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GOVERNMENT

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HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON BANKING AND CURRENCY
UNITED STATES SENATE

EIGHTY-EIGHTH CONGRESS

FIRST SESSION

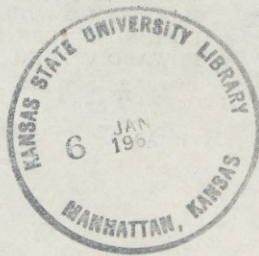
ON

S. 981

A BILL TO AMEND TITLE V OF THE HOUSING ACT OF 1949
TO ASSIST IN THE PROVISION OF HOUSING FOR
DOMESTIC FARM LABOR

OCTOBER 15, 1963

Printed for the use of the
Committee on Banking and Currency



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HOUSING FOR DOMESTIC FARM LABOR

TUESDAY, OCTOBER 15, 1963

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
SUBCOMMITTEE ON HOUSING,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:08 a.m., in room 5302, New Senate Office Building, Senator John J. Sparkman (chairman of the subcommittee) presiding.

Present: Senators Sparkman, Williams, and Javits.

Senator SPARKMAN. Let the committee come to order, please.

The purpose of the hearing today is to receive testimony on S. 981, a bill introduced by my subcommittee colleague, Senator Harrison Williams of New Jersey, and others, to provide safe, decent, and adequate housing for domestic farm laborers. The bill, S. 981, would amend and add to certain provisions of the rural housing program, that is title V of the Housing Act of 1949, as amended, which is administered by the Farmers Home Administration of the Department of Agriculture.

I might add parenthetically that in 1949, I introduced the legislation which was subsequently incorporated as title V of the Housing Act of 1949, by the Banking and Currency Committee, thus establishing the farm housing program.

I may say that my own Congressman, Robert E. Jones, Jr. of Alabama, introduced a companion bill in the House, and both committees, the Senate committee and the House committee, incorporated the provision of our bills in the omnibus housing bills that were reported to the Senate and House. When the omnibus housing bill was finally passed, the provision of our bill became title V of the Housing Act of 1949.

In 1961, the title V rural housing program was substantially amended in order to help all rural residents obtain housing commensurate with their needs. In the last 2½ years, since the 1961 amendments, more loans have been made for rural housing than in the previous 11 years of the program's existence. I am most pleased with the progress being made to afford our rural citizens decent homes.

It is my understanding—and I hope Senator Williams will correct me if I am mistaken—that the bill we are here to consider today, S. 981, was prepared after considerable study by the Subcommittee on Migratory Labor of the Senate Committee on Labor and Public Welfare, of which Senator Williams is the chairman.

Before calling the first witness, I should like to make this further statement. Originally I announced 2 days of hearings on S. 981. Because of various circumstances it has become necessary to limit the hearings to 1 day—that is, today. However, the record of the hearings will be held open for several days yet, and anyone wishing to submit a written statement on S. 981 has the assurance that such statement will be placed in the record of the hearings.

(Discussion off the record.)

Senator WILLIAMS. Mr. Chairman, I would like to include a brief statement in the record this morning.

Senator SPARKMAN. Go right ahead.

**OPENING STATEMENT BY HARRISON A. WILLIAMS, JR., U.S.
SENATOR FROM THE STATE OF NEW JERSEY**

Senator WILLIAMS. I am most grateful to the distinguished chairman of this subcommittee, Senator Sparkman, for scheduling hearings on this bill to provide decent housing for farm laborers. His continuing efforts for better housing for rural America are well known, and I appreciate the interest he has shown in this bill.

The rural housing program that he has supported has meant a great deal of better housing for rural and farm people. We feel that in the area of migratory farmworkers, particularly, there are vast unmet needs; this bill is directed to meeting those needs by amending the present farm program.

The problems of the migratory laborer are complex and interrelated. Each one feeds upon the other. His lack of education leads him into low-paid, unskilled work. His small wage earnings make it difficult for him to live decently. Poor living conditions lead to poor health and a bad environment for his children to grow in. In seeking to help the migrant to a better life, I have introduced a number of measures directed toward various aspects of the migrant problem. The bill we are considering today is a key part of the long-term solution of the migrant problem.

The intention of the bill is to provide adequate financing for housing for American farm laborers. At present the major obstacle in the way

of decent housing for farmworkers is cold economic fact. Because of his low wages and unsteady unemployment, the average farmworker is frequently not an acceptable credit risk to a commercial bank. On the other hand, the farmer who may be willing to provide good housing for his workers is justifiably reluctant to tie up much needed capital in buildings which are only in temporary use.

This bill will open up a number of opportunities for financial assistance to the grower or farmworker who wishes to buy a house, build a house, or improve his existing property. The Secretary of Agriculture will be authorized to make grants or loans to a farmworker to repair or improve his dwelling. The Secretary of Agriculture will be authorized to insure private loans to farmers, farm laborers, and to public or private nonprofit organizations for the construction of farm labor housing. If, however, private funds are not obtainable even with the insurance guarantee, the Secretary will be authorized to make long-term loans at moderate rates of interest from a \$25 million revolving fund to these groups or individuals. As a third alternative, the bill will provide \$75 million over a 6-year period for Federal participation in the construction of low-rent housing for farm laborers. The Federal share will be limited to two-thirds of the total cost of a low-cost housing project.

Even more important will be the meaning of a decent home to the migrant himself. Too often treated as a second- or third-class citizen, safe, adequate housing can give the migrant the dignity and self-respect he needs. By allowing him to raise his children in a decent environment, it will help those children to break away from the grinding poverty of the migrant existence. We should do everything possible to encourage both homeownership by the migrant at his home base and decent living quarters when he is on the road. This legislation will benefit the communities in which the migrants live and work, will help the grower to attain a better labor force, and set the migrant on the road to a decent life.

Senator SPARKMAN. Thank you, Senator Williams.

I have a copy of the bill, S. 981, together with a digest of its sections, and the reports from various agencies which, without objection, will be inserted in the record at this point.

(The material mentioned follows:)

88TH CONGRESS
1ST SESSION

S. 981

IN THE SENATE OF THE UNITED STATES

MARCH 1, 1963

Mr. WILLIAMS of New Jersey (for himself, Mr. BURDICK, Mr. CLARK, Mr. DOUGLAS, Mr. HUMPHREY, Mr. INOUE, Mr. JAVITS, Mr. LONG of Missouri, Mr. MCCARTHY, Mr. MORSE, Mr. NELSON, Mr. RANDOLPH, Mr. RIBICOFF, Mr. YARBOROUGH, and Mr. YOUNG of Ohio) introduced the following bill; which was read twice and referred to the Committee on Banking and Currency

A BILL

To amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 FINDINGS AND PURPOSE

4 SECTION 1. The Congress finds and declares that (1) an
5 adequate, dependable supply of qualified domestic farm labor
6 is essential to the farming economy of the Nation; (2)
7 farmers utilizing the services of such laborers are often un-
8 able to obtain financial assistance to defray the construction
9 or renovation costs required to provide adequate housing for

2

1 such laborers; (3) inadequate housing renders agricultural
2 employment relatively unattractive and seriously reduces the
3 supply of qualified domestic farm labor that the farming
4 economy requires; and (4) inadequate housing is directly
5 related to the serious and extensive health problems among
6 such laborers whose intra and interstate movement poses a
7 serious health hazard for the communities in which they live
8 and work. Recognizing that this serious housing problem
9 is national in scope, it is hereby declared the policy of the
10 Congress to authorize the Secretary of Agriculture to develop
11 and carry out a program utilizing direct loans, loan insur-
12 ance, loan-grant combinations, and financial assistance for
13 low-rent housing so as to assist in providing adequate, health-
14 ful housing and related facilities for the domestic farm
15 laborers of this Nation.

16 LOANS AND GRANTS FOR MINOR IMPROVEMENTS IN

17 DWELLINGS

18 SEC. 2. (a) The first sentence of section 504 (a) of the
19 Housing Act of 1949 is amended to read as follows: "In the
20 event the Secretary determines that an individual who
21 meets the requirements of eligibility set forth in section 501
22 (c), or who is a domestic farm laborer, cannot qualify for a
23 loan under the provisions of section 502, 503, or 516, and
24 that repairs or improvements should be made to a dwelling
25 occupied by him, in order to make such dwelling safe and

3

1 sanitary and remove hazards to the health of the occupant,
2 his family, or the community, or that repairs should be made
3 to farm buildings in order to remove hazards and make such
4 buildings safe, the Secretary may make a grant or a com-
5 bined loan and grant to such individual to cover the cost
6 of improvements or additions, such as repairing roofs, pro-
7 viding toilet facilities, providing a convenient and sanitary
8 water supply, supplying screens, repairing or providing
9 structural supports, or making other similar repairs or im-
10 provements."

11 (b) Section 504 of such Act is further amended by
12 adding at the end thereof a new subsection as follows:

13 "(c) As used in this section, the term 'domestic farm
14 laborer' means a citizen of the United States who receives a
15 substantial portion (as determined by the Secretary) of his
16 income as a laborer on a farm or farms situated in the
17 United States."

18 INSURANCE OF HOME LOANS FOR DOMESTIC FARM

19 LABORERS

20 SEC. 3. (a) That part of section 514 (a) of the Housing
21 Act of 1949 which precedes paragraph (1) is amended to
22 read as follows:

23 "SEC. 514. (a) The Secretary is authorized to insure
24 and make commitments to insure loans made, in accordance
25 with terms and conditions substantially identical with those

4

1 specified in section 502, by lenders other than the United
2 States (i) to the owner of any farm, any association of
3 farmers, any State or political subdivision thereof, or any
4 public or private nonprofit organization for the purpose of
5 providing housing and related facilities for domestic farm
6 labor, and (ii) to domestic farm labor for the purpose of
7 providing housing and related facilities; except that—”.

8 DIRECT LOANS AND GRANTS TO PROVIDE HOUSING FOR
9 DOMESTIC FARM LABOR

10 SEC. 4. Title V of the Housing Act of 1949 is amended
11 by adding at the end thereof the following new sections:

12 “DIRECT LOANS TO PROVIDE HOUSING FOR DOMESTIC FARM
13 LABOR

14 “SEC. 516. (a) The Secretary is authorized to make
15 loans (1) to the owner of any farm, any association of
16 farmers, any State or political subdivision thereof, or any
17 public or private nonprofit organization for the purpose of
18 providing housing and related facilities for domestic farm
19 labor, and (2) to domestic farm labor for the purpose of
20 providing housing and related facilities for such labor.

21 “(b) Loans under this section shall be made subject
22 to the following conditions—

23 “(1) the applicant is unable to secure the necessary
24 funds from other sources upon terms and conditions

5

1 equally as favorable as the terms and conditions ap-
2 plicable to loans under this section;

3 “(2) the Secretary finds that the construction will
4 be undertaken in an economical manner, and that it
5 will not be of elaborate or extravagant design or
6 materials;

7 “(3) the Secretary finds that the type of housing
8 and related facilities to be provided is most practical,
9 giving due consideration to the purposes to be served
10 by such housing and the needs of the occupants thereof;

11 “(4) any applicant under clause (1) of subsection
12 (a) agrees that income in the form of rent derived
13 from housing and related facilities provided under this
14 section shall not exceed an amount determined by the
15 Secretary to be necessary or appropriate for effectuating
16 the purposes of this section, but in no event shall such
17 income exceed an amount equal to the cost of the
18 housing and related facilities and interest on loans under
19 this section, plus such amount as may be necessary to
20 defray operating and maintenance costs; and

21 “(5) in the case of an applicant under clause (1)
22 of subsection (a) who wishes to provide housing for
23 ownership by domestic farm labor, the applicant agrees

6

1 that such labor will be given an opportunity to purchase
2 such housing, and, insofar as is practicable, will be given
3 an opportunity to donate their services voluntarily in
4 the construction of such housing with a view to keeping
5 construction or acquisition costs low.

6 “(c) Any loan under this section may be in an amount
7 not exceeding the total development cost, as determined by
8 the Secretary; shall be repaid within such period, not ex-
9 ceeding thirty-three years, as may be determined by the
10 Secretary; and shall bear interest at a rate not to exceed 4
11 per centum per annum on the unpaid balance of the loan.
12 Such reasonable security shall be required in connection
13 with any such loan as the Secretary determines to be neces-
14 sary, giving due consideration to the interests of the Govern-
15 ment and the objective of providing housing and related
16 facilities for domestic farm labor.

17 “(d) There is authorized to be appropriated an amount
18 not to exceed \$25,000,000, which shall constitute a revolving
19 fund to be used by the Secretary in carrying out this section.

20 “(e) All laborers and mechanics employed by con-
21 tractors or subcontractors on projects assisted by the Sec-
22 retary which are undertaken by approved applicants under
23 clause (1) of subsection (a) or under section 517 shall
24 be paid wages at rates not less than those prevailing on
25 similar construction in the rural part of the locality, as

1 determined by the Secretary of Labor in accordance with
2 the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a—
3 5), and each such employee shall receive compensation
4 at a rate not less than one and one-half times his basic
5 rate of pay for all hours worked in any workweek in excess
6 of eight hours in any workday or forty hours in any work-
7 week, as the case may be. The Secretary shall not extend
8 any financial assistance under this section for any project
9 without first obtaining adequate assurance that these labor
10 standards will be maintained on the construction work; except
11 that compliance with such standards may be waived by the
12 Secretary in cases or classes of cases where laborers or
13 mechanics, not otherwise employed at any time on the
14 project, voluntarily donate their services without full com-
15 pensation for the purpose of lowering the costs of construc-
16 tion and the Secretary determines that any amounts thereby
17 saved are fully credited to the person, corporation, associa-
18 tion, organization, or other entity undertaking the project.
19 The Secretary of Labor shall have, with respect to the
20 labor standards specified in this section, the authority and
21 functions set forth in Reorganization Plan Numbered 14 of
22 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15),
23 and section 2 of the Act of June 13, 1934, as amended
24 (40 U.S.C. 276c).

25 “(f) As used in this section—

8

1 “(1) the terms ‘housing’, ‘related facilities’, and
2 ‘domestic farm labor’ shall have the meaning assigned
3 to them in section 514 (f) ; and

4 “(2) the term ‘development cost’ means the costs
5 of construction of housing and related facilities, and of
6 the land on which such housing and related facilities
7 are located, including necessary site improvement.

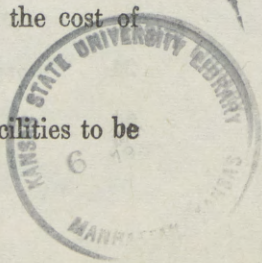
8 "FINANCIAL ASSISTANCE TO PROVIDE LOW-RENT HOUSING
9 FOR DOMESTIC FARM LABOR

10 “SEC. 517. (a) Upon the application of any State or
11 political subdivision thereof, public or private nonprofit or-
12 ganization, or association of farmers, the Secretary is author-
13 ized to provide financial assistance for the provision of low-
14 rent housing and related facilities for domestic farm labor,
15 if he finds that—

16 “(1) the housing and related facilities for which
17 financial assistance is requested will fulfill a **pressing**
18 need in the area in which such housing and facilities
19 will be located, and there is reasonable doubt that the
20 same can be provided without financial assistance under
21 this section;

22 “(2) the entity requesting the financial assistance
23 proposes to contribute at least one-third of the cost of
24 providing the housing and related facilities;

25 " (3) the type of housing and related facilities to be



1 provided are most practical, giving due consideration to
2 the purposes to be served thereby and the needs of the
3 occupants thereof; and

4 “(4) the construction will be undertaken in an
5 economical manner, and the housing and related facilities
6 will not be of elaborate or extravagant design or
7 material.

8 “(b) The amount of any financial assistance provided
9 under this section for low-rent housing and related facilities
10 shall not exceed two-thirds of the total development cost
11 thereof, as determined by the Secretary, less such amount as
12 the Secretary determines can be practicably obtained from
13 other sources (including a loan under section 516).

14 “(c) No financial assistance for low-rent housing and
15 related facilities shall be made available under this section
16 unless the applicant agrees—

17 “(1) that the rentals charged domestic farm labor
18 shall not exceed such amounts as may be approved by
19 the Secretary, giving due consideration to the income
20 and earning capacity of the tenants, and the necessary
21 costs of operating and maintaining such housing;

22 “(2) that such housing shall be maintained at all
23 times in a safe and sanitary condition in accordance with
24 such standards as may be prescribed by State or local
25 law, or, in the absence of such standards, in accordance

10

1 with such minimum requirements as the Secretary shall
2 prescribe; and

3 “(3) an absolute priority will be given at all times
4 in granting occupancy of such housing and facilities to
5 domestic farm labor.

6 “(d) The Secretary may make payments pursuant to
7 any contract for financial assistance under this section at such
8 times and in such manner as may be specified in the contract.
9 In each such contract the Secretary shall include such
10 covenants, conditions, or provisions as he deems necessary
11 to insure that the housing and related facilities, for which
12 financial assistance is made available, be used only in con-
13 formity with the provisions of this section.

14 “(e) The Secretary shall prescribe regulations to insure
15 that Federal funds expended under this section are not wasted
16 or dissipated.

17 “(f) As used in this section—

18 “(1) the term ‘low-rent housing’ means rental
19 housing within the financial reach of families of low
20 income consisting of (A) new structures suitable for
21 dwelling use by domestic farm labor, and (B) existing
22 structures which can be made suitable for dwelling use
23 by domestic farm labor by rehabilitation, alteration,
24 conversion, or improvement;

25 “(2) the terms ‘related facilities’ and ‘domestic

11

1 farm labor' shall have the meaning assigned to them in
2 section 514 (f) ; and

3 “(3) the term ‘development cost’ shall have the
4 meaning assigned to it in section 515 (d) (4).”

5 MISCELLANEOUS

6 SEC. 5. Title V of the Housing Act of 1949 is further
7 amended—

8 (1) by striking out in section 506 (a) “sections
9 514 and 515”, each place it appears, and inserting in
10 lieu thereof “sections 514–517”; and

11 (2) by redesignating clauses (c) and (d) of sec-
12 tion 513 as (d) and (e), respectively, and by inserting
13 after the semicolon at the end of clause (b) of such
14 section the following: “(c) not to exceed \$75,000,000
15 for financial assistance pursuant to section 517 for the
16 period ending June 30, 1968;”.

DIGEST OF S. 981

Section 1: Declaration of findings and purpose.

Section 2: Amends section 502(a) of title V of the Housing Act of 1949 to authorize Secretary of Agriculture to make grants, not in excess of \$1,000, to domestic farm laborers for minor improvements, additions, or repairs of farm housing to make such dwellings safe and sanitary and to remove hazards of health.

Section 3: Amends section 514 of the 1949 act to authorize the Secretary to insure mortgage loans made by domestic farm laborers.

Section 4: Adds two new sections to title V of the 1949 act:

A. New section 516 would authorize the Secretary to make direct loans to (1) owners of farms, (2) associations of farmers, (3) States and their political subdivisions, (4) public or private nonprofit organizations, and (5) domestic farm laborers for the purpose of providing housing and related facilities for domestic farm laborers.

New section 516 further provides that—

Applicant be unable to secure funds from other sources on terms and conditions as favorable as those applicable to loans under this section;

Construction will be undertaken in an economical manner;

Housing and related facilities provided is practical and will meet the needs of the occupants;

Applicant agrees that rental income from housing and related facilities shall be appropriate for the purposes of this section and shall not exceed

the cost of the housing and related facilities, the interest on the loans and necessary operating and maintenance costs;

An applicant providing housing for ownership by domestic farm labor, may agree to provide such labor with an opportunity to purchase such housing, and where practicable, to voluntarily assist in the construction for the purpose of lowering construction or acquisition costs;

Loans may not exceed the total development cost; shall be repaid within 33 years; and shall carry an interest rate not to exceed 4 percent;

An authorization for an appropriation of an amount not to exceed \$25 million, which shall constitute a revolving fund;

The prevailing wage schedule of the Davis-Bacon Act shall apply to housing loans made under this section; except in cases where domestic farm laborers volunteer to do the work themselves;

Defines certain terms.

B. New section 517 would authorize the Secretary to make grants of up to two-thirds of the cost of housing for domestic farmworkers to (1) States or their political subdivisions, (2) public or private nonprofit organizations, or (3) associations of farmers.

New section 517 further provides that—

The housing and related facilities must fulfill a pressing need in the area and there is reasonable doubt that the same can be provided without financial assistance under this section;

The entity requesting the financial assistance will contribute at least one-third of the cost of providing the housing and related facilities;

The type of housing and related facilities are practical and will serve the needs of the occupants;

The construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or material;

The rentals charged shall not exceed such amounts as may be approved by the Secretary, giving due consideration to the income and earning capacity of the tenants, and necessary costs of operating and maintaining such housing;

Such housing shall be maintained in safe and sanitary condition in accordance with applicable State or local standards, or, in the absence of such standards, in accordance with such minimum requirements determined by Secretary;

Priority of occupancy will be given to domestic farm labor;

The Secretary be authorized to make payments for financial assistance at such times and manner specified in the contract which shall include covenants to insure that the housing and related facilities be used only in conformity with the provisions of this section;

The Secretary shall prescribe regulations to insure that Federal funds expended under this section are not wasted or dissipated;

Defines certain terms.

Section 5: Makes certain technical and conforming amendments and authorizes an appropriation of \$75 million to carry out grant provisions contained in new section 517. Authority to remain available until June 30, 1968.

AGENCY REPORTS

DEPARTMENT OF AGRICULTURE,
Washington, D.C., October 15, 1963.

Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency,
U.S. Senate, Washington, D.C.

DEAR SENATOR ROBERTSON: This will reply to your request of March 11 for a report on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

The bill would amend title V of the Housing Act of 1949 so as to authorize additional financial assistance by the Secretary of Agriculture through the Farmers Home Administration to provide housing and related facilities for domestic farm laborers. It would make domestic farm labor eligible for loans and grants under section 504(a) of the act and for insured loans under section 514. It would also authorize two new programs: (1) Direct loans to the same classes of applicants as under section 514, including domestic farm labor; and

(2) grants to State agencies, nonprofit organizations, and associations of farmers.

The amendment to section 504(a) of the act would permit making loans and grants, in amounts up to \$1,000, to domestic farm laborers to finance repairs and improvements, essential to health and safety, to dwellings occupied by them as nonowners.

The amendment to section 514 would add domestic farm labor to the classes of applicants eligible for insured loans under that section. These classes now consist of farmowners, associations of farmers, States and political subdivisions, and public and private nonprofit organizations.

A new section 516 would be added to the act to provide for direct loans, to be made from a revolving fund of not to exceed \$25 million, to the same classes of applicants and for the same purposes as under amended section 514. The direct loans would be limited to maximum terms of 33 years, maximum interest rates of 4 percent per annum, and applicants unable to obtain the necessary financing from other sources on terms and conditions equally as favorable. For loans to borrowers other than domestic farm labor, construction would be subject to minimum wage rates and related requirements. Rental housing financed with these loans would be subject to maximum rents determined by the Secretary of Agriculture, not to exceed capital, operating, and maintenance costs. The loans could also be made to provide housing for ownership by domestic farm labor.

