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Metro/Nonmetro Program Performance Under Title II-A, Job Training Partnership Act

John M. Redman

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Abstract

The Job Training Partnership Act Title II-A program is the main Federal effort to enhance the employability of economically disadvantaged youths and adults. This report compares metro and nonmetro program performance during program years (PY) 1986 and 1987 (July 1986 through June 1988). During this period, better than average program performance and lower unit costs were more likely to be found in training programs in nonmetro or predominantly nonmetro areas than in metro or predominantly metro areas. Despite this relatively good performance, about a third of those who completed the nonmetro programs were still unemployed 13 weeks after completing training, and many who did find employment ended up in low-paying jobs.

Keywords: Job Training Partnership Act, nonmetro economics, rural economics, disadvantaged persons, unemployed.

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Summary

The Job Training Partnership Act (JTPA) Title II-A program is the main Federal effort to enhance the employability of economically disadvantaged youths and adults. It is of particular importance to the many communities with no other ongoing source of training funds and whose local revenue bases are too small to support sustained independent job-training efforts.

This report provides basic comparative data on metro and nonmetro program activity during program years (PY) 1986 and 1987 (July 1986 through June 1988). Since no such comparative work has previously been done, the analysis may prove of particular use to those working in rural economic development.

During PY87, there were 610 Service Delivery Areas (SDA's), which were the program's local adminstrative units. Of these 610 SDA's, 261 (43 percent) were entirely in metro areas (called metro SDA's). Another 129 (about 21 percent) were wholly in nonmetro areas (nonmetro SDA's). The remaining 220 (36 percent) contained both metro and nonmetro areas. Of these, 136 (22 percent of the 610) had less than half of their population living in nonmetro areas (metro dominant SDA's). The other 84 SDA's (14 percent of the 610) had more than half of their population living in nonmetro areas (nonmetro dominant SDA's).

Most program activity was concentrated in fewer than 20 States. Among the nonmetro dominant and nonmetro SDA's, 17 States accounted for two-thirds of the program "terminees" (participants who completed training or otherwise left the program). Ten of the 14 largest overall State programs were among these 17.

The typical program was of similar size (measured in terms of costs and number of terminees) in the metro, metro dominant, and nonmetro dominant SDA categories. The average nonmetro program was considerably smaller.

There was a smooth decline from metro to metro dominant to nonmetro dominant to nonmetro SDA's in average population density and prevailing wage rates and a smooth increase in unemployment and poverty rates.

The socioeconomic characteristics of adult terminees (those 21 and over) differed somewhat between metro SDA's and the other three SDA's. Metro SDA's had above-average percentages of post-high school attendees, minorities, single heads of household, persons with special problems, persons not previously in the labor force, and welfare recipients. Metro dominant, nonmetro dominant, and nonmetro SDA's were generally similar in adult terminee profile. This same pattern of characteristics generally applied to adult terminees receiving Aid to Families with Dependent Children and to youth terminees, although metro SDA youth tended to have less education than youth terminees in other SDA's.

Unit program costs appear to be absolutely higher in metro SDA's. These higher costs are not associated with higher entered employment rates, followup employment rates, or terminee earnings as a percentage of prevailing earnings levels. Such costs are, in fact, associated with somewhat lower values on these measures, even after adjustment for program size. Thus from the performance measures available from SDA information, it appears that the metro SDA's require considerably greater financial input than others to achieve comparable program outcomes. No information is available regarding the specific sources of this cost differential.

For those who work with rural development, the findings suggest that good program performance and relatively low unit cost are more likely in nonmetro dominant and nonmetro SDA's. Of particular note is the generally lower cost per terminee. These lower unit costs mean that a dollar of funding to the more rural SDA's goes somewhat farther than it does in the metro SDA's.

Despite this relatively good performance, there is much room for concern regarding the nonmetro dominant and nonmetro program outcomes. About a third of the terminees in nonmetro dominant and nonmetro SDA's were unemployed 13 weeks after completing training. Moreover, many who do find employment end up in low-paying jobs. In 53 percent of the nonmetro dominant and nonmetro SDA's, for example, terminees who entered employment upon completion of their training received, on average, a wage of less than $5 per hour. In only 5 percent of these SDA's did the average wage exceed $6 per hour. Even at $6 per hour, full-time employment would provide a family of four that had only one worker with an income barely exceeding the Federal poverty threshold of about $12,000.

Metro/Nonmetro Program Performance Under Title II-A, Job Training Partnership Act

John M. Redman

Introduction

This report provides basic comparative data on nonmetro and metro program activity under Title II-A of the Job Training Partnership Act (JTPA) during program years (PY) 1986 and 1987 (July 1986 through June 1988). Since no such comparative work has previously been done, the analysis may prove of particular use to those working in the field of rural economic development.

The report aims to answer four important questions:

1. What portion of Title II-A program activity takes place in nonmetro areas and where, geographically, is that activity concentrated?

2. How do the socioeconomic characteristics of the local program administrative units (the service delivery areas) differ between metro and nonmetro areas?

3. How do participant characteristics in more rural areas compare with those in more metropolitan areas?

4. How do program outcomes (such as placement rates or costs) compare in metro and nonmetro areas?

Overview of the JTPA Title II-A Program

The Title II-A program, technically titled "Training Services for the Disadvantaged: Adult and Youth Programs," was authorized in 1982 as part of the original Job Training Partnership Act legislative package. This package also included summer youth employment and training programs (Title II-B), employment and training services for dislocated workers (Title III), services for native Americans and migrant and seasonal farmworkers (Title IV-A), the Job Corps (Title IV-B), and veterans' employment programs (Title IV-C).

Administered by the U.S. Department of Labor (DoL), Title II-A is the major Federal program designed to enhance the employability of the economically disadvantaged through training services.

Total local expenditure of Federal funds under Title II-A was about $1.6 billion in PY87.

The definition of economically disadvantaged used to determine an individual's eligibility for Title II-A services is given in the legislation, which specifies six different categories of eligibles:

1. An individual who receives, or who is a member of a family that receives, cash welfare payments under a Federal, State, or local welfare program. These programs include Aid to Families with Dependent Children (AFDC), General Assistance, and Refugee Assistance.

2. Individuals whose total family income[1] for the 6 months prior to program application was less than the poverty level or less than 70 percent of the "lower living standard" income level,[2] whichever is higher.

3. An individual receiving food stamps.

4. A homeless person, as defined under the McKinney Homeless Assistance Act.

5. A foster child on whose behalf State or local government payments are made.

6. Low-income handicapped individuals whose own income is less than the income thresholds in number 2 above, but whose family income exceeds those thresholds.

Title II-A funds are provided as block grants to the States, which administer the JTPA. The program's local administrative districts are termed service delivery areas or SDA's. The State is allowed broad discretion in defining SDA boundaries. This has resulted in wide variation across States in the number of SDA's

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[1]Exclusive of unemployment compensation, child support payments, and welfare payments.

[2]The "lower living standard income" is defined in the legislation as "that income level (adjusted for regional, metropolitan, urban and rural differences and family size) determined annually by the Secretary [of Labor] based on the most recent 'lower living family budget' issued by the Secretary." This budget, in turn, was developed by the Bureau of Labor Statistics (BLS) as an alternative measure of poverty level income. Its computation was discontinued several years ago, however. The annual adjustments called for by the legislation are thus adjustments to the last budget issued by BLS. Caseworkers at the service delivery areas are provided both poverty line and lower living standard income levels for assessing individual eligibility. The eligibility determination is then made by applying the higher of the two measures to the individual's reported family income.

within the State and the average SDA population. There were 610 SDA's in PY87.

The amount allotted to each State is determined by a formula that allocates two-thirds of available funds on the basis of relative unemployment levels[3] and one-third on the basis of the number of disadvantaged persons in each State. Seventy-eight percent of block grant funding received by each State must be allocated to the SDA's by the same formula used to distribute funds across the States. These funds are termed basic formula funds. The remaining 22 percent is available for State set-aside activities:[4]

1. Eight (of the 22) percent to State education agencies for education and training services to eligible participants through cooperative agreements.

2. Six percent for (a) incentive grants to SDA's that exceed program performance standards and (b) technical assistance to SDA's.

3. Five percent for auditing and general program administration.

4. Three percent for special training for persons aged 55 and over who are economically disadvantaged.

Of the basic Title II-A formula funds received by the SDA from the State, 70 percent must be spent on training. Of the remaining 30 percent, no more than 15 percent may be spent for administrative costs. The other 15 percent is for support services for program participants (such as child care costs or transportation). Forty percent of the dollars received must be

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[3]In fact, there are two unemployment-based measures. Each is used to allocate one-third of total program funding among the States. The first measure is defined as "the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States." An area of substantial unemployment is defined, in turn, as "any area of sufficient size and scope to sustain a program under part A of Title II of the Act and which has an average rate of unemployment of at least 6.5 percent for the most recent twelve months as determined by the Secretary [of Labor]." The second unemployment measure is "the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States." Excess number means the "...number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State ..." or "...the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in each State."

[4]There is no information at the national level on how these set-aside funds are allocated between metro and nonmetro areas.

spent on youth programs and up to 10 percent may be spent on nondisadvantaged individuals with other important barriers to employment (such as the handicapped or ex-offenders).

Within the SDA, the Private Industry Council (PIC) is the chief administrative unit. The PIC is "to provide policy guidance for, and exercise oversight with respect to, activities under the job training plan for its service delivery area in partnership with the unit or units of general local government within its service delivery area" (Sec 103(a) of the act). A majority of the PIC membership consists of representatives of the private sector, but it must also have local representation from organized labor, educational and rehabilitation agencies, community-based organizations, local economic development agencies, and the public employment service. This membership blend is intended to promote close program ties to the private business community, while maintaining direct input from other key institutions.

The PIC must work closely with local elected officials because any plan it develops must be approved by the chief elected official(s) of each general unit of government within the SDA or by their representative(s). The plan must, in addition, be reviewed and approved by the governor. This rather elaborate process is intended to produce a plan that has received broad review and political support and thus stands a good chance of effective, sustained implementation.

Besides approving the local plans, the governor has primary responsibility for ongoing administrative oversight. The governor also manages the State set-aside programs.

