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EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS

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HEARING

BEFORE THE

SUBCOMMITTEE ON AGING

OF THE

COMMITTEE ON

LABOR AND PUBLIC WELFARE

UNITED STATES SENATE

NINETY-SECOND CONGRESS

FIRST SESSION

ON

S. 555

TO AUTHORIZE THE ESTABLISHMENT OF AN OLDER WORKER COMMUNITY SERVICE PROGRAM

S. 1307

TO PROVIDE INCREASED EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS, AND FOR OTHER PURPOSES

S. 1580

TO PROVIDE INCREASED EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS, AND FOR OTHER PURPOSES

JULY 29, AND 30, 1971



Printed for the use of the Committee on Labor and Public Welfare

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EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS

THURSDAY, JULY 29, 1971

U.S. SENATE,
SUBCOMMITTEE ON AGING OF THE
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The subcommittee met at 9:30 a.m., pursuant to notice, in room 3110, New Senate Office Building, Senator Thomas F. Eagleton (chairman of the subcommittee) presiding.

Present: Senators Eagleton and Randolph.

Committee staff members present: James J. Murphy, counsel; and Michael S. Gordon, minority counsel.

Senator EAGLETON. Good morning, ladies and gentlemen. The Subcommittee on Aging of the Senate Committee on Labor and Public Welfare is now in session to conduct hearings on employment opportunities for middle-aged and older workers, specifically S. 555, S. 1307 and S. 1580.

(A copy of the bills along with departmental reports follows:)

(1)

1 old or older and who have poor employment prospects, the
2 Secretary of Labor (hereinafter referred to as the "Secre-
3 tary") is authorized to establish an older American com-
4 munity service employment program (hereinafter referred to
5 as the "program").

6 (b) In order to carry out the provisions of this Act, the
7 Secretary is authorized—

8 (1) to enter into agreements with public or private
9 nonprofit agencies or organizations, agencies of a State
10 government or a political subdivision of a State (having
11 elected or duly appointed governing officials), or a com-
12 bination of such political subdivisions, in order to further
13 the purposes and goals of the program. Such agreements
14 may include provisions for the payment of costs, as pro-
15 vided in subsection (c), of projects developed by such
16 organizations and agencies in cooperation with the Sec-
17 retary in order to make the program effective or to sup-
18 plement it. No payments shall be made by the Secretary
19 toward the cost of any project established or adminis-
20 tered by any such organization or agency unless he
21 determines that such project—

22 (A) will provide employment only for eligible
23 individuals, except for necessary technical, adminis-
24 trative, and supervisory personnel, but such person-

1 nel shall, to the fullest extent possible, be recruited
2 from among eligible individuals;

3 (B) will provide employment for eligible in-
4 dividuals in the community in which such individ-
5 uals reside, or in nearby communities;

6 (C) will employ eligible individuals in services
7 related to publicly owned and operated facilities and
8 projects, or projects sponsored by organizations
9 exempt from taxation under the provisions of sec-
10 tion 501 (c) (3) of the Internal Revenue Code of
11 1954 (other than political parties), except projects
12 involving the construction, operation, or mainte-
13 nance of any facility used or to be used as a place
14 for sectarian religious instruction or worship;

15 (D) will contribute to the general welfare of
16 the community;

17 (E) will provide employment for eligible in-
18 dividuals who do not have opportunities for other
19 suitable public or private paid employment, other
20 than projects supported under the Economic Oppor-
21 tunity Act of 1964, or under this Act;

22 (F) will result in an increase in employment
23 opportunities for eligible individuals, and will not
24 result in the displacement of employed workers or
25 impair existing contracts;

1 (G) will utilize methods of recruitment and
2 selection (including, but not limited to, listing of job
3 vacancies with the employment agency operated by
4 any State or political subdivision thereof) which
5 will assure that the maximum number of eligible
6 individuals will have an opportunity to participate in
7 the project;

8 (H) will include such short-term training as
9 may be necessary to make the most effective use of
10 the skills and talents of those individuals who are
11 participating, and will provide for the payment of
12 the reasonable expenses of individuals being trained,
13 including a reasonable subsistence allowance;

14 (I) will assure that safe and healthy conditions
15 of work will be provided, and will assure that per-
16 sons employed under such programs will be paid at
17 rates comparable to the rates of pay prevailing in
18 the same labor market area for persons employed in
19 similar occupations, but in no event shall any person
20 employed under such programs be paid at a rate less
21 than that prescribed by section 6 (a) (1) of the Fair
22 Labor Standards Act of 1938, as amended;

23 (J) will be established or administered with
24 the advice of persons competent in the field of serv-

1 ice in which employment is being provided, and of
2 persons who are knowledgeable with regard to the
3 needs of older persons; and

4 (K) will authorize pay for transportation costs
5 of eligible individuals which may be incurred in
6 employment in any project funded under this Act in
7 accordance with regulations promulgated by the
8 Secretary; and

9 (2) to make, issue, and amend such regulations as
10 may be necessary to effectively carry out the provisions
11 of this Act.

12 (c) (1) The Secretary is authorized to pay not to ex-
13 ceed 90 per centum of the cost of any project which is the
14 subject of an agreement entered into under subsection (b),
15 except that the Secretary is authorized to pay all of the costs
16 of any such project which is (A) an emergency or disaster
17 project or (B) a project located in an economically de-
18 pressed area as determined in consultation with the Secre-
19 tary of Commerce and the Director of the Office of Economic
20 Opportunity.

21 (2) The non-Federal share shall be in cash or in kind.
22 In determining the amount of the non-Federal share, the
23 Secretary is authorized to attribute fair market value to
24 services and facilities contributed from non-Federal sources.

1 ADMINISTRATION

2 SEC. 3. (a) In order to effectively carry out the pur-
3 poses of this Act, the Secretary is authorized to consult with
4 agencies of States and their political subdivisions with re-
5 gard to—

6 (1) the localities in which community service proj-
7 ects of the type authorized by this Act are most needed;

8 (2) consideration of the employment situation and
9 the types of skills possessed by available local individ-
10 uals who are eligible to participate; and

11 (3) potential projects and the number and per-
12 centage of eligible individuals in the local population.

13 (b) The Secretary shall encourage those agencies and
14 organizations administering community service projects
15 which are eligible for payment under section 2 (b) to co-
16 ordinate their activities with agencies and organizations
17 which are conducting existing programs of a related nature
18 which are being carried out under a grant or contract made
19 under the Economic Opportunity Act of 1964. The Secre-
20 tary may make arrangements to include such projects and
21 programs within a common agreement.

22 (c) In carrying out the provisions of this Act, the Sec-
23 retary is authorized to use, with their consent, the services,
24 equipment, personnel, and facilities of Federal and other
25 agencies with or without reimbursement, and on a similar

1 basis to cooperate with other public and private agencies and
2 instrumentalities in the use of services, equipment, and
3 facilities.

4 (d) The Secretary shall establish criteria designed to
5 assure equitable participation in the administration of com-
6 munity service projects by agencies and organizations eligible
7 for payment under section 2 (b) .

8 (e) The Secretary shall not delegate his functions and
9 duties under this Act to any other department or agency of
10 Government.

11 PARTICIPANTS NOT FEDERAL EMPLOYEES

12 SEC. 4. (a) Eligible individuals who are employed in
13 any project funded under this Act shall not be considered to
14 be Federal employees as a result of such employment and
15 shall not be subject to the provisions of part III of title 5,
16 United States Code.

17 (b) No contract shall be entered into under this Act
18 with a contractor who is, or whose employees are, under
19 State law, exempted from operation of the State workmen's
20 compensation law, generally applicable to employees, unless
21 the contractor shall undertake to provide either through in-
22 surance by a recognized carrier, or by self insurance, as al-
23 lowed by State law, that the persons employed under the
24 contract, shall enjoy workmen's compensation coverage equal
25 to that provided by law for covered employment. The Secre-

1 tary may establish standards for severance benefits, in lieu of
2 unemployment insurance coverage, for eligible individuals
3 who have participated in qualifying programs and who have
4 become unemployed.

5 INTERAGENCY COOPERATION

6 SEC. 5. The Secretary shall consult and cooperate with
7 the Office of Economic Opportunity, the Administration on
8 Aging, and any other related Federal agency administering
9 related programs, with a view to achieving optimal coordina-
10 tion with such other programs and shall promote the coordi-
11 nation of projects under this Act with other public and pri-
12 vate programs or projects of a similar nature. Such Federal
13 agencies shall cooperate with the Secretary in disseminating
14 information about the availability of assistance under this
15 Act and in promoting the identification and interests of indi-
16 viduals eligible for employment in projects funded under this
17 Act.

18 EQUITABLE DISTRIBUTION OF ASSISTANCE

19 SEC. 6. The Secretary shall establish criteria designed
20 to achieve an equitable distribution of assistance under this
21 Act among the States and between urban and rural areas,
22 but no State shall receive more than 12 per centum of any
23 money appropriated in any fiscal year to carry out the pro-
24 visions of this Act.

92D CONGRESS
1ST SESSION

S. 1307

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1971

Mr. RANDOLPH (for himself, Mr. BIBLE, Mr. CHURCH, Mr. EAGLETON, Mr. FONG, Mr. HARTKE, Mr. HUGHES, Mr. KENNEDY, Mr. MONDALE, Mr. MOSS, Mr. NELSON, and Mr. WILLIAMS) introduced the following bill; which was read twice and referred to the Committee on Labor and Public Welfare

A BILL

To provide increased employment opportunities for middle-aged and older workers, and for other purposes.

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

TITLE I—GENERAL PROVISIONS

4 SEC. 101. This Act may be cited as the "Middle-Aged
5 and Older Workers Employment Act".

DECLARATION OF FINDINGS

7 SEC. 102. The Congress hereby finds and declares that—
8 (1) in a period of great affluence, middle-aged and
9 older workers find it increasingly difficult to regain em-
10 ployment when out of work and to retain employment;

1 (2) inflation has forced middle-aged and older per-
2 sons to bear growing economic burdens, particularly if
3 they are living on limited, fixed incomes;

4 (3) the Age Discrimination in Employment Act of
5 1967 cannot reasonably be expected without supple-
6 mentary legislation to cope adequately with age dis-
7 crimination in employment and to provide employment
8 opportunities for middle-aged and older workers;

9 (4) the incidence of unemployment, especially
10 long-term unemployment with resultant deterioration of
11 skill, morale, and employer acceptability, is higher
12 among workers age forty-five and over than among
13 younger workers;

14 (5) as a result of unemployment, underemploy-
15 ment in low-skill jobs, and retirement with severely re-
16 duced incomes, millions of persons age forty-five and
17 over live in poverty;

18 (6) more than a million men between the ages
19 of fifty-five and sixty-four have given up the active
20 search for work and thousands of men and women
21 between the ages of sixty-two to sixty-four have retired
22 with inadequate benefits;

23 (7) there is almost no opportunity for continued
24 training and education for older individuals who are

1 employed to meet the needs of a dynamic economy and
2 changing technology;

3 (8) the loss to the economy of the potential pro-
4 duction of goods and services, and the costs of unem-
5 ployment compensation and public assistance, can be
6 reckoned in billions of dollars;

7 (9) the loss to the individual in terms of frustration,
8 impaired morale, loss of the sense of worth and dignity,
9 and of his status within the family and society, is incal-
10 culable; and

11 (10) providing such individuals with opportunities
12 for useful work will increase their incomes, benefit their
13 physical and mental well-being, and strengthen the
14 Nation's economy.

15 STATEMENT OF PURPOSE

16 SEC. 103. It is the purpose of this Act to establish and
17 to assist programs which will—

18 (1) afford the middle-aged and older worker a
19 range of real and reasonable opportunities for employ-
20 ment;

21 (2) eliminate arbitrary discriminatory practices
22 which deny work to qualified persons solely on account
23 of age;

24 (3) increase the availability of jobs by finding new

1 work opportunities, including part-time employment to
2 supplement income and to facilitate the transition to full
3 retirement or the return to full-time work;

4 (4) improve and extend existing programs designed
5 to facilitate training and the matching of skills and jobs;

6 (5) assist middle-aged and older workers, employ-
7 ers, labor unions, and educational institutions to prepare
8 for and adjust to anticipated changes in technology in
9 jobs, in educational requirements, and in personnel prac-
10 tices; and

11 (6) stimulate innovative approaches to provide in-
12 creased employment opportunities for middle-aged and
13 older persons.

14 AUTHORIZATION

15 SEC. 104. For the purpose of carrying out the provisions
16 of this Act, there are authorized to be appropriated \$140,-
17 000,000 for the fiscal year ending June 30, 1972, and
18 \$210,000,000 for the fiscal year ending June 30, 1973.

19 EQUITABLE DISTRIBUTION OF ASSISTANCE

20 SEC. 105. The Secretary of Labor (hereafter referred to
21 as the "Secretary") shall establish criteria designed to
22 achieve an equitable distribution of assistance under this Act
23 among the States and between urban and rural areas.

ADMINISTRATION

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SEC. 106. (a) In order to carry out the purposes of this Act the Secretary is authorized to—

(1) prescribe such rules and regulations as he deems necessary;

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(3) appoint such advisory committees composed of private citizens and public officials who, by reason of their experience or training, are knowledgeable in the area of job opportunities for middle-aged and older individuals, as he deems desirable to advise him with respect to his functions under this Act; and

(4) utilize, with their consent, the services, personnel, information, and facilities of other Federal and State agencies, with or without reimbursement therefor.

(b) Each member of a committee appointed pursuant to clause (3) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day on which he is engaged in the actual performance of his duties (including traveltime) as a member of the committee. All members shall be allowed travel expenses and per diem in lieu of subsistence as au-

1 thORIZED by law (5 U.S.C. 5703) for persons in the Gov-
2 ernment service employed intermittently and receiving com-
3 pensation on a per diem, when actually employed, basis.

4 PROGRAM DEVELOPMENT AND COORDINATION

5 SEC. 107. (a) In addition to any other provisions for
6 the administration of this Act, the Secretary shall desig-
7 nate personnel to have responsibility for program leader-
8 ship, development, and coordination. The Secretary shall
9 provide for a central office for information on and special
10 attention to the problems of middle-aged and older workers
11 and the programs concerning such workers.

12 (b) No individual, institution, organization, or agency
13 shall evaluate any program under this Act if that individ-
14 ual, or any member of any such institution, organization,
15 or agency, is associated with the program as a consultant,
16 technical adviser, or in any other capacity.

17 RESEARCH AND INFORMATION PROGRAMS

18 SEC. 108. (a) The Secretary is authorized to enter into
19 grants, contracts, and other arrangements with public and
20 private agencies and institutions to conduct such research and
21 demonstration projects as he determines will contribute to
22 carrying out the purposes of this Act.

23 (b) In carrying out the purposes of this Act the Secre-
24 tary is authorized to publish and disseminate materials and
25 other information relating to training and job opportunities

1 for middle-aged and older individuals and to conduct such
2 special informational and educational programs as he deter-
3 mines appropriate.

4 TITLE II—MIDCAREER DEVELOPMENT SERVICE
5 PROGRAM

6 PROGRAM ESTABLISHED

7 SEC. 201. There is hereby established a comprehensive
8 midcareer development service program, to be administered
9 by the Manpower Administration in the Department of
10 Labor, to assist middle-aged and older workers to find em-
11 ployment by providing training, counseling, and special sup-
12 portive services to such workers.

13 TRAINING PROGRAMS

14 SEC. 202. (a) The Secretary, through the Manpower
15 Administration, is authorized to make loans and grants to
16 public and private nonprofit agencies, institutions, and orga-
17 nizations and to individuals for training, including on-the-
18 job, institutional, residential, and other training, designed to
19 upgrade the work skills and capabilities of middle-aged and
20 older persons who are at least forty-five years of age.

21 (b) Any grant or loan made pursuant to this section
22 may be used to pay all or part of the cost of training under
23 any such program plus such stipends (including allowances
24 for subsistence or other expenses) for such persons and

1 their dependents as he may determine to be consistent with
2 prevailing practices under comparable Federal programs.

3 (c) A grant or loan under this section shall be made
4 on such terms and conditions as the Secretary shall pre-
5 scribe and may be made only upon application to the Sec-
6 retary at such time or times and containing such information
7 as he deems necessary. The Secretary shall not approve
8 an application unless it sets forth a program for training
9 which meets criteria established by him, including training
10 costs and tuition schedules.

11 (d) The Secretary shall pay to each applicant who
12 has an application approved by him part or all of the cost
13 of the program set forth in such application.

14 (e) Individuals receiving payments under the pro-
15 visions of this section while undergoing training shall con-
16 tinue to receive such payments only during such period as
17 the Secretary finds that they are maintaining satisfactory
18 proficiency in such training program.

19 (f) The Secretary is authorized to enter into agreements
20 to provide loan guarantees to lending institutions on such
21 terms and conditions as the Secretary shall prescribe in
22 order to permit such institutions to make loans to persons
23 who are at least forty-five years of age for training which
24 qualifies under this section.

1 TRAINING PERSONS TO TRAIN AND RETRAIN MIDDLE-AGED
2 AND OLDER WORKERS

3 SEC. 203. The Secretary is authorized to develop and
4 carry out a program under which an adequate number of
5 persons are trained to understand the learning processes of
6 middle-aged and older persons and to become qualified to
7 train and retrain middle-aged and older workers in skills
8 needed in the economy in the community in which such
9 workers reside. Such programs shall emphasize developing
10 innovative techniques for training middle-aged and older
11 persons.

12 SPECIAL SERVICES FOR MASS LAYOFFS

13 SEC. 204. The Secretary is authorized to recruit and
14 train personnel within the Department of Labor to be made
15 available to localities in which substantial numbers of middle-
16 aged and older persons are unemployed as a result of the
17 closing of a plant or factory or a permanent large-scale re-
18 duction in the work force in that locality. In carrying out
19 the provisions of this section, the Secretary is authorized to
20 provide such persons with recruitment, placement, and coun-
21 seling services.

22 SPECIALIZED SERVICES

23 SEC. 205. (a) The Secretary shall establish and carry
24 out specialized services for older workers who desire to im-

1 prove their employability, to receive training to improve
2 their capabilities at their present employment, or to obtain
3 counseling in planning to maximize earning opportunities
4 for the rest of their working lives.

5 (b) The Secretary is authorized to recruit and train
6 manpower specialists, including older and retired employ-
7 ment counselors and personnel directors, to serve in programs
8 authorized under this section.

9 EMPLOYMENT SERVICES FOR PART-TIME EMPLOYMENT

10 SEC. 206. The Secretary may, where appropriate, make
11 special provisions through the United States employment
12 service, or with the advice and assistance of the employment
13 service, by means of grants to or contracts with nonprofit
14 volunteer agencies to assist such agencies in securing part-
15 time or temporary employment for additional members of
16 middle-aged and older persons who wish such employment.