The authority for the new grant program would be contained in new section 517 of the act. It would authorize grants to any State or political subdivision, public or private nonprofit organization, or association of farmers to assist in providing low-rent housing and related facilities for domestic farm labor. Financial assistance provided under this section could not exceed two-thirds of the total development cost less any amount the Secretary determined could practicably be obtained from other sources, including a direct loan under section 516. The applicant would be required to agree (a) not to charge rentals exceeding amounts approved by the Secretary, (b) to maintain the housing at all times in a safe and sanitary condition in accordance with prescribed standards, and (c) to give domestic farm labor at all times an absolute priority for occupancy of the housing. By amendment to section 513, appropriations would be authorized not to exceed \$75 million for financial assistance pursuant to section 517 until the end of the fiscal year 1968.

This Department recommends that the bill be passed, with modifications.

The need of domestic farm labor for housing adequate by even minimum standards is acute. While progress is being made under the financial assistance programs now authorized in title V of the Housing Act of 1949, we believe that the bill, if modified, will make available important additional means for moving toward the goal of adequate housing for domestic farm laborers and their families.

The section 504(a) amendment permitting assistance to domestic farm laborers for repairs and improvements would not restrict the location of the housing to a rural area. Since this restriction now applies to assistance to individuals under the present provisions of title V, the Department recommends that assistance to individual domestic farm laborers under the bill be also limited to rural areas.

The amendment to section 504(a) of the act would permit, for the first time, making loans and grants under this section to persons who are not the owner-occupants of the housing. Since both migrant and resident farm laborers are in the lowest income brackets and more often are tenants than owners, the amendment should increase substantially the effectiveness of this loan and grant program for minor essential repairs necessary for health and safety. This authority will be particularly helpful in connection with the large nonmigrant segment of the farm labor force. In our view, however, it would not be sound to make a loan or grant to a domestic farm laborer to repair or improve a dwelling occupied by him or his family for only a brief period during the year unless the building were used principally to house other domestic farm laborers during the rest of the year. To help assure that the benefits of section 504(a) assistance under the bill would accrue to domestic farm laborers and their families, the following change should be made in the bill:

In line 10 on page 3 just before the period insert a comma and the following: "Provided, however, That assistance to domestic farm laborers under this subsection may be provided only to repair or improve a dwelling in a rural area occupied by the applicant or his family for a substantial portion of the year and only upon such conditions as the Secretary shall prescribe to assure that the

major benefits of such assistance will accrue to the applicant and his family, or to the applicant and his family and other domestic farm laborers."

Section 514 of the act would be extended by the bill to include insured loans to individual domestic farm laborers to build or improve their own homes. This Department is opposed to this proposed amendment, primarily for two reasons. One is that farm laborers who own land in a rural area may now qualify for housing loans under section 502. The other reason is that the President has recommended and this Department has submitted to the Congress a proposal to make insured rural housing loans. Enactment of a broad insured loan program would be preferable to a piecemeal approach of authorizing such loans only to individuals who are domestic farm laborers. The Department recommends, therefore, that all of section 3 of the bill be deleted.

The proposed new section 516 of the act would authorize direct loans to provide housing for domestic farm labor. They would be made from a \$25 million revolving fund and would bear interest at a rate of not more than 4 percent. They would be available to applicants who could not obtain funds from other sources at equally favorable terms. These direct loans because of their lower interest rate would replace the insured loans authorized in section 514. Such a program would also place the Farmers Home Administration in direct competition with other lenders because other credit likely would not be available to the applicant at such favorable terms. The existing programs under title V are subject to the requirement of section 501(c) (2) and (3) that an applicant be unable to provide the housing and related facilities on his own account and unable to secure the necessary credit elsewhere upon terms and conditions which he could reasonably be expected to fulfill. Under this policy the Farmers Home Administration is in a supplemental rather than a competitive position with respect to other lenders.

For the reasons stated, this Department recommends that all of proposed new section 516 except subsection (e) relating to the Davis-Bacon Act be deleted and that "clause (1) of subsection (a) or under" in line 23 on page 6 be deleted from subsection (e). Subsection (e) may then be transferred to section 517 as subsection (f). Also, on page 2 in line 23 the reference to section 516 should be deleted.

New section 517(a) would authorize grants to any "State or political subdivision thereof, public or private nonprofit organization, or association of farmers." We recommend that applicants eligible to receive such grants be narrowed to public agencies and nonprofit associations of domestic farm laborers by striking "or private" in line 11 on page 8 of the bill and changing "association of farmers" in the next line to "nonprofit association of domestic farm labor." In our judgment it would be incompatible with the nature of the proposed section 517 grant program to authorize grants to a profit organization, even an association of farmers. Moreover, unless perpetual dedication is to be required and enforced, with its attendant long-term costs, grants to any private organization, though nonprofit, would involve the possibility of ultimate financial benefit to the owners or members of the organization upon its dissolution and distribution of the assets. Accordingly, it is our view that no private organization should be made eligible for such grants except nonprofit associations of the intended beneficiaries of the program; namely, the domestic farm laborers.

As a general rule, the right and duty of the Government to enforce requirements designed to afford further assurance of carrying out the purposes of the authorized loan programs under title V of the Housing Act of 1949 are limited in each case to the duration of the loan. Under the language of section 517(c), housing financed with grants authorized by the section would remain subject to Government rent control and maintenance and occupancy supervision perpetually. We believe it would be advisable to make the statutory provisions more flexible. Otherwise the rigidity of the present language would ultimately result in burdening the Government with costs of supervision long after such supervision had become inappropriate or unnecessary. Therefore we recommend that on page 9 of the bill, in line 16, after the word "unless" there be inserted a comma and the following: "to any extent and for any periods required by the Secretary,".

The cost referred to in section 517(b) by the language "two-thirds of the total development cost" clearly includes the cost of land. In clause (2) of section 517(a) the language "one-third of the cost of providing the housing and related facilities" may be construed as not including land cost. To make it clear that both fractions are intended to apply to the same whole, and that part or all of

the applicant's contribution may consist of funds borrowed under section 514 or elsewhere, we suggest that clause (2) be revised to read as follows:

"(2) the applicant will contribute, from its own resources or from funds borrowed under section 514 or elsewhere, at least one-third of the total development cost;"

Also, to make it clear that a grant could not be made under section 517 to supply any funds which the applicant could borrow under section 514, on page 9 in line 13 "section 516" should be changed to "section 514."

The following additional technical changes are recommended:

1. On page 8, line 10, change section "517" to "516."
2. On page 10, line 17, change "(f)" to "(g)."
3. On page 11, line 10, change "514-517" to "514-516."

Since it is difficult to forecast accurately the need for future years pending actual experience, the following estimates of funds needed if the bill is enacted are based on estimates of activity to the end of the fiscal year 1964. Funds for the section 504(a) loans authorized by the bill would be obtained as needed by borrowing from the Treasury pursuant to section 511. We estimate that \$750,000 would be sufficient. Funds for the section 504(a) grants authorized by the bill would be obtained from appropriations authorized by section 513(b). It is expected that an additional appropriation of \$1,500,000 would be needed for this purpose to the end of fiscal year 1964. We anticipate a demand of about \$3 million for grants under section 517 until the end of the 1964 fiscal year, with an increase in demand during subsequent years. The additional workload which passage of the bill would cast upon the Farmers Home Administration could not be absorbed by its present staff without gravely impairing the agency's overall efficiency. We estimate that \$500,000 would be necessary to administer the programs authorized by the bill until June 30, 1964.

The Bureau of the Budget advises that there is no objection to the submission of this report from the standpoint of the administration's program. However, the Bureau requested during our discussion of the use of insured loans under section 514 in connection with grants under section 517 of the bill that we bring to the committee's attention the administration's continued objection to the liquidity or "put" feature in the existing section 514 insured loan program. This is of particular concern since the grant feature of S. 981 is likely to have a stimulatory effect on the existing program.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,

October 15, 1963.

HON. A. WILLIS ROBERTSON,
*Chairman, Committee on Banking and Currency,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your request of March 11, 1963, for a report on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

This bill would amend title V of the Housing Act of 1949 to authorize additional financial assistance by the Secretary of Agriculture to provide housing and related facilities for domestic farm laborers including domestic migrant agricultural workers. While the technical aspects of the bill are beyond the purview of this Department the bill appears to provide a flexible program for providing safe and sanitary housing for farm laborers in a variety of situations. In general the provisions follow the recommendations made on pages 16 and 22 of the third report of the Committee on Labor and Public Welfare made by the Subcommittee on Migratory Labor, Senate Report 167, 88th Congress, 1st session.

The Department has for many years been deeply concerned about the inadequate, unsafe, and unsanitary living arrangements of domestic agricultural workers and especially those who must migrate to follow the crops. The work of the various operating agencies of the Department brings them in close touch with the problems of farm laborers and the conditions found by our staff have been described to the Congress in reports and testimony. We are especially concerned about the high rate of infant mortality among migrant agricultural families due to diarrheal disease associated with impure water supplies and unsanitary living conditions.

We therefore endorse the objectives of this proposed legislation. We defer, however, to the views of the Department of Agriculture as to whether the provisions of S. 981 are well designed to effect these objectives.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

WILBUR J. COHEN,
Assistant Secretary.

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., October 15, 1963.

Subject: S. 981, 88th Congress (Senator Williams, and others).

HON. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reply to your request for our views on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision for housing for domestic farm labor.

This bill would amend section 504 of the Housing Act of 1949 to make domestic farm laborers eligible for direct loans (or loans in combination with grants) for minor improvements to farm dwellings. At present, the benefits of this section are available only to owner-occupants of farm housing. The bill would also make domestic farm laborers eligible applicants under section 514 of the Housing Act of 1949, which presently authorizes mortgage insurance to farm-owners, associations of farmers, States or political subdivisions, or public or nonprofit private associations to contract or repair housing and related facilities for domestic farm labor.

In addition, the bill would authorize two new programs to provide housing and related facilities for domestic farm labor: (1) direct loans to farmowners, associations of farmers. States or political subdivisions, public or nonprofit private associations and domestic farm laborers to construct or repair housing and related facilities for domestic farm labor, and (2) grants to State agencies, public or private nonprofit organizations, and associations of farmers to provide financial assistance for the provision of low-rent housing.

The Housing Agency favors the objectives of this bill. There is an urgent need for improved housing accommodations and related community facilities (such as sanitary facilities, fuel distribution systems, schools, etc.) for domestic farm labor. However, we would defer to the Department of Agriculture as to whether the proposed bill is technically adequate to accomplish its intended objectives.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ROBERT C. WEAVER, *Administrator.*

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, October 10, 1963.

HON. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further response to your request for our comments on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

Adequate housing facilities are urgently needed by our domestic farmworkers and the lack of such housing is properly a matter of national concern. Accordingly we strongly support the enactment of legislation of this nature.

While the Department defers to the Department of Agriculture for detailed comments on the overall provisions of this legislation, we are enclosing a number of suggestions regarding certain provisions of the bill of particular interest to us.

The Bureau of the Budget advises that there is no objection to the submission of this report from the standpoint of the administration's program.

Yours sincerely,

W. WILLARD WIRTZ,
Secretary of Labor.

SUGGESTIONS REGARDING PROVISIONS OF S. 981 OF PARTICULAR INTEREST TO THE
DEPARTMENT OF LABOR

1. Subsection (e) of the new section 516 would provide labor standards protection for workers on construction financed under the direct loan and grant provisions of the bill. We strongly support the application of labor standards to this construction but suggest three technical changes in the subsection. First, we recommend deletion of the words "rural part of the" appearing immediately before the word "locality" in the last line on page 6. Second, it should be amended by inserting the words "or under section 517" after the word "section" at line 8 on page 7 of the bill, and by changing the word "section" to "subsection" at line 20 on the same page. Third, the provision regarding the payment of overtime compensation should be deleted. The Contract Work Hours Standards Act would apply by its terms, and this provision is therefore unnecessary.

2. We note with approval that the combined loans and grants under section 504 and the loan insurance under section 514 of title V of the Housing Act of 1949 would not be limited to farmworkers in rural areas. Many farm laborers throughout the country reside either year round or for a major portion of the year in areas which would not technically be considered rural. The majority of the migratory workers will probably seek assistance under the 504 provisions and such assistance should be available to them even when they live near a city.

3. We recommend that resident aliens be included in the definition of "domestic farm labor" for the purposes of agricultural housing programs. A large percentage of resident alien workers are, for all practical purposes, permanently attached to our farm labor force and should not be excluded from housing on the basis of noncitizenship. It is recommended, therefore, that section 2(b) of S. 981 be deleted and the following subsections (b) and (c) substituted therefor:

"(b) Section 501, as amended, of such Act is amended by adding at the end thereof a new subsection as follows:

"(e) As used in this title, the term "domestic farm labor" means a citizen of the United States or a worker who has legally entered the United States and has resided in this country for at least one year and who receives a substantial portion (as determined by the Secretary) of his income as a laborer on a farm or farms situated in the United States."

"(c) Section 514(f) (3) of such Act is deleted."

4. Section 2(a) of the bill provides for loans and grants to domestic farm laborers to make essential repairs, etc., to the housing facilities they are occupying. This provision would transfer the responsibility for repairs and upkeep of housing from the owner to a temporary tenant. It could also burden the worker with debt the remainder of his life, while at the same time providing no assurance that he would be permitted to remain in the house after it was repaired at his expense. We strongly recommend that these loans and grants to farm laborers be limited to those cases where the worker is the owner of the property.

—
TREASURY DEPARTMENT,
October 15, 1963.

HON. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on S. 981, "To amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor."

The Department has no independent knowledge as to the housing needs of domestic farm labor and consequently is not in a position to comment on the necessity for the proposed legislation. However, certain features of the proposed legislation are of interest to this Department and comments on those provisions are set forth below.

Section 3 would extend the existing insured home loan program under section 514 of the Housing Act of 1949 to domestic farm laborers. This program presently authorizes not only the servicing of the insured loans by the Secretary of Agriculture but also their purchase by the Secretary at any time if not in default. This liquidity guarantee feature is considered particularly objectionable by the Department. In that connection, the President's Committee on Federal Credit Programs stated:

"* * * the Committee recommends against any guarantee of liquidity (or 'put') which gives the holder of an insured or guaranteed portion of a loan (or deferred participation) the right to shift the loan back to the Government without risk or cost whenever interest rates rise or alternative investment prospects improve. If, as a transitional device, any liquidity provision is deemed necessary, the liquidity should be provided only for short periods and should entail a significant actual or potential cost to the lender who enjoys the liquidity protection."

In the circumstances, the Department would be opposed to the extension of the section 514 insured loan program to domestic farm laborers unless adequate safeguards are provided to assure that any repurchase agreements are in accordance with the recommendations of the President's Committee.

Section 4 of the bill would authorize a new direct loan and grant program to provide housing for domestic labor. Section 516(b) (1), which would be added to title V of the Housing Act of 1949 by the bill, would authorize loans only if the applicant is unable to secure the necessary funds from other sources upon terms and conditions "equally as favorable" as the terms and conditions of loans provided by the proposed legislation. It is recommended that this provision be revised to provide that no financial assistance shall be extended unless financial assistance is not otherwise available on "reasonable terms" rather than on terms "equally as favorable." Similar provisions are included in other direct Federal loan programs and to authorize Federal loans where equally favorable terms cannot be obtained from private sources would mean that substantially all the loans would be made by the Federal Government.

Section 516(c), which would be added to title V of the Housing Act of 1949 by the bill, would establish the interest rate on loans at a rate not to exceed 4 percent per annum. It is the position of this Department that the interest rate on direct Federal loans should generally cover the cost of borrowing to the Treasury as reflected by prevailing market yields on Government obligations with maturities comparable to the term of the loans. Consequently, it is recommended that section 514(c) be revised to establish the interest rate on loans at a rate determined by the Secretary of the Treasury taking into consideration current market yields on outstanding marketable obligations of the United States with maturities comparable to the term of the loans.

If it is determined that subsidy interest rates are justified in this program, the Department recommends that such interest rates be at least related to the yields on comparable Treasury maturities. In this connection, the President's Committee on Federal Credit Programs stated:

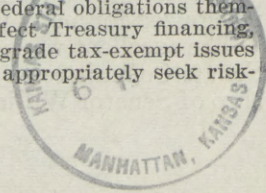
"* * * the Committee recommends that in authorizing new direct loan programs or major expansions of present programs—

"(a) Future legislation should avoid requirements for rigid or relatively inflexible ceilings (or floors) on interest rates; and

"(b) If for reasons of public policy it appears appropriate to charge interest rates below rates for comparable loans in private markets or below Government costs, the lending agency should be permitted to vary the rate charged new borrowers from time to time at least as much as market rates and current Treasury borrowing costs vary."

Finally, the Department would like to note that the existing insured loan program under section 514 of the Housing Act of 1949 authorizes the Secretary of Agriculture to insure loans to State and local public bodies. In this connection, the President's Committee on Federal Credit Programs stated:

"Guarantees of tax-exempt obligations tend to expand the volume of such securities issued. The Committee therefore recommends that no program in the future be authorized which involves guarantee of tax-exempt obligations because (a) the cost in tax revenues to the Federal Government would generally exceed the benefits of tax exemption received by borrowers, (b) such federally guaranteed tax-exempt securities would be superior to direct Federal obligations themselves, and their increasing volume would adversely affect Treasury financing, and (c) the availability of increasing amounts of high-grade tax-exempt issues would tend to attract funds from investors that should appropriately seek risk-bearing opportunities."



"In addition to the substantial advantages from the tax exemption privileges available for State and local borrowing, two additional types of aid which do not involve guarantee of tax-exempt obligations could provide any additional necessary credit assistance:

"(a) Any local community waiving its tax exemption privilege might be authorized to borrow for specific high priority needs with the aid of a Federal guarantee; and

"(b) Local communities might be authorized to receive capital grants sufficient to permit borrowing the remainder in the market on reasonable terms."

Thus, since section 3 of the bill would make a major change in the nature of the section 514 insured loan program, the Department recommends that the provisions with respect to insuring loans to State and local public bodies be amended to conform with the recommendations of the Credit Programs Committee.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee.

Sincerely yours,

(Signed) G. D'ANDELOT BELIN,
General Counsel.

Senator SPARKMAN. The first witness is Mr. Howard Bertsch, Administrator of the Farmers Home Administration.

Mr. Bertsch, will you come around, please, sir?

We have had the pleasure of having you appear before our subcommittee many times. We always welcome you here.

Mr. BERTSCH. Thank you, Mr. Chairman.

Senator SPARKMAN. You have been a tremendous help in perfecting legislation that would make it possible for rural citizens to get decent, safe, and sanitary housing. I express my appreciation to you and to those who have worked with you to that end.

STATEMENTS OF HOWARD BERTSCH, ADMINISTRATOR, FARMERS HOME ADMINISTRATION, ACCOMPANIED BY LOUIS D. MALOTKY, DIRECTOR OF THE RURAL HOUSING LOAN DIVISION IN THE FARMERS HOME ADMINISTRATION

Mr. BERTSCH. That is most gracious of you, Mr. Chairman. The gentleman with me this morning perhaps deserves more credit than do I. He is Mr. Louis D. Malotky, Director of the Rural Housing Loan Division in the Farmers Home Administration. Those questions which I cannot answer I am sure he will be able to.

I appreciate the opportunity to appear before the Subcommittee on Housing and discuss S. 981, a bill which could, if enacted, represent a major step forward in providing assistance for improving housing for farm laborers.

I would like to touch briefly on the conditions which make such legislation necessary, on the type of farm labor housing which can be currently financed by the Farmers Home Administration under the Housing Act of 1949, as amended, and on the progress we have made to date in financing farm labor housing. I will also outline what S. 981 would enable us to do, and make some recommendations for amendments.

The inadequacy of housing facilities for farm laborers has been recognized for many years.

The excellent work of the Subcommittee on Migratory Labor of the Senate Committee on Labor and Public Welfare, under the chairmanship of Senator Williams, and the hearings held by you gentlemen that

resulted in the farm labor housing legislation contained in the Housing Act of 1961 have done much to focus the current attention of the Nation on this problem.

The deplorable living conditions that exist in the many areas where farm laborers are used in large numbers to harvest the crops are by now well documented. Overcrowded shacks, inadequate cooking and sanitary facilities, slum conditions in many rural areas match anything that can be found in the most depressed areas of our cities.

We recognize that considerable headway in recent years has been made by many farmers and rural communities in providing adequate living quarters. But much more needs to be done before we can rest easy, before we have achieved the standard of living for all farm laborers that should be taken for granted in this great country of ours.

We make progress. But the pace is too slow. I can remember more than 20 years ago when I was in charge of the operations of the Farmers Home Administration in Malheur County, Oreg., we built a migratory labor camp near the town of Nyssa that enabled scores of farm laborers to leave their tents and cardboard shacks and live in comfortable quarters. The shame of it all is that so many years have elapsed since then, and so many of the 3.5 million people who work on this Nation's farms are still so poorly housed.

Today we do have a farm labor housing program. It is not adequate, it would be vastly improved by S. 981. Allow me to outline the basic provisions of the current program before discussing the proposed improvements.

Under title V of the Housing Act of 1949, the Farmers Home Administration may make a loan to a farm laborer to construct or improve his own home on his own land.

One of the noteworthy developments under this authority can be found in the community of Goshen, Calif., not far from Visalia.

Here three seasonal farm laborer families, who owned tracts of land, during the past year built modern well-equipped homes by providing a good deal of the labor needed for the construction of their homes and using materials purchased with loans made to them by the Farmers Home Administration. These families saved from \$3,000 to \$4,000 by doing a major part of the construction. They borrowed about \$6,000 apiece.

The key to their success lies mainly in the help they received from an experienced contractor and builder who works with the American Friends Service Committee. He designed the homes, helped them select the materials and worked with them as they developed the needed building skills.

I have here, Mr. Chairman, a before-and-after picture which I would be happy to present to the committee showing the housing that one of these families occupied prior to this construction and the new house that they built with their own labor to correct this housing situation.

Senator SPARKMAN. Mr. Bertsch, if I may interrupt at that particular point, I made some remarks on the floor of the Senate several days ago during consideration of the \$25 million addition authorization contained in the Department of Agriculture appropriation bill, and I referred to this project.

The thing that I am curious about, you say the domestic farm laborers owned the tracts of land. I take it if they were farm laborers the tracts of land were not very large. In other words, they did not operate a farm.

Mr. BERTSCH. Oh, no, sir. They were only building sites that they had acquired.

Senator SPARKMAN. Just a lot?

Mr. BERTSCH. That is correct.

Senator SPARKMAN. And the Farmers Home Administration loaned these laborers about \$6,000 each?

Mr. BERTSCH. That is correct.

Senator SPARKMAN. And then they by self-help did about 40 percent of the work?

Mr. BERTSCH. That is correct, and we judge that the value of the completed dwellings was in the vicinity of \$9,000 to \$10,000, representing really the marketing of their labor and the construction of the dwellings in the off season.

Senator SPARKMAN. Is one of the pictures here a picture of the old house?

Mr. BERTSCH. Correct. This is the house on the left, the house they lived in prior to this construction; and the other one is their new house just completed.

Senator SPARKMAN. I recall the first house that was built under title V. Do you remember that?

Mr. BERTSCH. I do, indeed. I was then occupying the position that Mr. Malotky is occupying now.

Senator SPARKMAN. Were you there?

Mr. BERTSCH. I was not there at the time of the dedication. We administrators reserve to ourselves all these celebrations, and Mr. Dillard Lassiter was my administrator at that time. He was there.

