do is to first deal with some misconceptions, or rather those who have been criticizing the CETA program.

A very complete misconception has been the charge that CETA is designed to maintain permanent municipal employees. The historical evidence will point out that this is simply not true. This is not the

case at all. What you have is a situation where going back to EEA 1971 and coming through to CETA 1973, and then into the legislation dealing with the emergency of title VI, you have a situation developed in the last 2 or 3 years of inner cities being faced with laying off permanent civil service employees for any number of reasons around the economics of the respective jurisdictions.

The general descriptive term often is the inner cities as such, and we could name some of them—you could talk about Detroit with Coleman Young as the mayor; you could talk about Newark, N.J., with Kenneth Gibson as the mayor; you could talk about Camden, N.J., with its Mayor Errichetti; and you could go on and talk about these particular situations where cities have been forced to lay off permanent civil service employees.

Something had to be done about that problem because you could not have the chronically unemployed through CETA walking in one door of a municipal government to provide services through jobs and the permanent civil service employees leaving the municipal buildings because they had been laid off.

As a result of that problem, which was brought to the attention of the Congress, and certainly to the members of the House Labor and Senate Labor Committees respectively, there was an effort to try to deal with that problem since it was not contained in the legislation, because at the time the legislation was written and enacted, the problem of layoffs of permanent municipal employees was not a factor. So, those who charge that the CETA program is merely designed to maintain permanent civil service employees, are as far off base as the distance from here to China.

It just seems to me that in this kind of hearing that matter should have been brought to the attention of the members of the Joint Economic Committee who are present.

Now we turn to what is going on in Newark, what is happening in a city that has a 20-percent unemployment rate.

Certainly we do not have sufficient funds to really deal with these particular problems. Certainly what we are receiving can almost be characterized as a Band-Aid approach to a problem that is certainly the concern of everyone across this Nation.

But, be that as it may, we have been able to take the hopeless in our city and give them some hope through CETA. We have been able to take people in the elderly category that had literally given up, who felt that they had no usefulness, to make a contribution to their immediate community and to themselves and through jobs provided under CETA provide a new hope, a new approach, and a feeling of being somebody.

Now, if for no other reason, anyone who, in my humble judgment, would criticize this kind of worthwhileness would cause me to raise serious questions. If this country is above providing the basic needs for our people, regardless of their age, then certainly there has to be respect for that kind of program that brings hope where there was once hopelessness.

The city of Newark operates its manpower program through five manpower centers. The political jurisdictions of our city are divided into five wards, and in each one of those wards we have what we call also a one-stop service manpower center that provides the intake

process, the employability plan, the need to provide training, if it is necessary, and finally movement into jobs for the chronically unemployed in particular, and then those who are the welfare recipients, those who have exhausted their unemployment insurance, and so on.

Currently, we have over 3,000 people in our PSAP work experience program. This represents for all of these people the dignity that comes with having a job.

Often the program has been criticized by people who have said that we are not really serving the clientele that the act was designed for. In the case of the city of Newark, that is just not so because we have all of the major community base organizations participating in the CETA program—the Urban League, the NAACP, and others of that nature.

But even more important than that, we have the other community agencies that serve so many worthwhile functions. And attending to the needs of the citizens of Newark, we have CETA employees working for the ballet company; we have CETA employees as part of the Symphony Hall, which is the edifice for our performing arts. We have touched all of the bases of the cultural activities of our city, and it is the mayor of the city of Newark's contention that no city can be viable without having performing arts.

In a city like ours, where we started off this year with a budget gap of \$35 million, in terms of how we were going to operate our own municipal departments, further saddled with the balanced budget approach as a result of the State legislature, what that simply means is that you can only spend as much as you can raise from tax revenue. Despite these kinds of problems, there is a full life going on in the city of Newark, and a great deal of it can be attributed to CETA.

To continue, it is our considered judgment that this program must continue. It would simply be foolhardy to tamper with a program that has proven to be so worthwhile, so important to the lives of people of all ages.

You know, often in talking about CETA, we forget about title III, and the summer money that comes in for our young people, where we get or remove the whole idea of being idle and provide productive employment; and, for the first time, Congressman, in a long time, we are really getting the money on time and in a timely fashion so that we can plan to have a full summer program.

Often in talking about the jobs program in II and VI and the manpower services program of I, we forget that out of title III comes the money that supports the summer jobs program for the economically disadvantaged. There again, this is so important to us as it relates to our present and future in terms of leadership for not only our local jurisdictions, but for this Nation.

So, if folk are prepared to look objectively at the merits of the CETA program, it is inconceivable to us in Newark that there would be any effort to tamper with this program or to remove this program. There is no question about the need. There is no question about a positive record on the basis of those who were prime sponsors, 423 of them across this Nation.

I would simply like to close with—I am simply under a mandate from the city of Newark to tell the joint committee that CETA certainly is needed. It is one of the most innovative and best programs that has been produced in a long, long time in this country, and it

carries the full support of Hon. Kenneth A. Gibson, mayor of the city of Newark.

Representative PIKE. May I ask just one question?

Chairman HUMPHREY. [presiding]. Surely. Go ahead.

Representative PIKE. Mr. Wheeler, can you give me a statistic equivalent to that which Mayor Schaefer gave us as to how much it has cost you for the program per job created?

Mr. WHEELER. OK.

What you are dealing with is the administrative costs of the program.

Representative PIKE. Well, if you can tell me the total amount that you have had to spend and the total number of jobs that you have created?

Mr. WHEELER. We have created over 3,000 jobs; and the annual average salary is between \$8,200 and \$8,700. I was addressing administrative costs one night, just before this remark, and you had raised that question and directed it to Mayor Schaefer, and Ms. Pines had answered, and I would hasten to point out that you ought to be cognizant of the fact that there is a 20-percent limitation on administrative costs in title I, which is the manpower services part of the CETA act. There is a 10-percent limitation on administrative costs for titles II and VI.

In the city of Newark our administrative costs for the jobs in titles II and VI, is 7.1 percent.

At this time, if I am in order, Mr. Chairman, I have completed my remarks. If we are to follow the format of the previous speakers, then I would be so instructed to introduce my participant for her remarks to the committee.

Chairman HUMPHREY. Please do.

Mr. WHEELER. At this time I have certainly a distinct pleasure to introduce a young lady who I got to know over the period of the last 2 or 3 days in some taxicab rides from the airport, and have literally found her charming. I think when I present Ms. Dumey and you hear her, you will know just what I mean.

So, without any further ado, I would like to present a Newark CETA enrollee, Ms. Maribet Dumey.

Did I pronounce it correctly?

Ms. DUMEY. Dumey, that is right.

Mr. WHEELER. Go right ahead, please.