17 TITLE III—SPECIAL REPORTS AND STUDIES

18 MANPOWER STUDY

19 SEC. 301. (a) The Secretary is authorized and directed
20 to undertake, either directly or by way of grant or contract,
21 a thorough study of manpower programs authorized by pro-
22 visions of Federal law other than this Act, and other feder-
23 ally assisted training programs to determine whether such
24 programs are responsive to the needs of persons who are
25 at least forty-five years of age. The Secretary shall report

1 the findings and recommendations of this study, and his
2 own recommendations with respect to additional legislation,
3 to the President for transmittal to the Congress not later
4 than January 31, 1973.

5 (b) In conducting this study the Secretary shall not
6 employ or contract with any individual, institution, orga-
7 nization, or agency providing advice or technical assistance
8 for any program described in subsection (a) of this section.

9 EXTENDED UNEMPLOYMENT COMPENSATION

10 SEC. 302. The Secretary shall study the feasibility of
11 establishing a program of extended unemployment com-
12 pensation benefits for unemployed workers aged fifty-five
13 and older who have exhausted their unemployment com-
14 pensation. On or before July 1, 1972, the Secretary shall
15 report to the Congress and the President his findings and
16 recommendations with respect to such a program of allow-
17 ances.

18 COMPENSATION AND DISABILITY INSURANCE

19 SEC. 303. The Secretary shall prepare and submit a
20 report to the Congress not later than July 1, 1972, on means
21 of eliminating the lack of coverage and other inadequacies
22 in workmen's compensation and disability insurance pro-
23 grams, health insurance, and pension plans, particularly as
24 they affect adversely the employment of middle-aged and
25 older workers.

1 FEDERAL EMPLOYMENT OPPORTUNITIES STUDY

2 SEC. 304. (a) The Comptroller General of the United
3 States is authorized and directed to undertake a study of part-
4 time employment in the executive branch of the Govern-
5 ment of the United States and to make a report of his find-
6 ings, together with any recommendations he considers appro-
7 priate or desirable, to the Congress on or before January 31,
8 1973. Such study shall include a determination of—

9 (1) the extent to which part-time employment
10 exists in the executive branch;

11 (2) the limitations, if any, that are imposed by
12 Federal statutes, regulations, or administrative policies
13 or practices on such part-time employment, and the
14 extent to which such limitations are justified; and

15 (3) the measures that may be taken to increase the
16 number of part-time positions available in the executive
17 branch which may be filled by older persons without
18 resulting in the displacement of currently employed
19 workers (including partial displacement such as a re-
20 duction in the hours of nonovertime work or wages or
21 employment benefits).

22 (b) The Comptroller General is further authorized and
23 directed to undertake a study of the feasibility of redesigning
24 positions in the executive branch of the Government of the
25 United States without impairing the effectiveness or efficiency

1 of operations of any department, agency, or independent
2 establishment, with a view to increasing the number of
3 positions which are available to older individuals at the sub-
4 professional level. The Comptroller General shall make a
5 report of his findings, together with any recommendations
6 he considers appropriate or desirable, to the Congress on
7 or before January 31, 1973. Such study shall include a
8 determination of—

9 (1) the extent to which positions can be redesigned,
10 resulting in an increase in the number of positions in the
11 executive branch available to older individuals;

12 (2) the limitations, if any, imposed by Federal
13 statutes, regulations, or administrative policies or prac-
14 tices on redesigning positions in the executive branch to
15 increase the number of subprofessional positions avail-
16 able to older individuals and the extent to which such
17 limitations are justified;

18 (3) the measures that may be taken to redesign
19 positions so that the number of subprofessional positions
20 available to older individuals may be increased; and

21 (4) the programs which would be needed to train
22 older individuals to fill subprofessional positions created
23 as a result of redesigning such position.

92^D CONGRESS
1ST SESSION

S. 1580

IN THE SENATE OF THE UNITED STATES

APRIL 20, 1971

Mr. PERCY introduced the following bill; which was read twice and referred to the Committee on Labor and Public Welfare

A BILL

To provide increased employment opportunities for middle-aged and older workers, and for other purposes.

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

3 TITLE I—GENERAL PROVISIONS

4 SHORT TITLE

5 SEC. 101. This Act may be cited as the “Middle-Aged
6 and Older Workers Employment and Community Service
7 Act”.

8 DECLARATION OF FINDINGS

9 SEC. 102. The Congress hereby finds and declares that—
10 (1) in a period of great affluence, middle-aged and
11 older workers find it increasingly difficult to regain em-

1 ployment when out of work and to retain employment;

2 (2) inflation has forced middle-aged and older per-
3 sons to bear growing economic burdens, particularly if
4 they are living on limited, fixed incomes;

5 (3) the Age Discrimination in Employment Act of
6 1967 cannot reasonably be expected without supple-
7 mentary legislation to cope adequately with age discrim-
8 ination in employment and to provide employment op-
9 portunities for middle-aged and older workers;

10 (4) the incidence of unemployment, especially long-
11 term unemployment with resultant deterioration of skill,
12 morale, and employer acceptability, is higher among
13 workers age forty-five and over than among younger
14 workers;

15 (5) as a result of unemployment, underemployment
16 in low-skill jobs, and retirement with severely reduced
17 incomes, millions of persons age forty-five and over live
18 in poverty;

19 (6) more than a million men between the ages of
20 fifty-five and sixty-four have given up the active search
21 for work and thousands of men and women between the
22 ages of sixty-two to sixty-four have retired with inade-
23 quate benefits;

24 (7) there is almost no opportunity for continued
25 training and education for older individuals who are em-

1 employed to meet the needs of a dynamic economy and
2 changing technology;

3 (8) the loss to the economy of the potential pro-
4 duction of goods and services, and the costs of unem-
5 ployment compensation and public assistance, can be
6 reckoned in billions of dollars;

7 (9) the loss to the individual in terms of frustra-
8 tion, impaired morale, loss of the sense of worth and
9 dignity, and of his status within the family and society,
10 is incalculable; and

11 (10) providing such individuals with opportunities
12 for useful work will increase their incomes, benefit their
13 physical and mental well-being, and strengthen the
14 Nation's economy.

15 STATEMENT OF PURPOSE

16 SEC. 103. It is the purpose of this Act to establish and
17 to assist programs which will—

18 (1) afford the middle-aged and older worker a
19 range of real and reasonable opportunities for employ-
20 ment;

21 (2) eliminate arbitrary discriminatory practices
22 which deny work to qualified persons solely on account
23 of age;

24 (3) increase the availability of jobs by finding
25 new work opportunities, including part-time employ

1 ment to supplement income and to facilitate the transi-
2 tion to full retirement or the return to full-time work;

3 (4) improve and extend existing programs de-
4 signed to facilitate training and the matching of skills
5 and jobs;

6 (5) assist middle-aged and older workers, employ-
7 ers, labor unions, and educational institutions to prepare
8 for and adjust to anticipated changes in technology in
9 jobs, in educational requirements, and in personnel prac-
10 tices; and

11 (6) stimulate innovative approaches to provide
12 increased employment opportunities for middle-aged and
13 older persons.

14 AUTHORIZATION

15 SEC. 104. For the purpose of carrying out the provisions
16 of title II of this Act, there are authorized to be appropriated
17 \$140,000,000 for the fiscal year ending June 30, 1972, and
18 \$210,000,000 for the fiscal year ending June 30, 1973.

19 EQUITABLE DISTRIBUTION OF ASSISTANCE

20 SEC. 105. The Secretary of Labor (hereafter referred
21 to as the "Secretary") shall establish criteria designed to
22 achieve an equitable distribution of assistance under this Act
23 among the States and between urban and rural areas.

24 ADMINISTRATION

25 SEC. 106. (a) In order to carry out the provisions of
26 titles II and IV of this Act the Secretary is authorized to—

1 (1) prescribe such rules and regulations as he
2 deems necessary;

3 (2) employ experts and consultants in accordance
4 with section 3109 of title 5, United States Code;

5 (3) appoint such advisory committees composed of
6 private citizens and public officials who, by reason of
7 their experience or training, are knowledgeable in the
8 area of job opportunities for middle-aged and older in-
9 dividuals, as he deems desirable to advise him with re-
10 spect to his functions under this Act; and

11 (4) utilize, with their consent, the services, person-
12 nel, information, and facilities of other Federal and
13 State agencies, with or without reimbursement therefor.

14 (b) Each member of a committee appointed pursuant
15 to clause (3) of subsection (a) of this section who is not
16 an officer or employee of the Federal Government shall re-
17 ceive an amount equal to the maximum daily rate prescribed
18 for GS-18 under section 5332 of title 5, United States Code,
19 for each day on which he is engaged in the actual perform-
20 ance of his duties (including traveltime) as a member of the
21 committee. All members shall be allowed travel expenses and
22 per diem in lieu of subsistence as authorized by law (5
23 U.S.C. 5703) for persons in the Government service em-
24 ployed intermittently and receiving compensation on a per
25 diem, when actually employed, basis.

PROGRAM DEVELOPMENT AND COORDINATION

1 PROGRAM DEVELOPMENT AND COORDINATION
2 SEC. 107. (a) In addition to any other provisions for
3 the administration of this Act, the Secretary shall designate
4 personnel to have responsibility for program leadership, de-
5 velopment, and coordination. The Secretary shall provide for
6 a central office for information on and special attention to the
7 problems of middle-aged and older workers and the programs
8 concerning such workers.

9 (b) No individual, institution, organization, or agency
10 shall evaluate any program under this Act if that individual,
11 or any member of any such institution, organization, or
12 agency, is associated with the program as a consultant, tech-
13 nical adviser, or in any other capacity.

RESEARCH AND INFORMATION PROGRAMS

14 RESEARCH AND INFORMATION PROGRAMS
15 SEC. 108. (a) The Secretary is authorized to enter into
16 grants, contracts, and other arrangements with public and
17 private agencies and institutions to conduct such research and
18 demonstration projects as he determines will contribute to
19 carrying out the purposes of this Act.

20 (b) In carrying out the purposes of this Act the Secre-
21 tary is authorized to publish and disseminate materials and
22 other information relating to training and job opportunities
23 for middle-aged and older individuals and to conduct such
24 special informational and educational programs as he deter-
25 mines appropriate.

1 TITLE II—MIDCAREER DEVELOPMENT SERVICE
2 PROGRAM

3 PROGRAM ESTABLISHED

4 SEC. 201. There is hereby established a comprehensive
5 midcareer development service program, to be administered
6 by the Manpower Administration in the Department of
7 Labor, to assist middle-aged and older workers to find
8 employment by providing training, counseling, and special
9 supportive services to such workers.

10 TRAINING PROGRAMS

11 SEC. 202. (a) The Secretary, through the Manpower
12 Administration, is authorized to make loans and grants
13 to public and private nonprofit agencies, institutions, and
14 organizations and to individuals for training, including on-
15 the-job, institutional, residential, and other training, designed
16 to upgrade the work skills and capabilities of middle-aged
17 and older persons who are at least forty-five years of age.

18 (b) Any grant or loan made pursuant to this section
19 may be used to pay all or part of the cost of training under
20 any such program plus such stipends (including allowances
21 for subsistence or other expenses) for such persons and
22 their dependents as he may determine to be consistent with
23 prevailing practices under comparable Federal programs.

24 (c) A grant or loan under this section shall be made on
25 such terms and conditions as the Secretary shall prescribe

1 and may be made only upon application to the Secretary
2 at such time or times and containing such information as
3 he deems necessary. The Secretary shall not approve an
4 application unless it sets forth a program for training which
5 meets criteria established by him, including training costs
6 and tuition schedules.

7 (d) The Secretary shall pay to each applicant who has
8 an application approved by him part or all of the cost of
9 the program set forth in such application.

10 (e) Individuals receiving payments under the provisions
11 of this section while undergoing training shall continue to
12 receive such payments only during such period as the Secre-
13 tary finds that they are maintaining satisfactory proficiency
14 in such training program.

15 (f) The Secretary is authorized to enter into agreements
16 to provide loan guarantees to lending institutions on such
17 terms and conditions as the Secretary shall prescribe in order
18 to permit such institutions to make loans to persons who are
19 at least forty-five years of age for training which qualifies
20 under this section.

21 TRAINING PERSONS TO TRAIN AND RETRAIN MIDDLE-AGED
22 AND OLDER WORKERS

23 SEC. 203. The Secretary is authorized to develop and
24 carry out a program under which an adequate number of
25 persons are trained to understand the learning processes of

1 middle-aged and older persons and to become qualified to
2 train and retrain middle-aged and older workers in skills
3 needed in the economy in the community in which such
4 workers reside. Such programs shall emphasize developing
5 innovative techniques for training middle-aged and older
6 persons.

7 SPECIAL SERVICES FOR MASS LAYOFFS

8 SEC. 204. The Secretary is authorized to recruit and
9 train personnel within the Department of Labor to be made
10 available to localities in which substantial numbers of middle-
11 aged and older persons are unemployed as a result of the
12 closing of a plant or factory or a permanent large-scale re-
13 duction in the work force in that locality. In carrying out
14 the provisions of this section, the Secretary is authorized to
15 provide such persons with recruitment, placement, and
16 counseling services.

17 SPECIALIZED SERVICES

18 SEC. 205. (a) The Secretary shall establish and carry
19 out specialized services for older workers who desire to im-
20 prove their employability, to receive training to improve
21 their capabilities at their present employment, or to obtain
22 counseling in planning to maximize earning opportunities
23 for the rest of their working lives.

24 (b) The Secretary is authorized to recruit and train
25 manpower specialists, including older and retired emp

1 ment counselors and personnel directors, to serve in pro-
2 grams authorized under this section.

3 EMPLOYMENT SERVICES FOR PART-TIME EMPLOYMENT

4 SEC. 206. The Secretary may, where appropriate, make
5 special provisions through the United States Employment
6 Service, or with the advice and assistance of the Employ-
7 ment Service, by means of grants to or contracts with non-
8 profit volunteer agencies to assist such agencies in securing
9 part-time or temporary employment for additional members
10 of middle-aged and older persons who wish such employ-
11 ment.

12 TITLE III—OLDER AMERICAN COMMUNITY

13 SERVICE EMPLOYMENT PROGRAM

14 PROGRAM AUTHORIZED

15 SEC. 301. (a) In order to foster and promote useful part-
16 time work opportunities in community service activities for
17 unemployed low-income persons who are fifty-five years old
18 or older and who have poor employment prospects, the Sec-
19 retary of Labor (hereinafter referred to as the "Secretary")
20 is authorized to establish an older American community serv-
21 ice employment program (hereinafter referred to as the "pro-
22 gram").

23 (b) In order to carry out the provisions of this title, the
24 Secretary is authorized—

1 (1) to enter into agreements with public or private
2 nonprofit agencies or organizations; agencies of a State
3 government or a political subdivision of a State (having
4 elected or duly appointed governing officials), or a com-
5 bination of such political subdivisions, in order to further
6 the purposes and goals of the program. Such agreements
7 may include provisions for the payment of costs, as pro-
8 vided in subsection (c), of projects developed by such
9 organizations and agencies in cooperation with the Sec-
10 retary in order to make the program effective or to sup-
11 plement it. No payments shall be made by the Secre-
12 tary toward the cost of any project established or ad-
13 ministered by any such organization or agency unless he
14 determines that such project—

15 (A) will provide employment only for eligible
16 individuals, except for necessary technical, admin-
17 istrative, and supervisory personnel, but such per-
18 sonnel shall, to the fullest extent possible, be re-
19 cruited from among eligible individuals;

20 (B) will provide employment for eligible in-
21 dividuals in the community in which such indi-
22 viduals reside, or in nearby communities;

23 (C) will employ eligible individuals in services
24 related to publicly owned and operated facilities
25 and projects, or projects sponsored by organizations

1 exempt from taxation under the provisions of section
2 501 (c) (3) of the Internal Revenue Code of
3 1954 (other than political parties), except projects
4 involving the construction, operation, or maintenance
5 of any facility used or to be used as a place
6 for sectarian religious instruction or worship;

7 (D) will contribute to the general welfare of
8 the community;

9 (E) will provide employment for eligible individuals
10 who do not have opportunities for other
11 suitable public or private paid employment, other
12 than projects supported under the Economic Opportunity
13 Act of 1964, or under this Act;

14 (F) will result in an increase in employment
15 opportunities for eligible individuals, and will not
16 result in the displacement of employed workers or
17 impair existing contracts;

18 (G) will utilize methods of recruitment and selection
19 (including, but not limited to, listing of job
20 vacancies with the employment agency operated
21 by any State or political subdivision thereof) which
22 will assure that the maximum number of eligible
23 individuals will have an opportunity to participate
24 in the project;

25 (H) will include such short-term training as

1 may be necessary to make the most effective use
2 of the skills and talents of those individuals who
3 are participating, and will provide for the payment
4 of the reasonable expenses of individuals being
5 trained, including a reasonable subsistence allow-
6 ance;

7 (I) will assure that safe and healthy condi-
8 tions of work will be provided, and will assure that
9 persons employed under such programs will be paid
10 at rates comparable to the rates of pay prevailing
11 in the same labor market area for persons employed
12 in similar occupations, but in no event shall any
13 person employed under such programs be paid at
14 a rate less than that prescribed by section 6 (a)
15 (1) of the Fair Labor Standards Act of 1938, as
16 amended;

17 (J) will be established or administered with
18 the advice of persons competent in the field of
19 service in which employment is being provided, and
20 of persons who are knowledgeable with regard to the
21 needs of older persons; and

22 (K) will authorize pay for transportation costs
23 of eligible individuals which may be incurred in
24 employment in any project funded under this Act in
25 accordance with regulations promulgated by the
26 Secretary; and

1 the types of skills possessed by available local individuals
2 who are eligible to participate; and

3 (3) potential projects and the number and percent-
4 age of eligible individuals in the local population.

5 (b) The Secretary shall encourage those agencies and
6 organizations administering community service projects
7 which are eligible for payment under section 301 (b) to co-
8 ordinate their activities with agencies and organizations which
9 are conducting existing programs of a related nature which
10 are being carried out under a grant or contract made under
11 the Economic Opportunity Act of 1964. The Secretary may
12 make arrangements to include such projects and programs
13 within a common agreement.

14 (c) In carrying out the provisions of this title, the Sec-
15 retary is authorized to use, with their consent, the services,
16 equipment, personnel, and facilities of Federal and other
17 agencies with or without reimbursement, and on a similar
18 basis to cooperate with other public and private agencies and
19 instrumentalities in the use of services, equipment, and
20 facilities.

21 (d) The Secretary shall establish criteria designed to
22 assure equitable participation in the administration of com-
23 munity service projects by agencies and organizations eligi-
24 ble for payment under section 301 (b) .

25 (e) The Secretary shall not delegate his functions and

1 duties under this Act to any other department or agency of
2 Government.

3 PARTICIPANTS NOT FEDERAL EMPLOYEES

4 SEC. 303. (a) Eligible individuals who are employed
5 in any project funded under this Act shall not be considered
6 to be Federal employees as a result of such employment and
7 shall not be subject to the provisions of part III of title 5,
8 United States Code.