Senator SPARKMAN. I had the pleasure of being present on that occasion. The home was built in Alabama, in Jackson County, which is the home county of Congressman Bob Jones who was joint author of the act.

Have you seen pictures of those two buildings?

Mr. BERTSCH. Yes, indeed.

Senator SPARKMAN. They have even a greater contrast than this; do they not?

Mr. BERTSCH. Yes; that is correct.

Senator SPARKMAN. By the way, that family was named Jones, and they completed paying off that mortgage about a year ago.

Mr. BERTSCH. That is what I understand.

Senator SPARKMAN. Well, thank you very much.

Mr. BERTSCH. With respect to this Visalia project, we have great hopes that this experiment can be duplicated in many other areas, but we realize that the type of guidance and supervision the Goshen families received will not be easy to obtain on a large scale throughout the country.

By and large, though we have had this authority since 1949, as well as authority to make or insure a loan to a farm owner so that he could build housing for farm laborers, very few individual homes for farm laborers have been financed. The farm laborers have lacked the know-how to build housing at a cost they could afford to repay.

Farm owners because of narrow profit margins in their farming operations and for other reasons have not availed themselves of this credit service to any marked degree.

The Farmers Home Administration also has authority to make grants up to \$1,000 to farm laborers who own the home they live in, if such grants are needed to remove hazards to safety or to health. Grants, of course, are only available when the applicant cannot qualify for a loan. Relatively few of these grants have been made, primarily because the farm laborers most in need of this type of assistance do not own the dwellings they live in.

Where the grants have been used they have proved quite effective. In Arizona, for example, in Pinal County during the past year we made 22 grants to farm laborers living in the rural community of Randolph.

These families have access to a community water system but they were unable to finance the installation of even the simplest plumbing. We helped obtain bathroom equipment, a kitchen sink, and a septic tank.

While the whole problem at Randolph is not completely solved, these 22 installations have made a noticeable improvement in the community. Moreover, other agencies are now working with the community and are now setting up a 4-H Club, a homemaking club, as well as chartering a Boy Scout troop.

The Housing Act of 1961 made a major step forward in the development of an adequate farm labor housing program by authorizing the Farmers Home Administration to insure loans to a farm owner, association of farmers, State or political subdivision, or public or private nonprofit organization to provide housing and related facilities for domestic farm labor.

The maximum interest rate on these loans is 5 percent and the maximum term 33 years. Loans insured in any fiscal year may not exceed \$25 million.

Since the inception of this phase of the program in 1961 some 15 loans have been approved or authorized for a total of more than \$1 million.

Several of these projects have been completed.

Most of the housing developed with these loans are apartments that contain a living area, bedroom, kitchen, dining area, and bath. Some are dormitory-type housing with central dining, bath, and toilet facilities.

The projects completed or under development are in Florida, Idaho, New Jersey, South Carolina, and Washington.

Currently 10 labor housing loans are being developed in California, Kansas, Florida, South Carolina, Idaho, Montana, Texas, and Washington.

The first farm labor housing loan made under the amendments of the 1961 act was a \$50,000 loan to the 75-member Gem County (Idaho) Cooperative Labor Council. The loan financed the construction of 48 dwelling units for the seasonal workers who harvest fruit and vegetables grown in that county. The new quarters helped insure an adequate labor supply for the area's expanded fruit and vegetable production.

I have here, Mr. Chairman, another picture illustrating the construction that has been completed in Gem County, Idaho.

Again I resorted to my prerogatives and went out to Emmett, Idaho, for the dedication of that labor housing project. I would say that the funds advanced for this construction, subject to our insurance, were advanced by the local bank; the civic clubs of this small town of Emmett sponsored the dedication, and it truly represented a kind of community action, a kind of partnership between local, State, and Federal agencies that all of us are proud of.

The largest project financed is the Rangeline labor housing center of Boynton Beach, Fla. The \$535,000 advanced to this nonprofit corporation will build 64 apartment units and 160 dormitory rooms. Space for a medical clinic is provided as well as a cafeteria. The funds were provided in this instance by the First National Bank of Lake Worth, Fla., and the Continental Illinois National Bank & Trust Co. of Chicago.

And we have a picture here of that construction, the housing in which these people lived prior to construction and a couple of scenes of the apartment type of dwelling that resulted from this \$535,000 loan.

At the present time we feel that this type of credit assistance is beginning to move ahead. But it has been slow to catch on, and it will be slow to develop. For these reasons we welcome the new authorities contained in S. 981.

I would like to limit my comments this morning at this point to the major features of the bill. Additional technical points are included in the report of the Secretary of Agriculture.

Senator SPARKMAN. May I interrupt again?

You have given us two examples: One the \$50,000 loan to the 75-member Gem County, Idaho, Cooperative Labor Council. Who makes up that cooperative?

Mr. BERTSCH. In Gem County they have a cooperative fruit processing plant that processes most of the fruit grown in the Gem Valley, and the grower members of this cooperative fruit processing plant, recognizing the fact that they could not get a stable supply of good labor without providing adequate housing for it, organized this subordinate cooperative to the Growers Council which was chartered—

Senator SPARKMAN. In other words, it is made up of the people who own the land?

Mr. BERTSCH. Made up of the people who are growers of fruit and vegetables in that area.

Senator SPARKMAN. The other example was in Florida. Is the same thing true in Florida? I notice that the sponsors of that project are a nonprofit corporation.

Mr. BERTSCH. No; in Florida a group of growers again organized a nonprofit corporation specifically to construct housing. They will operate the housing project on a nonprofit basis simply as a subsidiary to their growing activities.

Senator SPARKMAN. It is the same kind of ownership except it is a nonprofit corporation instead of profit?

Mr. BERTSCH. It is; yes.

Senator SPARKMAN. All right, thank you.

Senator WILLIAMS. This is rental housing?

Mr. BERTSCH. This is rental housing in each instance, Senator Williams.

Senator SPARKMAN. When the proposed sponsors of such a project make application to you for a loan do they state the amount of rent that will be charged?

Mr. BERTSCH. We do not control under this program the amount of rent that can be charged. We do look at the design of the construction, and we do undertake to keep that design modest, and we review their management budget to be sure that they do not undertake to provide unrealistic salaries for management and thus avoid the nonprofit character of the operation. I think I am correct, Mr. Malotky, we do not fix ceilings on the rental.

Senator SPARKMAN. Do you know what those rents are?

Mr. BERTSCH. We know. In their prospectuses, in their budget they tell us.

Senator SPARKMAN. I wonder if you can tell us what the rent is, for instance, in Idaho?

Mr. BERTSCH. In the Idaho project if my memory serves me correctly the rental is about \$6 a week per family; is that right?

Mr. MALOTKY. That is about right. Another interesting feature is that the laborers bear part of the cost and the membership assesses itself to make up the difference.

Mr. BERTSCH. They told me out there in Idaho at the time of the dedication of this project that the rentals collected from the farm laborers would meet only the costs of maintenance and operation, and that retirement of the debt would need to be brought about by assessments on the growers, which they were willing to pay.

Senator SPARKMAN. In other words, more or less housing that they ought to furnish except for maintenance and upkeep?

Mr. BERTSCH. Right.

Senator SPARKMAN. How much floorspace do they have per unit in the Idaho project—how many rooms?

Mr. BERTSCH. In Idaho these were two-room apartments with central laundry facilities and central bathing facilities.

The Florida apartments were bigger. I think they are four-room apartments with living space, two bedrooms, some of them, and a kitchen.

Senator SPARKMAN. What do the Florida units rent for?

Mr. BERTSCH. About \$65 a month; am I correct?

Mr. MALOTKY. Actually the budget projected \$50 a month as the rental level.

Senator SPARKMAN. Just a little more than the other. Twelve and a half a week approximately, or a little less.

Is this rent deducted from the laborers' pay, or how do they pay the rent?

Mr. MALOTKY. No; this is under a separate rental contract. They have a rental contract with the corporation and they pay rent just as anyone else would on the basis of the contract.

Senator SPARKMAN. They work for individual farmers; is that right?

Mr. MALOTKY. Yes, sir; they are free to work on any farm.

Senator SPARKMAN. Are these all migratory or do part of them—

Mr. BERTSCH. In Idaho they are all migratory laborers in the sense that they come up there in April and stay until about October.

Senator SPARKMAN. Then is the housing vacant the rest of the year?
Mr. BERTSCH. I assume the housing is not occupied during the period October to April.

Senator SPARKMAN. Now what about the project in Florida?

Mr. MALOTKY. In Florida most of that housing would be occupied by migrant laborers, but there are some people like tractor drivers and maintenance men who have employment in the area throughout the summer season, which is really the only gap in the season in Palm Beach County. So there would be partial occupancy during the summer months, but not total.

Senator SPARKMAN. In other words in each instance it is primarily transitory labor?

Mr. BERTSCH. That is right.

The major provisions of S. 981 are as follows:

1. The bill would amend section 504(a) of the Housing Act of 1949 to permit making a loan or a grant or both to domestic farm laborers to finance essential repairs and improvements to dwellings occupied by them. This would eliminate the present requirement that the recipient of the grant also be the owner of the property and would make this type of assistance effective. We would, of course, develop such regulations as would make certain that a farm laborer who received a loan had the ability to repay the loan and that a grant to a farm laborer would result in improvements to the property accruing to the benefit of farm laborers.

The provision would do much, we believe, to start a program going that would make real inroads on the housing problem of farm laborers. In considering this provision of the bill it is important to note that this type of assistance would be available to any farm laborer who could qualify, this would include the farm laborers who live on the farm or in a nearby village the year round.

The language of the bill would permit assisting domestic farm laborers under section 504 of the Housing Act of 1949, irrespective of whether the laborer lived in a rural area or in a city. We recommend that the bill be amended to limit assistance to those farm laborers living in rural areas. All of the present authorizations in title V with respect to loans to individuals are limited to rural areas.

2. The bill would amend section 504 of the Housing Act of 1949 to permit insured loans to individual domestic farm laborers to build and improve their homes. We do not favor this provision for two reasons. One is that loans already are available to farm laborers who own land in a rural area under section 502 of the act. The other reason is that the President has recommended and the Secretary has submitted to the Congress a proposed insured rural housing loan program. If a broad insured loan authorization is enacted, it would be highly preferable to a piecemeal approach of making such loans only to individuals who happen to be employed in the farm labor force.

3. A new direct loan program to finance housing for domestic farm laborers would be authorized under section 516.

Senator SPARKMAN. Mr. Bertsch, before you move away from this subject, you speak of the proposed insured rural housing loan program. A good many years ago there was an insurance plan for housing loans, perhaps even farm loans, with FHA. Do they include the whole farm?

Mr. BERTSCH. Yes, those were loans made under the Bankhead-Jones Farm Tenant Act.

Senator SPARKMAN. That insurance program was never very successful, was it?

Mr. BERTSCH. It is now working out. In the Agricultural Act of 1961 amendments were made to the insurance authorities giving more flexibility in the mandatory holding period which was required and in the interest rate which accrued, and last fiscal year you will be pleased to know, Mr. Chairman, that we insured loans totaling \$200 million for purposes of the Bankhead-Jones Farm Tenant Act. This compares to the \$8 or \$10 million that we struggled along with for many years.

Senator SPARKMAN. Suppose a farmer owned his farm and had inadequate housing and wanted to build a house under that program. Could he obtain a housing loan or does that program provide for the purchase of farmland?

Mr. BERTSCH. If we were the owner-operator of not larger than a family farm and if his needs to make his farm adequate were only housing then he could receive a loan for that housing through the Bankhead-Jones Farm Tenant Act.

Senator SPARKMAN. That would be subject to the insurance program?

Mr. BERTSCH. That is correct.

Senator SPARKMAN. And what you are proposing—I suppose this is no place to be talking about it because that would be in separate legislation—but what you are proposing is an insurance program that would be almost identical with that, would it not?

Mr. BERTSCH. What we are proposing is an insurance program that would be essentially identical to the present direct loan program under section 502 of the Housing Act of 1949 as amended in 1961.

Senator SPARKMAN. The insurance plan really proposes to replace the direct loan program?

Mr. BERTSCH. Substantially replace it; yes, sir.

Senator SPARKMAN. The direct loan program has been a wonderful program, you have sustained virtually no loss under it, I believe. If I remember correctly, it was less than two-tenths of 1 percent?

Mr. BERTSCH. Less than two one-hundredths of 1 percent.

Senator SPARKMAN. Two one-hundredths of 1 percent. This program has been going since the Housing Act of 1949 and during that time loans have amounted to—I have forgotten how many millions of dollars—

Mr. BERTSCH. We have loaned about \$606 million.

Senator SPARKMAN. \$606 million, it has sustained a loss of less than two one-hundredths of 1 percent. I am very proud of that program, and I should hate very badly to see it replaced with something that might not work as well. You think you have had enough experience under the 1961 provision to try it out?

Mr. BERTSCH. We believe so; yes, sir. We feel that legislation with proper safeguards can be enacted which will simply transfer the source of funds from the present budgetary source, the present borrowing authorization from the Treasury to the employment of funds invested by private enterprise.

Senator SPARKMAN. Of course, the only reason we proposed direct loans initially was because there was no alternative. The credit simply was not available.

Mr. BERTSCH. In 1949 and again in 1961 we had not yet learned how we could make the insurance program work. We believe since 1961 we have learned. We are now willing to undertake to expand it to the housing field, and I am satisfied that when the opportunity presents itself we can make a good case for our position.

Senator SPARKMAN. All right, thank you.

Mr. BERTSCH. Referring to section 516 of S. 981, there would be provided by this section a new direct loan program to finance housing for domestic farm laborers. These loans would be made from a \$25 million revolving fund to the same classes of applicants who could qualify for an insured loan under section 514 of the act, would bear interest at a rate of not more than 4 percent, and would be available to applicants who could not obtain funds from other sources upon terms and conditions equally as favorable as the terms and conditions specified in section 516. Those terms are repayment periods up to 33 years and interest at not more than 4 percent. We do not favor this new direct loan authority for several reasons.

One is that, in our opinion, it would be difficult to make any insured loans if the loan authorizations were duplicated by a direct loan program under considerably more favorable terms. The predictable effect would be that as long as direct funds were available no applicant would want an insured loan.

Another is that the criteria for determining whether an applicant can obtain credit elsewhere are different from other phases of title V of the Housing Act which are subject to the requirement that loans may be made only to applicants who are unable to provide the housing and related facilities on their own account and are unable to obtain the necessary credit elsewhere upon terms and conditions they can reasonably be expected to fulfill. In our judgment, little money would be available to finance farm labor housing at a 4-percent rate. As a result, an applicant who otherwise might be able to obtain credit from another lender at a reasonable rate could qualify for a direct labor housing loan. This would be a major departure from the basic role of the Farmers Home Administration which is to supplement other sources of credit rather than be competitive with them.

4. The bill would authorize grants to any State or political subdivision thereof, public or private nonprofit organization, or association of farmers, to assist in providing low-rent housing and related facilities for domestic farm laborers.

The applicant would be required to contribute at least one-third of the cost of providing the housing and related facilities.

The applicant would have to agree to charge rentals not exceeding amounts approved by the Secretary, to maintain the housing at all times in a safe and sanitary condition and to give priority so far as occupancy was concerned to farm laborers.

Senator JAVITS. I would like a characterization of the program as the Department proposes it, if I may, Mr. Chairman. Is this tantamount to a low-rent housing subsidy which will be paid by grants every year?

Mr. BERTSCH. This would be a construction grant, Senator Javits.

Senator JAVITS. Single, one shot?

Mr. BERTSCH. One-shot grant.

Senator JAVITS. So it would have to be administered in coordination with the insured mortgage provisions of existing law?

Mr. BERTSCH. That is correct.

Senator JAVITS. In other words, what you would really be doing is paralleling the urban renewal formula. In urban renewal, for example, there is a Federal payment of two-thirds of the net project cost which is generally the difference between the cost of acquiring the land and the price received for it by the renewal agency. Here you are going to give them a one-shot grant applying the same formula as under urban renewal.

Mr. BERTSCH. I think that is correct.

Senator JAVITS. It seems to me therefore that we ought to apply to this section whatever lessons you have learned from administering urban renewal. The sponsor of the bill is here, and I am cosponsor of it. If there is any improvement possible, if that is the analogy we are making, and I think it is exact, then we should make such improvements.

Thank you, Mr. Chairman.

Mr. BERTSCH. This provision would be a great aid in developing an effective farm labor housing program. This authorization would be particularly helpful to rural communities that want to, and need to do something about providing better housing for farm laborers, but need some sort of financial assistance. They frequently need this type of assistance for two reasons: First of all they cannot afford to borrow all the funds required to build adequate housing. Second, the farm laborers cannot afford to pay the rentals that would be required if the entire cost of the housing had to be repaid from rental income.

We recommend, however, that the applicants eligible to receive grants under section 517 be narrowed to public agencies and nonprofit association of domestic farm laborers. Unless perpetual dedication is to be required and enforced with its attendant long-term costs and administrative complexities, grants to private organizations, even though they are nonprofit, would involve the possibility of ultimate financial benefits to the owners or members of the organization upon its dissolution or distribution of the assets.

Another change we are suggesting is that more flexibility be provided with respect to the period for which the housing assisted under section 517 would remain subject to Government rent control and maintenance and occupancy supervision.

S. 981 includes the types of programs that offer a direct approach to the difficult problem of giving farm laborers an opportunity to live in a decent home. The experience we have had to date in administering the existing program leads us to conclude that the bill, if approved, will provide a tremendously effective farm labor housing program.

Senator SPARKMAN. Thank you, Mr. Bertsch.

Senator Williams.

Senator WILLIAMS. Well, I certainly want to commend Mr. Bertsch for this statement. He deals clearly and directly with this bill without fear or favor; he expresses his approval for the basic principles of the bill and certainly gives strong support for the grant program. He has made very helpful suggestions on other aspects of the bill.

What a difference a week makes. I think it was last week we had quite a session here when a spokesman from one of the executive branches was quite severely taken to task by this committee because we could not get yes, we could not get no, we could not get maybe. Well, we got our yeses and noes very clearly from you, and I think there is a great deal of merit in some of the suggestions you make for improving the bill.

Thank you very much.

Senator JAVITS. Would the Senator yield?

Senator WILLIAMS. Yes.

Senator JAVITS. As the principal sponsor of the bill, and while the Administrator is here, does the Senator have any desire to express his own view about points 2 and 3 on pages 7 and 8, the view of the Administrator that those two sections should be stricken from the bill, or would the Senator rather study it?

Senator WILLIAMS. I am going to have to study both of these, Senator Javits. I think the suggestion in page 8 of that the loan test, the test of credit, be comparable to the other programs certainly makes a great deal of sense to me at first blush.

As for the insurance program. I would have to see what the President's proposal is.

Senator JAVITS. Mr. Chairman, I am sure the subcommittee staff will give us its point of view also since the witness relates his testimony to other legislation which the President is recommending as well as to existing law. It seems to me that this is something on which we should have the expertise of the committee staff.

Senator SPARKMAN. I am sure that will be available, and I am sure that all of us will want to study the points that Mr. Bertsch brought out and made very clear in his statement.

Senator JAVITS. Mr. Chairman, I have just one other question.

Senator SPARKMAN. Senator Javits, may I interrupt before recognizing you? I must leave and I shall ask Senator Williams to take over as chairman and continue with the hearings. Senator Williams, will you come around, and Senator Javits, please proceed.

Senator JAVITS. I am very much interested in your figures on the market, as it were. You speak of three and a half million farm laborers. Now our understanding is that there are some 6 million farm families at the most in the United States. Is that correct?

Mr. BERTSCH. I think the current census figure is about 6.7, something like that.

Senator JAVITS. Something like that?

Mr. BERTSCH. Yes.

Senator JAVITS. Now can you tell us how you arrived at the figure of $3\frac{1}{2}$ million eligible laborers which you refer to, since that would seem such a very large proportion of the farm family population?

Mr. BERTSCH. Again, Senator Javits, the census for 1960 brought up to date in 1962, indicates about 400,000 migratory farm laborers and about 3 million resident farm laborers who live on farms and work year round on farms. This is the source of our information.

Senator JAVITS. This would include tenant farmers?

Mr. BERTSCH. No, not tenant farmers, but simply farm laborers who work as hired men on farms, residing on those farms.

Senator JAVITS. It would include neither tenant farmers nor sharecroppers?

Mr. BERTSCH. It would not.

Senator JAVITS. Nor farmowners?

Mr. BERTSCH. That is right.

Senator JAVITS. Nor operators, that is, farm lessees?

Mr. BERTSCH. It would not.

Senator JAVITS. It would include solely the pool of farm laborers?

Mr. BERTSCH. That is correct.

Senator JAVITS. Now these are the adults themselves, whether male or female?

Mr. BERTSCH. That is correct.

Senator JAVITS. And do you feel that we ought to separate migratory labor from locally resident farm labor?

Mr. BERTSCH. There is a different problem. However, with respect to housing for farm laborers genuine progress has hardly been recorded in providing housing for this 3 million body of resident laborers. I referred in my statement to the fact that this probably is due in large measure to the narrow profit margins which the employers of those resident farm laborers have enjoyed in the last decade.

So that while there is undoubtedly a difference in degree of problems, the basic problem is characteristic, I believe, of all of this group of farm laborers.

Senator JAVITS. Well, now, Mr. Administrator, since migratory farm laborers have different lengths of stay, are constantly on the move, and perhaps have different credit standing, do you think it would make more sense to have a separate body of legislation for the resident farm laborers and have a special piece of housing legislation for migratory farmworkers, the group which has been the great interest of my colleague from New Jersey and on which he has done a magnificent job. Are you stretching and pulling and reaching if you try to make one piece of legislation cover them both?

Now this does not mean, for example, that you could not take this bill and divide it into sections. In other words, it could still be in one bill. As a cosponsor I assume full responsibility for dealing with them together in our bill, but I want your expertise as to whether we ought to try to separate the programs, whether that will make it possible to have better plans for each, plans more adaptable to their particular needs?

Mr. BERTSCH. I think that in large measure this has been done in S. 981, Senator Javits. Those sections referring to associations for rental housing—I am referring to sections 514, 516, and 517, which is the grant section—these are clearly tailor-made for the migratory labor body, and this is where the major subsidy comes in.

The amendments proposed to section 504 could apply equally to migratory laborers and resident laborers, and would undoubtedly be the minor part, and would not be the cutting edge of this legislation.

So I think that the committee and the staff have essentially, maybe without highlighting it, without headlining it, put together here a piece of legislation that serves both these needs and is well adapted and could be effectively administered.

Senator JAVITS. Well, could you also let us know if you have any suggestions on that particular score? When you use the word “essen-

tially" you are referring to quality. You may enable us to do better and make a sharper distinction. However, you may feel that this "essentially," and not "completely," is a very good thing. But I think in either case we ought to have your judgment as to whether this statute can be better administered with a very sharp definition applying certain sections to one and certain sections to another, or whether you would like to leave it this way. I think we ought to have the benefit of your advice.

Mr. BERTSCH. We certainly pledge our contribution to that, and we have had a very fine working relationship with the members of the committee staff. We pledge our continued operation with them, Mr. Chairman.

Senator WILLIAMS. Could I make an observation at this point?