The JTPA program was one of the first Federal training programs to establish specific program performance standards for each local administrative unit, in this case the SDA. Every 2 program years, a general national model (developed by DoL) establishes for each of several measures of SDA performance (for example, the "entered employment rate") an SDA-specific standard for that measure (for example, 68 percent). These standards are based on the actual experience of all SDA's over the previous program year and make allowance for variation among SDA's in local socioeconomic and participant characteristics (such as prevailing wage and unemployment rates or age, race, and education of participants). For example, SDA's with a greater than average percentage of participants 55 years and over are allowed, other things being equal, somewhat less stringent program cost standards. This is based on the empirical finding that higher costs tend to be associated with the training of older workers. On each measure of performance, approximately 75 percent of the SDA's are expected to exceed the specific standards supplied by the model. The values actually attained by SDA's on these performance measures are examined in the report to help assess relative metro/nonmetro program performance.

During the 2 program years examined in this study, the Title II-A program used seven performance measures. The number of measures was expanded to 12 in PY88.

The SDA-specific standard generated by the DoL model for each performance measure can be adopted directly by the individual States for each of their SDA's or modified by the governors to better reflect local conditions. Any such adjustment, which must be applied equally to all SDA's within the State, will lead to differences between the values generated by the DoL model and those actually applied at the SDA level by the individual State.

If an SDA fails to satisfy final performance standards as set by the governor, it may receive technical assistance to help it improve performance. However, if an SDA falls short a second year, the governor "shall impose a reorganization plan" (Sec. 106 (h) of JTPA). This plan may restructure the local administrative organization (including the PIC) and/or prohibit use of the current service providers.

Table 1 provides basic information on the PY86 organizational structure and size of SDA's on a State-by-State basis.[5] A review of these structures suggests that States have taken five basic approaches[6] to defining their SDA jurisdictions. These approaches are:

1. The single-State SDA--All areas in the State are in one SDA. These SDA's had, on average, about 2-1/2 times the U.S. mean SDA population.

2. The modified single-State SDA--Most of the physical area of the State is in a single SDA, but selected metro areas are designated as separate SDA's. The average SDA population in these States is about 1-1/2 times the U.S. mean.

3. County-based SDA's--SDA jurisdictional boundaries are defined exclusively in terms of county boundaries. The number of counties in each SDA varies widely within and

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[5]Program data for PY 86 and PY 87 were obtained from the U.S. Department of Labor. The program year runs from July 1 through June 30 with PY87 ending on June 30, 1988. Data are reported to DoL by the individual States. The States, in turn, receive data from each of the local SDA's, the program's basic administrative unit. The standard reporting form used by all SDA's is called the JTPA Annual Status Report (JASR), which provides information on activity levels, participant characteristics, and program cost. Population data used in this report to estimate the percentage of an SDA's total population that was nonmetro in 1986 are county- and Minor Civil Division (MCD)-level estimates from the Bureau of the Census. Counties were designated as metro or nonmetro depending on whether they were within a Metropolitan Statistical Area (MSA) as defined by the Office of Management and Budget (OMB) in 1983.

[6]These categories were developed by the author for descriptive purposes only. There are no such regulatory definitions.

Table 1—Organizational and size characteristics of SDA's by State, PY86

SDA organization	PY86 number of SDA's	1986 State population	Mean pop. per SDA	Mean pop. per SDA type
		Number		
Single-State SDA's:	7			1,010,000
Delaware	1	632,700	632,700	
Dist. Columbia	1	626,100	626,100	
North Dakota	1	679,300	679,300	
South Carolina	1	3,375,300	3,375,300	
South Dakota	1	708,000	708,000	
Vermont	1	541,100	541,100	
Wyoming	1	507,500	507,500	
Modified single-State SDA's:	28			609,574
Alabama	3	4,052,300	1,350,767	
Alaska	3	533,600	177,867	
Maine	2	1,173,600	586,800	
Mississippi	3	2,625,500	875,167	
Montana	2	818,800	409,400	
Nebraska	3	1,597,800	532,600	
Nevada	2	963,200	481,600	
New Hampshire	2	1,026,900	513,450	
New Mexico	3	1,479,800	493,267	
Rhode Island	3	975,000	325,000	
West Virginia	2	1,918,800	959,400	
County-based SDA's:	155			310,678
Colorado	10	3,266,700	326,670	
Hawaii	4	1,062,300	265,575	
Idaho	6	1,002,500	167,083	
Indiana	17	5,503,600	323,741	
Iowa	16	2,850,800	178,175	
Kansas	5	2,460,400	492,080	
Kentucky	9	3,727,900	414,211	
Maryland	10	4,463,300	446,330	
North Carolina	26	6,331,600	243,523	
Tennessee	14	4,802,900	343,064	
Utah	9	1,665,300	185,033	
Washington	12	4,462,500	371,875	
Wisconsin	17	4,784,800	281,459	
Modified county-based SDA's:	396			375,674
Arizona	16	3,279,700	204,981	
Arkansas	10	2,372,200	237,220	
California	51	26,981,000	529,039	
Florida	24	11,674,900	486,454	
Georgia	18	6,104,300	339,128	
Illinois	26	11,553,200	444,354	
Louisiana	17	4,501,300	264,782	
Michigan	26	9,144,600	351,715	
Minnesota	17	4,213,900	247,876	
Missouri	15	5,066,000	337,733	
New Jersey	17	7,619,600	448,212	
New York	34	17,772,100	522,709	
Ohio	30	10,752,500	358,417	
Oklahoma	12	3,305,600	275,467	
Oregon	7	2,697,900	385,414	
Pennsylvania	28	11,889,200	424,614	
Texas	34	16,682,100	490,650	
Virginia	14	5,787,200	413,371	
Town-based SDA States:	24			371,547
Connecticut	9	3,188,700	354,300	
Massachusetts	15	5,831,900	388,793	
U.S. total, 1986	610	241,037,800	395,144	

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

between States. Average SDA size in these States was about 80 percent of the U.S. mean.

4. Modified county-based SDA's--SDA's are defined principally by county boundary, but selected urbanized areas within individual counties, such as a large city, are designated as separate SDA's. The balance of the affected counties are placed in different SDA's. Average SDA size was slightly below the national mean.

5. Town-based SDA's--Connecticut and Massachusetts define their SDA's principally in terms of town rather than county boundaries. SDA average size was also slightly below the national mean.

No one has examined SDA jurisdictional boundaries across the Nation to see how closely they correspond to local labor market areas.

Distribution of Program Activity by State and SDA Type

Tables 2, 3, and 4 present data regarding the distribution of program activity by what I call SDA type. These categories are defined in terms of the percentage of total 1986 SDA population living in nonmetro areas. Four types[7] were defined as follows:

1. Metro--Zero percent of the SDA population living in nonmetro areas.

2. Metro dominant--0.01 to 49.99 percent of the SDA population living in nonmetro areas.

3. Nonmetro dominant--50 to 99.99 percent of the SDA population living in nonmetro areas.

4. Nonmetro--100 percent of the population living in nonmetro areas.

Program activity is presented in terms of the total number of all-adult terminees, the number of welfare-adult terminees, and the number of youth terminees.[8] "Terminee" is a program term used to denote a person who completed training or otherwise left an SDA program without completing training. Welfare-adult terminees are a subset of all adult terminees. Specifically, they are adult terminees who had been receiving welfare upon entry into the program. Youth terminees are terminees who are less than 21 years of age when they entered the program. Though

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[7]These categories were also developed for this study only. There are no such regulatory definitions.

[8]Data on the number of terminees and on program cost measures are from the JTPA Annual Status Report (JASR) data provided by the Department of Labor.

Table 2--Distribution of PY87 adult terminees by State, by SDA type, ranked by sum of terminees in nonmetro and nonmetro dominant SDA's