9 (b) No contract shall be entered into under this Act
10 with a contractor who is, or whose employees are, under
11 State law, exempted from operation of the State workmen's
12 compensation law, generally applicable to employees, unless
13 the contractor shall undertake to provide either through
14 insurance by a recognized carrier, or by self-insurance, as
15 allowed by State law, that the persons employed under the
16 contract shall enjoy workmen's compensation coverage equal
17 to that provided by law for covered employment. The Secre-
18 tary may establish standards for severance benefits, in lieu
19 of unemployment insurance coverage, for eligible individuals
20 who have participated in qualifying programs and who have
21 become unemployed.

22 INTERAGENCY COOPERATION

23 SEC. 304. The Secretary shall consult and cooperate
24 with the Office of Economic Opportunity, the Administration
25 on Aging, and any other related Federal agency adminis-

1 tering related programs, with a view to achieving optimal
2 coordination with such other programs and shall promote
3 the coordination of projects under this title with other
4 public and private programs or projects of a similar nature.
5 Such Federal agencies shall cooperate with the Secretary
6 in disseminating information about the availability of assist-
7 ance under this title and in promoting the identification
8 and interests of individuals eligible for employment in proj-
9 ects funded under this title.

10 EQUITABLE DISTRIBUTION OF ASSISTANCE

11 SEC. 305. The Secretary shall establish criteria designed
12 to achieve an equitable distribution of assistance under this
13 Act among the States and between urban and rural areas,
14 but no State shall receive more than 12 per centum of any
15 money appropriated in any fiscal year to carry out the
16 provisions of this title.

17 DEFINITIONS

18 SEC. 306. As used in this title—

19 (a) "State" means any of the several States of the
20 United States, the District of Columbia, Puerto Rico, the
21 Virgin Islands, American Samoa, Guam, and the Trust
22 Territory of the Pacific Islands;

23 (b) "eligible individual" means an individual who is
24 fifty-five years old or older, who has a low income, and
25 who has or would have difficulty in securing employment;

1 (c) "community service" means social, health, welfare,
2 educational, library, recreational, and other similar services;
3 conservation, maintenance or restoration of natural resources;
4 community betterment or beautification; antipollution and
5 environmental quality efforts; economic development; and
6 such other services which are essential and necessary to the
7 community as the Secretary, by regulation, may prescribe.

8 AUTHORIZATION OF APPROPRIATIONS

9 SEC. 307. There are hereby authorized to be appropri-
10 ated to carry out the provisions of this title \$35,000,000
11 for the fiscal year ending June 30, 1972, and \$60,000,000
12 for fiscal year ending June 30, 1973.

13 TITLE IV—SPECIAL REPORTS AND STUDIES

14 MANPOWER STUDY

15 SEC. 401. (a) The Secretary is authorized and directed
16 to undertake, either directly or by way of grant or contract, a
17 thorough study of manpower programs authorized by pro-
18 visions of Federal law other than this Act, and other feder-
19 ally assisted training programs to determine whether such
20 programs are responsive to the needs of persons who are at
21 least forty-five years of age. The Secretary shall report the
22 findings and recommendations of this study, and his own
23 recommendations with respect to additional legislation, to the
24 President for transmittal to the Congress not later than
25 January 31, 1973.

1 (b) In conducting this study the Secretary shall not
2 employ or contract with any individual, institution, organiza-
3 tion, or agency providing advice or technical assistance for
4 any program described in subsection (a) of this section.

5 EXTEND UNEMPLOYMENT COMPENSATION

6 SEC. 402. The Secretary shall study the feasibility of
7 establishing a program of extended unemployment compen-
8 sation benefits for unemployed workers aged fifty-five and
9 older who have exhausted their unemployment compensa-
10 tion. On or before July 1, 1972, the Secretary shall report
11 to the Congress and the President his findings and recom-
12 mendations with respect to such a program of allowances.

13 COMPENSATION AND DISABILITY INSURANCE

14 SEC. 403. The Secretary shall prepare and submit a
15 report to the Congress not later than July 1, 1972, on means
16 of eliminating the lack of coverage and other inadequacies
17 in workmen's compensation and disability insurance pro-
18 grams, health insurance, and pension plans, particularly as
19 they affect adversely the employment of middle-aged and
20 older workers.

21 PRIVATE NONPROFIT EMPLOYMENT OPPORTUNITIES

22 SEC. 404. The Secretary shall prepare and submit a
23 report to the Congress not later than July 1, 1972, on
24 present programs of private nonprofit organizations to fur-
25 nish employment opportunities on a full-time or a part-time

1 basis for individuals fifty-five years of age or older and on
2 recommendations for strengthening such programs and co-
3 ordinating such programs with employment programs for
4 older Americans conducted or assisted by public agencies.

5 FEDERAL EMPLOYMENT OPPORTUNITIES STUDY

6 SEC. 405. (a) The Comptroller General of the United
7 States is authorized and directed to undertake a study of
8 part-time employment in the executive branch of the Gov-
9 ernment of the United States and to make a report of his
10 findings, together with any recommendations he considers
11 appropriate or desirable, to the Congress on or before Janu-
12 ary 31, 1973. Such study shall include a determination of—

13 (1) the extent to which part-time employment
14 exists in the executive branch;

15 (2) the limitations, if any, that are imposed by
16 Federal statutes, regulations, or administrative policies
17 or practices on such part-time employment, and the
18 extent to which such limitations are justified; and

19 (3) the measures that may be taken to increase
20 the number of part-time positions available in the execu-
21 tive branch which may be filled by older persons with-
22 out resulting in the displacement of currently employed
23 workers (including partial displacement such as a re-
24 duction in the hours of nonovertime work or wages or
25 employment benefits).

1 (b) The Comptroller General is further authorized and
2 directed to undertake a study of the feasibility of redesigning
3 positions in the executive branch of the Government of the
4 United States without impairing the effectiveness or efficiency
5 of operations of any department, agency, or independent es-
6 tablishment, with a view to increasing the number of posi-
7 tions which are available to older individuals at the subpro-
8 fessional level. The Comptroller General shall make a report
9 of his findings, together with any recommendations he con-
10 siders appropriate or desirable, to the Congress on or before
11 January 31, 1973. Such study shall include a determina-
12 tion of—

13 (1) the extent to which positions can be rede-
14 signed, resulting in an increase in the number of posi-
15 tions in the executive branch available to older
16 individuals;

17 (2) the limitations, if any, imposed by Federal
18 statutes, regulations, or administrative policies or prac-
19 tices on redesigning positions in the executive branch to
20 increase the number of subprofessional positions avail-
21 able to older individuals and the extent to which such
22 limitations are justified;

23 (3) the measures that may be taken to redesign
24 positions so that the number of subprofessional positions
25 available to older individuals may be increased; and

1 (4) the programs which would be needed to train
2 older individuals to fill subprofessional positions created
3 as a result of redesigning such position.

4 AUTHORIZATION

5 SEC. 406. There are authorized to be appropriated
6 \$ for the fiscal year ending June 30, 1972, to
7 carry out the purposes of this title.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEP 8 1971

Honorable Harrison A. Williams, Jr.
Chairman, Committee on
Labor and Public Welfare
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

This letter is in response to your request of February 9, 1971 for a report on S. 555, a bill to authorize the establishment of an older worker community service program.

The bill would provide for the establishment of an "Older American Community Service Employment Program", under which the Secretary of Labor would enter into agreements with public or private nonprofit agencies or organizations to pay up to ninety percent of the cost of projects providing useful part-time work opportunities in community service activities for unemployed low-income persons who are over 55, and who have poor employment prospects.

We are unable to support this measure in view of activities which are currently being carried out under present law to assist individuals of these ages with their employment problems, proposals pending before Congress, and new legislation being developed for early submission to Congress.

Programs administered by the Department of Labor are assisting Americans aged 55 and over with employment problems. The most recently enacted legislative authority of this type is the Emergency Employment Act, which became law on July 12. All State agencies on aging have been sent information on this new law, and the Administration on Aging of this Department will take steps to assure them of timely information on the implementation of the Act. Some State agencies on aging are already making plans for assuring the elderly of their States a fair share of the jobs under the new law.

To the extent that H. R. 1, which has passed the House and is now before the Senate, would increase incomes of middle-aged and older persons, it would reduce the necessity to supplement retirement incomes as proposed in S. 555. The Administration's Manpower Revenue Sharing proposal, introduced in the Senate as S. 1243, would result in improved manpower services for all workers, including those who have reached the age of eligibility under S. 555.

The Administration will, in the near future, transmit to Congress a recommendation for legislation strengthening the National Older Americans

HONORABLE HARRISON A. WILLIAMS, JR.

2

Volunteer Program, which was authorized two years ago as Title VI of the Older Americans Act of 1965. The Administration will propose that one part of the present program, Foster Grandparents, be authorized to use low-income persons, age 60 or over, to meet a wide variety of community needs. The administering agency, ACTION, would, through grants or contracts with public and nonprofit private agencies and organizations, pay up to ninety percent of the cost of such projects. There are similarities between the proposal which will be recommended by the Administration and S. 555, but there are also differences. We believe that the service orientation in the upcoming Administration proposal is preferable to the employment orientation in S. 555. While the Administration proposal will include compensation, the emphasis will be upon providing elderly participants with the non-material rewards of serving, such as the satisfaction of engaging in interesting and useful activities, the resulting benefits to mental and physical health and morale, and the opportunity of escaping from loneliness and isolation and enjoying interacting with others who serve and with those who are served. In addition, the Administration's proposal will be superior to S. 555 in that the emphasis will be upon providing needed services which would not otherwise be provided.

We would, therefore, recommend that S. 555 not be favorably considered.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Elliot L. Richardson

Secretary



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-165430

May 12, 1971

Dear Mr. Chairman:

Your letter of March 24, 1971, requests our views on S. 1307 which, if enacted, would provide increased employment opportunities for middle-aged and older workers and would be cited as the "Middle-aged and Older Workers Employment Act."

In letters dated December 13, 1968 (B-165430) and July 28, 1970 (B-163922), to the Chairman, Senate Committee on Labor and Public Welfare, we commented on bill S. 1480 and on bill S. 3867 and its amendments, which contained similar provisions.

Section 304 of the bill would require the Comptroller General to undertake studies of and to make reports with any recommendations considered appropriate on (1) part-time employment in the executive branch of the Government, including measures that may be taken to increase the number of part-time positions for older persons, (2) the feasibility of redesigning positions in the executive branch with a view to increasing the number of positions available to older persons at the subprofessional level, and (3) the programs needed to train older persons to fill the subprofessional positions created as a result of redesigning positions.

The primary objective of the studies provided in section 304 would be to develop in the executive branch employment and training programs for older persons which is a function normally not within the purview of our Office. We believe that the Civil Service Commission and Department of Labor both have had experience with this subject and therefore we believe that they could more readily meet the requirements of section 304. In addition the employment of older workers is a policy in which the executive branch carries the primary responsibility for meeting congressional objectives and, if the Civil Service Commission and Department of Labor prepared these studies, it is reasonable to conclude that they would be in a better position to advise the President on the need for action.

Moreover, during the normal course of our work, we may want to review any programs established as a result of the studies and such reviews would be more independent and objective if we did not participate in the original studies. Accordingly, we suggest that the committee revise section 304 of the bill to provide that the studies be made by the Civil Service Commission with the assistance of the Department of Labor.

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Sections 102 and 202 of the bill refer to middle-aged and older persons as being 45 years of age and older. However, the bill does not further define which age groups are to be considered middle-aged and which are to be considered older persons. Since the studies which would be required by section 304 specifically concern positions in the executive branch for older persons, we suggest that the committee consider revising the bill to define the terms "middle-aged" and "older" persons.

Section 202 authorizes the Secretary of Labor, through the Manpower Administration, to make loans and grants for training of middle-aged and older persons who are at least 45 years of age. However, the bill does not set an upper-age limit beyond which it might not be productive to give the training and assistance or service being made available under the proposed legislation. Section 12 of the Age Discrimination in Employment Act of 1967 (81 Stat. 602) limits the prohibitions in that act to individuals less than 65 years of age.

In view of the possible complications that may arise in implementing the provisions of the bill pertaining to training and job placement because of the absence of an upper-age limit, which would exclude those who may be too old to benefit from the various programs, the committee may wish to include an upper-age limit for the persons to be benefited in section 202.

Since section 202 authorizes the Secretary of Labor to make loans or grants for training, we believe that the legislation should indicate the conditions under which loans rather than grants are to be made.

Under section 202 of the Intergovernmental Cooperation Act of 1968, the Secretary and the Comptroller General would have access for the purpose of audit and examination to any books, records, etc., that are pertinent to the grants received by the States. However, nothing in the bill authorizes the Secretary or the Comptroller General to have access to pertinent records of local public or private agencies, individuals, organizations, etc., nor does section 202 of the Intergovernmental Corporation Act of 1968 authorize access to records of such agencies, individuals, or organizations. We recommend, therefore, that the bill be amended to include language which would provide for the Secretary and the Comptroller General or their representatives to have access for the purpose of audit and examination to the books and records of these recipients.

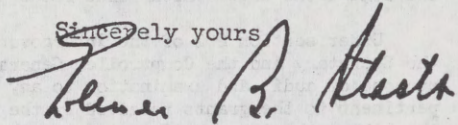
To carry out such recommendation, we suggest that the following be added to section 106 of the bill.

B-165430

"(c) Each recipient of assistance under this Act pursuant to grants, agreements or contracts entered into under other than competitive bidding procedures, and other arrangements shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grants, agreements, or contracts entered into under this Act under other than competitive bidding procedures, and other arrangements under this Act."

Sincerely yours



Comptroller General
of the United States

The Honorable Harrison A. Williams, Jr.
Chairman, Committee on Labor and Public Welfare
United States Senate



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-165430

June 24, 1971

Dear Mr. Chairman:

Your letter of April 28, 1971, requests our views on S. 1580 which, if enacted, would provide increased employment opportunities for middle-aged and older workers and would be cited as the "Middle-Aged and Older Workers Employment and Community Service Act."

Section 405 of the bill would require the Comptroller General to undertake studies of and to make reports with any recommendations considered appropriate on (1) part-time employment in the executive branch of the Government, including measures that may be taken to increase the number of part-time positions for older persons, (2) the feasibility of redesigning positions in the executive branch with a view to increasing the number of positions available to older persons at the subprofessional level, and (3) the programs needed to train older persons to fill the subprofessional positions created as a result of redesigning positions.

The primary objective of the studies provided in section 405 would be to develop in the executive branch employment and training programs for older persons which is a function normally not within the purview of our Office. We believe that the Civil Service Commission and Department of Labor both have had experience with this subject and therefore we believe that they could more readily meet the requirements of section 405. In addition the employment of older workers is a policy in which the executive branch carries the primary responsibility for meeting congressional objectives and, if the Civil Service Commission and Department of Labor prepared these studies, it is reasonable to conclude that they would be in a better position to advise the President on the need for action.

Moreover, during the normal course of our work, we may want to review any programs established as a result of the studies and such reviews would be more independent and objective if we did not participate in the original studies. Accordingly, we suggest that the committee revise section 405 of the bill to provide that the studies be made by the Civil Service Commission with the assistance of the Department of Labor.

Section 202 authorizes the Secretary of Labor, through the Manpower Administration, to make loans and grants for training of middle-aged and older persons who are at least 45 years of age. However, the bill

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does not set an upper-age limit beyond which it might not be productive to give the training and assistance or service being made available under the proposed legislation. Section 12 of the Age Discrimination in Employment Act of 1967 (81 Stat. 602) limits the prohibitions in that act to individuals less than 65 years of age.

In view of the possible complications that may arise in implementing the provisions of the bill pertaining to training and job placement because of the absence of an upper-age limit, which would exclude those who may be too old to benefit from the various programs, the committee may wish to include an upper-age limit for the persons to be benefited in section 202.

Since section 202 authorizes the Secretary of Labor to make loans or grants for training, we believe that the legislation should indicate the conditions under which loans rather than grants are to be made.

Under section 202 of the Intergovernmental Cooperation Act of 1968, the Secretary and the Comptroller General would have access for the purpose of audit and examination to any books, records, etc., that are pertinent to the grants received by the States. However, nothing in the bill authorizes the Secretary or the Comptroller General to have access to pertinent records of local public or private agencies, individuals, organizations, etc., nor does section 202 of the Intergovernmental Cooperation Act of 1968 authorize access to records of such agencies, individuals, or organizations. We recommend, therefore, that the bill be amended to include language which would provide for the Secretary and the Comptroller General or their representatives to have access for the purpose of audit and examination to the books and records of these recipients.

To carry out such recommendation, we suggest that the following be added to section 106 of the bill.

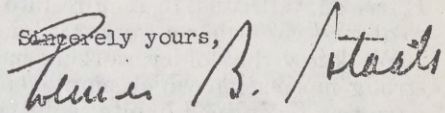
"(c) Each recipient of assistance under this Act pursuant to grants, agreements or contracts entered into under other than competitive bidding procedures, and other arrangements shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the

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project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grants, agreements, or contracts entered into under this Act under other than competitive bidding procedures, and other arrangements under this Act."

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Thomas B. Staats". The signature is written in a cursive style with a large, prominent initial "T".

Comptroller General
of the United States

The Honorable Harrison A. Williams, Jr.
Chairman, Committee on Labor and Public Welfare
United States Senate

Senator EAGLETON. I have a short preparatory statement and then we will introduce our first witness.

Middle-aged and older workers, that is, those aged 45 and older, are a special case in today's troubled economy. As compared with the rest of the work force, proportionately more older workers are unemployed. They stay unemployed for longer periods of time and fewer opportunities and governmental resources are available to help them get back on the job. Since January 1969, the number of unemployed middle-aged and older workers has nearly doubled. About one out of every three unemployed persons 45 and older has been out of work for 15 weeks or longer. One out of five has been unemployed for longer than 27 weeks. Millions of others are not represented in these figures. Discouraged by their inability to obtain work, they have ceased looking for a job and have withdrawn from the work force altogether.

In many cases, loss of work today means a forfeiture of future security as well, in the form of nonvested pension benefits. The labor subcommittee is currently conducting hearings, chaired by Senator Harrison Williams, to inquire into the loss of pension benefits which so often occurs when a worker is laid off in midcareer.

We know that older workers have the accumulated skills and the strong motivation which employers claim are in short supply. They have the disciplined habits acquired through a lifetime of work. Yet, our youth-oriented society has a tendency to shunt this older group aside and to ignore the enormous resource it represents.

The bills that the Subcommittee on Aging will consider in these two days of hearings, mark an effort to reverse that trend. It will provide the foundation for a national system of retraining and counseling for middle-aged workers to direct them toward more opportunities in private employment. Moreover, this legislation would make funds available so that the opportunities for public service appointment could also be offered to older workers—jobs that need to be done in such areas as health, community development, beautification, education, day care, nutrition, et cetera. The success of the community service programs conducted under Operation Mainstream by the Department of Labor to provide public service employment to older workers has been well-documented. The excellent report of the National Council of Senior Citizens, entitled, "The Nation's Stake in the Employment of Middle-Aged and Older Persons," published this week by the Special Committee on Aging, under the chairmanship of Senator Church, sets out in detail the worthwhile tasks that can be accomplished if you really put "Senior Power" to work.

