

Citation

McConnell, S., & Glazerman, S. (2001). The benefits and costs of Job Corps. Mathematica Policy Research: Washington, DC.

Highlights

- The study's objective was to determine whether the benefits of Job Corps exceeded its costs.
- The authors used data on impacts from the National Job Corps Study to estimate the program's benefits and administrative data from the Office of Job Corps to estimate the program's costs.
- The study found that the benefits of Job Corps to society exceeded its costs by almost \$17,000 per participant. This included positive benefits of about \$20,000 to participants and negative benefits of about \$3,000 to the rest of society.

Features of Job Corps

Job Corps is a federally funded program that has been in operation since 1964. It offers individualized academic education, vocational training, counseling, and job placement assistance to economically disadvantaged youth ages 16 to 24. Services are delivered at Job Corps centers, where most Job Corps students reside while participating in the program. Most participants do not have a general equivalency degree (GED) or high school diploma upon program entry and they participate in the program for an average of eight months.

Features of the Study

The authors converted the 48-month impact estimates from the National Job Corps Study ([see profile of Schochet et al. 2001](#)¹) into dollar values to determine the monetary value of the benefits of Job Corps. The benefits examined included increased output resulting from the additional productivity of Job Corps participants; reduced use of other programs and services, such as public assistance and substance abuse treatment programs; and fewer crimes committed by and against participants.

The authors used administrative data from the Office of Job Corps to estimate the cost per participant of the program. The costs included operating and capital costs and transfers to students for pay, food, and clothing while in the program.

¹ Schochet, P., Burghardt, J., & Glazerman, S. (2001). National Job Corps Study: The impacts of Job Corps on participants' employment and related outcomes. Princeton, NJ: Mathematica Policy Research.

Findings

- The study found that the benefits to society of Job Corps exceeded its costs by about \$17,000 per participant.
- The main driver of the net benefits was increased output resulting from the additional productivity of Job Corps participants. Smaller benefits were conferred by reduced use of other programs and services and fewer crimes committed by and against participants. Total benefits to society were about \$31,000 per participant.
- The largest costs of the program were operating costs, followed by transfers to students for pay, food, and clothing while in the program, and capital costs. The total cost to society was about \$14,000 per participant.

Considerations for Interpreting the Findings

As in any benefit-cost analysis, the assumptions made can influence the findings. The authors provided theoretical grounding for their benchmark analyses and conducted extensive sensitivity tests to investigate the extent to which varying the assumptions varied the study findings. The finding that, on average, the benefits of Job Corps exceeded the costs, was robust to a wide range of plausible assumptions.