State	Total terminees	Total terminees per SDA type				Terminee percent of State total				Sum of nonmetro & nonmetro dominant terminees	Percent of total	Cumulative percent
		Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129	Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129			
	Number					Percent				Number	Percent	
Mississippi	10,155	1,291	0	8,864	0	13	0	87	0	8,864	6.7	6.7
North Carolina	12,000	3,203	1,555	3,249	3,993	27	13	27	33	7,242	5.5	12.2
Tennessee	11,928	1,954	3,926	3,223	2,825	16	33	27	24	6,048	4.6	16.7
Arkansas	7,118	163	1,022	2,856	3,077	2	14	40	43	5,933	4.5	21.2
Kentucky	8,254	1,075	1,549	4,746	884	13	19	57	11	5,630	4.3	25.5
Wisconsin	10,415	2,886	2,076	3,790	1,663	28	20	36	16	5,453	4.1	29.6
Michigan	23,312	13,222	4,717	1,188	4,185	57	20	5	18	5,373	4.1	33.7
Louisiana	11,700	4,425	2,264	3,550	1,461	38	19	30	12	5,011	3.8	37.5
Ohio	25,176	13,018	7,452	2,560	2,146	52	30	10	9	4,706	3.6	41.0
Illinois	25,610	14,696	6,223	459	4,232	57	24	2	17	4,691	3.5	44.6
Indiana	10,753	2,842	3,548	3,654	709	26	33	34	7	4,363	3.3	47.9
Missouri	9,659	3,966	1,379	1,153	3,161	41	14	12	33	4,314	3.3	51.1
Oklahoma	6,734	2,423	0	2,844	1,467	36	0	42	22	4,311	3.3	54.4
Texas	25,166	10,847	10,156	2,928	1,235	43	40	12	5	4,163	3.1	57.5
Minnesota	9,799	3,075	2,641	2,978	1,105	31	27	30	11	4,083	3.1	60.6
West Virginia	4,778	374	325	4,079	0	8	7	85	0	4,079	3.1	63.7
Georgia	8,946	2,469	2,539	2,796	1,142	28	28	31	13	3,938	3.0	66.7
Virginia	7,083	1,122	2,319	2,861	781	16	33	40	11	3,642	2.8	69.4
New York	34,356	30,445	378	1,412	2,121	89	1	4	6	3,533	2.7	72.1
Pennsylvania	20,134	12,049	4,821	1,351	1,913	60	24	7	10	3,264	2.5	74.6
Oregon	7,135	3,290	874	0	2,971	46	12	0	42	2,971	2.2	76.8
California	33,387	27,389	3,138	0	2,860	82	9	0	9	2,860	2.2	79.0
Iowa	5,961	0	3,129	365	2,467	0	52	6	41	2,832	2.1	81.1
South Dakota	2,318	0	0	2,318	0	0	0	100	0	2,318	1.8	82.9
Arizona	5,111	2,873	0	0	2,238	56	0	0	44	2,238	1.7	84.6
Washington	9,413	4,650	2,545	1,348	870	49	27	14	9	2,218	1.7	86.2
Montana	1,936	0	0	1,530	406	0	0	79	21	1,936	1.5	87.7
Idaho	2,639	0	758	0	1,881	0	29	0	71	1,881	1.4	89.1
Kansas	2,652	235	585	1,298	534	9	22	49	20	1,832	1.4	90.5
Colorado	6,935	4,300	1,019	0	1,616	62	15	0	23	1,616	1.2	91.7
Maine	1,787	182	0	1,605	0	10	0	90	0	1,605	1.2	92.9
New Mexico	2,195	717	0	1,385	93	33	0	63	4	1,478	1.1	94.1
Nebraska	2,182	662	150	1,370	0	30	7	63	0	1,370	1.0	95.1
Vermont	1,219	0	0	1,219	0	0	0	100	0	1,219	.9	96.0
North Dakota	982	0	0	982	0	0	0	100	0	982	.7	96.7
Wyoming	960	0	0	960	0	0	0	100	0	960	.7	97.5
Utah	2,711	118	1,742	0	851	4	64	0	31	851	.6	98.1
Alaska	818	0	278	0	540	0	34	0	66	540	.4	98.5
New Hampshire	568	75	0	493	0	13	0	87	0	493	.4	98.9
Florida	21,560	10,953	10,126	0	481	51	47	0	2	481	.4	99.3
Maryland	8,779	7,481	824	120	354	85	9	1	4	474	.4	99.6
Hawaii	1,205	859	0	0	346	71	0	0	29	346	.3	99.9
Connecticut	2,663	1,898	610	155	0	71	23	6	0	155	.1	100.0
South Carolina	5,945	0	5,945	0	0	0	100	0	0	0	0	100.0
Rhode Island	1,000	653	347	0	0	65	35	0	0	0	0	100.0
New Jersey	7,732	7,732	0	0	0	100	0	0	0	0	0	100.0
Nevada	1,675	0	1,675	0	0	0	100	0	0	0	0	100.0
Massachusetts	4,606	4,079	527	0	0	89	11	0	0	0	0	100.0
District of Columbia	1,788	1,788	0	0	0	100	0	0	0	0	0	100.0
Delaware	1,156	0	1,156	0	0	0	100	0	0	0	0	100.0
Alabama	9,816	3,531	6,285	0	0	36	64	0	0	0	0	100.0
Total	441,910	209,010	100,603	75,689	56,608	47	23	17	13	132,297		

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 3—Distribution of PY87 welfare adult terminees by State, by SDA type, ranked by sum of terminees in nonmetro and nonmetro dominant SDA's

State	Total welfare terminees	Total terminees per SDA type				Terminee percent of State total				Sum of nonmetro & nonmetro dominant terminees	Percent of total	Cumulative percent
		Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129	Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129			
	Number					Percent				Number	Percent	
Michigan	10,267	5,422	2,406	486	1,953	53	23	5	19	2,439	7.2	7.2
Wisconsin	4,694	1,574	975	1,488	657	34	21	32	14	2,145	6.3	13.5
Ohio	11,337	6,250	2,973	1,181	933	55	26	10	8	2,114	6.2	19.7
Mississippi	1,875	135	0	1,740	0	7	0	93	0	1,740	5.1	24.8
Minnesota	4,720	1,668	1,352	1,263	437	35	29	27	9	1,700	5.0	29.8
New York	10,899	9,016	191	608	1,084	83	2	6	10	1,692	5.0	34.8
North Carolina	2,743	696	390	687	970	25	14	25	35	1,657	4.9	39.7
Illinois	9,787	5,981	2,216	143	1,447	61	23	1	15	1,590	4.7	44.3
West Virginia	1,552	126	122	1,304	0	8	8	84	0	1,304	3.8	48.2
Pennsylvania	7,703	4,845	1,755	457	646	63	23	6	8	1,103	3.2	51.4
California	10,687	8,895	786	0	1,006	83	7	0	9	1,006	3.0	54.4
Tennessee	2,074	415	667	491	501	20	32	24	24	992	2.9	57.3
Arkansas	1,119	27	134	531	427	2	12	47	38	958	2.8	60.1
Missouri	1,876	763	193	241	679	41	10	13	36	920	2.7	62.8
Georgia	2,148	621	631	566	330	29	29	26	15	896	2.6	65.5
Texas	4,915	2,190	1,851	662	212	45	38	13	4	874	2.6	68.0
Iowa	1,854	0	1,013	140	701	0	55	8	38	841	2.5	70.5
Virginia	1,866	376	703	642	145	20	38	34	8	787	2.3	72.8
Louisiana	1,769	704	296	506	263	40	17	29	15	769	2.3	75.1
Kentucky	1,143	190	232	584	137	17	20	51	12	721	2.1	77.2
Oklahoma	1,064	344	0	469	251	32	0	44	24	720	2.1	79.3
Washington	3,045	1,535	878	387	245	50	29	13	8	632	1.9	81.2
Oregon	1,358	604	145	0	609	44	11	0	45	609	1.8	83.0
Indiana	1,505	452	487	483	83	30	32	32	6	566	1.7	84.6
Montana	560	0	0	407	153	0	0	73	27	560	1.6	86.3
Vermont	487	0	0	487	0	0	0	100	0	487	1.4	87.7
Maine	537	69	0	468	0	13	0	87	0	468	1.4	89.1
Kansas	770	71	240	361	98	9	31	47	13	459	1.3	90.4
Arizona	1,358	903	0	0	455	66	0	0	34	455	1.3	91.8
South Dakota	351	0	0	351	0	0	0	100	0	351	1.0	92.8
Nebraska	630	252	36	342	0	40	6	54	0	342	1.0	93.8
Idaho	461	0	169	0	292	0	37	0	63	292	.9	94.7
Colorado	1,612	1,156	203	0	253	72	13	0	16	253	.7	95.4
North Dakota	220	0	0	220	0	0	0	100	0	220	.6	96.1
New Mexico	317	99	0	202	16	31	0	64	5	218	.6	96.7
Maryland	3,756	3,277	264	34	181	87	7	1	5	215	.6	97.3
Utah	692	26	465	0	201	4	67	0	29	201	.6	97.9
Wyoming	194	0	0	194	0	0	0	100	0	194	.6	98.5
New Hampshire	167	18	0	149	0	11	0	89	0	149	.4	98.9
Alaska	176	0	61	0	115	0	35	0	65	115	.3	99.3
Hawaii	344	255	0	0	89	74	0	0	26	89	.3	99.5
Florida	3,790	1,835	1,870	0	85	48	49	0	2	85	.2	99.8
Connecticut	1,264	963	227	74	0	76	18	6	0	74	.2	100.0
District of Columbia	155	155	0	0	0	100	0	0	0	0	0	100.0
Nevada	148	0	148	0	0	0	100	0	0	0	0	100.0
South Carolina	1,550	0	1,550	0	0	0	100	0	0	0	0	100.0
Delaware	386	0	386	0	0	0	100	0	0	0	0	100.0
Massachusetts	2,042	1,796	246	0	0	88	12	0	0	0	0	100.0
Rhode Island	415	285	130	0	0	69	31	0	0	0	0	100.0
New Jersey	2,797	2,797	0	0	0	100	0	0	0	0	0	100.0
Alabama	1,019	538	481	0	0	53	47	0	0	0		
Total	128,198	67,324	26,872	18,348	15,654	53	21	14	12	34,002		

Source: JTPA Annual Status Report data, as compiled by the U. S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 4—Distribution of PY87 youth terminees by State, by SDA type, ranked by sum of terminees in nonmetro and nonmetro dominant SDA's