Today, we will hear testimony from the national organizations which have conducted the two largest programs under Operation Mainstream, the National Council of Senior Citizens and the National Farmers Union. We hope to learn a great deal both from their experience and from those of the older workers who have participated in these programs.

Tomorrow we will hear from the administration. While it opposed similar legislation in the last Congress, I am hopeful that the steadily deteriorating condition of the economy will inspire the administration to take a new approach to these proposals.

We will also hear from a number of other individuals and national organizations having particular knowledge and interest on the issues before the subcommittee.

I am pleased to have as our first witness this morning on these bills, the Honorable Jennings Randolph, Senior Senator from West Virginia, chairman of the Employment Subcommittee of the Special Committee on Aging, ranking majority member of the Labor and Public Welfare Committee, and chairman of the Public Works Committee, as well. Senator Randolph is the author of S. 1307 and is a distinguished Member of the U.S. Senate. We welcome you, Senator Randolph.

**STATEMENT OF HON. JENNINGS RANDOLPH, A U.S. SENATOR FROM
THE STATE OF WEST VIRGINIA**

Senator RANDOLPH. Good morning, Mr. Chairman, and I say a pleasant good morning to all of those persons who are present for the beginning of these significant hearings which, as you have correctly stated, will consider the problems of the middle-aged and older workers, especially the Older American Community Service Employment Act which attempts to cover that subject.

Mr. Chairman, I congratulate you on your leadership in the area now under discussion. I feel that these hearings have taken an additional dimension of timeliness because today's workers are now confronted with what I call, a double six dilemma, an unemployment rate approaching 6 percent and a rise in the cost of living last month which would be equivalent to a 6-percent increase on an annual basis. Today our work force, and particularly middle-aged and older persons, is experiencing an unparalleled crisis. They are being squeezed economically at both ends through the loss of jobs and skyrocketing prices.

Recent poverty statistics provide dramatic proof of the devastating impact of this double-edged problem. From 1969 to 1970, 1.2 million persons were added to the poverty rolls in the United States. Now, that reversed a long-standing trend. Unless major policy changes are made, this alarming reversal may continue or it may even accelerate.

Mr. Chairman, enactment of the two measures before the subcommittee—S. 555, the Older Americans Community Service Employment Act and S. 1307, the Middle-Aged and Older Workers Employment Act, can be of paramount importance in helping mature workers return to work. Moreover, these proposals can be of vital assistance in helping unemployed older workers out of poverty. This, of course, will come through gainful employment. As has been indicated, I do sponsor the Middle-Aged and Older Workers Employment Act and my comments shall be directed primarily toward that measure; however, I wish to express my enthusiastic support for the Older Americans Community Service Employment act. I understand that Senator Kennedy hopes to be present at the hearing to discuss this legislation in greater detail than shall I.

Establishment of a national community service corps of older workers is long overdue. We have had ample proof that the mainstream pilot programs work. We received strong support for the concept of community service employment from older participants and from the

localities through officials of those localities that are being served. Now, these are compelling reasons, Mr. Chairman, for early approval of S. 555. I discuss now S. 1307, the Middle-Aged and Older Workers Employment Act.

Today, many persons 45 and older are discovering that it is impossible to secure employment and to have what I call "necessary training opportunities" provided so that jobs by these people can be held.

In too many instances these people have been described as, and I quote, "Too young to retire but too old to hire." Now, Mr. Chairman, since January 1969, more than 400,000 persons 45 and older have lost their employment, bringing the total to 1,025,000 individuals. During this same period their long term joblessness—and as we know, that is reckoned as 15 weeks or longer—has increased by not 20 percent, 50 percent, 100 percent, or 150 percent. The increase has been 207 percent, from 115,000 persons to 353,000 individuals. Mr. Chairman, you are concerned and the members of our special committee are concerned. The Congress is concerned and I think the people who are involved are especially concerned, because of these figures that I have mentioned.

But, statistics are clothed with human beings. So, we just must not think of figures as statistics. We must think of the persons, the men and women, who are involved, the human side of the subject. Today, approximately 1 out of every 3 unemployed persons 45 and older have been out of work, not for 1 month, not for 2 months, not for 3 months, but for nearly 4 months. In contrast, about 1 out of every 4 jobless individuals under age 45 have been looking for work for 15 weeks or longer. Among mature workers, their very long term joblessness—27 weeks or longer—presents a problem even more critical. Approximately 205,000 persons 45 and older have now been unemployed, Mr. Chairman, for more than 6 months, nearly 37 percent of the total amount. Since January 1969, their numbers have increased by an astounding, a shocking 327 percent. The trend for long periods of unemployment is increasing.

Approximately 21½ years ago the average duration of joblessness for an unemployed worker 45 and older was 9.9 weeks. Today, the average duration of unemployment has jumped to 17 weeks, for about a 52-percent increase in the length of time for a person who is without a job.

Yet, by whatever barometer we would choose to use, the mature workers are underrepresented in our Nation's work and training programs. I underscore that—they are underrepresented in our Nation's work and training programs. Let us look, Mr. Chairman, at an example. Middle-aged and older persons now constitute approximately 22 percent of the total unemployment in our country. They comprise 30 percent of persons unemployed for 15 weeks or longer. They account for 37 percent of all individuals looking for jobs for 27 weeks or longer. They represent 37 percent of the civilian labor force in the United States.

Now, last year, however, they accounted for only 4 percent of all the enrollees in our manpower and training programs. Without specific statutory authorization, the needs of these people will probably continue to be overlooked or ignored, to a very considerable degree.

But, the Middle-aged and Older Workers Employment Act can establish the necessary national commitment to help many of these unemployed persons back on the road of financial recovery through gainful employment. It can also help to close the existing gaps in our training efforts by providing a comprehensive program responsive to their special problems.

Particularly significant, Mr. Chairman, is the fact that the bill that I have offered with cosponsorship would establish a midcareer development services program in the Department of Labor to provide training, counseling and other supportive services to assist persons 45 years and older in locating employment. I think it is important to point out that in addition, the proposal would authorize special units to provide recruitment placement services in communities with large-scale joblessness because of plant shutdowns or other large reductions in the work force of a particular locality. We would provide supportive services for occupational advancement for employed persons who may be in low-paying jobs.

We would authorize the Controller General to undertake a study and to make a report on the feasibility of increasing employment opportunities for older workers through the redesign of jobs and part-time employment. We would authorize other studies on many subjects, I think important subjects, including extended periods of unemployment compensation for unemployed workers 55 years and older who have exhausted their benefits.

For too long, Mr. Chairman, our Nation has lacked a comprehensive and effective policy to maximize employment opportunities for older workers. Today many mature workers are in need for a flexible and coordinated employment and training program, especially those whose skills have been rendered obsolete by technological advances in industry. With new changes in industrial techniques and products, we as a nation, we as a people, we as a government, will in all probability need to train and retrain substantially more persons during this decade than we did during the 1960's.

Mr. Chairman, the Middle Aged and Older Workers Employment Act, I firmly believe, represents a well-balanced and effective approach for assuring that adequate resources are devoted to the special needs of mature workers. Now, I used the word several times, as you have noted, "mature workers." I use that word because I think it is expressive of the experience, the understanding and the feeling of devotion to a job which can and usually does come with a mature worker who has an opportunity for gainful employment. He is not a person who is not able to adjust. He frankly adjusts along the way because he is a mature worker and there is a constant adjustment which takes place. So, to say these people have outlived, to use that term, their usefulness, is not a statement of fact. These people are an important force in the larger work force of America. So, to the special needs of these workers, that approach is appropriate, not that they are not employable but there are programs whereby if there are special treatment of their skills and abilities applied to certain jobs, they can become even more productive. We do that for young people in this country. We do it for other segments of our society.

There is nothing wrong—in fact it is very right—to give special attention to adjustment problems, training problems, for mature workers. Now, the benefits that would flow from this undertaking, it seems to me, would be substantial. For the older worker, training and other supportive services can lead to better and sometimes new jobs, better paying jobs that can also instill a new sense of confidence and independence in workers who are now trying desperately in many cases, to locate employment and to make what we call ends meet.

In the long run, Mr. Chairman, and in the short run, our country and all of our people will benefit when these new jobholders increase, and with this increase comes an increase of productivity. I think that we must help, help now, to meet the growing demand for better-trained personnel.

I am appreciative, Mr. Chairman, of the opportunity to counsel with you on some of my thoughts, especially on S. 1307, and if there is perhaps a colloquy that might be developed between us that would be helpful, I would be gratified to answer questions or to work with you in that way.

Senator EAGLETON. Thank you very much, Senator Randolph. In your remarks you have given us, I think, a very fine analysis of some of the identifiable statistics that relate to unemployment in the age group 45 and older. Could you speculate with me as to how much hidden unemployment there might be, if it is not reflected in those statistics that you quote in your prepared statement?

Senator RANDOLPH. Mr. Chairman, you have properly mentioned the hidden unemployment among workers 45 and older. It might be helpful to refer to the fact that between 1960 and 1970 the number of persons aged 45 to 64 who have been withdrawn from our labor force has increased from 1.4 million to 2.1 million. Now, that is a 50-percent increase. Now, if the current labor force participation trends continue, one out of every six persons aged 55 to 59, that is, in that category, will no longer be in the work force by the time, Mr. Chairman, that worker reaches age 64.

The ratio, if the trend continues, I believe will accelerate in the years ahead. So, I give you an example of hidden unemployment. Let us consider the facts in reference to this very bad situation. We have, Mr. Chairman, a little over 1 million persons 45 and older who are unemployed. Now, many mature workers are not counted as unemployed because they have exhausted their unemployment compensation or frankly, they have just become so weary that they have stopped searching for employment. At the present, there are more than 8 million men of ages 45 or older who have withdrawn from the work force. I think we can assume, Mr. Chairman, that just 20 percent of this group, which perhaps is a conservative figure, want and need employment. I think that would be a fair figure. And, if they were included, we would add 1.6 million persons to those unemployment statistics. So, I think there is this hidden danger, catastrophic in nature, which you have mentioned.

It doesn't surface always but it is there.

Senator EAGLETON. So, to summarize, the statistics as alarming as they are, perhaps don't show the true depth of the employment picture in the 45 and older category. Let me ask you about the Age

Discrimination in Employment Act. When Congress passed that law 4 years ago, its sponsors and those who supported it had high hopes that it could be useful in unlocking doors to employment opportunities that were formerly denied to individuals because of age. How effective do you think this law has been in terms of its implementation in achieving the goals for which it was intended?

Senator RANDOLPH. Mr. Chairman, this is a particularly important point. I have studied this matter and I am prepared very quickly to state that we need a more vigorous enforcement of that law. I have gone into this subject and I can make that statement and make it with vigor. We had a recent briefing that was conducted, as you recall, by the Department of Labor and at that time it was indicated that only 40 court suits had been prosecuted under the statute which was passed by the Congress. Now, the law, however, had been in operation for 3 years when the first age-bias suit was filed in late 1969 and it is still pending or was as of June 1971.

I don't know just why. Maybe a staff member can help us in providing this answer this morning. The Secretary of Labor was directed—and I think this is important to stress—was directed by the provisions of the legislation to undertake a study that would relate to institutional and other arrangements giving rise to involuntary unemployment of older workers. Mr. Chairman, that study has never been undertaken. So, sometimes, you know, a department, often an agency of government doesn't carry out the intent of the Congress. We have had many, many examples of that, and here we have an example because it was clearly stated that this study should be made. Now, more than 3 years later the study is not in process. It hasn't begun. That is the value sometimes of an oversight or review by a committee or subcommittee.

I am especially glad that you have zeroed in on this lack of enforcement of the law and the failure to follow the directive of the Congress in reference to the study I just mentioned.

Senator EAGLETON. My final question, Senator, deals with the question of categorical versus noncategorical grants. As you well know, having served in Congress now for a considerable period of time, whenever bills of this type, S. 1307 or S. 555, are considered, the question is raised, "Well, should you go into this or consider this from a categorical basis or a noncategorical basis?" Why do you believe, Senator, that the approach in your bill is preferable for dealing with the problems confronting people 45 or older?

Senator RANDOLPH. Mr. Chairman, I appreciate your asking me to be definitive in this matter. It is not in all ways that the legislation that I have introduced is the answer but I did mention, as you recall, in testimony that persons 45 and older now constitute only about 4 percent of all of our enrollees in the manpower programs. Quite clearly, the emphasis on most of our existing programs has been on youth, possibly because the administrators now believe that they perhaps would get a better return on their investment, that is, the investment of taxpaying dollars if they focus on and apply to young people.

But, the National Council of Senior Citizens, in the paper that it has prepared, points out that our Nation also has an important stake

in providing adequate training and employment opportunities for older persons. Without specific statutory authorization, it appears to me, Mr. Chairman, that older workers will continue to be short-changed in the Nation's manpower programs. That is the way it is today. Special programs for middle-aged and older persons are needed because oftentimes, as I indicated, you have problems that differ from those workers who are younger.

Senator EAGLETON. Thank you, Senator. I think that is all I have at this time in terms of questions. We may, if we can, submit further inquiries to you in writing for your comments so that they may be included in the record.

Senator RANDOLPH. Senator Eagleton, again I want to commend you for your attention to this problem and for the attention by the members of the Subcommittee on Aging of the Committee on Labor and Public Welfare to these very important problems. I may not be here a little later because of a meeting of our Public Works Committee of which you are a valued member, but Mrs. Icy Gillespie from Marion County is sitting here to my right.

Senator EAGLETON. Is that Marion County, W. Va.?

Senator RANDOLPH. Marion County, W. Va., and the county seat is Fairmont. That is a good area of our State of West Virginia and Mrs. Gillespie, while we are just here together not in connection with your testimony that you will give a little later, you heard what I said today and is there any thought that you would like to add or any question that you would like to ask of me while we are here together? Tell us just a little about yourself.

Mrs. GILLESPIE. Mrs. Icy Gillespie, senior aide of Marion County. My husband was a minister and I didn't have any employment. I went to Bob Tannet in Fairmont and asked him for help and he referred me to the employment office where I could get help. I was just kind of nervous about it and so he referred to the project which Senator Randolph has spoke about.

Senator RANDOLPH. Your husband was a minister?

Mrs. GILLESPIE. Yes; he was.

Senator RANDOLPH. Was he Baptist or Presbyterian or Methodist or what?

Mrs. GILLESPIE. No; he was a Pentecost.

Senator RANDOLPH. Pentecostal Church. We have them, of course, by the hundreds in our hills. How old are you, Mrs. Gillespie?

Mrs. GILLESPIE. I am 60 years old.

Senator RANDOLPH. Do you feel that you can work today?

Mrs. GILLESPIE. Yes; I can.

Senator RANDOLPH. You don't just want to be on some form of welfare. You want to be a productive worker in our system?

Mrs. GILLESPIE. That is right. As long as I can work, I want to work.

Senator RANDOLPH. Thank you, Mr. Chairman, very much.

Senator EAGLETON. Thank you, Senator. We will be hearing further from Mrs. Gillespie about our series of aides programs when she is part of the panel.

Senator RANDOLPH. I thought you wouldn't mind if I just talked to a constituent for just a moment.

Senator EAGLETON. Thank you, Senator. See you in a few moments.

Senator RANDOLPH. She spoke of Mr. Tannet in Marion County. Marion County is filled by people of that name just as Missouri has certain names that loom large in the population.

Senator EAGLETON. Everybody in Missouri is named Truman. Our next witness will be the Honorable Frank Church, the Senator from Utah—

Senator CHURCH. I don't know that the people in Idaho would approve of that or not.

Senator EAGLETON. Utah is spelled I-d-a-h-o. Senator Church is deeply and directly interested in this entire question of aging and employment for people who are 45 and older, by reason of both his personal interest and the fact that he is chairman of the Special Committee on Aging. Senator Church of Idaho.

STATEMENT OF HON. FRANK CHURCH, A U.S. SENATOR FROM THE STATE OF IDAHO

Senator CHURCH. I thank you, Mr. Chairman. It is very much a pleasure to appear before you as the Senator from "Nebraska." I am going to speak only briefly. I know that you have many witnesses who have come from a distance and I don't want to take too much time this morning.

But, I would like to compliment you and the Subcommittee on Aging for calling early hearings on Older Americans Community Service Employment Act and the Middle-Aged and Older Workers Employment Act, two measures which I have cosponsored. The Senate Committee on Aging, of which I am chairman, has had a long-standing interest in the enactment of both of these proposals. In the committee's latest annual report, "Developments in Aging—1970" prompt approval of these measures was strongly urged. With widespread unemployment affecting all sectors of our economy, the need for early action on S. 555 and S. 1307 is all the more compelling. During the past 2½ years nearly 3 million workers have been added to the unemployment rolls. Approximately 5½ million individuals have lost their jobs, the highest level in 10 years.

In January 1969, there were six major labor market areas with substantial joblessness. Today that figure has grown ninefold to 54. The net impact of these figures is that more than one out of every three major labor areas in the United States is experiencing substantial unemployment. With the joblessness rate hovering around 6 percent, unemployment compensation has increased by nearly 61 percent. During this last fiscal year, an estimated \$4½ billion was paid out in unemployment compensation to persons who could not find jobs.

All age groups have paid the price for our shortsighted economic policies but older workers and their families have been particularly hard-pressed. Today, more than 1 million persons 45 and older are without jobs, compared with less than 600,000 in January 1969. Once unemployed, the older worker runs a far greater risk of being jobless for a long period of time. In fact, he can expect to be unemployed about 65 percent longer than younger workers. The unemployed individuals, 45 and older, average duration is 17 weeks or approximately 4 months. For all other persons similarly situated their average period

of unemployment is 10.3 weeks. For older workers the loss of a job can also have a double barreled disastrous effect. It may not only wipe him out financially at a time when a family and household responsibilities are growing, but also it is likely to result in substantially reduced income in retirement, particularly if they have been unemployed for long periods of time.

Quite clearly, we may be witnessing the emergence of a new class of elderly poor, comprising individuals with sporadic work patterns prior to retirement, persons in their late 50's or early 60's who have been eased out of the labor force and older workers who have just given up after prolonged periods of fruitless search for jobs. Recent poverty statistics provide additional evidence to support this notion.

For example, from 1969 through 1970, poverty for persons in the 55- to 64-age category increased by approximately 100,000. There are now about 2.1 million persons of this age group who fall below the poverty line compared with 2 million in 1969. For many of these unemployed older workers a job can provide the passport to financial independence. A regular paycheck can also mean a fuller life for the older workers' family and our nation as a whole will benefit when persons on the unemployment rolls will move on to the payrolls and become taxpayers. The Middle-aged and Older Workers Employment Act I firmly believe represents a sensible and coordinated approach for meeting the unique and growing employment problems confronting mature persons. For instance, the provision for training can be of major help in updating skills which have long been outdistanced by technological advances.

With the funding of the rest under the act, approximately 140,000 persons could be trained for new employment opportunities or better paying work. In my own State of Idaho it is estimated that this measure could help approximately 1,400 persons back to work. I don't have the figures for Utah, Mr. Chairman.