Ms. DUMEY. My name is Maribet Dumey. I was born and raised in the United States. I attended school at Webster Junior High School, where I graduated.

Due to the fact that I came from a large family, my parents were not able to put me through school. They could not afford it. I was recommended to team number 7 in Newark. There I spoke to Mike Kahn, who was the counselor of the north ward. He tested me and interviewed me and put me through training in basic finance. There I took training for 6 months. I learned a lot about it. I learned about banking, accounting, et cetera.

There, after 6 months of training, I was put on a job. I was employed at CMDS, 7666 High Street, Newark.

Chairman HUMPHREY. What is that?

Mr. WHEELER. That is our Comprehensive Manpower Delivery System.

Chairman HUMPHREY. I see.

Mr. WHEELER. Go right ahead, please.

Ms. DUMEY. Now, I am an interviewer and I am employed at CMDS, Comprehensive Manpower and Delivery System.

What I do is help people try to find jobs, put them in as trainees, et cetera.

Chairman HUMPHREY. So, you came in under the CETA program, is that correct?

Ms. DUMEY. Right.

Chairman HUMPHREY. Under which title?

Mr. WHEELER. Title I. She started in title I.

Chairman HUMPHREY. You took your training in that program. Where did you take that training again, and in what?

Ms. DUMEY. In basic finance, at 32 Green Street.

Mr. WHEELER. That is a training center for us, Senator.

Chairman HUMPHREY. What is that? I did not hear it.

Mr. WHEELER. The Comprehensive Manpower Delivery System has a training component where it trains all of the people who come in for and desire some skills. Hers was in the finance area, and she was trained at 32 Green Street, which is the building where we do that training.

Chairman HUMPHREY. I see.

I was just trying to identify the training facility. That training facility is operated by whom?

Mr. WHEELER. By my office.

Chairman HUMPHREY. By your office. Then, you took 6 months' training?

Ms. DUMEY. Right.

Chairman HUMPHREY. Were you on payroll during that 6 months' training?

Ms. DUMEY. Yes; I was.

Chairman HUMPHREY. What was your monthly paycheck?

Ms. DUMEY. It was \$160 every 2 weeks.

Chairman HUMPHREY. \$160 every 2 weeks.

After the 6 months' training you then were employed by the CMDS.

What is your income now?

Ms. DUMEY. My income now is—I get \$3.50 an hour.

Chairman HUMPHREY. You are paid by the hour?

Ms. DUMEY. Right.

Chairman HUMPHREY. And how long have you been in your present position?

Ms. DUMEY. It's 1½ years, going on 2 years.

Chairman HUMPHREY. How do you like it?

Ms. DUMEY. I love it.

Chairman HUMPHREY. Do you think you have been able to help others?

Ms. DUMEY. Oh, sure. And I hope that it can be re-funded so that we can continue.

Chairman HUMPHREY. Well, we are very happy to have you here.

Ms. DUMEY. It's my pleasure.

Chairman HUMPHREY. This young lady has done very well for you, Mr. Wheeler. She has very fine qualities and she obviously is a great help to your organization.

I was interested, Mr. Wheeler, in what you said about the summer youth program.

Are you now getting your funds on time?

Mr. WHEELER. That is right. In a timely fashion.

Chairman HUMPHREY. Which means everything, of course.

Mr. WHEELER. Yes.

The planning has gone smoothly for the first time in a long time. We will be able to have the activity up and away by July 1, or June 28, full money.

Chairman HUMPHREY. Who plans the work for this?

Mr. WHEELER. My office, for the city of Newark.

Chairman HUMPHREY. Do you have programs worked out ahead of time?

Mr. WHEELER. We plan year round for the summer.

Chairman HUMPHREY. For the summer?

Mr. WHEELER. That's correct.

Chairman HUMPHREY. Do you give these young people supervision?

Mr. WHEELER. Yes. By all means.

Also, it is designed to provide them with their initial work experiences. The age category is from 14 to 21, and many of these youngsters are in school and have not had any experience in the world of work.

One of the primary goals of the program is to expose them to just that.

Chairman HUMPHREY. One of the complaints that I have had of the program is that the young people on those summer programs are not properly supervised, and therefore do not really get work experience.

I wanted to hear what you had to say about that.

Do not misunderstand me. I was the author of the Job Corps program, the coauthor of the Youth Conservation Corps program. This is all part of my life.

But I have seen, for example, in some communities where the youth on summer youth programs are more or less out by themselves and unsupervised.

Now, what do you do, and what suggestions do you have to make?

Mr. WHEELER. First of all, Senator Humphrey, you would have to know Mayor Gibson.

Chairman HUMPHREY. I do know him.

Mr. WHEELER. On this particular subject there would not be anyway that a summer program would be operated in this city without the proper incentive and supervision. That is first.

Second, in the planning process we develop the job sites for the youngsters, where they are going to work, call in the people among the various agencies where we will be sending the youngsters, provide training for them in terms of the program, set up the controls so that the supervision is there, not only in terms of the agency to which we send the youngsters, but also from our own internal staff operation, so that the proper control and supervision existed at all times. Plus my office serves as the evaluation arm for all of that with the mandate to be reporting to the mayor of the city of Newark on a weekly basis as to how well the program is being run, what are the problems, and what do we need to do to improve it.

This goes on on a weekly basis.



Chairman HUMPHREY. All right.

Now, you say you have about 3,000 people in your CETA program?

Mr. WHEELER. Right.

Chairman HUMPHREY. What is the unemployment rate in Newark?

Mr. WHEELER. 20 percent.

It is down from 23 percent.

Chairman HUMPHREY. Yes. And 20 percent in statistical figures is—

Mr. WHEELER. In excess of 33,000 people.

Chairman HUMPHREY. In excess of 33,000 people.

Now, if you were able to get funds to double your program, could you put those people to work under programs that you have outlined?

Mr. WHEELER. Yes; I would. And I would call to your attention the fact that the mayor of the city of Newark testified before this same committee calling for the number of jobs to really make a dent in the program.

I thought I would wait for your return to mention what I am about to say now.

The mayor of the city of Newark has taken a very firm position that relates to full employment. He is convinced that if this country is to remove the economic irregularities that produce additional hardships for people, that our economy must be planned, and he subscribes to the ingredients contained in H.R. 50 that speaks to a planning process. That would involve the Congress, the executive branch, and the Federal Reserve Board.

He wanted me to be sure that I mentioned to this committee that as mayor of the city of Newark he fully supports the concepts associated with H.R. 50.

Chairman HUMPHREY. Let me tell you something.

Every time there is one of these snide editorials or one of these cryptic and bitter attacks on H.R. 50 and S. 50, the Humphrey-Hawkins, or Hawkins-Humphrey bill, I wish that some of you people who are involved in these programs would let them have it.