Earlier you described housing in Idaho, and we have the pictorial story here showing the housing in Lake Worth in Florida where the tenants are essentially migratory workers. However, Senator Javits, wherever there is a harvest period, you have a buildup of the workers plus you still have a residue of permanent workers—the repair people, the pruners. And in that housing, Senator Javits, although essentially for migratory workers, there are a few permanent residents who are full-time year-round employees. On every farm there is a need for permanent workers, and then there is the buildup for the harvest. So while the housing under our bill is essentially for migratory workers and tailored really for them, there would be the opportunity for the permanent resident worker to be part of the tenancy, too.

Mr. BERTSCH. I would call attention also to the fact that those farm laborers housed in the project at Visalia, Calif., are year-round residents. They may not be employed year-round. They have periodic employment throughout the year. They may work 3 months and be unemployed a month and then work another 3 months.

In that area of the country and perhaps throughout the country there is a bit of an evolution brought about by the big growers and planters themselves by diversifying their crops so that they can give more nearly year-round employment to farm laborers, and perhaps as a result of this the percentage of our total farm labor force which is migratory is being reduced, and if this is true it is being very constructively reduced.

Senator WILLIAMS. Yes, and there is a percentage of fallout from the migratory labor force every year when people who are farm-workers do adopt a permanent residence along the line somewhere.

Mr. BERTSCH. It is perhaps a bit difficult for us to draw a clean sharp line between the migrant farm laborer and the resident farm laborer because many of them are migrant for a season, for a portion of the year, and resident farm laborers for the balance of the year, and they do need this home base, and they need access to rental housing while they are migrant and access to permanent housing when they are at their home base. This is an interesting point.

Senator WILLIAMS. Anything further, Senator Javits?

Senator JAVITS. No; I think that is fine. I appreciate your testimony very much. I think that what you have said as to the breadth of the coverage is extremely important, and personally I would hope that you can give us redrafts of any sections that you feel need to be

redrafted to sharpen this approach. Also I gather from what you say, that as to these two sections, the sections of the bill referred to in items 2 and 3 of your recommendations, you just ask that they be stricken. But I think we ought to know with the greatest specificity exactly how you would like to see the bill amended, and I would ask you to file a memorandum as part of your testimony telling us, with specific reference to pages and lines of the bill, what recommendations you have.

Mr. BERTSCH. Yes, sir. Such a redraft will be submitted for the record.

(The redraft of the bill as submitted follows. The language which the Secretary recommends to be inserted appears in *italic*, the recommended deletions are set in line type.)

[Redraft]

88TH CONGRESS
1ST SESSION

S. 981

IN THE SENATE OF THE UNITED STATES

MARCH 1, 1963

Mr. WILLIAMS of New Jersey (for himself, Mr. BURDICK, Mr. CLARK, Mr. DOUGLAS, Mr. HUMPHREY, Mr. INOUE, Mr. JAVITS, Mr. LONG of Missouri, Mr. MCCARTHY, Mr. MORSE, Mr. NELSON, Mr. RANDOLPH, Mr. RIBICOFF, Mr. YARBOROUGH, and Mr. YOUNG of Ohio) introduced the following bill; which was read twice and referred to the Committee on Banking and Currency

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS AND PURPOSE

SECTION 1. The Congress finds and declares that (1) an adequate, dependable supply of qualified domestic farm labor is essential to the farming economy of the Nation; (2) farmers utilizing the services of such laborers are often unable to obtain financial assistance to defray the construction or renovation costs required to provide adequate housing for such laborers; (3) inadequate housing renders agricultural employment relatively unattractive and seriously reduces the supply of qualified domestic farm labor that the farming economy requires; and (4) inadequate housing is directly related to the serious and extensive health problems among such laborers whose intra and interstate movement poses a serious health hazard for the communities in which they live and work. Recognizing that this serious housing problem is national in scope, it is hereby declared the policy of the Congress to authorize the Secretary of Agriculture to develop and carry out a program utilizing direct loans, loan insurance, loan-grant combinations, and financial assistance for low-rent housing so as to assist in providing adequate, healthful housing and related facilities for the domestic farm laborers of this Nation.

LOANS AND GRANTS FOR MINOR IMPROVEMENTS IN DWELLINGS

SEC. 2. (a) The first sentence of section 504(a) of the Housing Act of 1949 is amended to read as follows: "In the event the Secretary determines that an individual who meets the requirements of eligibility set forth in section 501(c),

or who is a domestic farm laborer, cannot qualify for a loan under the provisions of section 502, or 503, or 516; and that repairs or improvements should be made to a dwelling occupied by him, in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, or that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant to such individual to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements;²² *provided, however, that assistance to domestic farm laborers under this subsection may be provided only to repair or improve a dwelling in a rural area occupied by the applicant or his family for a substantial portion of the year and only upon such conditions as the Secretary shall prescribe to assure that the major benefits of such assistance will accrue to the applicant and his family, or to the applicant and his family and other domestic farm laborers.*"

(b) Section 504 of such Act is further amended by adding at the end thereof a new subsection as follows:

"(c) As used in this section, the term 'domestic farm laborer' means a citizen of the United States who receives a substantial portion (as determined by the Secretary) of his income as a laborer on a farm or farms situated in the United States."

INSURANCE OF HOME LOANS FOR DOMESTIC FARM LABORERS

SEC. 3. (a) That part of section 514(a) of the Housing Act of 1940 which precedes paragraph (1) is amended to read as follows:

"SEC. 514. (a) The Secretary is authorized to insure and make commitments to insure loans made, in accordance with terms and conditions substantially identical with those specified in section 502, by lenders other than the United States (i) to the owner of any farm, any association of farmers, any State or political subdivision thereof, or any public or private nonprofit organization for the purpose of providing housing and related facilities for domestic farm labor; and (ii) to domestic farm labor for the purpose of providing housing and related facilities; except that—"

DIRECT LOANS AND GRANTS TO PROVIDE HOUSING FOR DOMESTIC FARM LABOR

SEC. 4. Title V of the Housing Act of 1940 is amended by adding at the end thereof the following new sections:

"DIRECT LOANS TO PROVIDE HOUSING FOR DOMESTIC FARM LABOR

"SEC. 516. (a) The Secretary is authorized to make loans (1) to the owner of any farm, any association of farmers, any State or political subdivision thereof, or any public or private nonprofit organization for the purpose of providing housing and related facilities for domestic farm labor; and (2) to domestic farm labor for the purpose of providing housing and related facilities for such labor.

"(b) Loans under this section shall be made subject to the following conditions—

"(1) the applicant is unable to secure the necessary funds from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this section;

"(2) the Secretary finds that the construction will be undertaken in an economical manner, and that it will not be of elaborate or extravagant design or materials;

"(3) the Secretary finds that the type of housing and related facilities to be provided is most practical, giving due consideration to the purposes to be served by such housing and the needs of the occupants thereof;

"(4) any applicant under clause (1) of subsection (a) agrees that income in the form of rent derived from housing and related facilities provided under this section shall not exceed an amount determined by the Secretary to be necessary or appropriate for effectuating the purposes of this section; but in no event shall such income exceed an amount equal to the cost of the housing and related facilities and interest on loans under this section; plus such amount as may be necessary to defray operating and maintenance costs; and

"(5) in the case of an applicant under clause (1) of subsection (a) who wishes to provide housing for ownership by domestic farm labor, the applicant agrees that such labor will be given an opportunity to purchase such housing; and, insofar as is practicable, will be given an opportunity to donate

their services voluntarily in the construction of such housing with a view to keeping construction or acquisition costs low.

"(c) Any loan under this section may be in an amount not exceeding the total development cost, as determined by the Secretary; shall be repaid within such period, not exceeding thirty-three years, as may be determined by the Secretary; and shall bear interest at a rate not to exceed 4 per centum per annum on the unpaid balance of the loan. Such reasonable security shall be required in connection with any such loan as the Secretary determines to be necessary, giving due consideration to the interests of the Government and the objective of providing housing and related facilities for domestic farm labor.

"(d) There is authorized to be appropriated an amount not to exceed \$25,000,000, which shall constitute a revolving fund to be used by the Secretary in carrying out this section.

"(f) As used in this section—

"(1) the terms 'housing', 'related facilities', and 'domestic farm labor' shall have the meaning assigned to them in section 514(f); and

"(2) the term 'development cost' means the costs of construction of housing and related facilities; and of the land on which such housing and related facilities are located, including necessary site improvement.

"FINANCIAL ASSISTANCE TO PROVIDE LOW-RENT HOUSING FOR DOMESTIC FARM LABOR

"SEC. 517. 516. (a) Upon the application of any State or political subdivision thereof, public or private nonprofit organization, or nonprofit association of farmers, domestic farm labor, the Secretary is authorized to provide financial assistance for the provision of low-rent housing and related facilities for domestic farm labor, if he finds that—

"(1) the housing and related facilities for which financial assistance is requested will fulfill a pressing need in the area in which such housing and facilities will be located, and there is reasonable doubt that the same can be provided without financial assistance under this section;

"(2) the entity requesting the financial assistance proposes to contribute at least one-third of the cost of providing the housing and related facilities; applicant will contribute, from its own resources or from funds borrowed under section 514 or elsewhere, at least one-third of the total development cost;

"(3) the type of housing and related facilities to be provided are most practical, giving due consideration to the purposes to be served thereby and the needs of the occupants thereof; and

"(4) the construction will be undertaken in an economical manner, and the housing and related facilities will not be of elaborate or extravagant design or material.

"(b) The amount of any financial assistance provided under this section for low-rent housing and related facilities shall not exceed two-thirds of the total development cost thereof, as determined by the Secretary, less such amount as the Secretary determines can be practicably obtained from other sources (including a loan under section 516).

"(c) No financial assistance for low-rent housing and related facilities shall be made available under this section to any extent and for any periods required by the Secretary unless the applicant agrees—

"(1) that the rentals charged domestic farm labor shall not exceed such amounts as may be approved by the Secretary, giving due consideration to the income and earning capacity of the tenants, and the necessary costs of operating and maintaining such housing;

"(2) that such housing shall be maintained at all times in a safe and sanitary condition in accordance with such standards as may be prescribed by State or local law, or, in the absence of such standards, in accordance with such minimum requirements as the Secretary shall prescribe; and

"(3) an absolute priority will be given at all times in granting occupancy of such housing and facilities to domestic farm labor.

"(d) The Secretary may make payments pursuant to any contract for financial assistance under this section at such times and in such manner as may be specified in the contract. In each such contract the Secretary shall include such covenants, conditions, or provisions as he deems necessary to insure that the housing and related facilities, for which financial assistance is made available, be used only in conformity with the provisions of this section.

"(e) The Secretary shall prescribe regulations to insure that Federal funds expended under this section are not wasted or dissipated.

"(e)(f) All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary which are undertaken by approved applicants under ~~clause (1) of subsection (a) or under~~ section 517 shall be paid wages at rates not less than those prevailing on similar construction in the rural part of the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5), and each such employee shall shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in any workweek, as the case may be. The Secretary shall not extend any financial assistance under this section for any project without first obtaining adequate assurance that these labor standards will be maintained on the construction work; except that compliance with such standards may be waived by the Secretary in cases or classes of cases where laborers or mechanics, not otherwise employed at any time on the project, voluntarily donate their services without full compensation for the purpose of lowering the costs of construction and the Secretary determines that any amounts thereby saved are fully credited to the person, corporation, association, organization, or other entity undertaking the project. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"(f) (g) As used in this section—

"(1) the term 'low-rent housing' means rental housing within the financial reach of families of low income consisting of (A) new structures suitable for dwelling use by domestic farm labor, and (B) existing structures which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement;

"(2) the terms 'related facilities' and 'domestic farm labor' shall have the meaning assigned to them in section 514(f); and

"(3) the term 'development cost' shall have the meaning assigned to it in section 515(d)(4)."

MISCELLANEOUS

SEC. 5. Title V of the Housing Act of 1949 is further amended—

(1) by striking out in section 506(a) "sections 514 and 515", each place it appears, and inserting in lieu thereof "sections 514-517 516"; and

(2) by redesignating clauses (c) and (d) of section 513 as (d) and (e), respectively, and by inserting after the semicolon at the end of clause (b) of such section the following: "(c) not to exceed \$75,000,000 for financial assistance pursuant to section 517 for the period ending June 30, 1968;".

Senator WILLIAMS. Thank you, Senator Javits.

Now just one further observation I would like to have from you, Mr. Bertsch. You did not mention the amount of authorization under the grant program.

Mr. BERTSCH. I believe that the way the bill is presently drafted this does provide \$75 million authorization for the period through June 30, 1965, does it not?

Senator WILLIAMS. 1968.

Mr. BERTSCH. 1968. Pardon me.

Senator WILLIAMS. Not to exceed \$75 million. Is that a realistic figure or too low?

Mr. BERTSCH. We are certainly advising without any experience in this area, and perhaps because we did not have any basis of experience we did not feel competent to comment on it. At least we did not feel strongly that it was either too high or too low.

I am assuming that we would go through the appropriation process year by year. Our experience with the Congress has been that if some legislative provision such as this is inadequate, and we can make a case, we can get our case heard. So I would have no comment on that.

Senator WILLIAMS. I think our record should reflect just how much housing this could develop, and I think perhaps our staff with your

staff could work this out on averages. Of course wages and construction costs vary throughout the country, and we do have the Davis-Bacon provisions in the bill related to rural areas. But if we could strike some rough averages on unit cost of construction of this relatively low cost housing—and this is by definition within the bill low cost as well as low-rent housing—we will see how many units of housing we are talking about. I think the record should reflect that.

Mr. BERTSCH. We have some experience now on the basis of the operation of section 514 in its present form which should be useful to the committee staff, and we will certainly make it available.

Senator WILLIAMS. Fine. Thank you.

I have nothing further except to thank you again for all of your help.

Mr. BERTSCH. Thank you.

Senator WILLIAMS. We have the Under Secretary of the Department of Labor, John Henning, with us again, who has been most helpful to the Subcommittee on Migratory Labor. This bill is one of the offshoot projects of that subcommittee. We are interested in housing here, of course.

Good morning, Mr. Secretary. We welcome you.

STATEMENT OF JOHN F. HENNING, UNDER SECRETARY, DEPARTMENT OF LABOR

Mr. HENNING. Mr. Chairman, Senator—

Senator WILLIAMS. I see you have a fair associate.

Mr. HENNING. My associate is Margaret Pallansch, legislative attorney in the U.S. Department of Labor; Mr. Willis Sloan, who is with our Bureau of Employment Security, as Chief of the Domestic Activities Division of the Office of Farm Labor.

Senator, we in the Department of Labor strongly favor this measure and its purposes. The administration of this law would not be with us, the origins are not with us; but we are familiar with the needs this measure would meet by reason of our association with farm housing through the Bureau of Labor Standards which works with the various States to the end of achieving high minimum standards of living in farm housing, and by reason of our association through the Bureau of Employment Security with the bracero program and the interstate farm recruitment program.

We feel that we should speak on this measure, and we speak in its favor; we endorse the bill. We have only one reservation, Senator. We recommend that loans and grants to farm laborers be made only where the worker is the owner of the property.

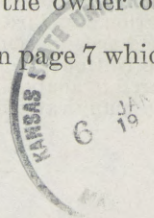
Senator WILLIAMS. Could you repeat that? You are not reading? You are summarizing your prepared statement?

Mr. HENNING. I was summarizing.

Senator WILLIAMS. Will you repeat that?

Mr. HENNING. Senator, I refer to page 7, the last sentence on that page: "Accordingly, we strongly recommend that loans and grants to farm laborers be made only where the worker is the owner of the property."

If you permit me, I will read the last paragraph on page 7 which we feel justifies the conclusion.



However, we doubt the advisability of extending financing provisions, as provided in section 2(a), to persons who have no ownership control over the property to be improved. If tenants themselves can take on the responsibility for improving property, the owner of the property who will benefit in the long run from any improvements will have no incentive to do so. The tenant, on the other hand, would be incurring a long-term debt for the temporary use of improved housing facilities. Accordingly, we strongly recommend that loans and grants to farm laborers be made only where the worker is the owner of the property.

Senator WILLIAMS. I did not understand you. I thought you were dealing with the whole bill. You are just dealing with that first section?

Mr. HENNING. We have a statement, Senator. I would be happy to read it, but I thought I would just digest our opinion.

We strongly favor the bill, making, however, one reservation for the endorsement. We think it is very important where we know how desperate the situation is in agricultural housing in many States. We note that there has been great improvement, and we certainly favor loans that would bring about better living conditions for the farm workers of the country, and we favor the concept of grants.

Senator WILLIAMS. You favor what?

Mr. HENNING. We favor the idea of grants also. But we do make just one reservation, that noted on page 7.

Senator WILLIAMS. Well, Mr. Secretary, of course we all know you come from the State of California where agriculture is one of the major industries, and I imagine it is a State where probably there are more farm laborers than any other State with the exception of Texas.

We have had individual examples of groups of farmers in cooperation providing multiunit housing for their farmworkers, and there are lots of examples in California, as I understand it.

Mr. HENNING. Yes, sir.

Senator WILLIAMS. The grant provision particularly deals with this need of the grower, or groups of growers, who know that their harvest is more efficiently accomplished if they have the best possible available workers, and one way to get them is to provide decent housing.

Mr. HENNING. Yes. It is a splendid idea. We heartily endorse it.

Senator WILLIAMS. I think we should include your full statement in the record at this point. Do you care to have it included, Mr. Secretary?

Mr. HENNING. Yes, Senator.

(The prepared statement of Mr. Henning follows:)

STATEMENT OF JOHN F. HENNING, UNDER SECRETARY, DEPARTMENT OF LABOR

I welcome this opportunity to appear before you in support of legislation to improve the housing of our farmworkers.

S. 981 would add new direct loan and grant financing programs to existing provisions for farm housing. It would authorize the Secretary of Agriculture to make loans to farmowners, farmer associations, States and political subdivisions, public or private nonprofit organizations, and domestic farm laborers for farmworker housing and related facilities.

Financing up to two-thirds of the total cost would also be authorized for low-rent housing and related facilities for domestic farm labor. Rentals could not exceed those approved by the Secretary of Agriculture and certain safety and sanitation standards would have to be observed.

Our domestic farmworkers are perhaps the most economically deprived group in the Nations' work force. Many of them have little education and are not prepared to adapt to a changing labor market. Their employment at best is subject to many variables, including weather and crop conditions.

The jobs they must compete for are low paid as well as uncertain. Total annual earnings from farm wage work in 1961 averaged \$881 in cash wage for those workers who did 25 days or more of such work in the year. Inclusion of earnings from non-farm-work would raise the overall average annual earnings in 1961 to \$1,054.

Among farmworkers generally, migrants receive the lowest pay. Their situation with regard to housing is particularly acute.

These unfortunate individuals eke out a marginal existence moving about the country. Approximately 400,000 migrant workers move from State to State. Traveling sometimes thousands of miles, whole families are a part of this mass migration. A study of migrants from south Texas shows that the average migrant family has more than six members more than half of which are children below legal working age.

In 1962, employment of domestic migrants reached a seasonal peak of about 275,000 in mid-July. Virtually all States report some migrants employed: 39 had a seasonal peak employment of more than 1,000 workers; 24 a peak of more than 5,000; and 12 a peak of more than 10,000. California, Michigan, and Texas were the largest users, each reporting a seasonal peak employment of more than 50,000.

There are three major migratory labor patterns. The largest of these migrations is the midcontinent stream which originates in the South Central States. Another major pattern of migration is the east coast movement. The bulk of these workers come from Florida, but some originate in other South Atlantic States. Still another major pattern of migration is along the west coast, where there is a substantial interchange of workers among California, Oregon, and Washington.

Aside from these three basic migratory patterns, there are many minor routes, forming a veritable network over the country.

Many local communities, associations, and individual employers have made splendid efforts on their own to bring about improvements in the working and living conditions of migrants. But their actions can at best result in a piecemeal solution. Even statewide action would result in only a patchwork of solutions. Coordination and a measure of uniformity are required to meet the problems of thousands of workers traveling from State to State, staying in large numbers in one area for a short period and then moving on to another where our harvest and crop cultivation needs require them.

Because the economic usefulness of migrant workers is generally limited to the short duration of the planting or harvesting season, adequate housing has seldom been available to them and can perhaps only be made available to any substantial extent by Federal assistance.

Some improvements in provisions for farmworker housing were made by the Housing Act of 1961. This legislation authorizes federally insured loans to farmers, farm associations, and public or nonprofit private agencies for the purpose of providing domestic farm labor housing. However the housing problems of many farmworkers cannot be solved solely by insured loan programs.

Additional Federal aids must be made available if we are to solve the numerous and diverse problems of farmworker housing. The loan and grant provisions of S. 981 would go far toward meeting this need.

This assistance for housing construction is urgently needed. Good housing for farmworkers, especially migratory workers, is not a simple matter. It is costly in that facilities are customarily used only a few months a year, and maintenance is difficult. Mortgage money, even federally insured, is not readily available and farmers are put to considerable expense for this one item of their operations. An encouraging number of the States—29—have established mandatory laws or regulations that apply to all labor camps or specifically to camps for migrant agricultural workers. But a mandatory code alone will not insure good housing, when funds are not available.

A decent place to live is the keystone to improvement in the well-being of agricultural workers and their families. It is important to growers as well as to the workers themselves. It can make the difference between having a responsible, efficient, and dependable labor force and one which, because of high turnover or labor shortage, can result in loss of crops. The workers themselves consider bad housing and the inability to obtain adequate sanitary facilities as one of the greatest drawbacks to their employment.

Inadequate housing has long been recognized as one of the principal problems of farmworkers.

More than 12 years ago, in its report to the President, the President's Commission on Migratory Labor had this to say about the type of housing available to migrant workers:

"Much, if not most, of on-job housing of migratory farm labor in the United States is below minimum standards of decency. While this type of housing may be better in one region than in another, the noteworthy point is that whether it is 'good' or 'bad' housing, it is far below what is considered adequate for other citizens.

"Because of the few months usage of most on-job housing and the poverty of the migrant workers, housing generally rated as 'good' is nonetheless meager. 'Good' on-job housing for a family of four, five, or six members might consist of an unpainted cabin, 9 by 12 feet, one in a row of such cabins, with one or perhaps two screened windows (though not necessarily with glass) and with unfinished interior walls. The cabin would be equipped with bunks, chairs, and table. It would be fairly clean and free from vermin. The cabin might possibly, but probably would not, have electricity. It would have running water, but this would be unusual."

Action by the States, local communities, private groups, and the Federal Government has undoubtedly improved these conditions in many areas. However, they are still far too widespread.

A field report by the State Services Division of the Bureau of Labor Standards on the living conditions of approximately 235 migrants in two camps in a Midwestern State is shocking. The first camp visited consisted of a group of six city buses and a trailer located in the middle of a field in the hot sun with no shade. According to the report, no water of any kind was available in the camp itself. Water was hauled in a large garbage-type can from a long distance; garbage and waste were collected in uncovered cans within 15 feet of the bus, which had no screens of any kind.

The second camp included 50 old buses parked in a grove of trees, where there were at least 5 pumps for water and a pit on the edge of the camp for disposing of refuse. Some of the buses had screens; more of them had burlap sacks on the outside of the windows. However, the three open doorways in each bus were not protected by screens of any kind and the windows for ventilation in the outside toilet were also unscreened.