Equally important the Older Americans Community Service Employment Act will provide new and meaningful job opportunities and vitally needed public services for low-income individuals 55 years or older. Moreover it would provide an important basis for building up on the successful Mainstream pilot project, such as Greenthumb, Greenlight, Senior Aides and Senior community service activity and converting them to permanent on-going national programs. We don't need any more proof that these programs will work. What is needed now is a general national commitment to use this wealth of talent and experience for providing urgently needed community services. The Older American Community Services Employment Action do this by providing new service opportunities for approximately 38,000 older persons, more than seven times as many as provided under Mainstream in 1970.

For these reasons, Mr. Chairman, I again urge early and favorable action on these proposals by the Subcommittee on Aging. Thank you very much.

Senator EAGLETON. Thank you, Senator Church. I have just one question for you. As you know, the traditional objection of the administration to legislation of this type is that it is categorical or overly categorical, however they wish to phrase it. What is your viewpoint or your response to the position of the administration?

Senator CHURCH. Mr. Chairman, I would respond very much as Senator Jennings Randolph responded earlier to a similar question. We have had a good deal of experience with the general or noncategorical programs. Uniformly, we find that the elderly are always given the lowest priority of attention. I don't know why that is. Many reasons have been suggested. I suppose the most favorite is that this is a youth-oriented culture. I don't know but in any case, that is the experience and the statistics will bear it out.

So, if we are going to do something meaningful for the elderly, I think we have to approach their problem in a categorical manner. I think without legislation that is specifically directed toward the problems of the elderly, they won't receive adequate attention. I speak from such familiarity as I have with past performance, which does tend to bear out that conclusion.

Senator EAGLETON. Thank you very much, Senator. We appreciate your appearance and you have been very helpful to us.

Senator EAGLETON. We will now hear from the chairman of the Committee on Labor and Public Welfare, formerly chairman of the Special Committee on Aging, and one of the most knowledgeable men in the country on the problems of the aging, the distinguished Senator from New Jersey, Mr. Williams.

**STATEMENT OF HON. HARRISON A. WILLIAMS, JR., A U.S. SENATOR
FROM THE STATE OF NEW JERSEY, CHAIRMAN OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE**

Senator WILLIAMS. Mr. Chairman, within a few moments I must leave to conduct another hearing, and so I will submit my full statement for the record and ask for only a moment or two of your time for my comments.

First, I emphatically declare my support for S. 1307—the Middle-Aged and Older Workers Employment Act—and S. 555—the Older American Community Service Employment Act. While serving as chairman of the Senate Special Committee on Aging I received much testimony on the need for both bills, and I know that these bills are meant to help men or women who, perhaps many years before retirement age, face severe employment problems. My statement says that since January 1969 unemployment for persons 45 and older has increased by 72 percent. There are now more than 1 million middle-aged or older persons who are jobless, and 205,000 have been out of work for 27 weeks or longer.

Part of the blame for their plight lies in layoffs, plant shutdowns, and general economic slowdown in some segments of our economy. But the problem of the older worker is a chronic one, based partially upon the fact that our manpower and employment programs do not provide adequate help to persons in this age bracket. S. 1307 would go a long way to providing supportive services, including training, for occupational advancement, rather than occupational dead-ends.

The other bill before you, S. 555, has been called a senior service corps bill and an older American community service program. By whatever name it is called, it is meant to make use of idle talents and

experience among persons of 55 years and up by matching those skills with service opportunities right in the home communities of participants. Wherever it has been tried—in the foster grandparent program, in green thumb, in senior aides—this idea has worked. It is high time that we established a genuine national program to make it work on a much broader scale.

One final point: I am now going to a hearing at which witnesses will describe the loss of pension rights which, they thought, were due to them. In some cases, the pension was lost when a plant was closed or when a worker lost his job. In other words, the issues to be considered there are closely related, in some respects, to those you will hear today. I appreciate this opportunity to comment upon our mutual concerns.

Senator EAGLETON. Thank you very much for your comments Senator Williams. Your prepared statement will be printed in the record in full.

(The prepared statement of Senator Williams follows:)

PREPARED STATEMENT OF HON. HARRISON A. WILLIAMS, JR., A U.S. SENATOR FROM THE STATE OF NEW JERSEY, CHAIRMAN OF THE COMMITTEE OF LABOR AND PUBLIC WELFARE

Mr. WILLIAMS. Mr. Chairman, thank you for the opportunity to testify here this morning on S. 1307, the Middle-Aged and Older Workers Employment Act, and S. 555, the Older American Community Service Employment Act.

As the former chairman of the Senate Committee on Aging and now the chairman of the Labor and Public Welfare Committee, I have long advocated passage of such legislation. And as a longstanding sponsor of both of these proposals, I again urge favorable consideration by the subcommittee.

Despite the decline in joblessness last month, there is little cause for comfort. Approximately 5.5 million persons are still unemployed in the United States, including nearly 1.2 million who have been without a job for at least 15 weeks. Our unemployment rate has been at or near the 6-percent level throughout the entire year. And some noted economists are predicting that this already unacceptable level may even increase in the months ahead.

Since January 1969, unemployment for persons 45 and older has increased by 72 percent. Today 1,025,000 middle-aged and older persons have lost their jobs. And 205,000 have been out of work for 27 weeks or longer.

In far too many cases, our economic slowdown has wiped out a lifetime of savings or a little nest egg for retirement. Thousands of older workers have also suffered another setback—the loss of pension coverage.

Even those lucky enough to be working are feeling the economic squeeze in several other ways. Many older workers are now being asked to accept pay cuts as an alternative to losing their jobs. Yet, prices continue to climb steadily, with no end in sight. In fact, during the past 2½ years, the cost of living has risen approximately 14 percent. For the first time our Nation has been confronted with this twin crisis—widespread unemployment and chronic inflation.

In addition, beginning in the middle forties or early fifties, the older worker is likely to reach a plateau in his capacity to increase his earnings by promotion or occupational advancement. Yet, this is precisely the time that his expenditures are highest. At this time, he is typically making payments on his home, car, and household appliances. His financial pressures mount even further as the older worker's children become ready for college or support is necessary for his aging parents.

Lack of employment opportunities for middle-aged and older workers constitutes a personal tragedy to them as well as their families. This also represents a tragic waste of precious human resources.

Much more can be gained, I believe, through a systematic effort to raise our productive capacity and to provide the training and other services to enable older workers to compete in our technologically-advanced society. And the Middle-Aged and Older Workers Employment Act can be an important step forward in achieving this goal. Of particular significance for unemployed older workers, it can provide training to prepare them for jobs needed in the economy. For persons who are now employed but in deadend jobs, the bill would make available supportive services for occupational advancement. These measures, along with several other helpful provisions in the bill, can help put America back to work again.

Now, I would like to discuss the Older American Community Service Employment Act. Today, nearly 7 million persons 55 and older live in poverty.

But for many older Americans, community service employment could be a dignified means to help themselves out of poverty by helping others. It can also mean a new and rewarding experience or a second career. And for their communities, it can also provide an effective means of delivering important public services which are not now available.

The enthusiastic acceptance of existing pilot projects strongly suggests that there are perhaps millions of low-income persons 55 and older who are ready, willing and able to serve in their communities. And passage of S. 555 can make this opportunity a reality.

Mr. Chairman, now I would like to discuss very briefly another issue which I believe should be brought to the attention of the subcommittee on Aging. This concerns the administration's proposed policies for establishing maximum entrance and early separation requirements for certain civil service positions.

For example, the administration proposes to place authority in the White House to set maximum age requirements for entrance into the civil service when age would be a bona fide occupational qualification reasonably necessary for the performance of those duties.

In addition, the administration has recommended that maximum ages be established for entrance into air traffic controller positions—at a ceiling perhaps as low as age 30. This measure also sets a mandatory earlier retirement age for air traffic controllers—at age 56 in most cases and 60 for individuals who are retrained because of exceptional skills and experience.

This is in spite of the fact that there has been no scientifically developed evidence to measure with sufficient precision one's work ca-

capacity at these particular ages. Quite frequently an individual's vigor and effectiveness are the product of numerous other factors—such as his physical condition or his enthusiasm for his work—rather than his advancing age.

Enactment of these proposals, I fear, could severely limit Federal employment opportunities for older job applicants. For present civil service employees, these measures could make it considerably more difficult for older workers to receive promotions.

We cannot afford to discriminate on the basis of age in the Federal Government—particularly when there is an urgent need for experienced and trained personnel. We cannot afford to overlook competent applicants simply because their hair is “greying” at the temples. Moreover, all employers—whether they be governmental or private—need the experience, judgment, and talent with which most middle-aged and older workers are so richly endowed.

Mr. Chairman, before concluding my remarks, I would like to pay tribute to my distinguished colleagues who are seated at the table with me this morning. Senator Randolph, I believe, deserves praise for his outstanding leadership in promoting the passage of his Middle-Aged and Older Workers Employment Act. This year, I am hopeful that this long overdue measure will become law.

Senator Kennedy, likewise, merits commendation for his Older American Community Service Employment Act, a landmark employment measure with potentially far-reaching implications for the elderly jobseeker.

And Senator Church deserves special praise for his outstanding efforts, as chairman of the Senate Committee on Aging, for directing the committee to hold field hearings which dramatize the fact that an employment crisis now affects more than a million middle-aged and older workers. He has performed effectively, forcefully, and skillfully.

Senator EAGLETON. I am pleased to say that we have present in the hearingroom today project directors from senior aides' programs sponsored by the National Council of Senior Citizens under Operation Mainstream. It is my understanding that these project directors are from all over the country and they are here in Washington participating in a training conference. So, that we can identify them, would all the project directors who are participating in the training conference here in Washington please stand so that we can recognize you and welcome you this morning?

Now, I would like to call forward our panel, headed by Mr. William R. Hutton, the executive director of the National Council of Senior Citizens. He has a panel of senior aides who will accompany him: Mr. Irl Slagle of St. Louis, Mo., my hometown; we have met Mrs. Icy Gillespie from Marion County, W. Va., the lady in the pink dress; Mrs. Adriana Dorsett from Dade County, Fla. and Mrs. Jean Campbell, the project director from New Bedford, Mass.

Mr. Hutton, if any other Senators show up to testify, we will interrupt your presentation so that they can go on to their other hearings but we will start off with you and we welcome you again, because you have been very helpful to this committee.

STATEMENT OF WILLIAM R. HUTTON, EXECUTIVE DIRECTOR, NATIONAL COUNCIL OF SENIOR CITIZENS; ACCOMPANIED BY IRL SLAGLE, ST. LOUIS, MO.; MRS. ADRIANA DORSETT, DADE COUNTY, FLA.; MRS. ICY GILLESPIE, MARION COUNTY, W. VA.; AND MRS. JEAN CAMPBELL, NEW BEDFORD, MASS.

Mr. HUTTON. I understand that. Thank you, Senator. If I may begin, sir, in order to try to make the best use of the time that we have available, I do have a prepared statement of my own which I would like to suggest, with your permission, that we put into the record.

Senator EAGLETON. Fine.

Mr. HUTTON. I do have short statements from the four participants in this panel which I will also give to your recorder for submission into the record, with your permission.

Senator EAGLETON. All prepared statements will be printed in the record in full at the conclusion of the testimony of the entire panel.

Mr. HUTTON. I think, perhaps the best use of this time now could be to give you, sir, an impression of what the program is about and how it reacts in the community—from people who are there and from people who are working at it every day. There is an awful lot in this prepared statement, and in what we have heard on the facts and figures, but it is the human drama of working in this way where older people not only have the therapy of helping themselves, but of helping other people, which is so important. These people here are all doing just that. They are working themselves on the job and it is doing things from them and they are doing things for other people.

I want to start with the man on my right, Mr. Irl Slagle. I know it is not customary to start with the man when there are ladies present—but because he is the boldest of my little party this morning. Irl Slagle, sir, is a remarkable man from your State of Missouri. He is 71. He was in the insurance business for some 30 years. He was one of the first senior aides in the St. Louis program. He has done a number of things, but now his principal role is working in the State mental institution. He works with a number of other senior aides, originally on a remarkable system of helping poor older people who have been in the St. Louis State institution for 20, 30, 40, even 50 years. When they went down to a hospital, instead of the doctors in the State mental institution having to tranquilize the patients to get them out of their institution and into a decent hospital, he would go and hold their hands and sit with them and get to know them and calm them down.

More recently, he has been engaged in another area which I want him to talk to you about, an area in which he is helping the State and helping older people who are being transferred out of State mental institutions into private nursing homes, where he follows up on their treatment. Irl, perhaps you will tell the Senator just what it is that you do and how you help the old people in these institutions.

Senator EAGLETON. Mr. Slagle, we welcome you. First of all, tell us what you were doing after you retired. You were in the insurance

business and after retiring from the insurance business, what were you doing before you got involved in the senior aides program.

Mr. SLAGLE. Actually, Senator, I was nursing my wife previously. I retired in 1964. From 1964 to 1968 I took care of my wife and she passed away in 1968. Shortly after that, of course, I had nothing to do and I walked the streets trying to keep myself occupied. I had nothing in the world to do and I noticed in the St. Louis Post Dispatch an article regarding senior aides. I went and applied for the job. They sent me out to the State hospital.

Mr. HUTTON. He got that job because he had a poverty income. He only had \$1,200 a year coming in, right,

Mr. SLAGLE. Right, \$1,261, social security.

Senator EAGLETON. That was your total income during the period from 1964 to the time your wife died and thereafter?

Mr. HUTTON. That is right, sir.

Senator EAGLETON. You had no pension from the insurance company for which you worked?

Mr. SLAGLE. No; I had renewals for quite a long while. You know how that operates and then eventually they ran out. So, therefore all I had left was the social security.

Senator EAGLETON. You went in and applied for a job and received a job in the senior aides program in 1969?

Mr. SLAGLE. That is right, in 1969, the latter part of May.

Senator EAGLETON. Tell us about what kind of work you have done in that field?

Mr. SLAGLE. Since I have come to work?

Senator EAGLETON. Yes.

Mr. SLAGLE. When I went to work out there, I worked on the floors of the State mental hospital attending meetings, getting acquainted with the patients the personnel in the hospital for approximately 6 months. Then from that time on we began to place more people from State hospital into the private nursing homes. Well, I was involved in that program altogether. I took many, many people to the nursing homes myself and then I would follow up anywhere say, roughly, 10 days from that point, because these people had been in there some 30, 40, or 50 years.

Senator EAGLETON. Excuse me, is this the Missouri State Hospital on Arsenal Street?

Mr. SLAGLE. That is right.

Senator EAGLETON. The people who were there, are they mostly geriatric cases?

Mr. SLAGLE. Right.

Senator EAGLETON. You say some of them had been there as long as 30 to 50 years?

Mr. SLAGLE. As long as 50 years, no relatives, no friends, no one ever visited them in any way, manner, shape or form. The result was they were put in these homes from the only home that they knew.

Someone had to follow up and try to get them to where they would be satisfied to stay in this home. That was what I was doing after the first 6 months, as I started to say. Then for the next year and a half that is what I have done—place people from the State hospital into

the nursing homes and then follow up. After we once get them adjusted to the home, then I would follow up roughly, about 2 months between each visit. That is as fast as I can make it because I had 30 homes that I visited and in these 30 homes, there were from one to 30 patients in each home. The result was it took me so long to do it I tried to visit the smaller homes at least two homes a day. In other words, it kept me going pretty good.

Mr. HUTTON. Tell the Senator some of the conditions you found in those homes.

Mr. SLAGLE. The point is there is one in particular, you know the location, I won't mention anything at all other than I went into this home. They kept pestering me because they thought that I had the authority to get a lot of welfare and this, that and the other—which I had not—to get this man some clothes.

He is a big tall slender fellow, very hard to fit. So, they said they couldn't find him any clothes and I said, "Well, doesn't he have any money?" I went into the office and they took the records and found out that he had \$300 that he had accumulated in his account from his social security. The result was I told them, I said, "I want you to take some of this money and buy him some clothes. When I come back, if you haven't, I am going to find out why."

There is another patient there who needed shoes and he only had \$21, but two for five you can buy two pair of shoes. I said, "Take part of that \$21 and buy him some shoes." They did. There was another home that I went to. This lady, she was blind. She was sitting in the dining room all the time. Every time I would go and put my hand on her shoulder. I would call her by her first name. I said, "You know who this is?"

She smiled and would say, "I sure do." We would sit there and talk for a while and I would hold her hand and she begged me to have her friends come to see her. We could never contact any friends even to get them to go. No relatives that would even call. So, the result was it went on for some time and she became sick so I found out that she had hepatitis. She had had no care for this period previous to this. They took her to the hospital. She was in there possibly a week. I followed up. In cases of that kind, I stay pretty close. I followed up. They had put her in a room way in the back on the back side of this place and there were two other ladies in it. No one in there to look after her at all.

She begged me for a drink of water. I looked in the pitcher. There was no water in that pitcher. I got her a glass of water. She said, "Could I have another one?" I said, "Yes." and gave her another glass. Then I went into the nurses quarters and I raised the dickens as far as I could go. They said, "We don't have time. We are shorthanded. We have a few patients we can't take care of. We are too busy. We can't take care of them." The result was that I left there and I was back there in 3 or 4 days because I was very, very interested in the party. I wanted to find out if she was getting better. They had her in another room under oxygen. So, I called the State hospital which I do on all of these cases immediately and let the person know and the next information I had, she was dead. Now, this is a situation which is very, very sad. I am not going to say anything other than that, but I do live in the 14th ward.

Mr. HUTTON. Senator, there is another story obviously in the dumping of older people from State mental institutions into proprietary nursing homes which do not give them good care and we have psychiatric evidence that much of this confuses older people and causes earlier death. Many of the people are not well-cared for. That information is for another committee. But what I really wanted to point out is that this man, Irl Slagle, has given himself a new lease on life. We conducted a town hearing in St. Louis and when I went to see him, the doctor in charge of that State mental hospital said, "Mr. Irl Slagle?" People consider him like they consider the director of the institution. He is such a wonderful man. He helps all of these patients. He personally looks after some 130 patients on a day-to-day basis.

Slagle works much more than his 4 hours a day for which he gets paid. He is sometimes working 8 or 10 hours because he wants to give of himself and help other people. This is the kind of person who is working in our senior aides programs.

Senator EAGLETON. Mr. Slagle, how many other men and women are doing this kind of work?

Mr. SLAGLE. We have nine in the hospital. There are six of us that do this type of work. Of course, I have my own automobile which I have been driving. I believe there is one other that has an automobile but the rest of them ride buses. Of course, now they weren't in a position to see all the nursing homes—except the ones close to the hospital, while I had the county and number of the homes in the city.

Senator EAGLETON. You say there were six of you doing the kind of work that you describe?

Mr. SLAGLE. That is right.

Senator EAGLETON. What were the other three doing that were in it? You said there were nine.

Mr. SLAGLE. The others were typists and did clerical work in the hospital.