We are under constant attack on that bill, and of course we are being attacked by people who have jobs that pay them big money, who are fully employed, who never had it better in their lives, and they are out there just telling us day after day that this program that we have is going to practically wreck the country.

I am serious when I say that we have to fight back.

Mr. WHEELER. I agree.

Chairman HUMPHREY. I hope that you will not be either kind or polite. You need to be forceful and direct.

Mr. WHEELER. All right. Senator, I would just like to say that we have done something about that in the city of Newark. We have a newsletter that was sent across the country to those involved in manpower programs. In our latest issue we commend H.R. 50 and have reprinted the basic ingredients of that bill.

There is a statement about full employment by the city of Newark—

Chairman HUMPHREY. Oh, the mayor has been fine, we know that. He is just so polite.

Mr. WHEELER. Well, he is polite, and I have to be. It ain't necessarily my nature, but I have to be.

Chairman HUMPHREY. There was an editorial in the Washington Post taking us to task a little bit about H.R. 50 and S. 50 and another one in the Washington Star.

We have had a letter of response over at the Washington Post for 2½ weeks—2½ weeks. We have had one over at the Washington Star for fewer days than that. They have not even read the bill, as a matter of fact, and they frankly admit it. There is nothing like writing from ignorance. It is so much easier to do.

I am going to try to get you folks aroused because we have the fight of our life on our hands around here. In this country today folks that are doing well are being told that all is well. I am doing well. I have never done better in my life. I'm going to be frank about it.

But, I get around and I see what is happening. And, when I go into cities like Newark or Baltimore and see my own city of Minneapolis and other places—we have, thank goodness, less unemployment out there—but when I see the problems that our young people are having today, the idleness that is there, and the joblessness that is inflicted upon people, I just cannot take it. I am not going to be polite to anybody any longer about this kind of business.

The President of the United States attacks this bill. He sits over there in that nice \$200,000 a year job with free rent and he attacks this bill saying it is just too costly. The Council of Economic Advisers comes over here, they spend a whole afternoon with Congressman Pike, the whole morning telling us how nothing will work. I would fire the whole damn crowd in about 2 minutes. I would not have anybody around who can only tell you how something will not work, and that is a fact—they have demeaned people.

Look at what you people have been able to do here. I am happy to be here for you, Mayor Schaefer, and to see the projects that you are working on. I want to say that I understand one of your witnesses here has been doing art work. I was in charge of the WPA program at one time, when I was a very young man, and I am proud of it.

Let me tell you something. The writers' project, the artists' projects, great American artists of today came out of that program; some of the finest classical music came out of that program; and we built bridges, and we built city halls, and we cleaned up streets and curbs and gutters; and we did things instead of sitting around like we do now, letting people rot, and then complaining about welfare costs.

That is my sermonette for this morning.

Did you get your remarks in yet, Mr. Meadows?

MR. MEADOWS. No, sir, not yet.

CHAIRMAN HUMPHREY. Well, I thought you had all had your turns. Now I will turn you loose. Go ahead now, Mr. Meadows.

REPRESENTATIVE PIKE. That is a tough act to follow, Mr. Meadows. I want you to know I have a little sympathy for you.

CHAIRMAN HUMPHREY. I am just sorry that the public radio is not here with us this morning. They have done such a wonderful job for us, of educating the American people. I wish they could have heard what Mr. Wheeler and Mayor Schaefer and all of you people have said here today.

You know, if the people get the facts, even if they just get half the facts, they will respond. But what they get is a load of guff. I hope and pray that we can get some of this record out.

You go ahead now, Mr. Meadows, and if you want to get a little angry about something, you go right ahead.

**STATEMENT OF WILLIAM F. MEADOWS, JR., DIRECTOR, CETA,  
COLUMBUS, GA., ACCOMPANIED BY ETHELROSE McDANIEL, EM-  
PLOYMENT COUNSELOR**

Mr. MEADOWS. Maybe I should have my mayor here. His bathroom was stopped up last night.

On behalf of the Columbus, Ga., and Chattahoochee County Consortium—

Chairman HUMPHREY. Chattahoochee—that is something.

Mr. MEADOWS. Chattahoochee is an Indian name. I am happy to offer testimony before this committee in support of the Comprehensive Employment and Training Act, and especially public service training employment programs, title II and title VI.

In Columbus, Ga., we have received approximately \$2.65 million in CETA public service funds which have enabled us to serve 850 participants.

The Columbus title II program was initiated to employ those last hired and first fired low-income individuals first affected by the recession. With the advent of title VI funds in January 1975, CETA began to impact on the wider spectrum of unemployed caused by a deepening recession.

The Columbus Consortium has taken the approach of serving the unemployed people and placing them in positions that precipitate a multiplier effect in providing services to other disadvantaged people within the community. For instance, PSE positions were developed for welfare recipients. We employed seven caseworker aides in our department of family and children's services. These seven aides now are working with over 300 families per month.

We have funded two positions; one director and one secretary, in a senior citizens' employment program; and with these two positions, we are able to bring in from the Department of Labor an additional \$112,000, which employed over 200 senior citizens.

Chairman HUMPHREY. Senior citizens?

Mr. MEADOWS. Senior citizens are people who are over 55 years old. We hired 10 part-time teacher aides.

Representative PIKE. Over what age did you say?

Mr. MEADOWS. Over 55.

Representative PIKE. How come you use that age as your dividing line?

Mr. MEADOWS. It is according to the U.S. Department of Labor figures.

Chairman HUMPHREY. Go right ahead, Mr. Meadows.

Mr. MEADOWS. We have also hired two nutrition specialists who have written food programs which have brought over \$200,000 to our city to feed the elderly and disadvantaged children.

We have hired three legal aides or paralegal aid type individuals who impact on over 300 people per month.

I want to read you a statement from a young man who would like to have been here. I am going to read it in his own words. All we have done is typed the testimony.

My case is not by no means unusual. It is being sent to the committee merely to let those of you who are concerned know the invaluable service that has been given to me and thousands of others like me through title VI of the Employment and Training Act of 1973.

To give a brief account of my case: I am William T. Crawford, an ex-policeman, convicted at the age of 28 on charges of conspiracy, three counts of manufacturing and possession of destructive devices and robbery. I am now on parole and through CETA, I have been employed to counsel, seek employment, housing and help with basic education for ex-offenders. Since September 8, 1975, I have counseled some 100 ex-offenders and have helped to place 57 on jobs. These are unsubsidized jobs—all of which can be documented upon request.

My job is fulfilling and rewarding. It is and will be my life's vocation. Parole comes in 1983, and with a program like the Emergency Employment Act, I can hold on. I am now 32 years old and do feel that the type of adjustment I have made by the second chance provided by services available through CETA is responsible.