State	Total youth terminees	Total terminees per SDA type				Terminee percent of State total				Sum of nonmetro & nonmetro dominant terminees	Percent of total	Cumulative percent
		Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129	Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129			
	Number					Percent				Number	Percent	
Mississippi	10,502	1,666	0	8,836	0	16	0	84	0	8,836	8.1	8.1
North Carolina	11,992	2,084	1,551	4,266	4,091	17	13	36	34	8,357	7.6	15.7
Kentucky	9,588	1,488	1,202	5,813	1,085	16	13	61	11	6,898	6.3	22.0
Tennessee	11,272	1,434	3,134	3,500	3,204	13	28	31	28	6,704	6.1	28.1
Louisiana	14,048	4,187	3,184	4,927	1,750	30	23	35	12	6,677	6.1	34.2
Arkansas	5,721	196	623	2,995	1,907	3	11	52	33	4,902	4.5	38.7
Wisconsin	8,267	2,397	1,886	2,476	1,508	29	23	30	18	3,984	3.6	42.3
Georgia	7,884	1,556	2,517	2,512	1,299	20	32	32	16	3,811	3.5	45.8
Illinois	23,415	14,539	5,100	238	3,538	62	22	1	15	3,776	3.4	49.2
Michigan	15,226	8,367	3,373	569	2,917	55	22	4	19	3,486	3.2	52.4
Ohio	21,803	13,098	5,529	1,322	1,854	60	25	6	9	3,176	2.9	55.3
Oklahoma	5,022	1,894	0	2,367	761	38	0	47	15	3,128	2.9	58.2
Texas	21,824	9,880	8,828	2,048	1,068	45	40	9	5	3,116	2.8	61.0
Missouri	7,249	3,387	854	954	2,054	47	12	13	28	3,008	2.7	63.8
Virginia	6,788	1,485	2,333	2,350	620	22	34	35	9	2,970	2.7	66.5
Indiana	7,511	2,273	2,660	2,087	491	30	35	28	7	2,578	2.4	68.8
California	29,704	25,411	1,719	0	2,574	86	6	0	9	2,574	2.3	71.2
Minnesota	5,443	1,904	988	1,803	748	35	18	33	14	2,551	2.3	73.5
West Virginia	2,799	233	109	2,457	0	8	4	88	0	2,457	2.2	75.8
New York	21,252	18,645	242	796	1,569	88	1	4	7	2,365	2.2	77.9
Pennsylvania	15,839	10,821	2,921	1,017	1,080	68	18	6	7	2,097	1.9	79.8
New Mexico	2,466	637	0	1,641	188	26	0	67	8	1,829	1.7	81.5
Oregon	4,853	2,689	382	0	1,782	55	8	0	37	1,782	1.6	83.1
Arizona	4,611	2,891	0	0	1,720	63	0	0	37	1,720	1.6	84.7
Iowa	3,993	0	2,294	205	1,494	0	57	5	37	1,699	1.6	86.2
Washington	7,099	3,564	1,889	1,047	599	50	27	15	8	1,646	1.5	87.7
Kansas	2,472	577	365	1,012	518	23	15	41	21	1,530	1.4	89.1
South Dakota	1,403	0	0	1,403	0	0	0	100	0	1,403	1.3	90.4
Colorado	4,446	2,583	530	0	1,333	58	12	0	30	1,333	1.2	91.6
Idaho	1,766	0	504	0	1,262	0	29	0	71	1,262	1.2	92.8
Maine	1,248	59	0	1,189	0	5	0	95	0	1,189	1.1	93.9
Montana	1,126	0	0	903	223	0	0	80	20	1,126	1.0	94.9
Vermont	851	0	0	851	0	0	0	100	0	851	.8	95.7
Nebraska	1,075	263	46	766	0	24	4	71	0	766	.7	96.4
Wyoming	684	0	0	684	0	0	0	100	0	684	.6	97.0
Maryland	5,799	4,506	728	190	375	78	13	3	6	565	.5	97.5
Alaska	894	0	354	0	540	0	40	0	60	540	.5	98.0
North Dakota	494	0	0	494	0	0	0	100	0	494	.5	98.5
Utah	1,537	106	975	0	456	7	63	0	30	456	.4	98.9
New Hampshire	557	105	0	452	0	19	0	81	0	452	.4	99.3
Florida	14,936	7,663	6,939	0	334	51	46	0	2	334	.3	99.6
Hawaii	1,401	1,132	0	0	269	81	0	0	19	269	.2	99.8
Connecticut	2,138	1,418	546	174	0	66	26	8	0	174	.2	100.0
Rhode Island	831	588	243	0	0	71	29	0	0	0	0	100.0
Massachusetts	3,015	2,607	408	0	0	86	14	0	0	0	0	100.0
Delaware	987	0	987	0	0	0	100	0	0	0	0	100.0
Nevada	2,091	0	2,091	0	0	0	100	0	0	0	0	100.0
New Jersey	2,797	2,797	0	0	0	100	0	0	0	0	0	100.0
South Carolina	5,926	0	5,926	0	0	0	100	0	0	0	0	100.0
District of Columbia	362	362	0	0	0	100	0	0	0	0	0	100.0
Alabama	9,164	3,221	5,943	0	0	35	65	0	0	0	0	100.0
Total	354,171	164,713	79,903	64,344	45,211	47	23	18	13	109,555		

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

they may be receiving welfare support, they are included in the youth rather than welfare-adult category.

In PY87, there were 261 metro SDA's and 129 nonmetro SDA's. The remaining 220 SDA's were distributed evenly between these two extremes. Metro SDA's accounted for slightly less than half of the all-adult and youth terminees and a little more than half of the welfare-adult terminees. Nonmetro SDA's accounted for about one-eighth of the terminees in each group.

Tables 2, 3, and 4 are arranged by State according to the sum of their terminees in nonmetro and nonmetro dominant SDA's. This ordering was chosen to highlight States with the largest programs in predominantly nonmetro areas. Seventeen States, located almost exclusively in the Southeast and industrial Midwest, accounted for two-thirds of the total terminees in these two SDA types. Ten of the 14 largest overall programs were in these 17 States.

Alabama and South Carolina are anomalies within this classification scheme. Each State has sizeable nonmetro populations served by single, geographically extensive SDA's with populations more than 50 percent metropolitan. Consequently, these two States show no terminees in either the nonmetro or nonmetro dominant categories despite large aggregate nonmetro population percentages.[9]

Table 5 displays simple means for basic program characteristics by SDA type across all 610 SDA's. Program cost is a measure of Federal funds expended on training for each terminee group by the SDA during the program year. Separate cost data are collected only for all adults and for youth. Costs for welfare adults are not segregated from the all-adult total. The number of participants is the total number of people who were in the program during the program year whether or not they finished training. The difference between participants and terminees in a given program year is the number of people who were in the program at the end of the program year but who had not yet completed training. For example, if a person began training on June 1, 1986, but did not complete the program until August 1, 1986, he or she would be counted as a participant in both PY85 and PY86 and as a terminee in PY86.

The data in table 5 indicate that metro dominant and nonmetro dominant mean program cost and size were comparable with metro levels in both the all-adult and youth programs. Metro programs did, however, have a considerably higher average number of welfare-adult terminees. The average nonmetro program was considerably smaller on all measures than those in each of the other three SDA-type categories.

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[9]In PY88, South Carolina disaggregated its single SDA into several smaller SDA's. For the program year under study, however, there was but a single SDA for the entire State.

Table 5—Program cost and participation

Item	Unit	PY86 unweighted U.S. mean n=610	PY86 unweighted mean by SDA type: Metro n=262	Metro dominant n=135	Nonmetro dominant n=84	Nonmetro n=129	PY87 Unweighted U.S. mean n=610	PY87 unweighted mean by SDA type: Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129
Adult:											
Mean total program cost	Dollars	1,441,253 (1)	1,682,305 (1)	1,468,316	1,588,786	829,156	1,411,575	1,605,681	1,425,618	1,682,734	827,479
SDA type mean/U.S. mean	Ratio	1.00	1.17	1.02	1.10	.57	1.00	1.14	1.01	1.19	.59
Participants	Number	965	1,030	1,043	1,178	611	952	1,005	980	1,264	613
Terminees	Number	722	809	763	808	443	724	801	740	901	439
SDA type mean/U.S. mean	Ratio	1.00	1.12	1.06	1.12	.61	1.00	1.11	1.02	1.24	.61
Welfare:											
Mean total program cost	--	--	--	--	--	--	--	--	--	--	--
Participants	Number	291	347	294	294	171	292	342	279	325	179
Terminees	Number	205	255	203	188	117	210	258	198	218	121
SDA type mean/U.S. mean	Ratio	1.00	1.24	.99	.92	.57	1.00	1.23	0.94	1.04	.58
Youth:											
Mean total program cost	Dollars	1,028,314	1,182,717	1,093,976	1,191,589	539,685	1,052,453	1,187,563	1,100,698	1,300,833	566,493
SDA type mean/U.S. mean	Ratio	1.00	1.15	1.16	1.16	.52	1.00	1.13	1.05	1.24	.54
Participants	Number	763	837	802	952	448	762	805	798	1,029	462
Terminees	Number	575	659	584	669	332	587	645	588	766	350
SDA type mean/U.S. mean	Ratio	1.00	1.15	1.02	1.16	.58	1.00	1.10	1.00	1.30	.60

-- = Not Available.
(1) One SDA (which was a metro SDA) was dropped from the PY86 adult cost calculations because its reported value was far below all others.

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

SDA Socioeconomic Characteristics by SDA Type

Five socioeconomic measures, displayed in table 6, are contained in the SDA-level data provided by the U.S. Department of Labor. These estimates are made by DoL for modeling purposes and are not reported directly by the SDA's.

The socioeconomic data indicate a steady decline in population density from metro SDA's across the intermediate SDA types to the nonmetro SDA's. This is the expected finding. There is also consistent variation from metro through nonmetro on the four other variables. The more nonmetro the SDA type, the lower the prevailing wage rates and the higher the rates of unemployment and families in poverty.

Terminee Characteristics by SDA Type

Tables 7, 8, and 9 present the information contained in the JASR file regarding all-adult, welfare-adult, and youth terminee characteristics. The unweighted U.S. means and median values are displayed for each program year. The values presented for each SDA type are ratios of the category mean to the U.S. mean. The average metro SDA in PY86 had 12 percent more terminees than the unweighted mean number of terminees for all 610 SDA's (table 7).

In the all-adult category by SDA type (table 7), metro SDA's tended to have above-average percentages of post-high school attendees, minorities, single heads of household, persons with special problems (for example, limited English proficiency, handicapped, and ex-offenders), and persons previously not in the labor force. This latter characteristic was shared by the nonmetro dominant SDA's. Secondly, nonmetro and nonmetro dominant SDA's tended to have considerably higher than average percentages of whites and American Indians and lower percentages of single heads of household and ex-offenders. On the whole, however, metro dominant, nonmetro dominant, and nonmetro SDA's had a similar pattern of terminee characteristics. This pattern, in turn, differed significantly from that found in the typical metro SDA.

Characteristics of the adult-welfare terminees (table 8) followed this same general pattern. The one change of note is that the metro category's single heads of household percentage falls from somewhat above average to about average. This is not a surprising change since 90 percent of adult-welfare terminees in the average SDA were AFDC recipients and adult AFDC recipients are principally single heads of household. Metro SDA's did, however, have higher mean welfare-adult/all-adult ratios.

A major factor of interest among the youth terminees is that relative educational characteristics are the opposite of those in the adult population (table 9). Whereas all-adult and welfare-adult terminees in metro SDA's tended to have lower dropout and higher post-high school percentages, the metro youth population were opposite in these regards.

Table 6—Socioeconomic characteristics of service delivery areas by SDA type, PY86 and PY87

Measure	PY86 unweighted U.S. mean n=610	PY86 unweighted means by SDA type				PY87 unweighted U.S. mean n=610	PY87 unweighted means by SDA type			
		Metro n=262	Metro dominant n=135	Nonmetro dominant n=84	Nonmetro n=129		Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129
					Dollars					
Average yearly earnings per job, all sectors	17,540	19,310	17,150	15,810	15,470	18,167	20,120	17,670	16,300	15,950
Average yearly earnings per job, retail/wholesale	12,116	13,700	11,600	10,600	10,400	12,489	14,300	11,900	10,800	10,600
					Percent					
Unemployment rate	7.81	6.48	7.97	8.36	9.96	7.40	6.10	7.61	8.15	9.30
Percentage of families below the poverty level, 1980	9.59	8.00	9.50	11.40	11.80	9.59	8.00	9.50	11.40	11.80
					1,000 per square mile					
Population density	.74	1.61	.15	.06	.04	.74	1.61	.15	.06	.04

Note: Values for the percentage of families below the poverty level and for population density were one-time estimates and are the same for both program years.