Senator EAGLETON. All right, now there were six of you that were doing this visitation of various nursing homes. You are paid for 4 hours a day. What are you paid for the 4 hours?

Mr. SLAGLE. I get paid \$2.05 an hour. I furnish my own automobile and that means I don't come out too much, do I? I get gasoline that is all.

Mr. HUTTON. He gets payment for gasoline used.

Mr. SLAGLE. Ten cents a mile.

Senator EAGLETON. You have about 130 patients, as it were, that you keep in touch with an assigned caseload.

Mr. SLAGLE. Sir, those are assigned to me. You see actually, as I believe you will recall, I said there were four levels at the State hospital and I was on level one, the first floor, everything on the first level. They gave those patients to me. Now, each level, they were assigned different senior aides. So, all the people that we were taking out, 130 of them, from June 2, 1969. Now, there were many, many, many others that were already out there that I had no record of. But, everytime that I would go into the home they would ask me, "Can't you visit some of these other people?" I said, "I have no record of them and no way of knowing who they are and what level they come off of, therefore I can't have anything to do with them." It is just a fabulous thing

and we could use a dozen aides. I mean that very frankly, they could use a dozen people out there, if they had the money to put in.

Senator EAGLETON. In terms of new patients or new cases that you work on, do you become familiar with and get to know the individual while that individual is at the State hospital on Arsenal Street and then you follow up with that patient, as he or she is transferred to a nursing home?

Mr. SLAGLE. Private nursing homes, yes.

Senator EAGLETON. So, you are the continuing link, as it were, between—

Mr. SLAGLE. I am the only link that they have. In other words, I work directly with the patient and the social service of the State hospital. If I go into that home and I say, am looking at you and you didn't look just right to me—in other words, I learn to look at a person and tell whether their color and so on and so forth is right, if something is wrong. Then, I will immediately make a written report to the social service. They will send a nurse and a doctor out to check that person. I have many, many reports that I have turned in, written reports to them, asking them to go out to take care of their teeth and take care of this and take care of that. When they have broken teeth, they will go out and pull these teeth. Many, many things that they do. Otherwise they would never do it.

Now, I had a nurse recently ask me—she said, "Irl—that is the way they all speak to me—would you keep very close in touch with these homes and let us know if you know of anyone who dies?" I said I would be more than glad. You see I give them all of that information. We just recently stumbled on some who have been dead for over a year. You see, these homes don't have to tell the State hospital and that is the only way on God's green earth that they have of closing out their records. Therefore, you see each one of these patients that I call on, I give them a written report as to what I find. I first check with the medical facilities in the homes, personnel, and then I will visit each person personally and will talk to them and try to find out what I can about them. The result is that the way I have been trying to operate this job—I have no boss, to be very frank, I am my own boss—I set up my own day's work and that is the way it has been operating ever since I have been there.

Senator EAGLETON. And this kind of work that you are doing and being paid only about \$8 a day to do ties in very directly with your prior experience. You were in the insurance field. I imagine you investigated some insurance claims and cases.

Mr. SLAGLE. Supervised some.

Senator EAGLETON. So, this kind of work ties in very directly with what you have been doing when you were employed.

Mr. SLAGLE. Yes, listen, it just fell into my lap, if you know what I mean.

Senator EAGLETON. Thank you, Mr. Slagle.

Mr. HUTTON. Senator Eagleton, the aides who are here today are probably not representative of all the types of aides that we have working. We have some 1,500, all doing different kinds of jobs. But, as an example of a different kind, I want to introduce Mrs. Adriana Dorsett, a former migrant worker. She is 70 years of age and she lives

in Homestead, which is 40 miles south of Miami. Now, in Homestead is a little community of some 700 former migrant workers who are now too old to move, too old to migrate, too old to move around the country. They are living but many of them are disabled and not able to move out of their homes. They are living in absolute poverty.

Now, this dear lady and another, who are senior aides, work in that town directly from Dade County Senior Citizens Center which is our contractor, our subsponsor, down there in south Florida. She at one time used to distribute the surplus commodities that were available. That program has stopped and now she is probably the biggest "shopper" in the United States. Most housewives have only to shop for themselves but Mrs. Dorsett shops for some 50 to 100 people every week. She goes and gets their foods stamps. She has to go to Miami to do that and then she brings all the stamps back and then she goes with a shopping list to each person and goes to the stores to get their food and bring it to the homes of these poor older people who can't move out themselves.

Then she has got one or two other interesting gimmicks which I am sure she will tell you about. All right, you tell the Senator just what you do, Adriana.

Mrs. DORSETT. I visit homes and some of the people, some of the elderly people, that can't do anything for themselves. So, I and my worker together, we go and clean up for them, cook for them and do all the shopping. Sometimes we go fishing, catch fish, have dinners for them, twice a month. We do that twice a month. To those who are not able to come to the dinner at the center, we takes the dinner to them so that they can enjoy themselves like we do.

Sometimes, I make bread, light bread, and distribute it to them, so they can have something to eat.

Mr. HUTTON. How many people do you look after, Mrs. Dorsett, about 100?

Mrs. DORSETT. About 100 or more.

Mr. HUTTON. She is kind of housemother for those people living in their homes. How about medical care? What do you have to do when they are sick?

Mrs. DORSETT. Well, we have to take them to Jackson, to clinic. This is a place about 40 miles from where we live, to the medical clinic, you know, so they can get medical treatment. So, we takes them there and have to pick them back up. Sometimes it takes all day, from 9 in the morning until 5 in the evening. This is what we have to come up against.

Senator EAGLETON. What is this clinic that is 40 miles away?

Mrs. DORSETT. This is Jackson Memorial in Miami, about 40 miles from Homestead where I live.

Senator EAGLETON. Is it a county operated medical facility, governmental medical facility?

Mrs. DORSETT. Yes.

Senator EAGLETON. How do you get around, Mrs. Dorsett, do you drive a car?

Mrs. DORSETT. No, I don't. I have Miss Richardson, the other senior aide, with me and she has a car. Miss Macke she helps me.

Mr. HUTTON. That is the supervisor from Dade County.

Mrs. DORSETT. Yes.

Senator EAGLETON. And are you still as part of the program doing the shopping for all these various families?

Mrs. DORSETT. Yes, just the Monday before I left home, I left home Tuesday, Monday we had a big dinner party and had 75 people for a fish fry.

Mr. HUTTON. What she does is this. She and this other gal have two big fish fries and they go catching fish, cleaning the fish and they have a deep freeze where they throw it and when they have got enough, they throw a big free fish fry for all the older people who can come. Then for those who can't, she takes the hot meal to them so they get one good hot meal once or twice a month.

Senator EAGLETON. Now, these 100 people whom you assist in this regard, if there wasn't someone like you and the two other ladies who work with you, how would they survive in their own homes?

Mrs. DORSETT. They wouldn't.

Senator EAGLETON. That is, they don't have either the automobile or some of them are physically impaired to the point that—

Mrs. DORSETT. The majority of them don't have any transportation at all.

Senator EAGLETON. There is no public transportation around there?

Mrs. DORSETT. No, unless they take a taxi and they know they will have to pay for that. Some of them don't have money to do that.

Senator EAGLETON. And if it were not for you and the other ladies that work with you in this program, they would just be sort of isolated in their homes.

Mrs. DORSETT. That is right.

Senator EAGLETON. Couldn't get to stores to buy provisions and what have you?

Mrs. DORSETT. That is right. I have a lady, she is 96 years old and she really depends on me. She sits on her porch and waits for me, especially for my visit so I can get her money, go shopping for her and take it back to the house. She would be so happy. There is another man, he is paralyzed in a wheel chair and I have to cook for him, do his laundry.

Senator EAGLETON. This man who is paralyzed in a wheel chair, do you go by that house once a day?

Mrs. DORSETT. I have to go there once a day, every day, to see that he is fed and kept clean, you know.

Mr. HUTTON. Mrs. Dorsett's own husband is an amputee, Senator.

Senator EAGLETON. I see. So the one meal a day in essence that this gentleman gets is by reason of the fact that you prepare it for him because he is not able.

Mrs. DORSETT. The hot meal. I have to do that, yes. So, you see, it is only two of us and it is so many people and I am really proud of this program because without the senior aides I don't know what the people would do in Homestead or Florida City. Really they are in need of more help.

Senator EAGLETON. Is Homestead comprised mostly of these 700 families that were formerly migrant workers?

Mrs. DORSETT. Between the two places and Florida City, it is just a street in between dividing the two places, you know.

Senator EAGLETON. By and large these are comprised mostly of former migrant workers?

Mrs. DORSETT. Right. I used to be a worker on the farm. I worked on the farm all my life until I got this job.

Senator EAGLETON. How much are you paid?

Mrs. DORSETT. I get \$2.15, I think—

Mr. HUTTON. The average across the country is \$2.15 per hour and they work 4 hours per day and 20 hours per week—which is very little.

Senator EAGLETON. You are paid a maximum of 20 hours a week so your maximum is about \$40—some-odd dollars a week which is about all you make.

Mr. HUTTON. She works, perhaps, 60 hours a week.

Mrs. DORSETT. I don't ever get off hardly any days at 12 o'clock. I go to work at 8. Sometimes I don't get home to 4 or 4:30 something like that, but I don't mind it. I love the job, really.

Senator EAGLETON. Would you guess that of the 100 people with whom you deal, if you were not rendering the services to them that you do render, that the substantial majority of them would have to be institutionalized in some place or another?

Mrs. DORSETT. Right, they would, but they don't have to because we help them a lot, you know, and they are quite satisfied. In their housing project, the homes are so shabby and cheap. This is what we need, too, someplace for the poor people to live because the homes are wooden buildings and shabby looking. Sometimes you are scared to walk on the floor. It might go through, you know. So, this kind of thing is very bad for the elderly people because you know some of them cannot protect themselves. I had a lady the other day, she slipped on the floor and her hip is out of place. So, we have to work on all of these things, you know, and it is because the building is not fit for the people that live in it. So, this is some of things that we really need.

Senator EAGLETON. There is no clinic or anything in Homestead as such?

Mrs. DORSETT. Well, there is one clinic there, just one, and it has so many people. You can hardly get waited on in 1 day, so this is why we have to take the people different places so that they can be waited on the same day, you see.

Senator EAGLETON. Yes; is the one in Homestead a county clinic or a private doctor or what?

Mrs. DORSETT. It is county, too, but there are so many people, one clinic is not enough.

Senator EAGLETON. How many doctors at that clinic?

Mrs. DORSETT. I think they have just two doctors. You see, this is not sufficient. There is too many people for this and this is where we need more doctors, more clinics, and so many different things they need down home.

Senator EAGLETON. In terms of transporting people to the clinic that is 40 miles away, this other lady that has the car sort of runs a bus service for them?

Mrs. DORSETT. That is right. That is what she has to do.

Senator EAGLETON. And you and she take some people over there in the morning and then come up in the afternoon and bring them back?

Mrs. DORSETT. Sometimes I wait there. The lady has to go back, see, and she is making a double trip. I have to stay with the patients.

Mr. HUTTON. The car might be, for example, distributing some food in Homestead so she has to leave off Mrs. Dorsett with the patients and then come back and pick her up later.

Senator EAGLETON. Thank you very much, Mrs. Dorsett.

Mr. HUTTON. Thank you, sir. Now, the third senior aide is Mrs. Icy Gillespie. Her name really is Icy but she has got a very warm heart. She is 60 years old and her husband was a preacher. An interesting feature about Mrs. Gillespie is that she really is a lady who has trained herself on the job to do the things that she is now doing on behalf of senior aides. She has never accepted welfare and refused to go on welfare when her husband died. She has never held any other job. This is the first job she has ever held in her life. She has always been a housewife. When her husband died, she got a little help from her son, but then she heard about the senior aides project and she went down to the senior aides. Perhaps Mrs. Gillespie, you can speak close up to the microphone and tell the Senator how you started and what you are doing now.

Mrs. GILLESPIE. I started with taking care of children in ceramics, in crafts and in woodworking, and other things. I worked with them and I learned as they did the work. I didn't think at first that I could do this work but I told my boss, "Well, I will try it and see how I do, and if I can't, then I will have you to transfer me to something else." But, after I got down and worked with these children and saw how they needed help, I was very much glad that I could help them.

Mr. HUTTON. These are retarded children in the shelter workshop, sir, and many of these children, having learned simple skills, are able to go on into jobs and quite a number of them are able to find work in other areas—some of them, of course, can't, and stay on.

Mrs. GILLESPIE. That is right. Some of them can't learn and some can. I teach them cooking and I teach them to respect other people and to respect their instructors and anything like that. When they see me coming in, their smile rewards me.

Senator EAGLETON. Is your experience the same as the other two witnesses, that you are paid for about 4 hours a day?

Mrs. GILLESPIE. That is right.

Senator EAGLETON. Do you find that you put in more than 4 hours a day?

Mrs. GILLESPIE. Well, yes; sometimes I put in 6.

Senator EAGLETON. You have had some success with some of the young people in having them placed and they do gain employment?

Mrs. GILLESPIE. Yes; they go and we get them so that they can go to Charleston and then they learn them a trade there and then they are able to go out and get a job.

Mr. HUTTON. One of the most important factors, sir, is that these mentally retarded young people are taught to do things around their own homes.

Mrs. GILLESPIE. Yes.

Mr. HUTTON. To be useful with their own families, to cook, to repair things, and to feel that they can make a contribution to the family in

this way. This is a real soul-satisfying thing for Mrs. Gillespie and, of course, a most wonderful thing for those kids.

Senator EAGLETON. Did you say earlier, Mr. Hutton, that there are 1,500 senior aides in the whole country?

Mr. HUTTON. Close to that, sir, I believe approximately 1,450.

Senator EAGLETON. And I take it that in terms of useful and meaningful employment we could much multiply that figure?

Mr. HUTTON. Yes, sir; you can. I think this is the biggest bang for the buck—any buck—that the Government is spending. The fact is, that we need more aides. We need aides for many cities with these kinds of problems, as you know. The value to the community of this kind of thing is just marvelous. It just keeps on building. Not only do the senior aides themselves benefit, but other older people benefit, and in turn, are able to help others because of the ideas which the senior aides pass on to them. It is a most constructive thing in a community for these community services which are performed would not normally be done, sir, but for the financing available under this program. Cities don't have the moneys and yet they are vital services. I don't know what they would do with the old people in Homestead if this program wasn't going. I don't know what they would do to help the retarded children in this West Virginia area but for these aides that are doing this. Perhaps, we could move finally to—

Senator EAGLETON. Let me ask you one other question, Mr. Hutton, in terms of the close to 1,500 senior aides that are now in the program, what percentage of them would be working with elderly people like Mr. Slagle and Mrs. Dorsett, versus young people or people not above 45, like Mrs. Gillespie?

Mr. HUTTON. I would say probably half and half. Mrs. Nathanson is deputy director and could tell you this. Half of the people perhaps would be older people and half younger. There are day care centers in almost every area so they take quite a number of them.

Senator EAGLETON. Will you give us your name, ma'am?

Mrs. NATHANSON. I am Rose Nathanson and I am the deputy project director for this senior aides project. I would be inclined to say on the basis of the study we made of ages a year ago that better than half of the senior aides are over 60. That is their age.

Mr. HUTTON. But the people they help?

Mrs. NATHANSON. Yes, I would agree Senator that the people that they are serving are about 50-50 agewise.

Senator EAGLETON. Thank you, ma'am.

Mr. HUTTON. There are many different roles which the senior aides play. There are many job slots which they fill. And, perhaps it would be good to hear from a project director who would have them under her direction. In each of these major cities we have 60 senior aides, but in one area we have a split program. In Fall River and New Bedford, Mass., there are 30 each and Mrs. Jean Campbell is the project director. She is head of the YWCA there which is our local sponsor and Mrs. Campbell has 30 aides in New Bedford.

Mrs. CAMPBELL. Yes.

Mr. HUTTON. Tell us about your experiences.

Mrs. CAMPBELL. Mr. Chairman, there is nothing that I would rather do than speak to you or anyone on behalf of the senior aides program. You have listened to three aides today and I would like to state that

their stories can be echoed by our 30 aides from New Bedford and I am certain they can be echoed a thousandfold by all those across the country who have been a part of this program.

Our 3-year participation has demonstrated, first, that there are many older persons who want the self-respect which comes from supporting themselves and not living off others, either their families or their communities. The Massachusetts Department of Employment Security has reported more than a thousand inquiries for our 30 slots; 16 of our 30 aides, 53.3 percent, could receive more from welfare than they do working on this program. There is now dignity in purpose in their lives.

Second, there is no predetermined chronological age for obsolescence in today's society. Our aides have proven competent, industrious, and dependable. We have received commendations of their work, written and oral, from their host agencies and we have 12 of them. Their employers would rather have senior aides than any other age level. Their attendance record is superior, absenteeism is minimal or nonexistent. Attendance figures haven't been gathered this year yet, but previously we have reported that 26 of the 39 aides that we had over a period of time took no sick days or made them up.

This is a part of it. They are anxious to continue to give of themselves. I believe part-time work is the most important key to the success of this program. Older workers have the physical stamina to do an excellent job for 20 hours. The scheduling involved is a little effort indeed for the benefits mutually received. As far as our project is concerned, it has not been a project for training aides into the regular market.

For a variety of reasons jobs are just not available. New efforts should be made through business, industry, unions, and insurance companies, nationally and locally, to encourage development of a 20-hour week part-time job for those older people who wish to be productive. To my knowledge, in the over 1 year that we have participated in a health insurance plan, only one aide has had need of the insurance, and this was for a non-job-related accident on the ice.

Third, there is a stability to an employment program for the aged. Of our 30 slots, 10 aides have occupied their positions since 1968. Eight came in 1969, eight in 1970, and four in 1971. Obviously, tenure is excellent and turnover negligible. Good for those taking part but disappointing for those wishing to work.

In an area where unemployment reached the F category, catastrophic 12.3 percent, or 1 out of every 8 persons in the labor force jobless, 30 job slots for persons 55 years of age or over have no impact whatsoever on the elderly population of over 25,000 or 25 percent of the total population of New Bedford.

Fourth, it has been demonstrated that unskilled and one-skilled older persons can do meaningful work. Only five of our jobs take any special skills which cannot be learned by the orientation provided by host agencies. Most of the applicants really have no skills pertinent to today's labor market in New Bedford. Senior aides have adapted well to the variety of assignments and especially competent are those aides who serve children and people.

Fifth, the host agencies have been able to provide their community with more and better services, better programs, and better supervision which the community has not been financially able to provide. It

would be difficult to say whether the aides or the agencies have benefited most. It has proven itself equally valuable to both.

In discussions with the other project directors this week I have been even more impressed, if that could be possible. As executive director of the New Bedford YWCA and other nonprofit organizations before that, over the years I have been involved in one way or another with a variety of Government funded projects. None, in my estimation, have provided better use of Government funds. This is an opinion shared by host agencies across the country. The minimal support for administrative costs would be extremely helpful in a depressed area such as New Bedford, the strength of the senior aides program lies in the elimination of the high-salaried administrators with all the moneys going solely for the salaries of the aides. We feel privileged in New Bedford to have this opportunity, sponsored by the National Council of Senior Citizens for the Department of Labor.