Records will show that a considerable amount of my prison life was in maximum security which can and does so often make one very, very bitter because of the treatments received.

When I started looking for work and was denied help because of my criminal record, desperation began to set in, "Would this be my lot for life?" "Have I not paid society for the alleged crime?" Then my chance came. I was given a PSE position, a self-help type program through CETA.

CETA has been a lifesaver for me. This is submitted gladly and by my own free will. I want the invaluable services of CETA to me and ex-offenders to be public knowledge.

Chairman HUMPHREY. That is a very spendid bit of testimony.

Mr. MEADOWS. It is estimated, and this is a sound estimate, that the over 850 PSE participants have impacted on the lives of over 20,000 disadvantaged, handicapped, or indigent people in our city.

I think this is quite a record.

Under the CETA legislation, with Congress decentralizing decision-making processes to the local level, mobilization of resources can be summoned to allow more immediate reaction to changes in the labor market. An excellent example of this occurred when title VI legislation was added to the act. We were advised of the title VI grant in a regional meeting on Tuesday, December 31, 1974. By Wednesday of the next week, January 8, 1975, we had a signed grant, and on Monday of the next week, January 13, 1975, we had over 50 people working.

This points up the viability of the CETA concept. Even though the act was not designed as a massive, emergency employment program vehicle, local prime sponsors under the direction of Congress implemented with unprecedented speed, I believe, a large scale, quality emergency-type employment program.

The number of PSE participants served by the Columbus Consortium is roughly equal to 1 percent of the total labor force, of about 8,000 people, in the SMSA.

Additionally, a study produced for us by the Memphis State University's Center for Manpower Studies reported that slightly better than one job is generated in the private sector for each PSE job that is funded through CETA. One can conclude then, that in Columbus, termination of PSE funds would cause the unemployment level to rise by 2 percent.

The chart<sup>1</sup> that you see behind me reflects unemployment percentages for the last 27 months. The United States is the blue line; the State of Georgia is green; and the Columbus area, in which I live, is

<sup>1</sup> The chart may be found in the files of the committee.

orange. Without PSE projects the unemployment picture would be painted 2 percentage points higher.

We would run off the chart. The dotted line is where we would be if it were not for PSE money.

Using this logic, phaseout schedules for PSE funding, perhaps, should be adjusted to compensate. In other words, if full employment of 5 percent is to be achieved, the trigger to shut off funding should be set at the 3 percent unemployment level for CETA PSE phaseout, not at 7 or 8 percent, as the administration is talking about.

As was mentioned earlier, we have served 850 public service employment participants and are proud of this accomplishment for which we thank Congress. But we have over 3,000 other people who have registered with us that are without jobs and still unreachable because of the limited resources of CETA. I might also point out that we received 800 more requests from agencies for public service jobs that we had no funds to fill.

Perhaps the Nation's economy is recovering as rapidly as the administration says it is. Perhaps all of the nearly 400,000 PSE participants nationwide will be absorbed by that recovery. Perhaps the economic improvement in business and industry will cause tax bases to increase so that the ancillary services offered by PSE participants can be continued. Perhaps I can go back home and convince those 3,000 unemployed persons whose names we still have on file that the recession is over.

However, until employment and economic recovery reaches the stage where the "perhaps" become "certainties," it appears to me to be ludicrous to end, or even to begin, a phasedown of public service employment programs.

Thank you. You have been most gracious to allow us to testify.

[The prepared statement of Mr. Meadows follows:]

PREPARED STATEMENT OF WILLIAM F. MEADOWS, JR.

Good morning, on behalf of the Columbus, Georgia and Chattahoochee County Consortium, I am happy to offer testimony before this Committee in support of the Comprehensive Employment and Training Act Public Service employment programs.

In Columbus, we have received \$2.65 million in CETA Public Service Funds which have enabled us to serve 850 participants. The Columbus Title program was initiated to employ those last hired and first fired low-income individuals first affected by the recession. With the advent of Title VI funds in January, 1975, CETA began to impact on the wider spectrum of unemployed caused by a deepening recession.

The Columbus Consortium has taken the approach of serving the unemployed people and placing them in positions that precipitate a multiplier effect in providing services to other disadvantaged people in the community. For instance, PSE positions were developed for welfare recipient counselors, outreach and food stamp personnel, job developers, Juvenile Court coordinators, Senior Citizens employment program, Adult Basic Education Teachers, Consumer Counselors, Nutrition Specialist, Legal Aid paralegals, Ex-Offender program personnel, Rehabilitation Therapists, Veterans Employment Representative, Handicapped Placement Counselors, Day Care Workers, as well as Recreational and Cultural Awareness programs.

It is estimated that through their PSE positions these 850 participants impact on the lives of 20,000 disadvantaged, handicapped or indigent people in the Columbus Area.

Under the CETA Legislation, with Congress decentralizing decision-making to the local level, mobilization of resources can be summoned to allow immediate reaction to changes in the labor market. An excellent example of this occurred

when Title VI legislation was added to the Act. We were advised of the Title VI Grant in a regional meeting on December 31, 1974; by January 8, 1975, we had a signed Grant and on January 13, 1975, we had people working. This points up the viability of the CETA concept. Even though the Act was not designed as a massive, emergency employment program vehicle, local prime sponsors implemented with unprecedented speed a large scale, quality employment program.

The number of PSE participants served by the Columbus Consortium is roughly equal to one percent of the total labor force in the SMSA. Additionally, a study produced for Columbus by Memphis State University's Center for Manpower Studies reported that slightly better than one job is generated in the private sector for each PSE job that is funded through CETA. One can conclude then that, in Columbus, termination of PSE funds would cause the unemployment level to rise by two percent.

The chart<sup>1</sup> you see here reflects unemployment percentages for the last 27 months for the United States (blue), the state of Georgia (green) and the Columbus area (orange). Without PSE projects the unemployment picture would be painted two percentage points higher.

Using this logic, phase out schedules for PSE funding perhaps should be adjusted to compensate. In other words, if full employment of five percent is to be achieved, the trigger to funding should be set at the three percent unemployment level, not at seven or eight percent.

As was mentioned earlier we have served 850 PSE participants—and this is admirable—but we have 3,000 other registrants that are without jobs and unreachable through the limited resources of CETA. I might also point out that we received 800 more requests for jobs from public service agencies than we had funds to fill.

Perhaps, the nation's economy is recovering as rapidly as the administration says that it is. Perhaps all the nearly 400,000 PSE participants nationwide will be absorbed by the recovery. Perhaps the economic improvement in business and industry will cause tax bases to increase so that the ancillary services offered by PSE participants can be continued. Perhaps I can convince the 3,000 unemployed in our files that the recession is over. However, until employment and economic recovery reaches the stage where the "perhaps" are "certainties," it appears to me to be ludicrous to end Public Service Employment programs.