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 7—Characteristics of adult terminees by SDA type, PY86 and PY87

Terminee characteristics	PY86 unweighted U.S. mean n=610	Median n=610	Ratio of PY86 unweighted mean by SDA type to PY86 unweighted U.S. mean: Metro n=262	Metro dominant n=135	Nonmetro dominant n=84	Nonmetro n=129	PY87 unweighted U.S. mean n=610	Median n=610	Ratio of PY87 unweighted mean by SDA type to PY87 unweighted U.S. mean: Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129
	----------Number----------		----------Ratio----------				----------Number----------		----------Ratio----------			
Adult terminees	722	493	1.12	1.06	1.12	.61	724	491	1.11	1.02	1.24	.61
	----------Percent----------						----------Percent----------					
Male	44.8	44.8	1.01	1.01	.99	.99	44.0	44.2	.99	1.02	.99	1.00
Female	55.2	55.2	1.00	1.00	1.01	1.00	56.0	55.8	1.00	.98	1.01	1.00
Aged 22-29	47.4	47.1	.99	.99	1.06	1.00	45.6	45.5	.99	.99	1.06	1.01
Aged 30-54	49.1	49.3	1.05	1.05	.97	1.03	50.5	50.7	1.01	1.01	.95	.99
Aged 55+	3.5	2.4	.98	.98	1.06	1.00	3.9	2.6	1.00	1.00	.97	1.05
School dropout	24.7	23.8	.95	1.03	1.08	1.02	25.1	24.1	.96	1.00	1.08	1.04
High school graduate	50.8	50.9	.98	1.00	1.05	1.01	50.2	50.5	.98	1.01	1.05	1.00
Post-high school attendee	24.0	22.5	1.09	.98	.81	.96	24.2	22.6	1.09	.99	.81	.97
White	64.4	68.1	.83	1.06	1.18	1.17	64.1	68.5	.83	1.07	1.18	1.16
Black	22.9	13.4	1.38	.96	.76	.41	23.1	14.5	1.38	.95	.78	.43
Hispanic	8.3	2.0	1.26	.92	.43	.94	8.5	2.2	1.26	.90	.43	.95
American Indian	2.0	.4	.44	.44	1.13	2.66	2.1	.4	.39	.49	1.12	2.63
Asian	2.3	.6	1.53	.51	.30	.89	2.3	.6	1.59	.44	.27	.88
Single head of household	30.4	29.5	1.08	1.00	.90	.91	31.3	30.3	1.08	.99	.92	.90
Limited English proficiency	3.4	1.0	1.49	.61	.26	.91	3.4	1.0	1.52	.58	.23	.90
Handicapped	9.6	8.2	1.10	.95	.91	.91	10.4	9.0	1.11	.94	.88	.93
Ex-offenders	8.4	7.0	1.14	1.05	.75	.84	8.4	6.8	1.16	1.04	.78	.79
Unemployment compensation claimant	10.2	9.7	1.03	.97	.98	.99	8.7	8.0	1.02	.99	.96	1.02
Unemployed 15 wks+	48.2	52.0	.99	1.01	1.02	1.01	49.4	52.6	1.01	1.01	.95	1.01
Not in labor force	12.4	8.0	1.13	.87	1.00	.88	13.8	9.0	1.07	.87	1.11	.91

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 8—Characteristics of adult welfare terminees by SDA type, PY86 and PY87

Terminee characteristics	PY86 unweighted U.S. mean n=610	Median n=610	Ratio of PY86 unweighted mean by SDA type to PY86 unweighted U.S. mean: Metro n=262	Metro dominant n=135	Nonmetro dominant n=84	Nonmetro n=129	PY87 unweighted U.S. mean n=610	Median n=610	Ratio of PY87 unweighted mean by SDA type to PY87 unweighted U.S. mean: Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129
	----------Number----------		----------Ratio----------				----------Number----------		----------Ratio----------			
Welfare terminees	205	132	1.24	.99	.92	.57	210	132	1.23	.94	1.04	.58
	----------Percent----------						----------Percent----------					
Ratio of welfare terminees to adult terminees	29.4	27.5	1.10	.96	.84	.95	30.3	28.3	1.11	.94	.84	.94
Male	22.3	20.4	1.00	.98	.91	1.09	21.6	44.2	1.00	.96	.87	1.13
Female	77.7	79.6	1.00	1.01	1.03	.97	78.4	55.8	1.00	1.01	1.04	.97
Aged 22-29	52.2	51.4	.98	1.00	1.04	1.00	50.5	45.5	.98	1.01	1.06	1.00
Aged 30-54	46.9	47.7	1.02	1.00	.95	.99	48.7	50.7	1.02	1.00	.94	1.00
Aged 55+	.8	0	1.13	1.01	1.01	.88	.8	2.6	1.18	.92	.79	.92
School dropout	30.2	29.6	.96	1.01	1.07	1.02	29.8	24.1	.97	.99	1.08	1.01
High school graduate	49.6	49.6	1.00	.99	1.01	1.00	49.6	50.5	1.00	1.00	1.02	.99
Post-high school attendee	19.5	17.6	1.06	1.01	.87	.97	20.1	22.6	1.05	1.01	.84	.99
Single head of household	65.1	67.3	1.03	1.02	.99	.92	66.0	68.5	1.01	1.03	1.03	.92
White	56.5	57.4	.81	1.03	1.18	1.23	56.9	14.5	.81	1.05	1.19	1.22
Black	30.6	18.8	1.31	1.04	.83	.45	30.5	2.2	1.31	1.01	.81	.49
Hispanic	8.3	1.8	1.24	.90	.47	.97	8.4	0.4	1.26	.89	.45	.96
American Indian	2.3	0	.38	.47	1.28	2.65	2.3	0.6	.39	.57	1.18	2.63
Asian	2.2	0	1.39	.56	.46	1.02	2.0	30.3	1.48	.56	.41	.97
Limited English	3.1	.7	1.39	.65	.45	.96	2.9	8.0	1.43	.70	.31	.94
Handicapped	6.3	4.8	1.07	.91	.91	1.00	6.2	52.6	1.08	.83	.88	1.11
Ex-offenders	5.8	4.9	1.08	1.01	.76	1.01	5.4	9.0	1.09	1.05	.76	.92
Unemployment compensation claimant	2.1	1.2	.93	.75	1.31	1.17	1.9	1.0	.96	.75	1.02	1.34
Unemployed 15 wks+	55.9	61.1	.98	.99	1.03	1.02	58.0	9.0	.99	1.01	.96	1.03
Not in labor force	19.6	12.7	1.09	.93	1.03	.86	20.9	6.8	1.06	.92	1.11	.89
Aid to families with dependent children (AFDC) recipients	88.5	92.5	.93	1.00	1.07	.98	86.4	93.2	.95	1.03	1.06	1.02

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 9—Characteristics of youth terminees by SDA type, PY86 and PY87

Terminee characteristics	PY86 unweighted U.S. mean n=610	Median n=610	Ratio of PY86 unweighted mean by SDA type to PY86 unweighted U.S. mean: Metro n=262	Metro dominant n=135	Nonmetro dominant n=84	Nonmetro n=129	PY87 unweighted U.S. mean n=610	Median n=610	Ratio of PY87 unweighted mean by SDA type to PY87 unweighted U.S. mean: Metro n=261	Metro dominant n=136	Nonmetro dominant n=84	Nonmetro n=129
	----------Number----------		----------Ratio----------				----------Number----------		----------Ratio----------			
Youth terminees	575	387	1.15	1.02	1.16	.58	587	386	1.10	1.00	1.30	0.60
	----------Percent----------						----------Percent----------					
Male	49.4	49.8	.98	1.01	1.02	1.02	49.2	49.5	.98	1.00	1.02	1.02
Female	50.6	50.2	1.02	.99	.98	.98	50.8	50.5	1.02	1.00	.98	.98
Aged 14-15	6.1	1.5	1.02	1.29	.79	.79	7.5	2.4	1.10	1.05	.80	.90
Aged 16-17	33.1	33.0	1.01	1.04	1.00	.95	33.8	33.9	1.03	.99	.96	.97
Aged 18-21	60.8	61.6	.99	.95	1.02	1.05	58.7	57.6	.97	1.00	1.05	1.03
School dropout	24.9	23.0	1.11	.96	.91	.89	25.1	22.9	1.14	.93	.93	.84
Student	39.8	39.9	.98	1.06	1.00	.98	41.9	43.2	.98	1.05	.98	1.01
High school graduate	28.6	27.4	.95	.98	1.07	1.08	26.7	25.3	.94	1.00	1.08	1.07
Post-high school attendee	6.8	5.2	.91	.93	1.05	1.22	6.3	5.0	.85	1.00	1.04	1.28
Head of household	10.6	9.4	1.11	.97	.81	.92	10.6	9.2	1.12	.98	.87	.86
White	58.2	62.2	.79	1.05	1.22	1.23	58.3	60.9	.79	1.07	1.22	1.21
Black	27.3	17.2	1.35	1.01	.79	.41	27.2	16.6	1.35	.99	.79	.44
Hispanic	9.9	1.8	1.28	.89	.41	.94	10.1	1.9	1.30	.87	.41	.91
American Indian	2.2	.3	.37	.51	1.21	2.70	2.1	.2	.38	.48	1.24	2.71
Asian	2.4	.5	1.08	.54	.25	.91	2.3	.4	1.50	.47	.26	1.03
Limited English	2.1	.6	1.37	.71	.28	1.04	2.1	.6	1.37	.71	.33	1.04
Handicapped	15.9	12.2	1.10	.99	.90	.86	17.6	13.6	1.10	1.00	.88	.89
Ex-offenders	6.9	5.5	1.05	1.06	.78	.97	6.8	4.8	1.11	1.02	.79	.89
Unemployment compensation claimant	1.7	1.3	.94	.88	1.18	1.18	1.4	.1	.90	.90	1.11	1.18
Unemployed 15 wks+	32.5	28.6	.97	1.07	.95	1.03	33.4	29.4	.99	1.07	.92	1.01
Not in labor force	38.9	39.7	1.03	.97	1.00	.97	41.6	42.1	1.01	.99	1.04	.96
Aid to families with dependent children (AFDC) recipients	20.1	18.7	1.13	1.01	.83	.84	20.1	18.6	1.12	1.01	.84	.88

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

The JASR data do not permit classification of individuals according to a set of two or more characteristics. As a result, analysis of relative terminee job readiness across SDA's cannot be performed on a more than speculative basis. For example, in the typical nonmetro SDA in PY87, 26 percent of the all-adult terminees were high school dropouts, 10 percent were black, and 28 percent were single heads of household. These data do not indicate, however, what percentage of single heads of household were also black and/or high school dropouts.[10]

Measures Of Program Performance

During PY86 and PY87, the Department of Labor used seven termination-based program performance measures to monitor individual SDA performance. Three measures apply to the all-adult terminee group, one to adult-welfare terminees, and three to youth terminees. The specific measures and their definitions are:

1. Adult entered employment rate--The percentage of all-adult terminees who found unsubsidized employment.

2. Adult cost per entered employment--The all-adult program cost divided by all-adult terminees who found unsubsidized employment.