We urge with all our hearts the enactment of legislation which can extend new hope and new life to this vital segment of our country's population, the older American.

Senator EAGLETON. Thank you very much, Mrs. Campbell.

Mr. HUTTON. Senator, just in conclusion, sir, I would like to say that we do have another aide here from Washington, D.C. We thought because of shortness of time, we would reduce it. Her name is Mrs. Annie Williams. I would like her to stand, sir, and I would like to put her testimony in the record, if we may.

Senator EAGLETON. Thank you very much.

Mr. HUTTON. She is working in the District of Columbia.

Senator EAGLETON. Her statement will be made part of the record.

Mr. HUTTON. Thank you very much, sir. I would like to express the need, not just for this legislation which is absolutely and utterly vital if we are going to get anywhere, but the need for completely wholehearted commitment on the part of the Federal Government. The enactment of these three bills would not in themselves provide the total solution. We would still need assurance of the wholehearted commitment on the part of the Federal Government that these and other legislative enactments will be pursued with vigor because it requires a reinforcement of efforts in relation to the age discrimination and employment act. It requires a careful examination of the public service employment act to assure appropriate emphasis on implementation of the needs of older workers.

An underlying requirement in all these efforts is the establishment of a focal point in the Department of Labor for attention to the employment problems of middle-aged and older workers. At the moment, the Department of Labor, a great big organization, has no one—I repeat, no one, to whom we can turn to direct our problems on older workers or retired workers. We believe that it is high time that this great Nation had some department over there which will feature and handle these problems.

Only through concentrated and specialized attention can our Nation realize its stake in the employment of what Senator Randolph described this morning as our more mature people. I want to thank you very much, Senator.

(The prepared statements of the panel follow:)

PREPARED STATEMENT OF WILLIAM R. HUTTON
EXECUTIVE DIRECTOR-NATIONAL COUNCIL OF
SENIOR CITIZENS, 1627 K STREET N.W. WASHINGTON

Before the
SUBCOMMITTEE ON AGING OF THE SENATE
COMMITTEE ON LABOR AND PUBLIC WELFARE, WASHINGTON, D.C.

July 29, 1971

Mr. Chairman:

My name is William R. Hutton and I appear before you today in a two-fold capacity: as Executive Director of the National Council of Senior Citizens and as Project Director of the National Council's Senior AIDES program.

On behalf of all three million members in over 3,000 affiliated clubs of the National Council of Senior Citizens, I thank this subcommittee for providing the opportunity for us to testify in wholehearted support of legislation to increase employment opportunities for middle-aged and older workers, including the establishment of a community service program (S-555, S-1307 and S-1580).

Very special thanks come from the thousands of low-income elderly who have benefited financially and psychologically from the opportunities for meaningful part time jobs that have been provided by our Senior AIDES program. Unselfishly, they hope to share the benefits of these limited demonstration programs with their fellow men throughout the nation; they urge this Congress to enact the legislation that would make this hope a reality.

On behalf of the National Council, I also wish to introduce to this subcommittee a working paper which we have just completed on behalf of the Senate Special Committee on Aging. The paper has been published under the title, "The Nation's Stake in the Employment of Middle-Aged and Older Persons." The staff of our Senior AIDES program poured heart and soul into this report because each member is dedicated to the

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message conveyed.*

We hope that this working paper will help this subcommittee in its consideration not only of the needs of legislation of the kind which is the subject of these hearings but, importantly, we hope that this paper will also help you expose some of the myths which may have hindered the introduction of large scale national employment programs for the elderly long before now.

SENIOR AIDES PROGRAM OF THE NATIONAL COUNCIL
OF SENIOR CITIZENS

On June 21, 1968, the National Council of Senior Citizens signed a contract with the U.S. Department of Labor to sponsor a senior community service program. The National Council chose to call the program Senior AIDES (the latter word being an acronym: Alert, Industrious, Dedicated, Energetic Service). The program had two primary functions:

- . To provide socially useful part time employment for low-income elderly persons;
- . To improve and expand existing community services - and to create new services.

Underlying these objectives was the intent to develop a model for an effective national senior community service program.

The original contract provided employment for a total of 400 elderly persons--40 persons in each of ten community projects.

* The staff members of the Senior AIDES program who prepared this report were William R. Hutton, Project Director; Rose A. Nathenson, Deputy Project Director and Director of Planning and Development; Will C. Connelly, Program Director; Sara Jane Hardin, Charles Pray and Wilmer Wilson, Jr., Field Representatives; Peg Savage, Field Service Assistant and Dorothy McCamman, Consultant.

Since then, the program has been expanded twice to reach its current size of 1,148 Aides working in nineteen projects. In January 1969, six months after the project went into operation, a supplemental agreement was signed with the Department of Labor providing for the addition of four community projects and an increase in the number of Aide positions so that every project had sixty Aide positions. Then, in June of the same year, a contract amendment added five more communities to the program.

The program has been refunded in exact dollar amounts since the Administration of President Nixon came into power in January 1969, but there has been no further expansion of the programs.

Senior Aides have been employed on jobs that are not now and normally never would be available to the elderly. Applicants for Senior Aides jobs must be aged 55 or over and meet the Office of Economic Opportunity poverty income guidelines. Senior Aides earn an average of \$2.15 an hour for 20 hours work a week.

The National Council's administration has been unique in three important respects:

- (1) Its choice of communities and the variety of sponsoring agencies;
- (2) The freedom it has given the local projects to design and operate their own program;
- (3) Its emphasis on low-overhead administrative costs.

Each penny of Federal funds that has gone to local projects has been for wages and fringe benefits of the elderly who have been hired to serve as Senior Aides.

Local sponsors have absorbed the full cost of local administration. Overhead costs nationally have average only 12.9 per cent of the total budget in the contract period which covered the first two years of operation. It has averaged less than 10 per cent in the contract period which ended on May 21, 1971

In its almost three years of operation, the National Council's

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Senior AIDES project has demonstrated its potential of achieving its basic program objectives to provide socially useful employment for low income elderly persons; and to improve and expand social services needed by the community. In so doing, it has created a structure for a national community service employment project.

Although on December 16, 1970, the President vetoed the Manpower Bill which would have provided jobs such as these to vast numbers of needy, elderly persons throughout the country, the National Council of Senior Citizens is continuing its fight to secure such legislation.

The National Senior AIDES program is one of the programs which are a part of the so-called "Operation Mainstream" of the U.S. Department of Labor. This Operation is supposed to be the major manpower program for the elderly. Yet, we find that actually fewer than 6,000 elderly persons were provided with employment through all of the mainstream projects in 1970, which was the year of its largest funding.

Despite the pleas of the elderly and the importunings of community leaders and members of Congress (who recognize the need for a program of this kind) the best that we have been able to secure at the present time is a refunding of our current Senior AIDES program at exactly the same dollar level as was allocated for the contract year ending May 21, 1971. We are going ahead with our efforts to utilize these funds to the maximum possible recognizing that the dollar that was available last year is worth very much less than the dollar that is payable this year.

DIMENSIONS OF THE PROBLEM:

The legislation now under consideration by your subcommittee is addressed to a complex problem - a problem that cries out for solution more loudly with each passing day.

In our working paper, we summarized - perhaps oversimplified - the problem as follows:

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" Millions of older Americans now living in poverty or on the border line of poverty are perfectly able to work and want both the psychological and financial rewards that come from employment.

"Some of them have long since retired and need part-time earnings to supplement Social Security benefits or assistance payments. Some have been forced into retirement prematurely or have been widowed before the eligibility age for Social Security benefits or old-age assistance. Others are 'older' workers, many still with young children, who need full-time jobs not only to support their families now but to build up their rights to future retirement benefits; as family heads, they lose dignity when employment and training opportunities are available to their teenage children but not to them."

Exact dimensions of the problems are not available but we do know that it has grown rapidly in recent years.

We know, for example, that the number of aged living in poverty actually increased between 1968 and 1969 and that meagre increases in Social Security benefits thereafter have left just about as many aged poor as before.

We know that thousands of workers are prematurely eased out of the labor force and therefore claim early Social Security benefits just as soon as they are eligible - even though this means a reduction in retirement income for the rest of their lives. In the cautious words of the Social Security Administration: "A certain urgency is thus implied for some of them - almost as if they were in a queue waiting for the minimum age for retired worker benefits to arrive."

And we know that workers are facing the problem of long-term unemployment - perhaps permanent unemployment - at ever earlier ages. At the beginning of 1971, the number of jobless men 45 years or older had reached more than one million - an increase of some 80 per cent in less than two years. Currently, there are nearly half a million workers aged 55 and older who

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have lost their jobs, more than a third of whom have been out of work for nearly three months. Compared with January 1969, this represents almost double the number of long-term jobless among workers 55 or older.

DIVERSITY OF PROBLEM CALLS FOR MULTIPLE SOLUTIONS:

Just as the unemployment problems of middle-aged and older persons are diverse, so are the lines of attack on these problems.

Volunteer service: We need an expansion of programs such as RSVP (Retired Senior Volunteers Program) through which older people who want employment for psychological well-being rather than for income - can volunteer their services. Hopefully, the transfer of this program to ACTION on July 1, 1971 will open the door to new meaningful opportunities for the elderly who can afford to volunteer their service. Hopefully, too, these unpaid opportunities will not deprive other people - we have specific reference to Foster Grandparents - of the chance to earn badly needed income while serving their communities.

Community service employment: But for an older person who is poor or close to the poverty line, it is folly to talk of opportunities to serve in volunteer efforts that merely reimburse out-of-pocket expenses. Yet there are hundreds of thousands of them who are still able to do part time work and who will fight to the death to stay off welfare.

For them we need to translate the highly successful experience of demonstrations like "Senior AIDES" into an ongoing nationwide program. Ample documentation of the need for such programs, an assessment of their strengths and a realistic recognition of needed improvements are all detailed in our report, "The Nation's Stake in the Employment of Middle-Aged and Older Persons."

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In this statement we need do no more than to underline our oft-repeated endorsement of the Older Americans Community Services Act (S-555) introduced on February 2, 1971 by Senator Kennedy with strong bipartisan support and incorporated in the bill introduced by Senator Percy on April 20, 1971.

The National Council's oral testimony at this hearing also concentrates on the value of a nationwide community service program for the elderly who need part time employment to supplement inadequate income; we felt that the subcommittee can best hear this story from the lips of people who live with the program on a day-to-day basis, and whose lives have been meaningfully enriched thereby.

Employment as the means of existence: Even were this nation to realize to the fullest the rich potentials of nationwide programs for volunteer service and part time paid employment in community service, there would remain a deep and widening gap in our employment efforts on behalf of middle-aged and older workers. This gap represents the needs of older unemployed workers for whom a job is the very means of existence now as well as the means for building up rights to future retirement benefits.

Many of these unemployed workers are the children of members of the National Council and parents of their grandchildren. Our members are therefore particularly concerned that gains which we make for our oldest citizens be accompanied by - rather than at the expense of - our population in the working ages. Our members want employment and service opportunities for themselves but they do not want to compete with middle-aged and older workers who need full-time paid employment as the sole means of supporting their families.

Thus the National Council of Senior Citizens is a wholehearted supporter of S-1307, the Middle-Aged and Older Workers Employment Act introduced by Senator Randolph on March 19, 1971, (the provisions of which are also included in S-1580, introduced by Senator Percy on April 20, 1971).

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Our experience with the Senior AIDES program has revealed countless instances in which persons in their fifties have virtually no income and need much more than the earnings provided by part time community service. They and other middle-aged workers need the comprehensive mid career development services program with the various services that would increase full time as well as part time employment opportunities for workers aged 45 and older.

The National Council of Senior Citizens was dismayed last December when the President vetoed the comprehensive manpower legislation that included Senator Randolph's proposal, passed overwhelmingly in the Senate. The National Council trusts that this badly needed legislation can now be passed without further delay.

THE NEED FOR A WHOLEHEARTED COMMITMENT

Enactment of the proposals of S-555 and S-1307, merged in S-1580, would still not provide the total solution to the employment needs of middle-aged and older people. We would still need assurance of the wholehearted commitment on the part of the Federal Government that these and other legislative enactments will be pursued with vigor. Specifically, this requires a reinforcement of efforts in relation to the Age Discrimination in Employment Act. It requires a careful examination of the Public Service Employment Act to assure appropriate emphasis of implementation on the needs of older workers. And an underlying requirement in all these efforts is establishment of a focal point in the Labor Department for attention to the employment problems of middle-aged and older workers. Only through such concentrated and specialized attention can our nation realize its stake in the employment of our more mature people.

HEARING ON EMPLOYMENT NEEDS OF THE ELDERLY
BEFORE THE
SUBCOMMITTEE ON AGING
OF
THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

New Senate Office Building
Washington, D. C.

July 29, 1971

My name is Mrs. Annie Williams. I am 57 years old. I have been a Senior Aide with the Washington, D. C., Senior Aides Project since 1968. I pick up my assignments at the Senior Training Aides office, 100 Indiana Ave., N. W., and then my work might take me to any of several senior centers throughout Washington.

I teach candle-making to elderly persons; I sign them up for low-cost bus fares in Greater Washington; I arrange transportation for them to visit the Capitol, the parks, and Baltimore, Md. The D.C. Transit Company and the City Recreation Department arrange these free trips for the elderly of our community.

I have done friendly visiting in the poverty areas of Washington. One family that I visited and assisted consisted of a brother and sister, living on her widow's Social Security benefit of \$70 a month. The man was crippled and, as he was self-employed all of his life, was not eligible for Social Security. I went to the Welfare office and reported their living conditions and great need of help to a caseworker. I helped the brother and sister to get food stamps. I went to their private physician, and told him about their circumstances. We helped them apply for Medicare. Even with this assistance, they were not able

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to manage. I went to their home once to help them take baths. Their skin just peeled off with their clothes, it had been so long since they were able to bathe. They could not survive by themselves, and eventually they were placed in nursing homes. The sister died recently, but we still visit the crippled brother in a nursing home. That was the most pathetic case that I have ever had.

I am not eligible for Social Security yet. I was a Food Handler for 17 years, at Maryland University. I had a little carry-out shop of my own for 10 years. I sold and lived on the money from the sale because I could not find a job. I applied for work with the Senior AIDES Program because I was sick and I needed a job, but I couldn't take a job that would require me to work all day. I enjoy working my work because I am helping people who really need it.

HEARING ON EMPLOYMENT NEEDS OF THE ELDERLY
BEFORE THE
SUBCOMMITTEE ON AGING
OF
THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

New Senate Office Building
Washington, D. C.

July 29, 1971

My name is Irl Slagle. I am a Senior Aide with the Project in St. Louis, Missouri. I am 71 years old. I was in the insurance business for 30 years, until I retired in 1964. My income from Social Security was \$1,261 a year. I nursed my wife for four years before she died in 1968. After that, all I was doing was wandering around the streets. I read an article in the newspaper about the Senior AIDES Program starting in St. Louis, and I applied for a job. I went to work in the St. Louis State Hospital, where I became acquainted with isolated, elderly patients. Many people in the hospital had no families at all. Some had been there as long as 50 years. My job was to become acquainted with the patients, prepare them for a change from the hospital to nursing homes, and to follow-up afterwards, with visits to the nursing homes. I became the only contact with the outside world for 130 patients. I am their only family member. If I am a day late in making my rounds of visits to 30 nursing homes, the patients say, "Where in the world have you been." I finally asked some of them, "Don't you get out at all?" Many did not go out, so I took them for car rides in my car. I discover the personal needs of the patients -- whether they need teeth or glasses or other medical attention, or just clothing, and I bring this information to the attention of the right authorities. For instance, I knew that one

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patient needed clothing badly, but nursing home personnel said they did not have clothes to fit the man, and they would not go out and buy him any clothing. I checked on the matter and discovered that he had \$300 accumulated from Social Security, deposited with the nursing home, and I made them take that money to go out and buy clothes for the man.

I try to see each of my patients once every two months, as they depend on me and I take a personal interest in their health and problems. This work has given me a new lease on life. I am very grateful to the Senior AIDES Program to have a gainful occupation that means so much to me and to the people I help. Of all the work that I have done in my lifetime, my work with mental patients during the past two years, as a Senior Aide, has been the most meaningful.

HEARING ON EMPLOYMENT NEEDS OF THE ELDERLYBEFORE THESUBCOMMITTEE ON AGINGOFTHE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARENew Senate Office Building
Washington, D.C.

July 29, 1971

My name is Mrs. Adriana Dorsett. I am 70 years old. I am a Senior Aide in Dade County, Florida.

All my life I worked in the fields, picking okra, blackeyed peas, ple beans and tomatoes--as a migrant worker. Two years ago I became a Senior Aide at the outreach center in Homestead, Florida, 40 miles south of Miami. Now I help those people I used to work with in the fields.

I have seven children, 16 grandchildren and 11 great-grand children.

There are several hundred elderly people who spent their lives in the fields in the Homestead-Florida City area. Now they are too old or too sick to work in the fields. If they get

social security, it is very small. Rents are high for our little frame houses, and most of the homes of the elderly do not have plumbing or heating. I used to deliver surplus food from the Department of Agriculture to 200 people each month until food stamps were approved in Florida three months ago. I carried boxes of food, monthly quantities, that weighed forty or fifty pounds a box. They used to call me "Boy," because I was able to lift the boxes and deliver them to the homes of sick people.

I often go fishing with the other Senior Aide assigned to the Center, Mrs. Richardson; and we catch grunt, jack, mullet and snapper in the bay, and down on the Keys, and then we have a fish fry. Last week we caught 40 jack and held a fish fry for 75 senior citizens. My daughter baked a big cake and we held a monthly birthday party. If they are too sick to come to the Center, we bring the dinner to their homes.

Let me tell you about some of the 200 people I help. One lady is 96 years old, and she just sits on her porch and looks forward

to my visit. I helped her sign up for commodity food, and I now have signed her up for food stamps. I get these groceries for her and deliver them to her. The other day I went there and she was on the floor. She had fallen a week before and had broken her hip, and no one had come to see her and help her until I went to her door.

We take these people by car to the hospital in Miami, some 40 miles away, to get medical help. The public clinic is in the county hospital, Jackson Memorial Hospital, and there are long lines of people at the clinic. Taking a patient there is an all-day affair.

One man I helped had a leg that had to be cut off. Before they took him into the hospital, gangrene set in; I took care of him; I cooked for him, cleaned his apartment and spoon-fed him. I had to ask God to give me the stomach to clean him up, the smell was that bad. I want you to know how much this program means to me. I can live in dignity...I love to help my fellow man, and now I can do this. I can pay my rent, buy clothes and not have to go on welfare.

This is my first trip to Washington, and I am glad to have the opportunity to tell you about my work. Only in this great country could I ever have a chance like this.

HEARING ON EMPLOYMENT NEEDS OF THE ELDERLY
BEFORE THE
SUBCOMMITTEE ON AGING
OF
THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

New Senate Office Building
Washington, D. C.