MR. MEADOWS. At this time I would like to introduce to you a participant that we have brought with us from Columbus, Ms. Ethelrose McDaniel, who is an Employment Counselor on our public service employment staff. Rose will offer testimony at this time.

Chairman HUMPHREY. Thank you very much.

Ms. McDaniel, we will be happy to hear whatever you want to say.

MS. MCDANIEL. My name is Ethelrose McDaniel. I am an employment counselor with CETA, and I am an ex-offender. I was working at the welfare department in 1972 as a caseworker. I was supporting myself, my son, and my husband, a Vietnam veteran and a heroin addict.

I was unable to support us on the salary I was making. I became involved, along with some friends in forgery, embezzlement, and fraud through the mail which resulted in the loss of my job at the welfare department.

We had applied for VA compensation for my husband. We had also applied for social security and were denied. We were denied by the VA three times because they said his disability, though incurred in Vietnam, was not service connected.

After I was fired from my job we were finally able to get some help from social security. Presently, he is receiving \$121 per month, my son \$47 per month, and myself \$40 per month.

Chairman HUMPHREY. What is that under?

<sup>1</sup> The chart may be found in the files of the committee.

Ms. McDANIEL. That is under social security. We have never been able to receive any VA because he is on drugs, and it is not service connected.

I looked for a job for over a year. I could not find work in my field because I had a felony conviction.

I went to the Georgia State Employment Service, and because I had a felony conviction the best job he could offer me was as a maid or a waitress.

A friend of mine referred me to CETA, and after several interviews, I finally got this job as an employment counselor. Since I have been working for CETA, I have been able to help other offenders because I understand the problems that they are incurring.

I also work with handicapped people, and I have found several agencies that are very glad to work with us, like Columbus College and Goodwill Industries. There are, of course, many other agencies which will help the handicapped and offenders. I certainly hope the money can continue because it gives people a chance to find employment where they might not have found it otherwise.

Thank you.

[The prepared statement of Ms. McDaniel follows:]

PREPARED STATEMENT OF ETHELROSE MCDANIEL

It is often stated that some will make it with or without any assistance; this happens not to have been the case with me. Because of the tight economy, the predicament I permitted myself to get in and the needs for my family, I could have in no way readjusted without CETA Title VI or some other aid.

I am Ethelrose McDaniel, with three years of college education from Bennett College, Greensboro, North Carolina and Tuskegee Institute, Alabama. I am married with one child; a son.

The terrible nightmare started in 1972 while working at the Department of Family and Children's Service, where I was forced to resign because of Forgery, Fraud through Mail and Embezzlement. During this time, my husband was serving in Vietnam and had gotten addicted to heroin. He was arrested in Alaska while being transferred back to the states; but was released because of the small amount found on him; it was determined that it was for personal use; nevertheless, he had the habit which had to be supported until he could get help to withdraw.

Help was given to me by relatives until I was able to get on welfare which lasted until a social security of \$95.00 per month was granted. Needless to say, I was in a very bad way and still on probation.

Things got considerably worse; my husband's habits were extortious; his moods unbearable. He burned all his clothes except what he was wearing at the time. This type of action necessitated someone being with him at all times which prevented me from looking for a job.

Soon I was able to get Smitty into a Veteran's hospital. During his stay in the hospital, I started looking for work so I could pay my lawyer and help my husband to get rehabilitated and take care of my son. This could not be done with my meager income which was only the \$95.00 from social security.

In looking for work, I applied to Georgia State Employment Service, Urban League, and CETA. I was informed that no jobs were available but miraculously a slot on CETA VI became available; I was given this job and things began to look up.

I am now paying my lawyer; my husband stays with his mother but has improved very little; this I have learned to accept. My son attends school and is doing nicely. My opportunity for readjustment came through Columbus Employment and Training Administration and my probation has been lifted because I was given this job.

Realizing that CETA Title VI is merely a bridge to tide me over until I can become self-supporting; I am working very hard to find unsubsidized employment.

Chairman HUMPHREY. Ms. McDaniel, did you take training with CETA first, or was your training in social work adequate?

Ms. McDANIEL. My training, with the welfare department, was in social work as a counselor. However, I had never worked with employment before. Therefore, I did have 3 months of training with CETA for the employment counselor position.

Chairman HUMPHREY. Fine.

Then it was on-the-job training, is that right?

Ms. McDANIEL. Yes.

Chairman HUMPHREY. And then, after you completed the on-the-job training, you are now on the administrative payroll of CETA, is that right?

Ms. McDANIEL. No; I am still a PSE, I am still a participant.

Chairman HUMPHREY. Oh, you are still a PSE. I see. But you are doing counselor work as a PSE?

Ms. McDANIEL. Right.

Chairman HUMPHREY. Let me ask you—if you care to answer it is entirely up to you—was your husband in Vietnam?

Ms. McDANIEL. Yes.

Chairman HUMPHREY. He was a Vietnam veteran, in Vietnam?

Ms. McDANIEL. Yes.

Chairman HUMPHREY. Did his heroin habit start there?

Ms. McDANIEL. Yes; it did. When he was sent back to the States he was stopped in Alaska. They kept him there about 6 weeks to dry him out. He had drugs on him when he was coming back through, but there were no charges pressed because it was a small amount and they felt that it was for personal use.

Chairman HUMPHREY. Let me ask you this. Do you find your work rewarding?

Ms. McDANIEL. I do because for a lot of offenders, this is not their first offense, but their second or third. I find it is because, once they get out, all they can find is the same type of work they were doing in jail, digging ditches, waiting tables, cooking. We are able to refer them to jobs where they can learn a trade. We are able to refer them sometimes to the recreation department, or other similar agencies. It makes them more willing to work, and I am sure it helps cut crime a great deal.

Chairman HUMPHREY. Has your council had a good record of continuity of employment for some of these people?

Ms. McDANIEL. Yes; I can think right off the top of my head of 10 cases who have gone on the regular payroll since they have been working for CETA. We have two people who have been working with CETA for over a year.

Chairman HUMPHREY. Well, let me just say that anybody who can help somebody else to the degree that you have ought to feel good inside, because to help exoffenders is no small task.

Have you ever heard of the program called Amicus? We have a program in Minnesota called Amicus. I worked for Amicus, but not much. Judge Reilly is our key man, a marvelous person. The program works with exoffenders. It is really almost a buddy system where a person will come from our State penitentiary or one of our State institutions for incarceration. We work with the exoffender and the employer, and we have had great success. It is really just a tremendous thing. It sort of makes you feel good. It is sort of like saving a life.



Your experience obviously has given you some insights that few people could have. It makes me feel good this morning to know that a Government program has given you the chance to live a much more full and rich life. Obviously you are a woman of talent, and might I say of charm as well. So, we are very, very pleased with your testimony.