3. Adult wage at placement--The mean hourly wage received by all-adult terminees entering unsubsidized employment immediately following termination.

4. Welfare-adult entered employment rate--The percentage of adult welfare terminees who found unsubsidized employment.

5. Youth entered employment rate--The percentage of all youth terminees who found unsubsidized employment.

6. Youth positive termination rate--The percentage of youth terminees who either found unsubsidized employment or

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[10]The General Accounting Office recently undertook an analysis of JTPA participant relative job readiness. (See Job Training and Partnership Act: Services and Outcomes for Participants with Differing Needs, GAO/HRD-89-52, June 1989). To obtain the data necessary required on-site review of individual records at 63 SDA's nationwide. This was an expensive, one-time effort and provided no information on different categories of SDA's, such as metro vs. nonmetro. But, even if job readiness data were available, the effect of JTPA training could not be rigorously estimated without reference to a local nonparticipant control group of socioeconomic profile similar to that of the local participant pool. There has been no systematic effort to establish such a control.

successfully completed a Youth Employability Enhancement program. Enhancement programs are curricula designed not to place youth in jobs but to improve labor market readiness through an upgrade of their analytical and social skills. These programs include basic education and preemployment work/maturity skill development.

7. Youth cost per positive termination--The total youth program cost divided by the total number of youth terminees who either entered unsubsidized employment at termination or successfully completed a Youth Employability Enhancement program.

Beyond these regulatory standards, six other termination-based measures are available from the JASR data:

- Average number of weeks in the program for all-adult terminees, welfare-adult terminees, and youth terminees.

- Average cost per week in the program for all-adult, welfare-adult, and youth terminees.

Six additional measures are available for PY87 from followup survey data on adult terminees collected by each SDA at 13 weeks after termination. (Youth followup is not required.) The purpose of followup is to measure changes in the experience of all-adult and welfare-adult terminees between termination and the 3-month period following termination. All terminees are to be contacted unless terminee populations are large enough to use sampling. Sampling must then be done according to guidelines outlined in the JASR instructions.

The followup items reported for each SDA for all-adult and welfare-adult terminee populations are:

- The percentage of respondents who were employed (full- or part-time) during the 13th full calendar week after termination.

- The average weekly earnings of those employed (full- or part-time) at followup.

- The average number of weeks worked by all respondents (both those who did and did not work) during the 13 full calendar weeks after termination.

One additional performance measure, the all-adult average cost per job held at followup, can be derived from these followup data. Average cost per job is calculated by dividing total program cost by the number of terminees working after 13 weeks. The number of terminees working is calculated by multiplying the percentage of respondents who were employed (full- or part-time) during the 13th week after termination by the total number of terminees.

Although they are not directly reported in the JASR data, values for nonwelfare-adult terminees (all-adult less welfare-adult terminees) can be derived for most adult terminee measures. Exceptions are the adult cost-related measures. Here, separate cost data are not available for the welfare-adult population.

Values for these performance measures are displayed in table 10. Followup values are shown for PY87.

JASR performance measures provide no information on the type or quality of service received. The measures also provide no basis for determining to what extent differences in costs among SDA's are due to differences in the mix of services provided, to differences in service quantity or quality, to differences in operating efficiency, or to differences in general local cost levels (such as variation in prevailing rents or wage/salary levels from SDA to SDA).

Employment/Positive Termination Rates

As shown in table 10, four entered employment rates and the youth positive termination rate had similar U.S. mean values in both PY86 and PY87. Four of these showed some small improvement; one (youth entered employment) had a slight decline. Rates were also similar for both years and for each SDA type. The only change of more than 2 percentage points in either direction was an increase in the metro welfare-adult entered employment rate.

Other information can be obtained from table 10. In both program years, there is a substantial mean difference (about 12 percentage points) between the nonwelfare- and welfare-adult entered employment rates. This difference varied little across SDA types.

Comparing the PY87 entered employment rates with the employment rate at followup, there was a 7.7-percentage-point decline in the percent of all adults working at 13 weeks relative to the percent who entered employment at termination. The drop for welfare adults was somewhat higher (8.7 percent) than for nonwelfare adults (7.2 percent). These declines occurred across all SDA types.

Overall, in the typical SDA, at least 30 percent of the nonwelfare adults and about 43 percent of the welfare adults did not secure regular employment during the 3-month period following termination. There were only small differences in these rates by SDA type.

Table 11 addresses itself to the way in which the size of the individual program can exert an influence on performance through economies (or diseconomies) of scale. To examine the effect of program size on the JTPA performance measures, national PY87 means weighted by SDA program size were calculated for each SDA type and compared with the PY87 unweighted means (table 11). For adult program measures, individual SDA values were weighted by

Table 10—Measures of program performance (not weighted for size)

Performance measures	PY86 U.S. unweighted mean	PY86 Unweighted mean by SDA type				PY87 U.S. unweighted mean	PY87 Unweighted mean by SDA type			
		Metro	Metro dominant	Nonmetro dominant	Nonmetro		Metro	Metro dominant	Nonmetro dominant	Nonmetro
Termination-based performance measures:										
						Percent				
Entered employment rate--	72.5	71.5	72.8	73.3	73.7	73.4	72.8	73.9	73.7	74.0
Adult entered employment	76.2	75.6	76.1	76.3	77.3	77.1	76.8	77.2	77.2	77.3
Nonwelfare-adult entered employment	63.8	62.6	65.1	64.1	64.5	65.2	65.1	65.6	63.8	65.9
Welfare entered employment	52.3	52.7	50.6	52.4	53.1	51.7	51.8	51.6	52.5	51.3
Youth entered employment	80.3	80.5	79.8	80.8	80.3	81.0	81.6	80.7	81.4	79.8
						Dollars				
Unit cost measures--	2,986	3,162	2,840	2,826	2,885	2,944	3,124	2,767	2,672	2,947
Adult cost per entered employment	2,451	2,517	2,468	2,414	2,327	2,564	2,547	2,486	2,274	2,872
Youth cost per positive termination										
						Numbers				
Average number of weeks in program--	19	17	20	21	21	19	17	21	20	21
Adult terminees	18	16	19	20	20	18	16	20	19	20
Nonwelfare-adult terminees	22	20	23	23	24	21	19	24	23	23
Welfare terminees	20	18	21	21	21	20	18	22	22	21
Youth terminees										
						Dollars				
Cost per week--	127	148	117	114	105	131	158	111	110	111
Adult terminees	--	--	--	--	--	--	--	--	--	--
Welfare terminees	114	130	107	104	96	115	133	107	96	99
Youth terminees										
Earnings measure--	5.11	5.39	4.95	4.78	4.93	5.32	5.64	5.14	4.96	5.08
Adult average wage at placement	5.27	5.59	5.09	4.89	5.05	5.45	5.76	5.29	5.08	5.21
Nonwelfare-adult average wage at placement	4.75	5.01	4.59	4.42	4.59	5.00	5.39	4.78	4.58	4.73
Welfare-adult average wage at placement	4.24	4.41	4.10	4.06	4.14	4.37	4.58	4.22	4.20	4.22
Youth average wage at placement										
Thirteen-week followup measures:										
						Percent				
Employment rate at followup--	--	--	--	--	--	65.7	65.0	65.9	66.9	66.4
Adult terminees	--	--	--	--	--	69.9	69.8	69.7	70.2	70.0
Nonwelfare-adult terminees	--	--	--	--	--	56.5	55.9	56.7	57.1	57.2
Welfare terminees										
						Numbers				
Average number of weeks worked at followup--	--	--	--	--	--	8.7	8.6	8.7	8.9	8.9
Adult terminees	--	--	--	--	--	9.2	9.2	9.2	9.3	9.3
Nonwelfare-adult terminess	--	--	--	--	--	7.7	7.5	7.7	7.8	7.8
Welfare terminees										
						Dollars				
Average weekly earnings of terminees employed at followup--	--	--	--	--	--	206	219	200	196	196
Adult terminees	--	--	--	--	--	215	228	209	201	202
Nonwelfare adult terminees	--	--	--	--	--	186	200	178	175	175
Welfare terminees										
Cost per job--	--	--	--	--	--	3,227	3,452	3,100	2,962	3,081
Adult terminees	--	--	--	--	--	--	--	--	--	--
Welfare terminees	--	--	--	--	--	--	--	--	--	--
Youth terminees										

-- = Not available.

Notes: Unless otherwise noted, n=610. For definitions, refer to text pages.