A recent report from a regional consultant to the Bureau of Labor Standards on labor camps in a Western State describes sanitary conditions in a particular camp as atrocious, with no bathing facilities in the camp and no running water in the cabins. Wood stoves were used for cooking purposes, making the cabins extremely hot in the summer.

Typical of a widespread problem are conditions disclosed in an investigation conducted by the Bureau of Employment Security in a Southwestern State where the camp was found to have no hot water for bathing, improper drainage, and fire hazards. In other camps the investigator found stagnant water around outside water spigots, bath water seeping into a nearby well, screens in need of repair, and doors, floors, and seats from outside toilets missing.

Since this particular investigation was conducted under an international agreement imposing conditions on the use of foreign farmworkers, the workers could be removed from these unsanitary surroundings. The Federal Government can offer no such protections to domestic farmworkers.

We cannot expect that substandard living and other conditions applying to domestic migrant workers can be wiped out overnight by the enactment of Federal law. But, so far as housing is concerned, Federal legislation can provide the financial assistance and incentive that will go far toward providing the necessary improvements.

Although the plight of the migrant worker is more apparent since he is usually part of a larger group clustered in a limited area, the shortage of adequate housing for other farmworkers is also severe. A short journey through any rural area in our country reveals this situation in shocking detail.

We urge, therefore, the enactment of the additional financing programs for the housing of both migrant and nonmigrant farmworkers as provided by S. 981.

However, we doubt the advisability of extending financing provisions, as provided in section 2(a), to persons who have no ownership control over the property to be improved. If tenants themselves can take on the responsibility for improving property, the owner of the property who will benefit in the long run from any improvements will have no incentive to do so. The tenant, on the other hand, would be incurring a long-term debt for the temporary use of im-

proved housing facilities. Accordingly, we strongly recommend that loans and grants to farm laborers be made only where the worker is the owner of the property.

We also have several recommendations for amendments of a more technical nature which are contained in our report on the bill.

Mr. Chairman, legislation along the lines of S. 981 is not only desirable, it is absolutely essential. Mounting concern over the deplorable living conditions of these forgotten Americans is, I believe, a clear indication that the time is now here when effective action must be taken.

Senator WILLIAMS. Anything else, any other observations from you?

Mr. HENNING. I do not believe so. We would like the liberty of submitting technical amendments to you at a later time.

Senator WILLIAMS. I am sure that we will, as we always do after we leave the formal hearing, work in cooperation with you and your staff.

Senator JAVITS. Mr. Chairman, just one question.

Mr. Henning, what is your judgment as to whether the 3½ million figure we were given earlier includes the migratory workers? Do you think that is the constituency we are trying to reach?

Mr. HENNING. Well, I think you should consider all farmworkers regardless of the category of the moment. I would have to check my statistics, but as I recall the last count of the year, 3.7 percent of the American labor force consisted of farm laborers. If we add in farm foremen and farmowners who work as managers it comes to about 6.9 percent.

So I am not prepared at the moment to discuss the migratory figure in absolute numbers. But in terms of whether housing benefits should be available to both, I submit yes.

Senator JAVITS. Well, now will you give us in your recommendations for specific amendments to the law any ideas you have on amendments to the definition, because you spoke, for example, of resident farmworkers and migratory farmworkers. I think you had some other categories, of owners who might work. Now I am not trying to in any way prejudge or limit what we are to do because I am a co-sponsor of this bill and I mean every word of it, but I do think we ought to have the advice of the Department of Labor as to precisely what are the categories in this field; that is, so that you define the categories for us, and then, who you think ought to be covered by this bill.

Mr. HENNING. Yes, sir.

Senator JAVITS. Thank you.

Mr. HENNING. We will be happy to do it. The definition of the migrant worker is a problem in terms of precise language, but I agree we should submit language in terms of coverage we favor, that all farmworkers be allowed to benefit from the provisions of this bill.

Senator JAVITS. To help us when we go into executive session we should have the categories from you, and then we can decide if we want them all or only some, but at least we will know what the score is.

Mr. HENNING. Very good.

Senator WILLIAMS. Thank you very much.

Father James L. Vizzard is with us again from the National Catholic Rural Life Conference. Father Vizzard is director of the Washington office, and he, too, has worked with our Migratory Labor Sub-

committee over the years and has been a tower of strength and help. We certainly welcome you to our consideration of this housing measure that could be part of a better life for the migratory farmworker as the well as the more permanent resident farmworker.

STATEMENT OF REV. JAMES L. VIZZARD, S.J., DIRECTOR, WASHINGTON OFFICE, NATIONAL CATHOLIC RURAL LIFE CONFERENCE

Father VIZZARD. Thank you, Mr. Chairman. I might add to your comments that our efforts which have been going on for many years had very meager results until the Senate Subcommittee on Migratory Labor chaired by yourself got into the act. We are extremely grateful for your interest and your energy.

Senator WILLIAMS. Well, I could say that another city dweller, Senator Javis, has been in the ranks since the beginning, too.

Father VIZZARD. That is correct.

Senator JAVITS. Thank you.

Senator WILLIAMS. Very effectively.

Senator JAVITS. Thank you.

Father VIZZARD. Mr. Chairman and members of the subcommittee, my name is Father James L. Vizzard. I am director of the Washington office of the National Catholic Rural Life Conference at 1312 Massachusetts Avenue NW., Washington 5, D.C. Today I also represent and speak for the Bishops' Committee for Migrant Workers and the Bishops' Committee for the Spanish Speaking.

As is evident to this committee, I am sure I am not expert on the technical aspects of housing and on the differences between loans and grants and various other financial arrangements. What I can claim to be an expert on is the need of the people whom we are discussing this morning.

Central to the problem of migrant existence is the lack of decent housing. The prevailing low quality housing both at the migrant's home base and at the places where he works has many unfortunate results. It affects the grower who cannot attract good workers because he cannot provide adequate housing. It reduces the incentive and morale of the worker himself, who is unable to give his family a decent home. It affects the community in which the migrant lives and works, as the often ramshackle, crowded, and unsanitary housing conditions of the migrant creates a constant hazard to health and morality.

If I may interject into my prepared statement, I have seen housing in Michigan, California, and Texas and in many other States which by any standard is subhuman. I have seen housing—for instance, one-room housing—on a farm for migrants where there will be a father and a mother and up to 10 or 12 children of all ages living together, sleeping together, crowded together in circumstances which simply do not allow for human dignity and decency. These circumstances are not an exception, but rather the rule.

Passage of this housing bill will enable the grower to improve the quality of his work force by offering the incentive of decent housing to his workers. Growers themselves recognize this fact. One Cali-

fornia grower who testified on a similar housing bill last year put it very well when he said:

Generally speaking, workers with families are the best workers, are the most dependable, and are in greatest demand. We do not have sufficient family housing, consequently the men with families move on hoping to find a situation where good housing is available.

The importance of housing is one subject on which both the worker migrant and the farmer agree. An unemployed worker from San Antonio told the Subcommittee on Migratory Labor why he hadn't gone to look for work in California:

I will tell you why and that is very simple. Where am I going to live? Under the trees? There are no houses there. If they had the facilities, if they had living quarters to live on, I wouldn't be here, I would be over there working now. But since they don't have those homes to live in, no place to live, I won't go.

Perhaps he overstated the case. But he well illustrates the attitudes of the workers. California growers, and farmers across the country, recognize the need for better family housing. On their own, however, they will not be able to provide it.

Again digressing from my prepared statement, Senator Williams, in the last several months I have had many conversations with large growers, large employers, particularly in California. All of them, as you know very well, are apprehensive about the probability of the ending of the bracero program.

I talked with the operator of one strawberry farm which encompasses 6,000 acres of strawberries. At the time I was there talking with him he was then employing over 3,000 braceros. I talked with cantaloup growers, tomato growers, and lettuce growers, all of whom were using braceros in large numbers. They anticipate that if not this year, then at least next year, the bracero program is going to end despite their efforts to continue it. Universally they ask "What are we going to do to get domestic workers?"

It does not take much discussion with them before it becomes perfectly apparent to them that the key factor in their getting domestic workers is housing.

The housing they have now is a barracks type for single men. They know they cannot ask family men from Texas or elsewhere to come to work on their farms if all they can provide is barracks-type housing. They recognize the need for appropriate family housing if they are going to get dependable workers.

Senator WILLIAMS. Do they harvest any of the crops in California during the late fall and early winter months?

Father VIZZARD. Not in the central area of California where I spent most of my time; but in the southern part, in the Imperial Valley; yes.

Senator WILLIAMS. And in the Imperial Valley they do rely heavily on Mexican nationals for their workers?

Father VIZZARD. Almost exclusively until recently. The most recent trend, as I am sure you know, is to bring in Mexican green carders from just across the border on temporary employment.

Senator WILLIAMS. I raise that because you quoted from the testimony of an unemployed farmworker, a resident of San Antonio. He drove all the way here with a coworker and Father John Wagner, and his testimony was eloquent. One of the hardest facts that he described was his and his friend's unemployment and literally hun-

dreds, if not thousands, of others in the San Antonio area. Unemployment that stretches from October to March; and yet there is this need in California. Of course they are family folks. They are not, as the Mexican national, traveling without family.

Senator JAVITS. Well, I think what Father is pointing out is critically important in this matter and most farsighted.

Father VIZZARD. If I may say so, Senator, as I recall it, during the lowest peak in the Imperial Valley during the winter there is a requirement for something over 10,000 seasonal workers. In recent years I suppose 90 percent of those workers had been either Mexican braceros or green carders.

Senator WILLIAMS. That is the Public Law 414 program that permits Mexican nationals to come in.

Father VIZZARD. I think it is perfectly obvious that few farmers can afford to invest capital in buildings which will only be used for a few months of the year. Nor are banks and other sources of funds willing to loan money for this purpose. Yet the support this measure has received in the past from farm organizations and grower groups indicates that when funds are made available, the needed housing will be built. Already some migrant housing has been constructed with loans obtained under the existing provisions of title V of the Housing Act. But these projects are only a very small beginning.

The advantage of this bill to the migrant and to the farmer is that it is aimed specifically at the problem of migrant housing.

I made a few slight modifications in the following statement on the basis of this morning's testimony.

Whereas under the existing act, as I understand it, loans are limited to farmowners individually or in groups, your bill, Senator Williams, will make loans available to the worker himself and to public or private nonprofit organizations for the construction or repair of adequate housing.

Several facts make the passage of this bill imperative. With the prospect that the bracero program will come to an end soon, States which in the past have been dependent on the imported labor of single men, will need to use every means they can to attract good domestic labor. The barracks-type housing needed by the bracero—which, by the way, is frequently much better than anything available to American workers—will have to be replaced by family housing. So besides the humanitarian thinking behind this bill, there are some very practical economic reasons for its passage.

In addition to the benefit this bill will bring to the grower, it very wisely seeks to help the migrant himself to get a permanent home for his family. In the past few years, there has been an increasing tendency for migrants to drop out of the migrant stream and to try to put down roots in a year-round home and a steady job. With meager cash resources, even if the migrant is able to buy or rent a house, he is unable to maintain it. And so these settlements turn into rural slums.

This shift away from migrancy has been accelerated by greater mechanization, particularly in the harvesting of crops. Agricultural experts tell us that mechanization will increase in the years ahead. In fact, some go so far as to say that the migrant workers will eventually be eliminated. If this is true, we should look ahead now and seek

ways to help the lowest paid worker in the American economy from sinking even further down the social ladder.

Obviously, the average migrant, because of his low wages and unstable employment, is completely shut off from normal bank credit. This bill will open up new opportunities for him. Particularly important are the provisions of this bill providing for the construction of low-rent housing. Surely we can offer our rural citizen the same help we are trying to give low-income groups in our cities.

In a famous phrase, President Roosevelt once spoke of one-third of this Nation as "ill housed, ill fed, and ill clad." In 1963, while the rest of the Nation has moved ahead to even greater prosperity, that phrase still applies to the almost 2 million migrant men, women, and children. Adequate and decent housing will be a beginning step in the migrant's way out of his economic rut. For a home is more than just shelter; to the migrant it will mean new dignity and self-respect. It will give him the motive he needs for hard work, a sense of purpose, a sense that he is getting something as a result of his labor. This bill won't give the migrant a free house, nor should it. But it will give him the long denied opportunity to live the kind of life we want for all Americans.

Thank you, Mr. Chairman.

Senator WILLIAMS. Thank you, Father Vizzard. As always, it was an excellent statement containing many helpful observations. I would like to observe that the bracero program will be phased out. We do anticipate there will be a change in the patterns of employment. We hope that the unemployed Americans will be more fully employed, those who are farmworkers, and who want to be farmworkers. The housing in many areas has been in response to foreign nationals coming here singly, and barracks have been suitable for their housing. This occurs not only on the west coast, but also on the east coast and through the interior.

The bill does provide not only for the construction of new homes, but for the rehabilitation, alteration, and conversion or improvement of existing structures. I would think that there would be an opportunity to take some of the barrack-type buildings and adapt them for family housing units.

Father VIZZARD. Senator, I inspected a number of these barracks in California and talked with their managers and asked their opinion whether or not they could be adapted to family living, and without exception they said "Yes," they could. But it would take considerable expenditure and they doubted if the growers, the individual growers or the growers associations on their own, could afford such adaptation and rehabilitation. And although the growers and the employers have opposed many of the bills that you have proposed, and I have approved of, I felt that none of them would oppose this bill.

Senator WILLIAMS. Say that again.

Father VIZZARD. Although many of the growers that I talked to, among the biggest and most influential growers in California, although they have opposed practically every bill that you have sponsored, none of them indicated that they would oppose this bill. As a matter of fact, some of them said they needed this bill, and I tried to encourage them to come back and testify in favor of it. However, if I may read my judgment into their minds, I think the reason they

are not here this morning is because they are timorous, to say the least, about breaking the ranks with their allies in other States on this or any other issue.

Senator WILLIAMS. Maybe their silence is not only acquiescence, but almost approval.

Father VIZZARD. I know that spokesmen for the biggest growers and their associations have privately said they need this bill.

What is more, I do not think it would be inappropriate or nongermane to mention here that although they have in past years put their full effort into attempts to continue indefinitely the bracero program and to oppose in particular your bill S. 527, at least privately they tell me now that they would be glad to accept a phasein-phaseout. That is, a 1-year phaseout of the bracero program, and at the same time a 1-year phasein of something like S. 527.

Senator WILLIAMS. S. 527 is a companion measure to a phaseout of the bracero program, and it is certainly a companion to this housing program.

We talk about our San Antonio friends who are idle for 4, 5, or 6 months a year. They could be recruited under the procedures proposed in S. 527. It would be entirely realistic if there were housing in California.

Father VIZZARD. To be even more specific, Senator, one very large grower was in Washington last week. He was so anxious to talk with me that he actually rode out to the airport in a taxi with me. I had to leave town for a meeting. After our discussions, he told me he was going to fly from Washington to Texas to find some responsible individual or agency which would cooperate with him in acquiring up to 400 domestic workers for his operation in California.

After his trip to San Antonio, he said that he was going back home and talk with his lawyers and bankers about the possibility of using this 1-year grace, which is between now and the next crop, to put up some kind of family housing. He was going to discuss with his lawyers the possibility of working out a contract with the workers almost identical to the contract he now has with braceros guaranteeing a minimum work period, minimum wage, transportation, and housing.

This man feels that he may go broke next year unless he can get an adequate force of dependable domestic workers.

Senator WILLIAMS. Needless to say, you recommended that he see Father Wagner when he was in San Antonio?

Father VIZZARD. Yes, it was the one name he had.

Senator WILLIAMS. There is one problem, I believe, associated with the 504 home improvement section: The Farmers Home Administration has a rural area limitation. We do not have that in the 517 grant program, and I am sure it is wise that we do not, because, in San Antonio for example, farmworkers for many months are part of the city population, this is their home. They should be, I would say, made eligible for all these programs, not just the major program in the grant area.

Father VIZZARD. As you know very well, Senator, there has been a rather accelerated tendency for migrants to drop out of the migrant stream and settle in the outskirts of towns all over the United States, not just in California or Texas or New Jersey, but also in Michigan,

Wisconsin, and Minnesota, in fact all over the United States. They put down very tenuous roots because of their lack of stable income, their unfamiliarity with the urban environment. They mostly stay, at least part time, in seasonal work while they seek more stable permanent work in a factory or in some service. They very urgently need help in providing themselves with adequate housing.

You have seen what is sometimes described as a shoestring community on a main highway or road into a major town where shack communities are stretched along the highway. They put together the best that they can under their limited circumstances. They are doing what every human being wants to do, what every father of a family wants to do, to provide a proper home and stable environment for the family. They cannot do it, in my judgment, without help, and this bill would provide that kind of help.

Technically they may no longer be rural residents, but they have their roots in seasonal labor. The only way they will be able to make a transition between this migratory existence and a permanent, stable home is the kind of program you are offering in this bill.

Senator WILLIAMS. I think this kind of community is descriptive of the area around Phoenix, is it not?

Father VIZZARD. It is characteristic of the area around Stockton and Fresno, Calif. It is this kind of person whose needs are beginning to be met by this housing project near Visalia under the direction of the Friends Committee.

Senator WILLIAMS. I do not see how we can improve upon your statement.

Father VIZZARD. Thank you very much.

Senator WILLIAMS. It was very, very helpful. Thank you.

Our next witness this morning is Mrs. Sarah Newman, general secretary of the National Consumers League. We welcome Mrs. Newman back to the discussion of problems with which the National Consumers League is most knowledgeable and on which it has worked so hard for so long.

STATEMENT OF SARAH NEWMAN, GENERAL SECRETARY, NATIONAL CONSUMERS LEAGUE

Mrs. NEWMAN. Mr. Chairman and members of the committee, my name is Sarah H. Newman. I am the general secretary of the National Consumers League. The league is grateful to the subcommittee for this opportunity to present its views on S. 981, which would amend the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

The National Consumers League is composed of citizens throughout the country who believe that the entire Nation has a stake in the conditions under which goods and commodities are grown, manufactured, and distributed, and that, as consumers, we have a responsibility to do all in our power to eliminate depressive working and living conditions. Because of our concern with the health, safety, and economic well-being of the whole Nation, we have urgently pressed for socially beneficial legislation for all workers. In a state-

ment of policy issued by the league just a few years ago, we acknowledged our concern for improved housing as follows:

Adequate shelter is another of man's prime necessities which is not provided for all American citizens today. * * * Substandard housing blights family life, injures health, retards education, breeds crime, and juvenile delinquency.

And we gave special recognition to the housing needs of migrants when we promised in that statement to support legislation that would "include feasible measures for assuring comfortable and sanitary shelter for migratory farmworkers and their families."

The league has been actively interested in migratory farmworkers since 1906 when it investigated the conditions of migrants from Pennsylvania who were working on farms and in canneries in southern New Jersey.

For the more than 60 years of our existence, the league has continued to work to alleviate the deplorable and difficult conditions of migrants, described as the worst facing any group of American workers. These depressed and underprivileged workers, who have never received more than a shameful minimum for their efforts in making available to American consumers a magnificent abundance of food and fiber, are particularly deprived in the housing provided for them. It is true that good housing is available for migrants in a few areas. But, by and large, their housing ranges from deplorable to only fair. The bulk of housing for these workers can hardly be said to even meet decent standards.

In recent discussions relating to the ending of the Mexican bracero program (Public Law 78), some of the growers indicated their inability to obtain enough domestic farmworkers. I am certain that one factor contributing to this situation is the lack of decent housing for migratory families, and I think the statement made by Father Vizzard corroborates this.

Surely it is not too much to ask that these families be provided with private quarters, having heat, water, and adequate sanitary facilities, so that at least the minimum standards of health and safety are provided.

Good housing for migrant workers is not a simple matter. We recognize that facilities which in some cases are used only for a few months each year have, for some growers, been too great a financial burden, and mortgage money has not always been readily available for this type of construction. Some improvements resulted from the Housing Act of 1961 (Public Law 87-70) which authorized federally insured loans for domestic farmworker housing. But we are still a long, long way from the goal of housing that would provide decent family living conditions for most migrants.

As pointed out in the report this May by the Senate Subcommittee on Migratory Labor:

Needs in the housing area relate not only to grower-furnished housing and housing rented by migrants, but also to the farmworkers' homeownership aspirations. * * * He [the farmworker] sometimes succeeds in acquiring title to a plot of land in fringe areas near cities. Generally, however, the financial resources of farmworkers are exhausted in the first step of homeownership—acquisition of the land—and, consequently, their dwellings are frequently found to be ramshackle, patchwork shacks.

This inadequate housing represents a serious hazard not only to the migratory workers and their families, but also to the communities in which they live, and through which they travel.

Enactment of S. 981 would provide certain Federal aids which should result in significant improvement in the housing facilities for migrants. By making it possible for the farmworker himself to get a grant or loan for repair of existing dwellings; by providing mortgage insurance and direct loans to farmowners, public or nonprofit organizations and to farmworkers for construction; by providing two-thirds of construction costs for low-rent housing for migrants, with supervision of adequate maintenance conditions included—and here the recommendation made by Mr. Bertsch of the Farmers Home Administration this morning limiting this section 517 to public agencies and nonprofit associations of domestic farmworkers seems quite reasonable to me—means would be available then to make real headway in meeting the housing needs of these deprived families.

A decent home could be the keystone to improvement in the lives of our agricultural migrants and their families. It could provide the setting for the acquisition of wholesome habits of living, and an atmosphere in which the workers and their children would be receptive to a cooperative approach to increasing their own standards of living. It could make the difference between having a responsible, efficient, stable labor force and one which, because of high turnover or labor shortage, is costly to the grower. It could make for better citizens, and for a more hopeful outlook on life by these excluded Americans who live under such deplorable and difficult conditions.

And I would like to support the statement made by Father Vizzard about the possible phasing out of Public Law 78 which would make it much more important, even than it is today, to make available adequate housing for our own domestic farmworkers and their families.

For these reasons, and because the need still exists after many years of ineffective local and piecemeal attempts to alleviate the need, the National Consumers League supports S. 981 and urges its speedy enactment.

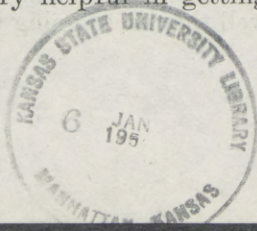
Senator WILLIAMS. Thank you very much, Mrs. Newman.

For the benefit of the other members of the committee, Members of the Senate, could you describe the Consumers League in terms of its national structure and membership?

Mrs. NEWMAN. We are made up of members from all over the country. Originally the league was organized because the feeling was pretty strong that the miserable working conditions of the laborer in that period of time, which was back in 1891, particularly the exploitation of women in the labor field, could only be improved if consumers assumed the responsibility for it.

In those days, of course, the labor movement was not as strong, was not as well organized, and the people who formed the Consumers League felt that the consumers not only had the responsibility, but could actually effectuate an improvement in the conditions of these workers; and the league over these more than 60 years was very instrumental in introducing minimum wage standards.

It was the league that first introduced the idea of minimum wage into the United States, and we have been very helpful in getting



minimum wages not only in the various States, but of course we have worked for minimum wage on the Federal level.

As a matter of fact, it was through the league and the volunteer assistance of people like Justice Frankfurter and Justice Brandeis that the fight for minimum wage for workers was carried up to the Supreme Court.