Now, Mr. Meadows.

Mr. MEADOWS. Senator, could I introduce you to our mayor, Mayor Mickle.

Chairman HUMPHREY. How do you do, Mr. Mickle. What are you doing way back there?

Mayor MICKLE. We are very glad to be here and appreciate your putting up with us and our reporting. We endorse CETA and hope that it will continue.

Chairman HUMPHREY. Well, you can rest assured that we in the Congress will see to it that it does continue. What we need to do here is build some record of the performance of CETA and all during the last 2 years we have been building a Manpower study record. That is what this Joint Economic Committee has been trying to do.

As a result of that study we did come up with what we call the Humphrey-Hawkins or the Hawkins-Humphrey bill, which relates to the problems of job training and public service employment, but more importantly, the relationship of Government economic policy to the private economy.

Was it you, Mr. Meadows, or you, Mr. Wheeler who said that one public service job you felt generated one private job?

Is that correct?

Is that a surmise, or do you have any kind of evidence that indicates that?

Mr. MEADOWS. Yes, sir. I have a letter here from the Memphis State University and the University of Mississippi, who have joined together to form a Center for Manpower Studies. We fed in some data and they sent back this information that I just quoted. I have this letter with me.

Chairman HUMPHREY. Let me ask you this.

If you got funds to double the number of participants in PSE, do you think you could use it constructively?

Mr. MEADOWS. Yes, sir.

Like I said, there were over 800 jobs asked for from public service agencies that we could not fund—800 positions.

Chairman HUMPHREY. When you get an allocation of funds for public service jobs, do I interpret you correctly that not only do the agencies want people, but that the people who are unemployed are anxious to get a job?

Mr. MEADOWS. Yes, sir.

We had over 3,000 applicants for about 300 jobs when we first began at CETA. We never advertise in the paper. Some way or other they just knew that we had money and that there were jobs available and they just came flocking in.

Chairman HUMPHREY. And what is the average pay for the job?

Mr. MEADOWS. Somewhere under \$7,000 for a PSE job.

Chairman HUMPHREY. And 3,000 people will line up to apply for jobs like that?

Mr. MEADOWS. We had people with masters degrees coming in and asking for any kind of work, just a job.

Chairman HUMPHREY. Well, what do you think about a situation where a person has that kind of background and training and says, please, just give me something to do, and we have to say no to them?

Mr. MEADOWS. I think it is a dangerous situation for our economy to be in.

Chairman HUMPHREY. Have you ever talked to your Congressman or Senators about these things?

Mr. MEADOWS. Yes, sir.

Chairman HUMPHREY. Do you know, we are a pretty timid lot around here.

Mr. MEADOWS. It appears to be so.

Chairman HUMPHREY. That is right.

I sometimes wonder what gets into us.

Mr. MEADOWS. Our two Senators and the Congressman from my district have voted affirmatively.

Chairman HUMPHREY. Oh, yes. They voted with you. I know that.

But what I am saying is that we as a group have hesitated to come forth with a number of these jobs that we ought to have. We have done better than we were permitted to do, because every time we come up with a certain large number, we get whacked down by veto, and we have difficulty getting two-thirds to override that veto.

Mr. MEADOWS. Well, our unemployment rate at this time is 6.5 percent. We believe that about 2 percent of that, you know, would increase.

Chairman HUMPHREY. If you phased out public service, you feel—

Mr. MEADOWS. That we would go to 8.6 percent overnight, sir.

Chairman HUMPHREY. Have you ever had anybody from the Council of Economic Advisers take time out to interview you?

Mr. MEADOWS. No, sir.

Chairman HUMPHREY. Well, they should. I do not mean just you, but I mean all of you.

Mr. Mayor, has anyone from the Council of Economic Advisers ever interviewed you?

Mayor SCHAEFER. [Nods negatively.]

Chairman HUMPHREY. Well, how do the people at the CEA know all of that stuff?

Mayor SCHAEFER. Well, one of the things that worries me is there is a loss of contact between Washington and the subdivisions. Now we are close enough that we see the city and all of its problems. Very rarely do we have people come over to see what we are doing. We had Senators come over the other day on housing. I think that some time, if you get out of here, you get a whiff of the true story.

Now, this young lady's story over here [indicating] was a very interesting one. The offender is of great concern to me. We know that problem in the city of Baltimore. What do you do with that person? What programs do you utilize? You just cannot say that they are not existing, because they are.

People like to say, well, you know, that does not happen, and they are turned away; but the cities cannot do that. The people who need help the most are there. The elderly are there. The disadvantaged are there. The ex-offender is there. The person who has gone through the criminal justice system and is getting out is there. We have to take care of them, and programs like public service employment are of great assistance to us.

You ask whether we could double? Marion is ready. If you doubled today, we could put the people on in nonwaitress jobs. Now, there is nothing wrong with a waitress job; but I mean in jobs where the whole community could utilize and benefit from their abilities. Marion just mentioned to me that we even have a Ph. D. in our system working at a job. Yes, we could double it right now. We could triple it right now and do the things that we need to do.

You mentioned the summer program. We were so grateful that we got the money early. Marion has every job filled. There are 16,000 kids on the line right now, with 4,000 waiting for a job. Supervision is a tough job, and we have been concentrating very strongly on supervision because it is the first training program that the young people have. If they do not work in our system, they are out. I mean, this is not a give-away program for these young people. If you work, you get paid. If you do not work, you get out and we will put somebody else in.

Ours is a little different from Mr. Wheeler's. The communities tell us what they want. We ask the communities to come in with projects for these young people to work on. It then becomes their program in the communities, and they come up with very constructive programs that the kids can do.

If you give us 32—double—well, I do not know if we can handle 32,000; but we are handling 16,000 kids this summer, ready to go on June 28.

Chairman HUMPHREY. Let me ask you this, Mr. Mayor. Do you see any relationship with juvenile unemployment, youth unemployment, and youth crime?

Mayor SCHAEFER. Oh, yes. Absolutely.

Chairman HUMPHREY. We had five chiefs of police from five major cities at one of these committee hearings recently. The question was asked individually of those chiefs, do you see any direct relationship between youth unemployment and youth crime? To a man they all said absolutely, it is right there.

Mr. WHEELER. Current evidence shows that there is a high corollary between the two forces as such, and the item that is picked on as being fully responsible is idleness, nothing to do, hanging on the corner, and then someone gets the idea of the lark, and the lark leads to a serious crime. There is the question then of, we did not mean it; we did not have anything to do. We just wanted to have a little fun.

Chairman HUMPHREY. And then it gets to be a habit.

Mr. WHEELER. That's right.

Chairman HUMPHREY. All right, Congressman Pike. I know I have taken most of the time this morning. Would you go ahead, please?