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

Table 11—Measures of program performance (weighted for effect of size on programs)

Performance measures	PY87 U.S. unweighted mean	PY87 unweighted mean by SDA type				PY87 U.S. weighted mean	PY87 weighted mean by SDA type			
		Metro	Metro dominant	Nonmetro dominant	Nonmetro		Metro	Metro dominant	Nonmetro dominant	Nonmetro
Termination-based performance measures:										
					Percent					
Entered employment rate--										
Adult entered employment	73.4	72.8	73.9	73.7	74.0	72.2	70.7	73.8	72.1	74.9
Welfare entered employment	65.2	65.1	65.6	63.8	65.9	62.4	61.9	65.3	62.8	66.2
Youth entered employment	51.7	51.8	51.6	52.5	51.3	49.1	49.4	51.5	45.6	49.2
Youth positive termination	81.0	81.6	80.7	81.4	79.8	80.1	79.9	80.5	80.3	79.6
					Dollars					
Unit cost measures--										
Adult cost per entered employment	2,944	3,124	2,767	2,672	2,947	2,742	2,880	2,658	2,620	2,597
Youth cost per positive termination	2,564	2,547	2,486	2,274	2,872	2,304	2,329	2,354	2,136	2,364
Youth cost per positive termination, n=606	2,414	2,505	2,486	2,274	2,244	2,260	2,321	2,354	2,136	2,042
Cost per week--										
Adult terminees	131	158	111	110	111	134	155	125	106	105
Youth terminees	115	133	107	96	99	112	126	111	95	88
Earnings measure--										
Adult average wage at placement	5.32	5.64	5.14	4.96	5.08	5.20	5.48	5.02	4.96	5.08
Welfare adult average wage at placement	5.00	5.39	4.78	4.58	4.73	4.89	5.24	4.63	4.46	4.60
Youth average wage at placement	4.37	4.58	4.22	4.20	4.22	4.26	4.40	4.13	4.13	4.14
					Numbers					
Average number of weeks in program--										
Adult terminees	19	17	21	20	21	17	15	19	20	20
Welfare terminees	21	19	24	23	23	19	17	21	22	21
Youth terminees	20	18	22	22	21	19	16	21	22	21
Thirteen-week followup measures:										
					Percent					
Employment rate at followup--										
Adult terminees	65.7	65.0	65.9	66.9	66.4	64.3	62.3	65	65.8	68.2
Welfare terminees	56.5	55.9	56.7	57.1	57.2	54.1	51.7	55.7	55.3	59.3
Average number of weeks worked at followup--										
Adult terminees	8.7	8.6	8.7	8.9	8.9	8.7	8.4	8.7	9.2	9.1
Welfare terminees	7.7	7.5	7.7	7.8	7.8	7.5	7.0	7.7	8.2	8.0
					Dollars					
Average weekly earnings of terminees employed at followup--										
Adult terminees	206	219	200	196	196	204	215	196	186	197
Welfare terminees	186	200	178	175	175	184	196	173	171	174
Cost per job--										
Adult terminees	3,227	3,452	3,100	2,962	3,081	3,086	3,253	3,034	2,903	2,809

Notes: Unless otherwise noted, n=610. For definitions, refer to text pages.

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

the number of all-adult terminees. For youth program measures, SDA values were weighted by the number of youth terminees.

As shown in table 11, weighted all-adult and welfare-adult employment rates were lower than unweighted rates for metro, metro-dominant, and nonmetro-dominant SDA's, but higher for nonmetro SDA's. A particularly strong divergence occurred in the welfare-adult followup employment rate where the metro SDA weighted mean fell by 4.2 percentage points and the nonmetro mean increased by 2.1 percentage points. Overall, then, larger SDA's in the nonmetro category tended to have higher adult and welfare-adult placement rates than smaller nonmetro SDA's, while the reverse was true across the other SDA types, particularly for the metro category.

For youth, all SDA types (including nonmetro) experienced small declines in the positive termination rate.

Earnings Measures

The two earnings measures available from the JASR data (average wage at placement and average weekly earnings during the followup period) are presented in table 10. The followup data are available only for PY87 and only for all-adult and welfare-adult terminees.

The nominal average wage at placement rose slightly between PY86 and PY87 for all terminee groups and SDA types (table 10). In both years, the nonwelfare-adult wage was about 40-50 cents an hour higher than the welfare-adult mean and $1.00-$1.10 an hour higher than the youth mean. This relationship varied little across SDA types.

The PY87 U.S. mean difference (shown in table 10) between the nonwelfare-adult and welfare-adult average weekly earnings at followup was $29. The mean by SDA type varied by no more than $3 from this overall average. Differences in the average wage at placement explain about two-thirds of this difference. The remaining difference suggests that employed welfare adults work, on average, about 2 hours less per week than nonwelfare adults.

Table 12 presents data on the relationship of terminee earnings to prevailing earnings levels within the SDA's. For nonwelfare adults, mean U.S. average wage at placement, multiplied by 40 (to approximate weekly earnings) would be about 90 percent of the prevailing retail/wholesale average weekly earnings. For welfare adults, the comparable figure was a little over 80 percent and for youth, about 73 percent. A similar (though slightly less pronounced) pattern characterized the relationship of average wage at placement (table 10) to average weekly earnings in all sectors. The absolute percentages were, of course, considerably lower since retail/wholesale earnings rates are a good deal less than those in other occupations.

The major difference between the percentages based on average wage at placement and those based on the average weekly earnings

Table 12—Measures of terminee earnings at placement, at followup, and as a percentage of retail/wholesale weekly earnings

Earnings measures	Unit	PY86 unweighted U.S. mean	PY86 unweighted mean by SDA type				PY87 unweighted U.S. mean	PY87 unweighted mean by SDA type			
			Metro	Metro dominant	Nonmetro dominant	Nonmetro		Metro	Metro dominant	Nonmetro dominant	Nonmetro
All adults:											
(1) Average weekly earnings at followup	Dollars	--	--	--	--	--	206	219	200	191	196
(2) Average weekly earnings at placement	Dollars	204	216	198	191	197	213	226	206	198	203
(1) / (2)	Ratio	--	--	--	--	--	.97	.97	.96	.96	.97
(3) Average weekly earnings retail/whole.	Dollars	233	264	223	204	200	240	275	228	208	204
(1) / (3)	Ratio	--	--	--	--	--	.86	.80	.88	.92	.96
(2) / (3)	Ratio	.88	.82	.89	.94	.99	.89	.82	.90	.95	1.00
(4) Average weekly earnings all sectors	Dollars	337	371	330	304	298	349	387	340	314	307
(1) / (4)	Ratio	--	--	--	--	--	.59	.57	.59	.61	.64
(2) / (4)	Ratio	.61	.58	.60	.63	.66	.61	.58	.61	.63	.66
All nonwelfare adults:											
(1) Average weekly earnings at followup	Dollars	--	--	--	--	--	215	228	204	201	202
(2) Average weekly earnings at placement	Dollars	211	224	204	196	202	217	230	212	203	209
(1) / (2)	Ratio	--	--	--	--	--	.99	.99	.99	.99	.97
(3) Average weekly earnings retail/whole.	Dollars	233	264	223	204	200	240	275	228	208	204
(1) / (3)	Ratio	--	--	--	--	--	.90	.83	.92	.97	.99
(2) / (3)	Ratio	.91	.85	.91	.96	1.01	.90	.84	.93	.98	1.02
(4) Average weekly earnings all sectors	Dollars	337	371	330	304	298	349	387	340	314	307
(1) / (4)	Ratio	--	--	--	--	--	.62	.59	.61	.64	.66
(2) / (4)	Ratio	.63	.60	.62	.64	.68	.62	.59	.62	.65	.68
All welfare adults:											
(1) Average weekly earnings at followup	Dollars	--	--	--	--	--	186	200	178	175	175
(2) Average weekly earnings at placement	Dollars	190	200	184	177	184	200	215	191	183	189
(1) / (2)	Ratio	--	--	--	--	--	.93	.93	.93	.96	.93
(3) Average weekly earnings retail/whole.	Dollars	233	264	223	204	200	240	275	228	208	204
(1) / (3)	Ratio	--	--	--	--	--	.78	.73	.78	.84	.86
(2) / (3)	Ratio	.82	.76	.83	.87	.92	.83	.78	.84	.88	.93
(4) Average weekly earnings all sectors	Dollars	337	371	330	304	298	349	387	340	314	307
(1) / (4)	Ratio	--	--	--	--	--	.53	.52	.52	.56	.57
(2) / (4)	Ratio	.56	.54	.56	.58	.62	.57	.56	.56	.58	.62
All youth:											
(1) Average weekly earnings at followup	Dollars	--	--	--	--	--	--	--	--	--	--
(2) Average weekly earnings at placement	Dollars	169	177	164	162	165	175	183	169	168	169
(3) Average weekly earnings retail/whole.	Dollars	233	264	223	204	200	240	275	228	208	204
(2) / (3)	Ratio	.73	.67	.74	.79	.83	.73	.67	.74	.81	.83
(4) Average weekly earnings all sectors	Dollars	337	371	330	304	298	349	387	340	314	307
(2) / (4)	Ratio	.50	.48	.50	.53	.55	.50	.47	.50	.54	.55

-- = Not available.

Source: JTPA Annual Status Report data, as compiled by the U.S. Department of Labor, Office of Strategic Planning and Policy Development.

at followup is a decline in the PY87 welfare-adult average weekly earnings between placement and followup. Weekly earnings dropped from 83 percent of retail/wholesale levels at placement to 78 percent at followup and from 57 percent to 53 percent of the all-sector average rate. In contrast, nonwelfare-adult percentages were identical using either measure. This pattern seems to indicate that welfare adults were working fewer than 40 hours per week and/or that their followup wage rate was lower than their average wage at placement. The fewer hours explanation seems the more likely.

There is also a very consistent pattern across SDA types in the relationship of terminee earnings to prevailing wage rates. With the exception of metro and metro-dominant welfare-adult earnings as a percentage of average earnings in all sectors, terminee earnings as a percentage of prevailing earnings levels rise steadily and, in several cases, substantially, as one moves across SDA types from metro to nonmetro. For example, average weekly earnings at placement for nonwelfare adults (as a percentage of average retail/wholesale earnings) rose 18 percentage points (84 to 102 percent and 85 to 101 percent) between metro and nonmetro SDA's in the 2 program years. The available data do not offer an immediate explanation for this pattern. Skill levels of the typical JTPA terminee in the more nonmetro SDA's may be closer to skill levels of the typical nonmetro worker than are the skills of metro terminees to those of typical metro workers. There may also be a greater relative surplus in metro areas of unskilled or semi-skilled entry-level labor, despite lower overall metro unemployment levels. Consequently, metro entry-level compensation tends to be a lower percentage of average earnings per job.