Now we still have wide support and wide membership throughout the country. There have at different times been State and local leagues, as many as 60 at one time. At present there are a few State leagues. I am sure you are well aware of the New Jersey Consumers League. There is also a very active one in Ohio, and there is one in New York.

Senator WILLIAMS. Thank you very much.

Our next witness is Mr. Robert P. Burnette of the National Congress of American Indians. Again I am glad to see you, Mr. Burnette, and welcome you before this Housing Subcommittee.

STATEMENT OF ROBERT P. BURNETTE, NATIONAL CONGRESS OF AMERICAN INDIANS

Mr. BURNETTE. Thank you, Mr. Chairman.

My name is Robert Burnette. I am executive director of the National Congress for American Indians.

To briefly describe our organization, it is governed by the tribes themselves. At the present time there are 90 members from the 90 different tribes throughout the country in 29 different States.

We also have an associate membership which is made up of friends of the organization scattered the length and breadth of this Nation. Of course, these people support our organization in whatever legislation is before Congress.

We are wholeheartedly in favor of S. 981 primarily because we have a great deal of people of our own blood who are migratory laborers. But not only for that reason but also because we have seen the conditions under which the migratory laborers of this Nation must exist and are appalled at some of the conditions in which they must live.

Our Indian people in our area in South Dakota, North Dakota, and Nebraska generally go out looking for work and take along and pitch their tents. We have tent cities wherever there is work available for them.

Of course, one of our problems is the Mexican labor force that generally works cheaper than our Indian people. Our Indian people are laid off and sometimes we have to haul them home ourselves through tribal transportation.

This migratory labor problem is a great one, one that I think this Nation should have faced up to long ago.

To bring this to a sharp focus, I was at a hearing in South Dakota, held by one of the Senate committees, dealing with two Indian tribes, a settlement for loss of land to the Government for taking an area which a dam would cover. The State and Federal Governments and everybody else were all concerned about what was going to happen to the ducks of that area, where they were going to sit down and how well they were going to be covered with natural cover and what kind

of feed they were going to have. There was no interest, whatsoever, in the human beings, and this was pointed out by our attorney.

I think this is the case, too, in regard to migratory laborers. For some years we have had a great deal of interest in the migratory birds of this country, but we have had no interest whatsoever in the migratory laborers.

I think this is a great thing the Senator is doing. Senator Williams is to be congratulated for bringing this into sharp focus for the Nation.

Generally there is no housing throughout the area where we are interested, and we would be vitally interested in this whole bill as it is. We certainly hope it will pass Congress and become law so that our people can take advantage of the opportunity which exists in the structure of this bill.

With that, Senator, I thank you for this opportunity to appear. I want to congratulate you again for your fine work in this field.

Senator WILLIAMS. I certainly appreciate that, Mr. Burnette. I believe the figures show us that more and more of our American Indians are turning to farmwork and achieving very happy results. Is that your information?

Mr. BURNETTE. Yes. Of course a great deal of our Indian people are involved in migratory labor work through the Nation. In all of the States where they live they must work. The only jobs available to them are in the migratory labor field. Other than that they remain on the reservation, and even then they are actually migratory laborers because they must travel distances to the job. In South Dakota they travel to Nebraska, Colorado, and as deep as Texas, and in North Dakota they do the same thing across South Dakota and into Nebraska, Colorado, and down into Texas. I think this same thing is true among the Montana Indians. We do travel great lengths to get to jobs.

I think every reservation in this country has at least 25 percent of its population in the migratory labor field, and I would estimate that the migratory labor field involves about 100,000 people at some time or other during each year.

Senator WILLIAMS. We know that the farmworkers who travel from Florida north, or from Texas north, generally travel as a family group. Is this true of the Indian who is a migratory farmworker? Does he take his family with him as he migrates to the job?

Mr. BURNETTE. Yes, very much so. I do not know of anyone unless it is a single man, and very few single people leave because there are jobs that they can find around the reservations. Generally the family is traveling by car or is taken out by truckloads from the reservation on to the job wherever they are going.

Senator WILLIAMS. Housing for families is more difficult, in the matter of construction, than housing for single men. That is one of the reasons why this bill is, in my judgment, necessary. It is difficult for the grower to borrow money commercially. Certainly the average grower does not have enough money in the bank to meet substantially the housing needs of the people that he employs on a rather temporary basis. Many people in this country have the opportunity of using Federal support for housing. The farmers' need for worker housing is really left out in large measure of the opportunities for national support for housing.

Mr. BURNETTE. Yes, we recognize this, Senator, and this is one of the main reasons why we are completely endorsing the bill. We know what it means to a grower to have to provide housing, and generally most of them are in no position whatsoever to provide family housing. In fact, most of them cannot even provide single unit housing, let alone family housing, and this is one of the outstanding problems that the migratory labor family must face.

This is even true in our area for single men. A lot of them take a tent along and pitch it wherever they are working, and this is where they stay.

Senator WILLIAMS. You referred to the fact that our American Indians frequently had to compete for work with the Mexican national. Is it common for the American Indian to lose employment because of the presence of the Mexican national?

Mr. BURNETTE. Very common in our whole Midwest area. Our people have run into this almost every year. In fact, one year we almost had a disaster. We had run into so many of them in the Midwest that none of our people could get jobs from any of the reservations in our area. We had to send out buses and trucks to haul them back. We even left their cars there. We could not afford to bring them back. This was in 1958, I believe.

Senator WILLIAMS. As you eloquently describe, an increasing number of people will need housing as we phase out the Mexican program.

Mr. BURNETTE. Yes. I may add, Senator, that no matter what kind of housing our people get when they go on a migratory job it will be as good or better than what we have on reservations because our housing is in a very deplorable situation.

Senator WILLIAMS. Well, yes, and I happen to have seen that at Pine Ridge in the Sioux area of South Dakota, and when we were talking about a National Service Corps of volunteers. You helped us then with your knowledge. This was one of the areas where the President was most hopeful that a volunteer corps could go to help in the rehabilitation, indeed, guidance in the construction of better housing on the Indian reservation.

Mr. BURNETTE. Yes.

Senator WILLIAMS. Well, we passed that legislation in the Senate, as you know, with your help. It is pending in the House. I hope that you are lending your good offices in the House of Representatives so that they may see the light.

Mr. BURNETTE. Yes, we certainly are.

Senator WILLIAMS. We are wondering whether title V of the Housing Act, the direct loan program, has been useful to Indians at their residence on the reservation.

Mr. BURNETTE. That is just getting started, Senator, in most places. It has been very useful in two places that we know of.

Senator WILLIAMS. Where?

Mr. BURNETTE. Fort Peck, Mont., is the only place outside of Pine Ridge.

Senator WILLIAMS. Pine Ridge is public housing.

Mr. BURNETTE. Yes. These are the only two projects we have. We do not have any other type of housing; and this title V would be of some use to us. We did not know about this other part until recently.

Senator WILLIAMS. I saw the housing at Pine Ridge. I cannot recall ever seeing such a remarkable contrast as was represented by the families who were living in the shanties and shacks and the families who were living in that public housing. For their family life it has made total, complete difference. It was great to see. The tragedy, of course, is that we do not have enough of these projects.

Mr. BURNETTE. That is right.

Senator WILLIAMS. Is the Sioux Tribe part of your congress?

Mr. BURNETTE. Yes, it is.

Senator WILLIAMS. And is Mr. Whirlwind Horse one of your members?

Mr. BURNETTE. Yes, he is one of the members of our executive council.

Senator WILLIAMS. He is president of the tribal council?

Mr. BURNETTE. Right. I understand he is to be in Saturday to see some of you.

Senator WILLIAMS. He is going to be here?

Mr. BURNETTE. Yes.

Senator WILLIAMS. It will be good to renew acquaintances. He was very helpful at the reservation. He is a consummate politician and a statesman.

Thank you very much.

We are going to leave the record open for about a week for other statements to be included, and I believe with that reservation we adjourn this hearing sine die.

(Whereupon, at 12 noon, the subcommittee adjourned.)

(The following statements and letters were later submitted for the record:)

AMERICAN FEDERATION OF LABOR &
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington D.C., October 23, 1963.

HON. JOHN SPARKMAN,
Chairman, Subcommittee on Housing, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the American Federation of Labor & Congress of Industrial Organizations I should like to express our appreciation of your invitation to file a statement on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor. I would like to request that the attached statement setting forth our views on this measure be incorporated in the record of the subcommittee's hearings.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

STATEMENT OF ANDREW J. BIEMILLER, DIRECTOR, DEPARTMENT OF LEGISLATION,
AFL-CIO

The American Federation of Labor & Congress of Industrial Organizations appreciates this opportunity to present its views on S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

The types of Federal assistance in providing more adequate housing and related facilities for farmworkers and their families, which S. 981 would make available, would meet a long-apparent, urgent need. Such legislation is reasonable and appropriate and has the strong support of the AFL-CIO.

S. 981 is only one aspect, of course, of a many-sided program to aid migratory workers and their families which has been developed by the Senate Subcommittee on Migratory Labor, headed by Senator Harrison Williams of New Jersey. The Senate has already passed, with near unanimity, a number of bills implementing various aspects of this comprehensive program. Early com-

mittee action and Senate passage of S. 981, dealing with the housing needs of migratory workers would thus seem to be entirely in order.

S. 981, which has been introduced by Senator Williams and other Senators, would authorize appropriations of \$100 million for programs of loans and grants for housing for domestic farm labor. The bill would authorize several different types of Federal financial assistance to provide more adequate housing for domestic farm labor:

(1) Federal loans and combined loans and grants, up to \$1,000, to farm laborers, as well as farmowners to cover the cost of improvements or additions to existing housing, "such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements;"

(2) Government loan guarantees along the lines of those provided elsewhere through the FHA, to farm laborers, as well as farmowners, farmers' associations, public or private nonprofit organizations, and States or political subdivisions thereof, and direct Federal loans for the provision of housing and related facilities; and

(3) Federal financial assistance to States or political subdivisions thereof, public or private nonprofit organizations, or farmers' associations to provide low-rent housing and related facilities for domestic farm labor.

The extensive hearings which have been held by the Senate Subcommittee on Migratory Labor in Washington and throughout the country have clearly shown that the often-desperate problems faced by migratory workers and their families grow largely out of the continued prevalence of extremely low wages and uncertain and intermittent employment. In terms of health, education, and housing, farmworkers and their families are among the most disadvantaged of any group in the Nation.

There is clear evidence that, with only a few exceptions, housing conditions, especially for migratory farm laborers, are glaringly substandard. Because of his low income the worker is quite unable to provide decent housing for himself, and the temporary housing provided for him by others is often totally inadequate and inferior. Of course, when good housing for the farmworker and his family is lacking, the resulting health problems have adverse effects, not only on the worker himself and his family, but also on the farmer who employs him and on the community as a whole. The migratory nature of the work performed by many farmworkers usually precludes his maintaining a year-round residence for himself and his family. As a result, the migratory farm laborer, and, indeed, most farmworkers, must depend for the most part upon others, and especially their employers, to provide them and their families with housing. Action to improve the housing conditions of farmworkers and their families is thus required, as appropriate depending upon local conditions, primarily of farmer employers and their associations, public and private nonprofit organizations, and States and their political subdivisions. Since local resources may not be adequate in many cases, the Federal Government, too, has a role to play in providing necessary financial assistance.

In our view, the need for enactment at the earliest possible date of legislation along the lines of S. 981 is urgent. The bill, however, will do more than remedy a generally acknowledged deplorable situation. Experience has shown that the existence of good housing based on specified adequate standards has a significant stabilizing effect on the farm labor market. The availability of good housing, as one of the major elements in the cost of living, favorably influences both the recruitment and retention of qualified workers. This, of course, equally benefits farmers and workers. Experience has also shown that good housing brings experienced workers back to the same grower year after year. Inseason worker turnover is reduced and social problems connected with the employment of migrants are minimized when workers and their families are not subject to substandard living conditions. In other words, good housing helps the farmer to attract and keep good workers. It will assure improved health and morale for the worker and his family, more productive and stable workers for the farmer, fewer ill migrants to be cared for by community health facilities, and considerably less danger of epidemics.

As noted above, the bill makes provision for a diversified program of Federal financial assistance for the provision of housing for domestic farm laborers and their families. The recipients of this assistance could be farmers or farmworkers themselves, where such assistance would enable them to repair or

modernize existing substandard housing. Direct loans and Federal guarantees of private loans to farmers and farmworkers themselves would also be available to assist them in making provision for decent housing where none is now provided.

The bill also recognizes, however, that the responsibility of assuring the availability of decent housing for farm laborers and their families does not rest on farm employers and farmworkers alone, since they obviously do not have, and will not under the bill have, the financial resources to solve the problem themselves. Federal financial assistance to individual farm employers or farmworkers will not in all cases be sufficient. States and local communities, and local community organizations as well, have a major responsibility to carry out in this field. Consequently, the bill would authorize loans and grants of Federal funds, and Federal insurance of private loans, to associations of farmers, public and private nonprofit organizations, and States and political subdivisions thereof. The loan and grant programs provided for in the bill are well designed to assist them in doing so.

The bill also seeks to encourage and assist farmworkers to acquire actual ownership of their homes. The most practical road to homeownership for most migratory workers, however, would appear to be through some nonprofit organization. This again emphasizes the importance of the bill's provisions authorizing the making of loans to communities and other nonprofit organizations.

Section 4 of the bill requires compliance with the Davis-Bacon Act and observance of the 40-hour week and 8-hour day in housing construction financed under the Federal loan program for domestic farm labor. We are glad to see prevailing wage provisions included in the bill, but we would like to urge two changes in these provisions.

In its present form, the bill permits the Secretary of Agriculture to waive the requirement for compliance with the Davis-Bacon Act in situations where laborers or mechanics "voluntarily donate their services without full compensation for the purpose of lowering the costs of construction," and the Secretary determines that any amounts saved thereby are fully credited to the person, corporation, association, organization, or other entity undertaking the project. Under the waiver provision included in the bill the Davis-Bacon standards could easily be evaded. We do not believe that the Secretary of Agriculture is the proper Government official to decide when compliance with specified labor standards on construction financed or assisted by the Government should be waived. This authority should be vested, if provided for at all, in the Secretary of Labor. Nor do we believe that waiver of such compliance should be permitted except where laborers and mechanics voluntarily donate their services without compensation, as determined by the Secretary of Labor. We urge, therefore, that the word "full" before "compensation" in line 14, page 7 of the bill be eliminated.

We also urge amendment of the provision that the prevailing wage rates to be paid on construction of low-rent housing financed by the bill shall not be less than those prevailing on similar construction "in the rural part" of the locality, as determined by the Secretary of Labor. The concept of the wage rate prevailing "in the locality," which is contained in the Davis-Bacon Act, would be seriously undermined if in determining prevailing rates the Secretary were required to consider only the rates prevailing "in the rural part" of a locality. This is an unnecessary and inappropriate restriction of "locality," as used in the Davis-Bacon Act, and we urge deletion of the words "the rural part of" from the bill.

STATEMENT OF WILLIAM L. BATT, JR., ADMINISTRATOR, AREA REDEVELOPMENT ADMINISTRATION

In the past few years public attention has been drawn to the fact that alongside our "affluent society" several million Americans exist, invisible to the fortunate majority of us who are well-fed, clothed, and housed. One of these invisible groups consists of farm laborers and their families. They are invisible not necessarily because we have closed our eyes to them, although too many choose to do so, but because distance and isolation from the mainstream of urban America prevent them from becoming a conscious part of our everyday lives.

And yet, they are a part of our lives, in a very direct and productive sense: without them, the factory, transportation, and office personnel of our great labor force would be required to grow and pick their own foods and fibers—and thus

neglect the vital functions so necessary to the successful operation of our complex economy.

The proposed amendments to title V of the 1949 Housing Act thus cannot be viewed as a humanitarian welfare program directed at a segment of the population which is dependent upon the taxpayers of the country. To be sure, humanitarian considerations alone should warrant the passage of such legislation. But we taxpayers should recognize that the proposal, insofar as it would help raise the standard of living of the people at the very bottom of our economic ladder, would also benefit the entire economy in the process.

We nonfarmers are equally dependent upon the farm-owners and farm managers, as well as upon the laborers in agriculture, and the first two categories include those who cannot afford—under present financing conditions—to provide adequate housing to the third group, that is, farm laborers. This is especially true for our migratory farmworkers. Given the nature of their occupation—an occupation essential to the rest of us—homeownership for them is inappropriate. They need—and want—decent living conditions in the several worksites near which they live during their peripatetic work seasons. And yet, proper and effective credit terms are not available to their employers.

Furthermore, since most farmowners and managers employ laborers for less than on a 12-month basis, present financing conditions would require rentals that would be prohibitively high. If there is any clear-cut example of Government performing where private individuals and groups cannot do so effectively, it is in this field of housing for our farm labor population.

I would like to point out another consideration, often overlooked in discussions of this problem: we have all read or heard about the so-called surplus of farm population, and how rural migrants into our urban centers have contributed to the immediate and pressing crisis of the cities—their slums, their unemployed unskilled poor, and so on. But as in the case of all generalizations, the thesis of farm population surplus can be, and has been, overstated.

To be sure, it is a fact that many farm laborers have left the agricultural sector and it has aggravated our urban crisis. But I submit that a significant part of this trend is really not necessary. Thousands upon thousands of Americans leave the world of agriculture not because they are "surplus," but rather because the way of life, the standard of living associated with that world is abhorrent to such migrants.

And that way of life can be epitomized just by the type of house a man is forced to live in—the shelter his wife and children must spend most of their lives on. A few years ago, in a statement submitted to this committee on a similar bill, the American Friends Service committee stated:

"The house a man lives in is usually a symbol of what he thinks of himself. If he can't have the kind of house he wants, he may come to think of himself in terms of the quality of his house. * * * When the worker talks about his hoped-for house, it is in terms of a neat, well-constructed home with the necessary plumbing, wiring, and cooling system. * * *

"What prevents the farm laborer from having adequate housing? It is a vicious cycle of economics. Low wages and a short work-year make him ineligible for bank credit * * *. Also, low wages prevent the family from saving the necessary downpayment for conventional loans. In short, the farm labor family does not receive the same help from State and Federal agencies in securing housing that others receive" ("Housing for Farm Labor," 1961, p. 66).

Therefore, thousands of farm laborers, and their older children move to the cities. There they face the good probability that they will be unemployed. And at the same time, with decent working conditions it is clear that many would be able to perform a decent working function on the farm. Without going through the elaborate mechanism involved, my point is that housing conditions for farm laborers are one explanation for the joblessness of many city dwellers.

Can anyone blame the individual farmworker for choosing the risks of city life over the greater degradation of agricultural working conditions—of which improper housing is an intrinsic part? In our type of democratic society, we reject any proposal for forcing a man to take a job he does not like.

Since we, as a nation, choose not to emulate countries resorting to forced labor—such as Red China with its farm communes and dormitories; it seems that the least we should do is to make it possible for housing credit terms to be available to farmers and their associations—as one basis for making farm laboring a more attractive way of life. In so doing, we would be accomplishing several purposes, among them, the assurance of employment opportunities for a seg-

ment of our increasing labor force population. The housing industry itself would also benefit and thus increase job opportunities.

I have concentrated in this statement on the employment implications of your pending legislation largely because of my position as Administrator of the Area Redevelopment Administration, which is charged with solving the problems of unemployment and underemployment in several hundred areas in the United States. Loans and grants for industrial and community projects provide one type of tool for solving this problem. So does the training program as a way of making a worker more "marketable" by upgrading his skills. Both of these, loans and grants, and training, are among the tools available under the Area Redevelopment Act.

This committee should know that under Area Redevelopment Act and Manpower Development and Training Act, the Federal Government, working closely with State and local employment and vocational education authorities, has succeeded in retraining over a thousand migrant workers in New Jersey, Texas, Oklahoma, Arkansas, California, and Arizona to be tractor operators and irrigators, among other things, permitting their placement in year-round jobs at much increased pay. As one byproduct, this will permit their children to stay in the same school throughout the school year, hopefully reducing their appallingly high dropout rate and increasing the chances of the next generations' breaking the migrants' pattern of poverty.

One of the "missing links," however, is housing credit for farm laborers and their employers—a link that could be forged upon the successful passage of a bill along the lines of S. 981. I have not attempted to comment on the technical adequacy of this bill. In this connection, I would defer to the comments of the agencies with primary responsibility for administering the provisions of S. 981.

STATEMENT BY MRS. RICHARD A. ZWEMER, PRESIDENT, CONSUMERS LEAGUE OF NEW JERSEY

On behalf of the Consumers League of New Jersey, 20 Church Street, Montclair, N.J., I wish to thank the committee for the opportunity to file a statement in support of S. 981 to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

The Consumers League of New Jersey has been concerned with the housing needs of agricultural workers since 1905 when we surveyed their housing conditions at that time. During World War II, deplorable housing for some of the workers became a health menace which was documented by the league members and brought to the attention of the Governor of the State, Hon. Walter E. Edge. The result was the enactment of the migrant labor law and one of the first housing codes for farm labor in the Nation.

Although the State of New Jersey has improved the housing for migratory workers, the provisions of this bill would be helpful in lifting the financial burden on the farmers who employ them. The bill would also be of great benefit to the farm laborers who reside in the State and wish to remain in agricultural employment. They are housed in areas where municipal sanitary codes are lacking or inadequate. Some of the rural slum areas on the outskirts of towns are collections of shacks which have been condemned for migrant housing but are now occupied by resident farm families. These farmworkers are a source of labor supply to the surrounding farms on a day-haul basis. Because of their low income, they cannot borrow the money to make the necessary repairs or buy these houses.

Loans and grants to domestic farm laborers for minor improvements would be especially helpful to the day-haul farm laborer. About one-third of our workers live near the farms and are transported from farm to farm in the harvest season. An increasing number of these are Puerto Ricans who were originally contract workers and have brought their families to the mainland. They are skilled in the tough job of picking vegetables and fruit for long hours in the hot sun. Those who wish to continue in agricultural employment have great difficulty in finding housing. The old buildings and shacks available for occupancy need repairs and plumbing facilities. These houses particularly need some type of heat because many of them were built for summer occupancy only. We would suggest that section 2(c) specifically spell out the inclusion of providing heating facilities in the grant or combined loan-grant to individuals.

Direct loans to provide housing and related facilities for domestic farm labor would be a valuable resource in improving living conditions.

The health of seasonal workers and their families would be improved if the farmer could borrow money to improve their housing and to build shower houses, toilets, and an adequate water supply. Our health clinics for migratory workers have uncovered cases of digestive disturbance, skin infection, and widespread diarrhea among the infants. One baby was hospitalized for diarrhea several times in one summer because she was reinfected each time she was returned to the camp. Without proper sanitation and a copious supply of water, the diseases to which these families are exposed, cannot be permanently cured by treatment in health clinics and hospitals.

Associations of farmers have been formed in New Jersey to operate reception centers for the Puerto Rican contract workers, but there are no centers for non-contract workers. The Puerto Rican contract workers pay room and board while at the reception centers and they also take out health insurance for medical care.

We need reception centers for families arriving in New Jersey from Florida and the eastern seaboard States where they can live until they are housed on the farms. A reception center would also enable the workers to live in them while working on day-haul crews at the surrounding farms. This would be a much more economical use of labor for all concerned because workers could be sent out at the time the farmer needed them. Too often a crew must wait for a week or two until the crops are ready to pick on the particular farm on which they are housed. The farmer either pays for their food or the workers go into debt to the crew leader or the local grocery store. If this provision of the bill were enacted, the low-cost loan would enable a nonprofit organization or the State government to provide reception centers for migratory noncontract workers.