Representative PIKE. Well, Mr. Chairman, I want to say right off the bat, very frankly I am one of those who has voted for all of these programs. I have not been as enthusiastic about them as you are. This is not unreasonable, because I am not as enthusiastic about anything as you are.

Chairman HUMPHREY. I do not agree with that at all.

Representative PIKE. Well, I do not know anybody who is more enthusiastic on everything than you are. I did have a little trouble when you were surprised with Chattahoochee County. I thought a man like you had traveled all over the country and would be familiar with Chattahoochee County and the magnificent Chattahoochee River.

Chairman HUMPHREY. No; that is Koochiching County. Koochiching is in northern Minnesota.

Representative PIKE. I just want to know, is this my time or not? I have been terribly patient with your time. I just wonder if you are going to be able to restrain yourself at all? [General laughter.]

I just want you to know, Mayor, that some of us Yankees are familiar with your country down there. It is very beautiful.

Mayor MICKLE. Thank you, sir.

Representative PIKE. I want to say to you, Ms. McDaniel, in particular, that I found your testimony most moving. It takes a certain amount of moral stamina and fortitude to come up here and talk about your felony conviction and your problems in the past and the way you have apparently surmounted these difficulties and have turned your life around. I do share with Senator Humphrey a pretty good feeling about what has been done here.

Now, I am going to be the devil's advocate a little bit. You uttered a phrase, and Mayor Schaefer sort of followed along and then he jumped on it. One of the things that bothers me about some of these programs—you say that you had an opportunity, that you did have a job as a waitress offered to you through the employment service, is that correct, in the State of Georgia?

Ms. McDANIEL. [Nods affirmatively.]

Representative PIKE. I do think that there is nothing wrong with being a waitress, and there is not anything wrong—there are worse jobs than that that have to be done. People have to wash dishes. All through this recession that we have had there have still always been some jobs looking for people in this country. I do not wholly subscribe to the fact that more training is necessary to fill all of these jobs.

I think that we do need somewhat more of a willingness to work at some of these jobs.

I am going to continue to support these programs, Senator, but I also think that we cannot wholly get away from the concept that there are jobs that need doing in this country, and even if they are not wholly pleasant, I think we ought to make them wholly honorable.

Chairman HUMPHREY. I do not have any disagreement with that. I spent the first 20 years of my life washing dishes, and that is no lie.

Representative PIKE. Your wife let you stop?

Chairman HUMPHREY. I worked in the family drugstore and ran the cafeteria. I know what it means to do everything from empty the garbage to making the potato salad to serving the people and washing the dishes. It has been a part of my life. In the university I cleaned toilets and mopped floors, and I was 27 years old. I did not mind it a bit. Oh, I did not like it. It did not pay much, and that is why I decided I would do something else.

So, I have always thought it was a good idea to try to improve yourself. But I agree with you, Congressman, that one of the concerns that has been expressed about public service employment is that it may leave other jobs unanswered, unfulfilled.

Mr. MEADOWS. Congressman, Rose had a husband and a baby to support, and to support a husband and baby on a waitress's salary is almost impossible in the South. You make it by yourself, you exist, but you cannot support a family on that.

Representative PIKE. I frankly do not know enough about the salary offered to comment on it intelligently. Obviously you have to make

enough to live on. I do know that some waitresses do right well as far as making money is concerned.

Mr. WHEELER. Congressman, first and foremost I would say that there are those people in this country who do not want to work. Now this is a fact that must be faced. However, I think you can get yourself into what I like to describe as a tray. If you take the want-ad page of any major newspaper in this country and you see all of these descriptions for jobs, and then you look at the picture of the unemployment rate, you look at what is being expended in unemployment insurance and then raise the question as to why are these jobs going wanted—I want to present to you that there are many, many factors.

One basic one is that job discrimination has not left this country. I think everyone ought to understand that.

Representative PIKE. I accept that.

Mr. WHEELER. I think also that there are kinds of employment that go traditionally to particular kinds of people, and it does not necessarily have anything to do with color.

Now, if you want to look into the construction trades, and certainly I come from a labor family, but if you look into the construction trades industry and the skill aspects, you still have the father-son kind of thing taking place.

Representative PIKE. Well, that is a poor example to use. For the last few years nobody has been hurt worse than the construction trades.

Mr. WHEELER. Yes. But let me say this to you, Congressman, there are really none of the basic problems under normal discriminatory practices in the construction trades if you can rid the construction trades of age-old thoughts about how things ought to be done, and that is what I am speaking to.

Representative PIKE. I agree with you completely as to the discriminatory aspects of it. But the jobs that have been advertised in the last few years have not been in the construction trades.

Mr. WHEELER. No.

But the point that I wanted to make was that the construction trades was mentioned because of overt discriminatory practices as such.

Now, normally those jobs do not get advertised in the sheet that I talked about. However, the knowledge of the existing jobs gets around because there is no better advertisement, I think we all have learned, than word of mouth. So, what I was trying to do was to combine two distinct kinds of situations and highlight that. That is very obvious today, that is, the discriminatory practices that take place in the construction trades as such.

Mayor SCHAEFER. I do not think I can leave without this comment.

I am concerned over this too because mayors are always saying the same thing. Why are we worried about manpower. There are a lot of people in the city who are not working. People say they are lazy, that they do not care about working, that they want to be on welfare. I do not find that to be totally true. In fact, I do not find that to be true.

The young people here are in areas where they can do some of the jobs they want and we need. The young fellow on the end is trained to be an artist. We ought to try to find him a job somewhere near his training. If he can work in that area, I think then we are acting properly and we all benefit.

Now the young fellow beside him is working on public employment in public works. He can do that type of work and we need to get it done. I do not think you can just use a generalization that there are a whole lot of unskilled private sector jobs available and nobody is filling them. I do not think that is totally true.

I think that people, when you can motivate them——

Representative PIKE. You are setting up a straw man, Mr. Mayor. I did not say that. I did not say that at all. What I said was that there are jobs available in America, dishwashers, waitresses, you can go through the want-ads and it has become socially unacceptable in a lot of American society to work at certain jobs.

Mayor SCHAEFFER. Well, did we not create that? Did we not do that?

Representative PIKE. Maybe. I do not know.

Mayor SCHAEFFER. I think you are right, but it takes time to reverse that.

Representative PIKE. Sure it takes time to reverse it. The only thing I am concerned about is that we not get into thought processes which say that this job or that job or that job is beneath my dignity, therefore I am not going to work at this job or that job.

My wife and I shared some of the experiences that the Senator referred to earlier. When I got out of the Service we lived in the servants' quarters of a house and my wife worked as a maid, in essence, and as a caretaker for the kids of the people who owned the house. I just happen to think that there are not any jobs beneath anybody's dignity as long as they are clean, honorable, and honest. This is what concerns me, the fact that there are too bloody many people who are not willing to work at certain kinds of jobs.