Regarding program size, as table 11 shows, there was little difference in PY87 earnings levels between weighted and unweighted means, although the weighted means were almost uniformly lower.

Average Number of Weeks in the Program

Average number of weeks in the program (see table 10) was higher for welfare adults than for nonwelfare adults by 4 weeks in PY86 and 3 weeks in PY87. Values for youth were in between these two groups. This pattern held with little variation across SDA types. The JASR data contain no information on what factors these differences reflect. A possible explanation is that the welfare and, to a lesser extent, youth clientele receive more basic educational services than nonwelfare adults. As tables 7-9 indicate, dropout rates for youth and welfare adults are considerably higher than for nonwelfare adults, and welfare adults have much lower rates of post-high school attendance than do nonwelfare adults.

There was a large difference in the average number of weeks between metro SDA's and the other three types. The PY87 mean value for nonwelfare adults, welfare adults, and youth was 1 month less for the 262 metro SDA's than for the other 348 SDA's.

In PY86, the difference was 1 month for nonwelfare adults and 3 weeks for welfare adults and youth. Regardless of the specific terminee group, then, there appears to be a 20-25 percent difference between metro SDA's and the other three SDA types in the average amount of time a terminee is in the program. While there is nothing in the available data to explain this difference, metro SDA's may be able to place workers more quickly with less formal training (for example, job search instead of classroom activity) due to their considerably lower unemployment rates and, presumably, tighter job markets. According to Job Training Quarterly Survey (JTQS) data for PY87, for example, the median length of stay for adults in job search activities was 3.1 weeks for all SDA's compared with 13.6 weeks for on-the-job training and 20.4 weeks for classroom training.[11] Alternatively, metro SDA's, given their more favorable job climates, may provide more intensive job training in order to place trainees more quickly.[12] A third factor may be that metro SDA's have a higher percentage of terminees who leave the program before completing training. This would tend to lower the average number of weeks per terminee in metro SDA's.

Program size, as shown in table 11, had a negative influence on the PY87 average number of weeks, particularly in the metro and metro-dominant categories. The effect was strongest for the all-adult and welfare-adult groups.

Program Cost

Three sets of cost measures are presented in table 10: (1) cost per entered employment, (2) cost per week per terminee, and (3) cost per job (or cost per terminee employed at 13 weeks). Data for the first two measures are available only for all adults and youth. Data for the third measure are available only for all adults in PY87.

U.S. mean cost per entered employment, a measure of unit cost, fell slightly for all adults between PY86 and PY87. In both PY86 and PY87, metro SDA's had higher average all-adult unit costs than each of the other three SDA types in both program years. Overall, metro SDA average unit cost was 11 percent higher in both PY86 and PY87 than the mean for all SDA's with some nonmetro population.

Metro SDA's also had significantly higher costs per week for all-adult terminees than did each of the other three SDA types. The metro average was 32 percent higher in PY86 and 42 percent higher in PY87 than the mean for all other SDA's. That the all-adult

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[11]See U.S. Department of Labor, Division of Performance Management and Evaluation, Summary of JTQS Data for JTPA Title II-A and III Enrollments and Terminations During PY87, Dec. 1988, p. 12.

[12]This interpretation would be consistent with the somewhat higher cost per terminee in metro SDA's discussed below.

cost per entered employment differential (11 percent) is considerably less than these percentage differences is because adult terminees in metro SDA's are in the program about a month less on average than adult terminees in other SDA's.

PY87 cost per job is calculated by dividing all-adult program cost by the number of all-adult terminees employed at followup. Values vary across SDA types in a manner similar to those of all-adult cost per entered employment, except that nonmetro SDA's improve their position somewhat relative to the other SDA types. Cost per job in the metro SDA's was about 13 percent higher than that in other SDA's, which is slightly higher than the difference in all-adult cost per entered employment.

U.S. mean cost per positive termination in the youth program rose slightly between PY86 and PY87 (table 10). In PY86, costs in metro SDA's were higher than in each of the other three types and about 5 percent higher than the average across all SDA's with some nonmetro population. In PY87, nonmetro SDA's showed the highest average. This anomalous finding (given the all-adult and PY86 youth data) is explained by the presence in PY87 of four SDA's (one metro and three nonmetro) with very high reported unit costs. It is not known whether these extreme values are the result of reporting errors or very unusual circumstances. When these four SDA's are excluded from the calculation, however, average nonmetro cost drops $628 from $2,872 to $2,244 while the metro average falls just $42 from $2,547 to $2,505. Overall, the PY87 metro SDA average rises from 1 percent below the average for all other SDA's to 7 percent above it, a figure comparable with the 5-percent PY86 differential.

Youth cost per week is also much higher in metro SDA's than in other SDA types, by 27 percent in PY86 and 32 percent in PY87. The much lower cost per positive termination differential is again due to a much lower average number of weeks in the program in metro SDA's.

Program size exercised a noticeable effect on the PY87 cost measures (table 11). Adult cost per entered employment, adult cost per job, and adult cost per positive termination fell in each SDA category when weighted by program size. Absolute declines ranged from 2 to 12 percent. In three SDA categories, cost declines were generally attributable to the fact that the larger programs had lower cost per terminee week and fewer weeks in the program per terminee. In the metro-dominant category, larger programs had lower unit costs due exclusively to fewer weeks in the program. Costs per week actually increased with size within this category.

Summary of Program Performance Data

In summary, the JASR program performance data suggest that terminee cost per job, cost per placement, cost per positive termination, and cost per week are all absolutely higher for the typical metro SDA. Higher metro costs do not, however, appear to be associated with either higher entered employment rates, followup employment rates, or terminee earnings as a percentage of prevailing wage rates. As shown in tables 10 and 12, metro SDA values for these measures are, in fact, generally lower than the U.S. mean. Thus, the typical metro SDA appears to require higher expenditure levels to achieve outcomes similar to those obtained in other SDA's. If so, it stands at a disadvantage under the current Title II allocation formula, which makes no allowance for resource requirements per terminee.[13]

This general pattern holds after adjustment for program size (see table 12) as well. However, program size has a more favorable overall effect on nonmetro SDA's where employment/termination rates improved, while unit costs fell about 10 percent. Unit costs also declined with increasing program size in the other SDA categories. This decrease was associated, however, with lower employment/termination rates and, in metro and metro dominant SDA's, noticeably fewer average weeks in the program.

Conclusions

The JTPA program is the main Federal effort to enhance the employability of the economically disadvantaged. It is of central importance to the many communities with no other ongoing source of training funds and whose local revenue bases are too limited to support sustained independent efforts.

For those who work in rural development, the foregoing review suggests that program performance and cost are relatively good in the more nonmetro SDA's. Of particular note is the generally lower cost per terminee. These lower unit costs suggest a dollar

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[13]Higher unit costs can exist for several reasons such as differences in participant characteristics (a more or a less job-ready clientele), differences in cost levels (for example, the need to pay higher trainer salaries and/or rents), differences in operating efficiency, or differences in the types of services provided. In a relatively labor-intensive activity such as training, however, it seems likely that differences in prevailing wage levels between metro and other SDA types are exercising an important influence on payroll costs. In addition, higher metro wages would produce higher absolute subsidy levels for on-the-job training, since subsidies are often defined as a percentage of the total wage bill (for example, 50 percent). There are no data available, however, on either the incidence of labor costs in total SDA costs or differences in absolute subsidy levels.

of funding to more rural SDA's goes somewhat farther than it does in metro SDA's. Additional research on the sources of cost differences across SDA types is clearly needed, however, to determine if these differentials are related to differences in real resource requirements or are simply a function of generally lower prevailing cost levels in nonmetro areas (for example, lower nonmetro wage rates or rents).

Despite relatively good performance, there is much room for concern regarding the program outcomes in nonmetro areas. About a third of the adult terminees in nonmetro-dominant and nonmetro SDA's are unemployed 13 weeks after completing training (table 10). Moreover, many who do find employment (earnings measure, table 10) end up in low-paying jobs. In 53 percent of the nonmetro-dominant and nonmetro SDA's, for example, adult terminees who entered employment upon completion of training received, on average, a wage of less than $5.00 per hour. In only 5 percent of these SDA's did the average wage exceed $6.00 per hour. Even at $6.00 per hour, full-time employment would provide a family of four with only one worker with an income barely exceeding the Federal poverty threshold of about $12,000.

A recent GAO study examined Title II-A job outcomes on a national basis and, among other things, concluded:

> For the most part, participants obtained jobs with skill levels similar to the skill level of the training received. The majority of those in all job readiness groups who received training in higher or moderate skill occupations obtained such jobs, although the placement rate for the less job ready group was somewhat lower among those receiving the higher skill training. About three-fourths of those who received other training or services either did not get a job or got a low skill job. Generally, these placements were in low or no-growth occupations with weak wage gains and productivity growth, such as waiters and waitresses.[14]

This finding suggests that a key concern for rural development practitioners should be the type of training received. If, regardless of initial job readiness, wage rates at placement are significantly influenced by the nature of training received, then the mix and quality of SDA services is of critical importance. This seemingly common sense notion prompts any number of additional questions. How are higher skill training and jobs best described? Does it cost more to train someone for a higher skill position? If so, what is the relative cost-effectiveness of higher skill versus lower skill training? What local capacity (including support services such as child care and transportation) must be in place to provide higher skill training? To what extent is there sufficient local opportunity

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[14]See U.S. General Accounting Office, Job Training Partnership Act: Services and Outcomes for Participants With Different Needs, GAO-HRD-89-52, June 1989, p. 4.

for training and use of higher skill levels? If opportunity is limited, should participants willing to relocate for higher skill training and/or employment be assisted in relocation? With higher unemployment and poverty rates, lower per capita income, lower earnings per job, and a narrower range of job opportunity so apparently a feature of nonmetro areas, these issues deserve priority attention on a rural research agenda.

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UNITED STATES DEPARTMENT OF AGRICULTURE
ECONOMIC RESEARCH SERVICE
1301 NEW YORK AVENUE, N. W.
WASHINGTON, D. C. 20005-4788