Low-rent housing projects would benefit nonseasonal farm families who wish to continue in agriculture and rear their children in healthful surroundings. The regulations as to rentals and sanitary conditions would be necessary safeguards to these families. The application for financial assistance by the State or municipality, by a public or private nonprofit organization or by an association of farmers would be sufficiently diverse so as to cover all types of projects.

In conclusion, we urge that S. 981 be reported out favorably for House action. This legislation is needed for the farmer, the farm tenant, the seasonal non-resident family, and the day-haul resident worker. It would give the necessary incentive to improve the living conditions of farmworkers and their families in our State.

DIVISION OF HOME MISSIONS,
NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A.,
New York, N.Y., October 14, 1963.

HON. JOHN SPARKMAN,
*Chairman, Subcommittee on Housing,
Senate Banking and Currency Committee,
Senate Office Building, Washington, D.C.*

DEAR MR. SPARKMAN: We note hearings on S. 981 amending title V of the Housing Act of 1949 to extend assistance in housing for domestic farmworkers, will be held before your committee on October 15-16, 1963. We would appreciate your receiving the following observation for inclusion in the record.

The churches' long involvement in the migrant ministry across the Nation, covering the past 43 years, has provided expansive opportunities to observe firsthand the many basic problems confronting migrant farmworkers, and their vital contributory causes.

The National Council of Churches in its official policy statement on the concern of the churches for migratory farm laborers, recognized the very close relationship between poor health and poor, unsanitary housing. A long-time goal of the migrant ministry has been for more satisfactory housing and sanitary conditions. Although some improvements can be noted with gratitude, present conditions are far from acceptable by American standards. The migrant ministry will continue to press for improvements in these conditions, through voluntary action of growers and communities, through local ordinances and State laws, and where necessary and appropriate, through Federal legislation and Executive orders. We feel the pronounced trend toward increasing numbers of migrant farmworkers settling down in communities creates a new and pressing demand for assistance in financing adequate housing.

Out of this concern we enthusiastically support the principles involved in the bill amending title V of the Housing Act of 1949, feeling that measures as called for are vitally important to the necessary improvement in housing so basic to general migrant welfare.

We would especially underscore two aspects of the proposed legislation we feel to be highly important:

- (1) The control of rentals charged domestic farm laborers; and
- (2) The establishment of certain standards controlling safe and sanitary conditions of housing.

Thank you very much for your consideration of this vital matter.

Most sincerely,

E. RUSSELL CARTER,
Acting Director, Department of Migrant Work.

Enclosure.

NATIONAL GOALS FOR THE FIFTH DECADE OF THE MIGRANT MINISTRY, 1960-70

PREAMBLE

The Migrant Ministry of the National Council of the Churches of Christ in the U.S.A. is a Christian ministry. Its foundation is the lordship of Christ over all of life. Its motivation is Christ's command to "Feed my sheep." Its ever-arching purpose is that the more abundant life which Christ came to make available shall indeed be the experience of all God's children who are involved in the tending and harvesting of the Nation's crops.

"Abundant life" for the Christian means first of all the redeeming knowledge and love of our Lord Jesus Christ as personal Saviour. It also includes first-class political citizenship, adequate economic levels of living, and normal acceptance in the human community.

Abundant life speaks also of individual integrity and participation, duty as well as right, responsibility as well as privilege.

The migrant ministry, with equal loving concern for both the farmworkers and grower-employers, seeks an abundant life for all with balance of spiritual, cultural, and material factors.

A. POLICY AND PROGRAM GOALS

In the light of the foregoing, the executive board of the division of home missions affirms the following major goals for the migrant ministry in its fifth decade, and pledges itself to pursue them as an integral part of the total cooperative mission of the churches.

1. *Presentation of the Christian faith and call to discipleship*

A primary concern of the migrant ministry is that seasonally employed agricultural wage workers and their families shall have access to such basic ministries of the Christian faith as evangelism, worship, and Christian education. As far as possible these opportunities should be made available by the churches of the community. The migrant ministry will seek to interpret to local churches their responsibility to make relevant ministries available to these people. It will also help farmworkers to understand and enter into the programs of the churches of their choice.

In situations where effective local church participation is not available, the migrant ministry will continue its provision of direct religious ministries to these people.

In pursuit of its goal of Christian nurture and growth of agricultural workers, the migrant ministry affirms its intention to avoid direct or indirect proselytizing or any forms of intellectual or spiritual coercion.

2. *Reduction of agricultural migrancy to a minimum*

"Following the crops" is not a satisfactory way of life. It is true that Americans are becoming increasingly a mobile people. The frequent moves of corporation management people, military personnel and others may not, however, be cited to justify continuance of the prevalent patterns of agricultural migratory labor. There is a vast difference in degrees of economic security and social acceptance between the former and the latter. The migrant ministry will work to reduce the demand for migratory labor to a minimum through mechanization, diversification of crops, more thorough utilization of local labor supply and

all other available methods. The supply of migratory workers should be reduced to a minimum by the elimination of the economic and social misfortunes which cause people to migrate.

3. Elimination of foreign farm labor importation programs

This goal refers specifically and exclusively to the special importation of foreign contract workers for temporary agricultural employment such as that current going on under the authority of Public Law 78. In view of the present domestic labor situation, its importation cannot be justified. In view of its disruption of the family and community life of the importees and its adverse effects upon the domestic farm labor market, such importations are undesirable. Elimination of such programs should be gradual to avoid undue hardship upon either workers or growers who have come to depend on them but total elimination should be easily attainable within the decade. Through proper channels, the migrant ministry will encourage the National Council of Churches to give strong support to economic aid programs designed to compensate for any real injury which might be done by the elimination of these programs to the economies of nations presently sending farm labor to the United States.

4. Provision of basic education and vocational training opportunities for farm-workers

As progress is made toward reducing the volume of agricultural migrancy, the already serious problem of providing relevant basic education and vocational training opportunities for these people becomes even more urgent. In the face of their educational handicaps and lack of vocational skills, the alternative to casual agricultural employment for many of them may be total and prolonged unemployment in a highly technological economy. In view of this danger communities, States, and the Federal Government must be encouraged to develop effective and relevant programs to supplement their educational backgrounds. Governmental and private groups, including the migrant ministry itself, will contribute substantially to this goal to the extent that they succeed in involving the people themselves in planning and carrying out educational processes.

5. Extension of educational opportunity for the children of migratory families

The most tragic and innocent victims of agricultural migrancy are the children. They do not choose migrancy and their personalities do not thrive under it. One of its detrimental effects upon children is disruption of their schooling. Responsibility must be shared by local, State and Federal agencies for exerting every possible effort to compensate for the interruptions and inadequacies of the schooling of these children by providing maximum educational opportunity for them. Demonstration educational projects will be continued by the migrant ministry with the aim of stimulating public schools to discharge their legal and moral obligations in this regard.

6. Improvement of living and traveling conditions and community services for farm workers

A long-time goal of the migrant ministry has been for more satisfactory housing and sanitary conditions, elimination of transportation hazards, and the effective extension of community health and welfare services for the migratory labor population. Although some improvements can be noted with gratitude, the housing, health and traveling conditions of these people are still far from acceptable by American standards. The migrant ministry will continue to press for improvements in these conditions, through voluntary action of growers and communities, through local ordinances and State laws, and where necessary and appropriate, through Federal legislation and Executive orders.

In view of the deplorable living conditions under which many exmigrants are settling in so-called rural fringe communities, the migrant ministry will include these more settled farmworkers also in its continuing concern for more adequate housing, health services, and transportation facilities.

7. Elimination of legal exemptions and discriminations

Migratory agricultural workers have been prevented from enjoying most of the benefits of labor legislation and social welfare programs by two means: (a) explicit exclusion from the provisions of legislation; and (b) denial of services because of failure to meet residency requirements. Justice demands that these employees of the "factories in the fields" should have the same coverage as other industrial workers by all such legislation as minimum wage, workmen's compensation, child labor laws, and the like. In respect to residency requirements the

goal will be to find ways by which these most disadvantaged people can have access to the services they need wherever they are and whenever they need the services. Where benefits to the workers impose undue hardships to grower-employers, steps should be taken to stabilize their income at adequate level. In situations where the volume of migrancy swamps local facilities a Federal aid program similar to that which assists educational systems in military impacted areas may hold a solution.

8. *Social acceptance and inclusion in the life of the local community*

This can be a much more subtle and difficult goal than the preceding one. Legal coverage, although subject to varying interpretation and application, is nevertheless an objective fact. Social acceptance or rejection, inclusion or exclusion is an extremely intangible and subjective aspect of human experience. The goal is nonetheless fundamental. It must be stated and it must be sought with great sensitivity. Local churches, motivated by the Christian teaching of inclusiveness, must stand in the forefront of intensive community efforts to understand farmworkers, both those who are transient and those who are settling down, to communicate with them, to win their respect and confidence, and to welcome their full participation in the cultural and religious life of the community. This includes participation in the corporate worship and programs of the church. The migrant ministry accepts as one of its principal goals helping local churches and the farmworkers understand and put into effect the processes by which the latter are included in the church and the community.

9. *Responsible and democratic organization for economic and civic self-help*

Mutual association with others to achieve legitimate ends is a basic need and right of all in a free society. This applies to agricultural workers equally with other economic groups. Forms of organization for democratic and self-determining participation in economic, political, civic, and other areas of life and work, by which farmworkers seek responsibly to advance their status will be encouraged. Specifically included within the general right of association is the right to organize into labor unions and bargain collectively with employers. Laws and other public policies which have been established to regulate this relationship between employers and employees to establish justice, and to protect all the parties involved should be extended to include agricultural wage workers.

10. *Flexibility and adaptability in goals and policy to meet the rapid changes taking place in the agricultural economy*

The migrant ministry recognizes that agricultural migrants are part of the total national economy. The same sweeping changes that affect the industrial sector of the economy are also affecting agriculture and the people within it. Patterns of migrancy, as we know them today, may be drastically altered within the decade. Nevertheless the people who follow the crops must find an equitable and useful role in society. The migrant ministry will make continued, coordinated and creative efforts, in cooperation with churches and other helping agencies, to make positive and progressive their transitional experiences.

B. ORGANIZATIONAL GOALS FOR THE MIGRANT MINISTRY

The migrant ministry is an inclusive term referring to an organizational structure and a program with a time-tested history and a well-defined purpose. Embraced within the term are the Department of Migrant Work of the Division of Home Missions and its National Migrant Advisory Committee, those aspects of the work of the division's commission for cooperative field projects which relate to agricultural workers, the related activities and services of the regional and area field staff of the division of home missions, the State migrant committees with their staffs and programs, and the multitude of local committees, projects, programs, and personnel which bring the total ministry to focus in the communities and camps where the farmworkers are found.

The population to which the migrant ministry addresses itself includes farmworkers, seasonal workers, and those in the process of getting settled.

The goals set forth in this section are stated by and for the guidance of the National Department of Migrant Work, but they relate to the total migrant ministry. At other levels, the State and local committees are free to establish their own appropriate goals. It is urged that they do so in harmony with national goals and purposes.

The national organizational goals for the fifth decade are as follows:

1. Development of a dynamic program of Christian ministries embracing in balanced ratio:

- (a) Direct services among farmworkers;
- (b) Legislative action for fundamental justice to farmworkers and employers;
- (c) Social and economic self-help among farmworkers.

2. Maintenance and strengthening of the deep sense of partnership which exists between the national migrant ministry and State and local migrant programs on the basis of mutually developed and commonly accepted policies as to differentiation of function and allocation of responsibility.

3. Employment by the Division of Home Missions of the National Council of Churches of an adequate number of competent and well-trained regional and area staff to implement the national responsibilities of the migrant ministry as an integral part of the total home missionary enterprise.

4. Encouragement and aid to the creation of effective State migrant committees in every State in which farmworkers are employed, where such does not now exist.

5. Orderly and well-timed development by State committees of policymaking and administrative responsibility for State programs; and, as fully as possible, acceptance of financial responsibility.

6. Achievement of a creative pattern of cooperation with all other units within the National Council of Churches whose interests and functions are tangent to that of the migrant ministry.

7. Encouragement of denominations to view the migrant ministry as an integral part of their total mission and to give it their financial support both at national and field levels.

8. Establishment of the widest possible network of cooperative relationships with other national and regional agencies, both governmental and private, which share our concerns for farmworkers and have programs designed to minister to them.

9. Development of a ministry of interpretation to growers and communities as to the concern of the National Council of Churches for justice, security, freedom, and opportunity for both agricultural workers and their employers and the ethical foundations undergirding both concern and program.

(The Migrant Ministry, Division of Home Missions, National Council of the Churches of Christ in the U.S.A., 475 Riverside Drive, New York 27, N.Y.)

A PRONOUNCEMENT—A POLICY STATEMENT OF THE NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE UNITED STATES OF AMERICA: THE CONCERN OF THE CHURCHES FOR MIGRATORY FARM LABORERS

Adopted by the General Board, September 19, 1951

In view of the present national interest in the problems of the migratory farm laborers aroused by the report of the President's Commission on Migratory Farm Labor, and the longstanding concern and work of the churches for the welfare of this group, the General Board of the National Council of Churches issues this statement concerning the present situation.

For 30 years the churches have cooperated through the Home Missions Council, now the Division of Home Missions, in providing a program of Christian service in thousands of migrant camps across the country. From this intimate contact with the situation we are convinced that the major problems include the following:

1. Migrant children have a limited opportunity for schooling due to the lack of adequate school facilities available to them; the interruptions of schooling by work in the field and frequent migrations, and often the exclusion of migrant children from local schools.

2. The lack of provision for the care of preschool children while parents are working causes neglect of many children.

3. Health problems are created by crowded and unsanitary housing; the ignorance of good health habits; the inability to pay for medical care; and the ineligibility of nonresidents for public health services in the community where they are temporarily employed.

4. The low economic status and insecurity of migratory farmworkers is a basic problem. The primary causes are the irregularity of employment due to an inadequate plan for the effective recruitment, fair employment and equitable distribution of seasonal farm labor by manpower agencies; the taking advantage of migrants by some employers and labor contractors; and the exclusion of migratory farmworkers from legislation covering minimum wage, unemployment insurance and old-age and survivors insurance.

5. Migrant people do not have an opportunity to participate in the life of the communities they touch because of mobility; the hostile attitudes of many communities; the inability of transients to establish legal residence and qualify for welfare assistance; the loss of the vote.

6. Migrant people are unable to be a part of established church life because of mobility.

7. Migrant people face discrimination based on race, color, or national origin in employment, the use of housing, community facilities and public services furnished by the State and local governments.

Because of the problems enumerated above, we are sensitive as Americans to the fact that a million migratory farmworkers and their families, citizens of our own land, do not enjoy the human rights and privileges which the General Assembly of the United Nations has agreed should be a "common standard of achievement for all peoples and all nations." The "Universal Declaration of Human Rights insists that everyone is entitled to all the rights and freedom . . . without the distinction of race, religion, origin or status. Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment; to join trade unions and to a standard of living adequate for the health and well-being of himself and his family."

While advances have been made, they are the exception rather than the rule. The most significant changes such as the establishment of clinics to serve the migrant workers, the improvement in housing for migrants through a housing code for migrant camps, and the inclusion of migrant children in local schools by State regulation, have come in New Jersey and New York State, where inter-departmental agencies at the State level have coordinated the services of the various State departments and initiated a program to meet the needs of the migrants coming to these two States. Similar agencies in other States using migrant labor are needed and likewise an interagency body on the national level—to stimulate and coordinate the efforts of the public agencies.

The above analysis of the problem coincides in general with the findings of the President's Commission on Migratory Farm Labor.

Without assuming either responsibility or special competence with regard to the technical details of legislation, we believe that the churches should support measures intended to provide the following:

1. A plan for the effective recruitment, fair employment practices, and equitable distribution of seasonal farm laborers.
2. A more effective utilization of domestic seasonal farm labor.
3. The importation of foreign workers only when necessary to supplement the domestic labor supply, with adequate provision made for their welfare.
4. The discouragement of the practice of importing foreign workers from economically depressed areas as a means of their rehabilitation, with emphasis instead on the encouragement of efforts such as the point 4 program.
5. The extension of minimum wage legislation, social security benefits, and labor legislation to include migratory farm laborers.
6. A Federal housing code for migrant camps to set a minimum standard for all States.
7. The extension to migratory farmworkers and their families by the communities in which they are employed of the health and welfare services available to their own residents.
8. The regulation of the methods of transportation of workers from area to area and from State to State to insure their safety and humane treatment.
9. The protection of the children of the migratory workers by more effective enforcement of the Fair Labor Standards Act as amended in 1950 to make it compulsory for children under 16 to attend school when schools are in session.
10. Improved educational facilities for migratory workers and their children.

11. Provision for the implementation of the above measures so that they apply equally to all workers without regard to race, color, or national origin.

The responsibilities of the church are twofold: first the direct ministry to help meet the day-by-day needs of the migratory farmworkers and their families; second, the long-range program to solve the basic problems.

We urge the church to give serious consideration in the following suggested program of action:

1. The study of the problem nationally and as it involves the local community.
2. The study of the report of the President's Commission on Migratory Farm Labor, followed by appropriate action.
3. The study and support of legislative measures which contain provisions for the implementation of the above recommendations (1 to 11), as the passage of legislation and its enforcement are dependent upon public support.
4. The wide use of the motion picture produced by the Protestant Film Commission, "Again. . . . Pioneers," followed by discussion for action, using the discussion guide prepared for this purpose.
5. The inclusion of migrant people in the fellowship of the local church.
6. The strengthening and expansion of the cooperative ministry of the churches, which has brought the Gospel and many social services to thousands who because of their migrating are not usually reached by the local churches and other community agencies.

For the past 30 years the national home mission boards have cooperated in an inclusive ministry in migrant camps—providing religious services, Sunday schools, pastoral services, day care centers for the small children, educational programs for the children of school age, club activities for the youth, communitywide programs for all those in the camps, and referral services to public agencies in cases of need. The cooperation of local church and community groups, the employers of migrant labor and the migrant people themselves is enlisted in developing these programs now underway in 25 States.

Many of these activities, particularly in the health and educational fields, have served as demonstrations which stimulated public agencies to take up the idea and incorporate it into their ongoing program. The child care centers for the children of agricultural migrants in New York State and the public health nursing program in migrant camps in California are examples.

The work of the church has aroused employers and communities to their responsibilities. It has helped with constructive legislation. It has been the only national private agency working within the migrant camps directly with the migrant people.

We urge that denominations in the council provide a more substantial support of this interdenominational program which aims to encourage and assist migratory farmworkers to grow—physically, mentally, morally, and spiritually—so that they may become increasingly able to take their rightful place as citizens in a democracy.

AMERICAN FRIENDS SERVICE COMMITTEE, INC.,
NORTHERN CALIFORNIA REGIONAL OFFICE,
San Francisco, Calif., October 15, 1963.

HON. JOHN SPARKMAN,
*Chairman, Housing Subcommittee,
New Senate Office Building,
Washington, D.C.*

DEAR SENATOR SPARKMAN: We appreciate your invitation to file a statement regarding S. 981, the bill to assist in providing adequate housing and related facilities for migratory farm labor. Time and distance factors make it impossible for us to give oral testimony, but we are sending this letter for your use.

Our experience with farm labor for the past 8 years, and especially the self-help housing project in Tulare County, Calif., for the last year and a half, indicates that there is a great need for legislation to make available more long-term, low-interest money to provide improved housing for low-income rural families.

S. 981 seems to be organized in a way that would make funds available to a larger segment of the low-income agricultural population. It is our experience that a substantial percentage of farmworker families have a desire to own their own homes. Approximately 50 percent now own their homes according to the Governor's advisory committee on housing. This means that the emphasis should be on making long-term, low-interest loans available directly to individuals, or in establishing nonprofit groups and farmer-organized housing projects. The possibility of eventual homeownership should be part of such plans.

The 4-percent, 33-year loans suggested in this bill is in most cases a low enough interest rate and a long enough term to bring the payments within the reach of farmworker families. The Governor's Advisory Commission on Housing in California found that the median income in the San Joaquin Valley of agricultural workers is \$2,600. To meet the needs of families below this median, it would help if the loan extended to 40 years and the interest rate was 2 percent. The report of the Housing and Home Finance Administration mentioned by Senator Joseph S. Clark in his speech before the Senate on March 21, 1963, brings out how important the term and interest rate can be in making housing available to lower income families.

The self-help aspect of our project has proven to be very successful. The members of the Casa de Manana Association have guaranteed to each other 1,500 hours work, which they have secured by a \$2,250 mortgage against their property. This labor equity in effect gives them a substantial downpayment on their home at completion. It also provides a constructive utilization of 3 or 4 months of otherwise slack time in their agricultural employment. We would strongly urge that in projects involving direct ownership, as well as group projects, the individual families have a chance to put in as much of their labor, with skilled supervision to direct it, as is possible. Perhaps the bill could be strengthened by making provisions for supervision in the self-help aspect.

The provisions of this bill to make possible loans and grants for minor improvements in existing dwellings are important ones. Improvements in existing homes are essential since we have an expanding population and no decrease of low-income families is apparent.

We hope that all farm labor families, regardless of location, will be eligible. The exclusions in the Farmers Home Administration program prevent many families from acquiring a home. A great deal of the substandard housing is on the fringe of towns of over the 2,500 population limit, and at present there is no other existing Federal or State financing to meet the housing needs of farmworkers living in the fringes of cities. We would hope that this bill would provide loans to low-income agricultural workers, regardless of where they live.

In our view, S. 981 is a necessary corollary to the Farmers Home Administration program; therefore, we enthusiastically support S. 981 and urge its immediate passage.

Sincerely,

BARD McALLISTER,
*Farm Labor Secretary, American Friends Service Committee, Visalia,
Calif.*

A.F.S.C. in the NEWS

Monday, May 6, 1963
THE SAN FRANCISCO CHRONICLE

The Shocking Life of Rural Slum Children

Workers' Shack Village

By Michael Harris
Chronicle Correspondent
Three Rocks,
Fresno county

In the seven-year-old community of Three Rocks, there are little children who have not yet seen a kitchen sink.

For that matter, they have never learned that in California the normal way to get the household water is to turn on the tap.

The way to get water in Three Rocks, as any child can tell you, is for the family to load barrels, tin cans and buckets in the back of the car and drive three miles to the well of a good-hearted rancher.

The partly filled containers, some covered with lids and some open to the air, can be seen outside the little houses spaced along the dusty streets that run through Three Rocks' 19 acres.

\$1 HOMES

Here in the flat valley land near the western edge of Fresno county there are 65 families.

Their year-round homes are board shacks, flimsily covered with scraps of tarpaper, purchased for a dollar apiece in 1956.

The homes are, as it happens, the rejects of a ranch camp, dwellings that were moved to Three Rocks after they were condemned by the State of California as unfit for human habitation.

RURAL SLUMS

Over the years, housing on the State's large ranches has improved markedly. But the State Division of Housing is able to impose few controls on the rural slums that house half a million Californians at crossroads and on the fringes of valley towns.

It is a measure of the poverty in Three Rocks that some of the families don't even have a privy of their own.