Mayor SCHAEFFER. Well, let me take vocational training. You know, during my time in public service, and it has been a long time now, everybody wants to be president of the company. That is no longer the idea as far as Baltimore is concerned. Vocational training is no longer something that you look down on. You are making more money in the trade unions than you are as a white collar worker. But it took time to reverse the thinking that everyone did not have to be president. There is good work in a trade, and I think that is what we are attempting to convey.

I was not trying to make you into a straw man or anything like this. What I am saying is, that generalization, after a good hearing like this, leaves us with the thought that people are not interested in jobs or interested in working. I do not think that is true. I think that people in our city want to work. If they want to work, we are trying to find jobs for them to use their talents and training. If they do not want to work, it is up to Marion, and it is up to the mayor to try to motivate people to try to find jobs and to work and to understand that the jobs that we mentioned are good jobs. I think that is part of our philosophy, and we are going to try to do this.

Once you have created something, it must be watched continually. You may have to slow it down and you may have to stop it and you may have to go the other way. I think that is what we are attempting to do.

Anyway, to summarize, as far as we are concerned, we are trying to put people on the payroll. We think they have successful and meaningful jobs all the way down the line. A meaningful job can be from a laborer all the way up to whatever you might say.

Chairman HUMPHREY. I do think it is important to keep in mind, though, that as time goes on, we do develop attitudes which are a fact of life. There is no trying to kid yourself. The average American worker just is not going to want to do certain things, and that is why we do not have the typical type of agricultural worker.

Now we have the Mexican-American who is accustomed to that kind of work and it kills him. Lots of other people do not want to do it. You are not going to get very many people out my way who will do stoop labor, and these people are very hard workers. The best Norwegian in Minnesota is not going to take that job. He thinks he is not made for that and that is just a fact of life that we have to deal with.

Also might I say that some of the jobs that we are talking about today in kitchens, cleanup boy, busboy, thank goodness they have opened up for us to some of the disabled and retarded in our city and our State. We have made a great effort, and they take those jobs and they find there is reward in the job not only of income but also in the fact that they have a job.

When you have a television going into everybody's home and everybody's bar showing how the good life is, what the good life really is all about, it is kind of hard to get excited about washing dishes. I know that it affects all of us. There is no doubt about it.

I asked my youngest son one time to get a job in the Empire Building. I said, "What are you?" He said, "I am a third cook." I said, "What do you do?" He said, "I wash dishes."

Well, titles make some difference, believe it or not; I guess they do. He was third cook and he washed more dishes between Chicago and Seattle than there were railroad ties. He also, by the way, got good pay, and that helps.

Yes, Ms. McDaniel?

Ms. McDANIEL. I would like to say that it was not a matter of pride. I kind of feel like that is what some people think. I was working before as a case worker and I was not too proud to go back and ask for \$85 a month for myself, my son, and my husband. So, it was not that at all. But it was that I knew there were jobs open that I was qualified for, and I could not see why if I had a felony conviction I could not have one of them. That is all it was.

Chairman HUMPHREY. Good. Very good.

We have had a good exchange here today. There are a lot of things that people keep covered up.

Like the Congressman said, in all candor I asked the question about supervision of some of the youth programs, because I have seen some very lousy youth supervision and I am a strong proponent of some youth programs, yet I do not think that a work training experience is sitting on your duff or figuring out how many ways you can get to work late and how you can leave early. But that happens sometimes, and it is a result of poor supervision.

Mr. Cook, Mr. Jamerson, Ms. Bailey, is there any one of you who wishes to make a further comment? I missed out on you earlier. I know that you did make a contribution here. Is there anything that you would like to say?

Do not hesitate. We are just folks.

[No response.]

Chairman HUMPHREY. What are you doing, Mr. Cook? I am interested.

Mr. COOK. I paint murals.

Chairman HUMPHREY. Murals. Well, let me tell you, if I had my way, we would have a whole lot of folks like you doing a whole lot more. You know, most of our public buildings look like warehouses. We ought to have, instead of all of this art stuff in museums, it ought to be in or buildings where people come and go all of the time.

Mr. COOK. The interesting thing is we have had very few comments against spending money personally to me, against spending money on art projects. In fact, I have gotten incredible amounts of enthusiasm in the areas where we have painted murals and have found relayed enthusiasm through other sources. It is just really interesting that something that is considered a luxury to society, people actually enjoy and do not seem to mind spending the money for.

Chairman HUMPHREY. Take a person like yourself. In many of our smaller communities there are just hundreds of people who would like to do something in the arts fields, they really would—everything from painting to well, you know, water colors, murals, needlepoint, what have you. If we had people that are presently unemployed that are capable in these fields and available at just a little center, and I have seen it happen, you would draw in all at once 50 or 100 people around who really want to participate.

I have watched out in the rural communities in Minnesota how someone who comes through there and knows something about drama or music is able to put together a community theater right out of thin air. There are people out there, many of whom have been to high school and some of them have been to community colleges, some have gone to larger universities and colleges, and they are bored with a lot of their lives.

When I think of the number of unemployed teachers, that if we could have put some of those unemployed teachers to work with youngsters, for example, who want to do something in your field, or to work with adults, we could have many happier communities by far. I know of one little creative arts center out in central Minnesota that happened just like this that is blossoming. They have people waiting to get in. They have one teacher, and it was under a CETA program.

Mr. COOK. The interesting thing in terms of where I went to college, only about 2 percent of the graduating class after about 5 years ended up doing any art work or working in art-related fields. Most of them to survive have to do something totally different than what they were trained in. So I consider it a luxury for me at this point that I got this position.

But in addressing you, Congressman Pike, I would be willing to wash dishes given a survival situation, and I would have run into that very quickly, as I had said in my statement, in terms of my own savings running out. That does not necessarily mean that I would not be willing to do that, but if the Government is going to provide me with something like this, I would take this opportunity first. I would be a fool not to.

Chairman HUMPHREY. You are a smart man. [General laughter.] I believe we have covered as much as we can this morning.



I want to express to Mayor Schaefer, Mr. Meadows, Mr. Wheeler, to your associates, all of you who have come here, our thanks.

This record will be passed along to the Labor and Public Welfare Committees of the House and of the Senate, Labor and Education Committee of the House, Labor and Public Welfare of the Senate, as supporting evidence for the kind of programs with which you are involved.

If you know of other areas that are doing well, we would appreciate any information from you about this. We have had a good variety today, from Baltimore, Newark, and Columbus. These are cities of different size, with different constituencies.

Thank you all very much.

[Whereupon, at 12:15 p.m., the committee adjourned, subject to the call of the Chair.]