And now there is a generation of children whose heritage is Three Rocks and whose future may be despair.

TONY

It is here that 11-year-old Tony Garza and his five brothers and sisters are making their starts in life.

Their home consists of two tiny rooms. The parents and four children sleep in the bedroom, and the two oldest children stay in the kitchen at night.

The green tarpaper on the outside of the house is held in place by narrow slats of wood, tacked into the wall almost at random.

NEAT

But the interior is neat. The beds are made, the clothes are put away, and the dishes are washed in a pan at the back doorstep promptly after every meal.

The floor is swept, but it can never be free of dust. Even when the doors and windows are shut, the winds of the western reaches of the San Joaquin valley blow

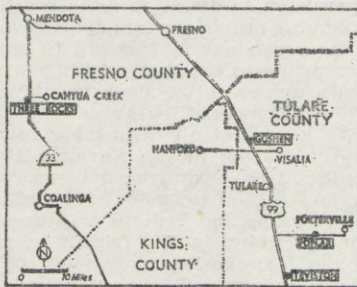
steadily through the cracks in the floorboards and the tiny breaks in the tarpaper walls.

There are a few appliances. In the kitchen, there is a stove, fueled with bottled gas. An electric refrigerator stands next to it.

AIR COOLER

Attached to the outside of the building, there is the family's supreme luxury, a rebuilt air cooler with a small electric motor. It can take away about 10 degrees of the oppressive summer heat.

At the back door, there is an electric washing machine. The water for the clothes is heated on a campfire half-way between the house and its privy.



The rural slum area of the valley

A PROGRAM OF THE AMERICAN FRIENDS SERVICE COMMITTEE

2160 LAKE STREET, SAN FRANCISCO 21—SKYLINE 2-7765

Tuesday, May 7, 1963
San Francisco Chronicle

PAGE 2

In this modest atmosphere, the Garza family expresses shy hopes that young Tony, who brings home A's on his report card from Cantua Creek School, will become a successful man. Perhaps, it is said, he will go through high school—"and maybe even college."

And what does Tony plan to be when he grows up?

"A farmer," he said. "Like my father and brother."

BLUE RIBBONS

Tony's 17-year-old brother, Oscar Garza, also attended the attractive, rambling Cantua Creek School four miles from here, and he has a few blue ribbons from the school track meet to show for it.

There had been earlier hopes in Oscar's case, too, that he might finish high school. But he dropped out in the ninth grade after his father fell ill.

Oscar now earns about \$12 a day moving irrigation pipes.

WET WORK

It is wet work, and there are those who say it produces arthritis. But a man can earn \$2 if he moves a quarter-mile irrigation line to a new location about 30 feet away. A good worker can manage half a dozen lines a day.

What Oscar does is leave home at 5 a. m., dismantle his pipes, move the sections one at a time and reassemble them in their new locations.

By 10 a. m. he has generally completed his task. Then he returns to the field at 2 p. m. and spends an hour and a half or so repairing whatever leaks he finds.

The Garza family pays \$12.15 a month rent for the land on which their house is located. But the Salas family is one of the few that owns its own plot in Three Rocks. Last year the county tax bill on the property was \$2.08.

Raymond Salas, who makes \$1 an hour driving a tractor most of the year and \$1.75 an hour operating an automatic cotton picker for six weeks in the harvest season, said things are better in California than in the Mississippi and Arkansas fields where he spent his youth.

"They paid \$3 a day in Mississippi—6 in the morn-

ing to 6 at night with somebody standing over you every minute," Salas said.

"Here they treat you like a person. They tell you what to do and let you do it yourself. If the tractor breaks down in the fields, they know you are skilled workman and can fix it."

Salas and his family left the South for California and the better life in 1957. His life here has been confined to the area around Three Rocks and Mendota, a town of 3000 some 18 miles north on State Highway 33.

HOPE

Some day, though, Salas hopes to pay a visit to San Francisco or Los Angeles.

The great problem, Salas said, is having to transport water.

Ordinarily, he and his brothers bring in enough water not only to supply the household but to keep a modest garden going in the side yard. But during a hot spell last year, when Salas was working from dawn to dusk seven days a week, the family water supply went completely dry.

Salas refilled the barrels early the next morning, but the sun was up before he reported to work.

He was told there was no work for him that day: He was two hours late.

"It was worth it," Salas said. "I'm not the kind of man who lets his mother and wife and children go without water when the temperature is over 100 degrees."

'LADDER'

"You go up a ladder, and somebody is pulling you back," Salas said of his life in the fields. "You go up again, and they pull you back again. You just can't make it."

Salas dropped out of school in the fourth grade, when his father died. He was 12, and he became the head of the family. Now at 25, he is married and has four children, the oldest a 7-year-old girl in the second grade.

"We pay our taxes to help the Governor out," Salas said. "He ought to come and run down here and see how he can help us out."

"They ought to make those Senators and Governors and Big Shots spend one night here. They wouldn't like it."

The Rural Slums

An Ugly Land That Maps Don't Show

By Michael Harris
Chronicle Correspondent

Fresno

Three Rocks does not appear on ordinary maps. Its little post office is not listed in the official U. S. Directory of Post Offices.

Nor are there any markers on State Highway 33 to advise the motorist that he has reached this settlement of 65 makeshift homes in the western part of Fresno county.

Yet a measure of prominence has come to poverty-stricken Three Rocks in its seven years of life.

Three months ago, its plight was described by the Governor's Advisory Commission on Housing Problems.

A detailed State study of Three Rocks and five other farm workers' communities found that 80 per cent of the families lived in substandard dwellings—"slums," in the language of Commission Chairman Edward P. Eichler.

Some of its problems have also been aired thousands of miles from California—in a Soviet newspaper.

"The workers live with their families under conditions that remind us of the 18th Century," the paper reported.

"This small 'village' of Three Rocks is the classical example of a typical farm camp..."

YEAR-ROUND

Actually, Three Rocks is not a camp at all. It is a year-round community whose residents have somehow become accustomed to driving three miles to a rancher's well for their household water.

Indeed, it is estimated that more than half the farm workers in the entire San Joaquin Valley have given up their traveling ways.

And most of the remainder who still take to the road seldom move far or stay long. They may drive to the Sacramento Valley to pick peaches or into Lake county for pears. Then they return to their board-and-tarpaper shacks.

In Three Rocks, the population is almost all Mexican-American. But the hundreds of rural slum pockets in the rich farmland of the San Joaquin Valley also include Negro communities and the homes of "Anglos"—or poor whites.

TEVISTON

In Teviston, a Negro settlement which lies unnoticed beside Highway U. S. 99 in the southern part of Tulare county, the wet spring brought unemployment for the farm hands.

Andrew Davis, who is 38, said all he could do was wait for his boss to tell him the cotton fields were dry enough for him to start the season's work as a tractor driver.

Life hasn't been easy, Davis observed.

"They put water in here a couple of years ago," he said, "and they're trying to get us to put in indoor toilets. But farm work pays poorly."

He looked at his six children playing outside the family's two-room board shack.

"It's a good place for kids who go to school," Davis said. "The high school and junior college bus stops right at the corner."

WATER BILLS

O. B. Simmons, who still does field work at 88 and whose wife is a domestic worker, said he didn't have much patience with neighbors in Teviston who complained about paying their \$14-a-month water bills.

Simmons has a water spigot in his front yard, and he hopes he will soon be able to extend the line to the kitchen of his neat little home.

There is not only poverty in Teviston, there is ugliness. The town is littered with abandoned automobiles. First, the cars are flipped on their sides so the wheels and other salable parts can be removed. Then they are left flat on their backs.

But just outside Teviston, there is a success story. John Henry Williams, 54, was born on a Georgia farm and had eight years of education in a segregated school. He got married in Oklahoma in the depths of the depression and saved \$400 while working in the Los Angeles produce market during the war.

Now he has a 16-acre farm, a neat green house with shade trees in the yard and a new Buick. His three oldest sons got married after finishing junior college; his oldest daughter is a nurse, another

daughter is in junior college and the two youngest children are in high school.

He still works as a farm hand.

"It's slow-paid work; there's not much we can do about that," Williams said.

"But what the people in Teviston need is a leader. Somebody has to show these people they have a place in the world. A person with education can see the needs of humanity, but a lot of these people don't add anything to humanity. They just suffer."

DREAMS

Williams' teen-age daughter, Cynthia, said: "These are good kids in Teviston. They don't get in trouble. But most young people here have no one to push them."

The young have their dreams.

Sarah Jordan, 16, who lives in a tiny, unpainted Teviston house, said: "I'm in the ninth grade. I'm going to finish the second year of high school, and then I'm going to be a beautician."

"I'm going to travel all over the world, and then I'm coming back. I think the United States is the best country there is, and we should be thankful we are here."

In the Negro "fringe" communities, surveyed by the State, the median income of farm workers' families is reported at \$2172 a year.

In the Mexican-American settlements, it is \$2361, and in the "Anglo" areas, \$3294. Thus, it comes as no surprise that a white section of Peplar, a crossroads 17 miles west of Porterville in Tulare county, looks better than Three Rocks or Teviston.

LIVABLE

The Adrian Wilson family, who came here from Leroy, Ark., a dozen years ago, have managed to put up a livable house. They have improved it over the years.

"It's my home and the finance company's," said Wilson. "It's all we've got. And now I'm getting to the wrong age. They don't want us old boys."

He is 51.

His wife, who said she detests being cooped up in the house, still works in the fields.

"I was out for six months last year when I fell off a ladder in an orange grove and broke my arm in two places," she said. "They gave me \$25 a week in insurance. Why, I could have made more than that picking potatoes with one hand."

She is back on the ladders this year.

It beats staying on the ground and picking grapes, she said, not so much because of the low pay for grapes—a nickel a tray—but because the vineyards swarm with yellow jackets.

TRAILERS

Across the street, Joe Ballard, 60, his younger wife, Martha, and their three neat and well-behaved daughters, aged 7 to 11, live in two small, ancient trailers.

One trailer is the bedroom, the other the kitchen. Ballard's pickup truck is being held as security for the back rent he owes.

At present, he said, he earns 50 cents a day catching gophers, but he expects to be back in the fields during the harvest season.

"I didn't go very much in school," Ballard said. "I learned more out of school than in. I even learned algebra by myself."

"But I only went to the fifth grade. And nowadays, if you haven't got a high school diploma you can't hardly dig a ditch."

SAN FRANCISCO CHRONICLE, Wednesday, May 8, 1963

How Farm Slums May Be Cleared

By Michael Harris
Chronicle Correspondent
Goshen,
Tulare county

The trim new house Tom and Jenny Jimenez are building stands nearly completed next to the board shack that has been their home since they got married.

Jimenez has just finished tacking redwood trim over the front entrance.

Light yellow asbestos siding, big glass windows and new doors with brass fittings have been in place for weeks.

Soon the young couple will have such unfamiliar luxuries as a bathtub, an indoor toilet, a hot water heater and a kitchen sink with running water. An air conditioner has been installed on the roof.

And instead of the drabness of the present unpainted dwelling, there will be an

abundance of color. The bathroom will have rose-colored walls and an aqua-marine ceiling.

PROMISE

This hopeful change is occurring in Goshen, six miles northwest of Visalia in Tulare county.

Here in a quiet community whose name carries a Biblical promise of fruitful crops and rich pasture, the Jimenez couple and two other farm

worker families are trying to break free from the vicious poverty they have known all their lives.

The struggle has not been easy.

The one thing Jimenez and his wife could post as security for a loan to build a decent house was the small lot they owned on an unpaved street in Goshen.

\$230

"We bought it for \$200, but it's worth \$400 now," Jimenez said.

The couple could also cite their own record of financial responsibility. They had managed, despite Jimenez' low earnings as a field worker, to pay all medical and hospital bills in advance when their daughter was born last year.

"But they were shut off from almost every conceivable source of long-term, low-rate credit," said Howard Washburn, who holds the position of Self-Help Housing Secretary at an American Friends Service Committee in Visalia.

"And how many middle-class families in prosperous California suburbs would be living in their own homes today if they, too, were cut off from the sources of credit?"

Washburn said he and his associates at the Friends office decided last year that the problems faced by the Jimenez couple and other families with low incomes were not really insoluble.

"They may be just as good—if not better—credit risks than some other families that get mortgages easily," he said.

"They have shown they can keep up with the payments when they buy television sets on time. They pay heavy financing charges when they buy cars. And low-income families have managed to provide a lucrative source of income for finance companies."

Finally, the Friends persuaded the Farmers Home Administration, a little-known agency in the U.S. Department of Agriculture, to make three modest loans in Goshen on an experimental basis.

\$5000 LOAN

To get the project moving, Washburn designed the houses and agreed to provide technical advice.

But it was Jimenez himself who laid his rink-smooth concrete floor and covered it with composition tiles.

Jimenez nailed the studs into place and covered them with mahogany paneling. He put on the solid roof with the help of friends.

Only the plumbing was subcontracted.

For its part, the Farmers Home Administration made a \$5000 loan for materials for the three-bedroom residence.

Payments will vary according to the season, with Jimenez paying the largest sums during the months when there is the most work in the fields.

PAYMENTS

But his average payment on his 33-year, 4 per cent mortgage will be \$26 a month. Another \$14 a month will go for taxes and \$2 for insurance.

The change will be even more startling for another Jimenez family, Frank and Lilia and their 11 children.

The couple and their cheerful, well behaved brood are now crowded into a miniscule dwelling, and they don't even have it all to themselves. They let a young couple stay on the tiny porch.

But today their new house is nearly completed on their pleasant, tree-shaded lot.

THIRD COUPLE

The third couple who joined the program, cheerfully called the Casa de Manana plan, are Lucio and Dominga Gomez, who have five grown children and five younger ones still at home.

And now a group of eight other Goshen families have formed Casa de Manana Number Two.

They hope to start work this summer, as soon as the first group is done with the tools Washburn has lent them. Meanwhile, the new group is spending free evenings listening to advice from a series of experts.

In his housing message to the Legislature last month, Governor Edmund G. Brown said the problem of providing decent housing for low-income Californians could be met only with massive Federal aid.

But there is nothing "massive" about the Goshen experiment.

Even if the entire Farmers Home Administration budget for California went to farm workers' housing—and it obviously cannot—there would only be enough money available to finance 20 or so new dwellings a month.

In the last 14 years, the agency's loans have gone to families an economic notch or two above those in Goshen. Most of the mortgages have been issued to farmers in modest circumstances. Others have gone to steadily employed workers in rural communities.

In these categories, there is a record of success.

"Our write-offs have been only 0.02 per cent—and this on mortgages to people to whom no one else on earth would give a loan at a reasonable rate," reported Glen W. Studarus, in charge of real estate loans at the Farmers Home Administration's regional office in Berkeley.

Still, the agency moved very cautiously before deciding to risk a few thousand dollars in the Casa de Manana program.

\$1 AN HOUR

The experiment in Goshen is designed to show whether a similar record of successful borrowing can be achieved by families who regard themselves as prosperous any time they can afford meat three times a week.

Housing is, of course, only part of the farm workers' problem.

Even with a helping hand in arranging a mortgage, a farm worker who earns \$1 an hour driving a tractor must live very modestly. In the summer, when he can work 12 hours a day, seven days a week, his peak earnings are \$84.

There are other periods when there is no work at all.

But it is reasonable to argue that the constructive steps that can eradicate rural slums will not be taken as long as Californians pretend the whole problem is the responsibility of some traditional bogey-men called "the ranchers."

Who, then, is to blame for the 65 shacks in Three Rocks, where families must drive three miles to get their household water? Who is to blame for such rural slums as Tevison or for the shack Tom and Jenny Jimenez have called home?

"You are and I am," said Bard McAllister, who is in charge of the Friends' activities in Visalia.

"We have not yet figured that the Government give the same aid to housing the lower income groups that it provides for you and me."

Descriptions of our three major farm labor programs -- community development, co-operatives, and self-help housing -- are available on request. Contributions to sustain the farm labor cooperatives and the community development projects are needed and welcome. Funds earmarked for self-help housing will make possible the expansion of this project or supplement the revolving loan fund should this become necessary.

GLASSBORO SERVICE ASSOCIATION, INC.,
Glassboro, N.J., October 16, 1963.

HON. JOHN SPARKMAN,
*Chairman, Senate Housing Subcommittee,
 New Senate Office Building, Washington, D.C.*

DEAR SENATOR SPARKMAN: On behalf of the Glassboro Service Association, comprised of farmers members, and as president of this association, we strongly object to S. 981.

This bill authorizes loans to farmers who are already in debt to such an extent that they cannot borrow elsewhere, and we feel that they will never be able to get out of their financial difficulty. If anything, it would be putting them deeper under financial burden.

We feel that there are sufficient lending agencies, such as FHA, to assist farmers when they are worthy of such assistance. It has been our experience that once a person is heavily in debt, his chances of recoupment by loaning additional sums of money to him has not produced a successful farmer.

Although the intent of the bill is to help farmers and migrants, this bill will not accomplish the purpose.

We, therefore, feel it should not be passed. Our membership consists of approximately 1,200 good farmers.

Respectfully yours,

ALVIN W. STRING, *Chairman of the Board.*

NATIONAL FARMERS UNION,
 LEGISLATIVE SERVICES,
Washington, D.C., October 16, 1963.

HON. JOHN SPARKMAN,
*Chairman, Subcommittee on Housing of the Senate Banking and Currency
 Committee, Senate Office Building, Washington, D.C.*

DEAR SENATOR SPARKMAN: The National Farmers Union wishes to express strong support for S. 981, a bill to amend title V of the Housing Act of 1949, to assist in the provision of housing for domestic farm labor.

Low farm income during the decade of the 1950's brought many rural communities into serious economic decline and poverty from which they have not yet recovered despite the efforts of the Kennedy administration. Much more needs to be done.

There is much housing on the farm and in small towns in such a sad state of disrepair and dilapidation that it is most frequently referred to as "a rural slum" or "shack-town" area. Reliable estimates indicate that more than half the Nation's substandard housing is in rural America, even though less than a third of our population lives there.

Some significant improvements were made in the Housing Act of 1949 by the 87th Congress to provide for the aged, and some classes of previously ineligible semirural and suburban dwellers. But a vast number of low-income farm-workers live in wretched, unsafe, unsanitary housing, and they cannot be assisted adequately under the present law.

We believe S. 981 provides a combination of programs that will take us a long step forward in helping deserving people acquire decent housing; but also will provide much needed employment and economic development in rural America.

We strongly urge this legislation be reported favorably, and we respectfully request that this letter be made a part of the record of the hearings of the committee.

Sincerely,

REUBEN L. JOHNSON, *Director.*

THE AMERICAN PUBLIC HEALTH ASSOCIATION, INC.,
New York, N.Y., October 18, 1963.

HON. JOHN SPARKMAN,
Chairman, Senate Subcommittee on Housing,
New Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: The American Public Health Association is pleased to have this opportunity to comment on S. 981, legislation to provide more adequate housing for domestic migratory agricultural workers and their families. The association, by testimony and statement, has previously presented to this subcommittee its support for Federal legislation providing assistance to these workers through improved health services, adequate sanitation facilities, and day-care centers for children. In each of these instances, there has been a direct relationship between the proposal and the health of the migrant and his family.

I need not point out to you and your subcommittee the fact that this same premise is existent in the case of S. 981. Crowded, unsanitary, and insect and rodent infested housing accommodations increase the likelihood of enteric and communicable diseases. Crowded living quarters are conducive to the spread of tuberculosis, a disease found in inordinate amount among migrants and their families. Unscreened, filthy housing brings an automatic toll of debilitating and disabling illness. To this can be added the complications and attendant problems borne by lack of water and sanitation facilities; namely, acute dysentery and dehydration.

All of these parts make up a total of the health problem of migrants. They are interrelated and interdependent. Newly provided preventive health services are making and can continue to make a most salubrious contribution. The full impact and benefit, however, will never be realized until all of these separate parts are joined into a whole. This conviction was expressed by the APHA as long ago as 1959 when the association called for study and then action on problems of migrants including specifically health, housing, welfare, education, and employment.

To better this Nation's investment in this valuable resource, the American Public Health Association believes that affirmative action should be taken in respect to better housing for domestic migrants and urges favorable action by the Congress on legislation which will facilitate this end.

Yours truly,

BERWYN F. MATTISON, M.D.,
Executive Director.

NATIONAL HOUSING CONFERENCE, INC.,
Washington, D.C., October 18, 1963.

HON. JOHN SPARKMAN,
Chairman, Housing Subcommittee,
U.S. Senate, Washington, D.C.

DEAR SENATOR SPARKMAN: On behalf of the National Housing Conference, I would like to register our strong support for S. 981, a bill to amend title V of the Housing Act of 1949 to assist in the provision of housing for domestic farm labor.

As you know, our organization has consistently supported the legislative programs initiated by you and the Housing Subcommittee to improve housing conditions in rural and farm areas.

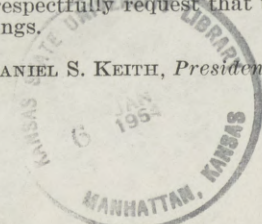
We have long recognized a serious gap in these programs with respect to the lack of any effective measures to provide decent, safe, and sanitary housing facilities for domestic farm labor and especially for migratory farm laborers who are often subjected to disgraceful and insanitary housing conditions.

We have studied S. 981 and are convinced that the provisions of this bill authorizing the Secretary of Agriculture to develop and carry out a program to remedy this serious problem are sound and would be effective. These would include the use of direct loans, loan insurance, loan-grant combinations, and financial assistance for low-rent housing to assist in providing adequate, healthful housing, and related facilities for domestic farm laborers.

The National Housing Conference strongly recommends that the Housing Subcommittee take favorable action on S. 981 and we respectfully request that this communication be included in the records of the hearings.

Sincerely yours,

NATHANIEL S. KEITH, President.



THE COUNCIL OF STATE GOVERNMENTS,
Washington, D.C., October 21, 1963.

Senator JOHN SPARKMAN,
Chairman, Housing Subcommittee,
Banking and Currency Committee,
Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: The Committee of Officials on Migratory Farm Labor of the Atlantic Seaboard States is hopeful that this letter endorsing S. 981 may be included in the record of the hearings on the bill.

The committee of officials is made up of State officials designated by their respective Governors to consider the problems associated with the seasonal movement of farmworkers and to formulate proposals to alleviate the lot of these unfortunate people. Given this responsibility the committee has devoted much time to devising ways and means of improving housing for migrants, perhaps the No. 1 problem in a problem-beset area.

Ultimately the committee of State officials concluded that the best hope for success lay in a two-pronged attack consisting of: (1) A firm State program of inspection and closing of the worst camps, or their marked improvement, and (2) a Federal program of loans and insurance of loans to farmers and associations of farmers for the construction and improvement of migrant housing to meet certain minimum standards.

Consistent with this position, the committee of officials supported H.R. 422, H.R. 1247, H.R. 2385, and S. 2928 in the 86th Congress and S. 1127 in the 87th Congress. At this time the committee of officials is pleased to have the opportunity to declare its support of S. 981.

The situation that prompted the committee of officials to reach the conclusions it did in 1959 has not changed greatly. The need for such legislation continues to exist. We urge the subcommittee to report the bill.

Yours very truly,

CHARLES F. SCHWAN, Jr.,

Secretary, Committee of Officials on Migratory Farm Labor of the Atlantic Seaboard States.