July 29, 1971

My name is Mrs. Icy Gillespie. I am a Senior Aide with the Senior AIDES Project in Marion County, West Virginia. I am 60 years old. My husband was a preacher. He died in January, 1968. He was in and out of the hospital for two years before he died. That used up any money we had.

I never worked outside my home before in my life, and I wasn't eligible for social security. But I didn't want to go on welfare. I have a little frame home, but I could hardly afford to pay the taxes. My son was helping out, but he has a family and I didn't want to be a burden. I did some baby-sitting but it wasn't enough money, and I couldn't find a job. I went to the Employment Security office in Fairmont, West Virginia, and they

sent me to the Senior AIDES Project Director. He found me a job as an instructor in the Marion County Association for Children sheltered workshop.

I work with young people, who have the minds of very young children. They are young adults, age 16 to 30. Some can learn, some can't. But I love them and they love me. I teach the girls how to cook and sew. I teach the young men how to re-make furniture. The Sheltered Workshop is a day care center that prepares young people to go to a vocational training school in Charleston, West Virginia.

I have been a Senior Aide since April 15, 1969, and I have missed only two day of work in that time. In addition to working with the retarded students, I talk with their parents, and tell them about the progress of their children. I love my work. I wouldn't trade my job for anything. The children are so tickled when I come to the center each day. This is more than just a job for me. I know in my heart I am doing something worthwhile and important, and my reward is their smiles.

HEARING ON EMPLOYMENT NEEDS OF THE ELDERLY
BEFORE THE
SUBCOMMITTEE ON AGING
OF
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July 29, 1971

New Bedford Senior AIDES Project Statement
Miss Jean Campbell, Project Director

There is nothing I would rather do than speak to you, or anyone, on behalf of the Senior AIDES Program. You have listened to three Aides and I would like to state that their stories can be echoed by our thirty Aides in New Bedford, Massachusetts, and I am certain they can be echoed a thousand fold by all those who have been a part of this program across the country.

Our three years participation has demonstrated that:

1. There are many older persons who want the self-respect which comes from supporting themselves and not living off others, either their families or their community. The Massachusetts Department of Employment Security has reported more than a thousand inquiries for our 30 slots. Sixteen of our thirty Aides (53.3%) could receive more from Welfare than they do working on this program. There is now dignity and purpose to their lives.
2. There is no predetermined chronological age for human obsolescence in today's society. Our Aides have proven competent, industrious and dependable. We have received

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commendation of their work, written and oral, from their host agencies. Their employers would rather have Senior Aides than any other age group. Their attendance record is superior. Absenteeism is minimal or non-existent. Attendance figures have not been gathered this year, yet, but previously we had reported that 26 of 39 Aides employed took no sick days or made them up. 3 missed only 1 day, 3 missed only 2 days, and only 1 had a questionable record. I believe "part-time work" is the most important key to the success of this program. Older workers have the physical stamina to do an excellent job for 20 hours. The scheduling involved is little effort, indeed, for the benefits mutually received. As far as our project is concerned, it has not been a project for training Aides to enter the regular market. For a variety of reasons, jobs are not available. New efforts should be made through business, industry, unions and insurance companies, nationally and locally, to encourage development of 20 hour a week part-time jobs for those older people who wish to be productive. To my knowledge, in the over one year that we have participated in a health insurance plan, only one Aide has had need of the insurance and this for a non-job related accident on the ice.

3. There is stability to an employment program for the aging.

Of our 30 slots-

10 Aides have occupied their positions since 1968
 8 Aides came in 1969
 8 Aides came in 1970
 4 Aides came in 1971

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Obviously, tenure is excellent and turnover negligible; good for those taking part, but disappointing for others wishing to work. In an area where unemployment reached the "F" category this year, a catastrophic 12.3% or 1 out of every 8 persons in the labor force jobless, 30 job slots for persons 55 years of age or over have no impact whatsoever on the elderly population of over 25,000 or 25% of our total population in New Bedford.

4. Unskilled or one-skilled older persons can do meaningful work. Only five of our jobs take any special skills which cannot be learned by the orientation provided by host agencies. Most of the applicants really have no skills pertinent to today's labor market in New Bedford. The average educational level of participants has been 9.3 years. Senior Aides have adapted well to the variety of assignments. Especially competent have been those Aides who serve people, children in particular.
5. The host agencies have been able to provide their community with more and better services, better program and better supervision which the community has not been financially able to provide. It would be difficult to say whether the Aides or the agencies have benefitted most. It has proven itself equally valuable to both. In discussions with other project directors this week, I have been even more impressed, if that could be possible. As Executive Director of the New Bedford YWCA and other non-profit organizations before that, over the years I have been involved in one way or another with a variety of

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government funded projects. None, in my estimation, have provided better use of government funds, and this is an opinion shared by host agencies across the country. Though minimal support for administrative costs would be extremely helpful in a depressed area such as New Bedford, the strength of the Senior Aide Program lies in the elimination of high salaried administrators with all monies going solely for salaries of Aides.

Senator EAGLETON. Thank you very much. Our thanks to the four participants on your panel, Mr. Slagle, Mrs. Dorsett, Mrs. Gillespie, and Mrs. Campbell. It has been very instructive, very informative. We always appreciate the people you bring to us, Mr. Hutton. Thank you.

Our next witness is the senior Senator from Massachusetts, the Honorable Edward Kennedy, who is the sponsor of S. 555, the author of it, with several cosponsors.

Senator Kennedy.

**STATEMENT OF HON. EDWARD M. KENNEDY, A U.S. SENATOR FROM
THE STATE OF MASSACHUSETTS**

Senator KENNEDY. Thank you very much, Mr. Chairman.

I appreciate your permitting me to testify at this time rather than earlier with my colleagues, the principal sponsor of the legislation, Senator Randolph, and some of the cosponsors of the program.

Since Mrs. Jean Campbell, the project director talked a bit about New Bedford which I had intended to talk about, I am sure the spokesman on this question for Massachusetts has presented the case well and I am sure it has been well heard.

So, I appreciate, Mr. Chairman, very much the chance to be with you and I know that the purpose of the hearings this morning is to hear from some of our senior citizens, our middle-aged and older workers, so I won't take too much of the committee's time.

Across the Nation, Mr. Chairman, more than 1 million older Americans are unemployed. Across the Nation older Americans are the last to be hired and the first to be fired. Across the Nation, older Americans are discovering that the affluent society is a closed society. The Nation must open access to its older Americans. It can no longer afford to waste their talents, deny their hopes, destroy their remaining years through a policy of neglect. The annual report of the Special Committee on Aging has described in detail the economic plight of the Nation's 20 million elderly.

In the decade of 1959 to 1969, Americans 65 and older constituted 15.1 percent of all citizens living below the poverty level. Today, 1 in 5 elderly Americans is living in poverty. The future is uncertain. The depressing statistics shows that the number of jobless men 45 or older has increased from 596,000 to 1,025,000 since January 1969. The number of older Americans who have been out of work for 27 weeks or longer was 48,000 in January 1965 and today it is 205,000. Yet, even these grim statistics fail to conclude the portrait of unemployment among the elderly.

To those who are listed as seeking work, must be added the 8.3 million males 45 or older who have withdrawn from the labor force. They have given up. They have been without work for so long that they are not even counted among the unemployed. The cruel reality of the forgotten Americans was expressed time and time again during the hearings which I conducted in Massachusetts and Washington last year on the need for the Older American Community Service Employment Act.

The witnesses testified to the plight of the capable intelligent and willing men and women who have been discarded by our youth-oriented Nation. They said:

I have nothing to look forward to. I am sure that today will be the same as yesterday and yesterday was the same as the day before. If only I could feel wanted and once again become part of that world outside of my apartment.

The isolation and loss of self work for millions of elderly Americans experience is both heartless and unnecessary. Literally millions of men and women are seeking to offer their talents and skills, and they are being scorned. New legislation is vitally needed now to provide a comprehensive program of employment services for older Americans. I believe the bills now before this committee can accomplish these goals. The measure which Senator Randolph introduced and which I and my distinguished colleagues have joined in in cosponsoring would establish a midcareer development service program within the Department of Labor to provide training and counseling and other supportive services directed at the needs of older workers.

It also would authorize recruitment and placement services in communities where large numbers of unemployed are out of work because of a plant shutdown or mass layoff. This legislation would help many persons back into the labor force. Other alternatives must be kept open for those who are unemployed or retired. One option of proven merit is the opportunity for service in local communities provided in the older Americans community service program S. 555. For the older Americans it would offer a new source of income and it would help him to be a working, contributing member of society. It would mean that once more they were in the mainstream of American life. For the communities the program would supply talented, experienced and dedicated manpower to perform critical tasks in hospitals, schools and libraries and in numerous other public agencies.

Under the bill which I have introduced and which some 15 other members have cosponsored, the Secretary of Labor would be authorized to establish and administer a community service program for persons 55 and over who lack opportunity for other employment. The Secretary would provide assistance to national voluntary agencies, State and local organizations in developing these programs. He could pay up to 90 percent of the cost of the State or local program. In the case of an emergency or a disaster project, up to 100 percent cost.

I believe this bill has the support of every major group, virtually, representing the interests of the elderly and that support comes as a result of the experience with a variety of outstanding pilot programs, such as, greenthumb, greenlight, senior aides, senior community service, late start and senior community service aides. In Massachusetts we have seen the success of these programs. In Fall River, New Bedford and Boston, low-income elderly persons have been working for 3 years as senior aides in hospitals, day care programs, schools, museums, nurseries, community and recreation centers, libraries and offices. In Fall River the community action organization, Citizens for Citizens, has maintained a senior aide project in conjunction with the National Council of Senior Citizens. Fall River is one of the State's oldest communities, with nearly 14 percent of population over 65 years of age. They have had openings only for 30 aides in the small

pilot programs. Without advertising, without promotion, simply by word of mouth, they have had applications for three times that number. In New Bedford, the limited funding has also kept the program operating at approximately 30 aides. There the YMCA sponsored the programs for more than 2 years and again it has also been impressive. The New Bedford program has also demonstrated that having something worthwhile to do is just as important as any income that can be earned. In fact, nearly half of the participants that are in it, could have earned more from welfare than by continuing in the program.

In Boston, some 62 senior aides, the majority of them in minicity halls offering counseling, social services and services to other senior citizens throughout the city. Under the sponsorship of the Boston Council on Aging, this program has been working and working well for 3 years. The initiative shown by these senior citizens is exemplified by the senior who began working in a minicity hall in an unfamiliar part of the city and soon had a golden age club of more than 100 senior citizens organized and operating. But the most revealing evidence of the value of these pilot programs comes from the participants themselves. The 72-year-old Fall River man told the subcommittee: "For a long time I have been retired and it was a problem how to put the time in. I knew when I got up in the morning, it was going to be a repetition of the day before. It was not very pleasant to know it was the same thing all over again, but since being down at the museum, that has all changed. I know when I get up in the morning I have someplace to go."

Or the comment of Mrs. Marv Neams, a senior aide in New Bedford, "The thing that makes me happy is that I was sent to the Center for Retarded Children. Never having had any of my own, I found a relief for long-pent-up love and I pray I will never have to leave this job. It means too much to me."

The Senior Community Service Aide working in New York testified, "I was living solely on social security. It was impossible to live with dignity before. Now, I have additional income to help me meet the high cost of living in New York City. For the first time in my life, I am helping other older persons with their problems. This job is important to me because I know that I am needed by the people in my community."

Pilot projects have not only aided urban residents. Frederick Strickland, an 80-year-old Newport News resident, said of his work on the Greenthumb program. "At my age I believe that Greenthumb is the reason I am living today. If it hadn't been for Greenthumb, I believe I would have faded away. We have worked. We have set out flowers. We have set out shrubbery. We have pruned shrubbery. We have sown lawn seeds and we are still going to town."

Blue Carstenson, the Director of Rural Manpower and Greenthumb programs for the National Farmers Union told the subcommittee last year, "We haven't found a single rural county where there wasn't enough poverty among older people to start a Greenthumb program.

"The Greenthumbs can perform effectively and utilize their vast range of skills on relevant community projects."

Those were the comments from the older Americans who have worked on the pilot programs and they are uniformly laudatory. But, it is important to recognize that the evaluations from those who have employed senior aides have been equally positive. A Fall River principal using senior aides said:

Make no mistake about it, the services performed by these aids are important and essential. Without them these duties would have to be carried out by teachers and in some cases would add many hours of work at the end of the regular schoolday.

The executive director of the New Bedford YWCA stated:

The senior aides program has demonstrated that there are many older persons who want the self-respect which comes from supporting themselves and not living off others. It has demonstrated that there is no predetermined chronological age for human obsolescence in today's society. It has demonstrated their attendance record is superior.

In a detailed report which I would like to insert in the record, the National Council of Senior Citizens, which was under the contract of the Department of Labor to administer the 19 senior aide projects concluded that between 3 and 5 million older Americans could be enlisted in a national service program. The report to the Manpower Administrator stated:

Through the community service pilot programs, the service and income functions of the overstrained social security system can now be supplemented. Older Americans who have been unemployed have been able to add to low-income work which because of these rural community needs can be personally satisfying and meaningful.

Thus, we have had undisputed success in pilot programs conducted over the past several years. We have a clear need for this program expressed in the thousands of applications and the overwhelming response of the elderly in local communities and we have the knowledge that there are needs in almost all of our public agencies, needs which could be met by the elderly. I believe that Congress should respond to this successful experience, the community service pilot programs, to the pleas of the elderly and to the needs for public service by adopting the two bills now before us and I would hope this subcommittee will begin that process by favorably reporting S. 555 and S. 1307.

Mr. Chairman, I just say, as I mentioned, I think we consider time and time again programs which are initiated here through the worthwhile ideas of Members of Congress or other interested citizens and we move ahead on these programs with some trepidation because we are never really sure how they will work out, how they will be implemented, what the reception will be in local communities or States and how people who are affected will react to it but as I mentioned, this program has been pilot projected time and time again. We have seen ample testimony of the success of the program and the enthusiasm of our senior citizens in it and the need for it.

Really the only thing that is lacking is the will and the determination, I believe, by us in Congress and I know that under your skilled leadership, Mr. Chairman, you have demonstrated time and again such concern for the welfare and the well-being of our senior citizens, we can get the full consideration that this legislation deserves.

Senator EAGLETON. Thank you very much, Senator. Let me ask you one question, if I may. It seems to me that the administration has gen-

erally taken a position that programs of this type aren't really necessary, considering the context of their income strategy, so to speak, as embodied in H.R. 1. That is, if H.R. 1 were to be passed that would take care of the income needs of senior citizens, and we don't need public service jobs, we don't need senior aides, et cetera. Would you care to comment on that?

Senator KENNEDY. I don't think there could be anything further from the truth. I think, first of all, and I am sure that you have heard here this morning and will hear, the senior citizens and the older Americans want to be able to participate in a meaningful way in their own communities. They want to try to pour back into their local communities the benefits of their life experience, to help meet local needs. Just as important as income to permit the elderly to live in dignity, I think it is equally important that we provide them opportunities to continue as useful and contributing members of our society.

We have seen, as is mentioned here, and I am sure you have had ample testimony, that time and time again senior citizens will turn their backs on welfare because they want to work. I think there is an equal challenge to us in the Congress to create a rational income policy but also a meaningful job opportunity program for citizens.

Senator EAGLETON. Thank you, Senator.

Senator KENNEDY. Thank you very much.

Senator EAGLETON. Our next witness will be Mr. John Gunther, executive director of the U.S. Conference of Mayors.

Mr. Gunther is a very able and articulate spokesman on behalf of American cities and we welcome him and await his presentation.

STATEMENT OF JOHN J. GUNTHER, EXECUTIVE DIRECTOR, U.S. CONFERENCE OF MAYORS; ACCOMPANIED BY J. THOMAS COCHRAN, LEGISLATIVE COUNSEL AND CAROL KOCHSEIN, LEGISLATIVE ASSISTANT

Mr. GUNTHER. Thank you very much, Mr. Chairman. I have with me today on my right Mr. Tom Cochran, legislative counsel of the National League of Cities and the U.S. Conference of Mayors and on my left Carol Kocheisen, legislative assistant for the National League of Cities and the U.S. Conference of Mayors.

I am John Gunther, executive director of the U.S. Conference of Mayors. I appear before this committee on behalf of the more than 15,000 cities in all 50 States which are represented by the National League of Cities and the U.S. Conference of Mayors. Mayor Maier, president of the conference of mayors and the mayor of Milwaukee asked me to explain his nonpresence today in that the Wisconsin Legislature is just finishing up its session and there are many matters of importance to the city of Milwaukee pending and he could not leave the State. Mayor Lugar, president of the National League of Cities and mayor of Indianapolis also had to stay home since he is campaigning for reelection. They did ask me to thank you for having us today.

A national unemployment rate that hovers around 6 percent over a period of months presents innumerable problems for many people, but is particularly difficult for older persons trained for jobs that have become obsolete or that are being phased out in the alteration of na-

tional priorities. Despite the fact that experience generally indicates that older workers have much lower accident and absentee rates than their younger counterparts, there appears to be a decided bias against hiring the middleaged or older person in a youth-oriented society.

The U.S. Conference of Mayors has through the years supported manpower programs for the older workers in our Nation, as has the National League of Cities. Last year, the Conference spent much of its legislative effort in support of a comprehensive manpower program that included a significant section on manpower opportunities for older citizens. For 4 years, we, the mayors and the cities they represent, have supported public service employment legislation providing public jobs for the unemployed on the one hand, and municipal services for our cities on the other.

We have made progress in this area but the problem of unemployment among older and middle-aged workers is a particular problem that needs special attention.

In May of this year, the Legislative Action Committee of the United States Conference of Mayors held one of its meetings in Seattle, Wash., where the mayors focused on the unemployment problems of that area. We met with those unemployed as a result of the unemployment crisis in that city and that area are experiencing.

The mayors from all regions of the Nation talked with unemployed men and women over 50 years of age who have spent much of their productive life as engineers of the aerospace industry but now have no place to turn for employment opportunities. One man is now working as a gardener. Another indicated that he had spent approximately \$1,500 of his own savings for retraining to enable him to find another job. Unfortunately, after he had spent his money and time toward another job opportunity, the employer refused to hire him because of his age.

These are examples of the older or middle-aged citizen that we have in this country at the present time with no place to go. These men and women were between 50 and 55 years of age. As we have indicated on several occasions, in testimony before Congress the need for public services, particularly in the areas of health, housing, child development, and so forth, has substantially increased. Rising unemployment among all groups and the decreasing ability of local government to provide the necessary services because of diminishing fiscal resources have compounded an already grave situation. While municipalities are not presently in a financial position to retrain or absorb the older workers, many meaningful work opportunities do exist in the public sector. Along these lines we feel that there are five essential issues that cannot be over-emphasized:

First, training money with no provision for jobs to follow the training is an exercise in futility and frustration. We feel that training is essential in public service employment for the older worker who finds himself at age 50 with a technical skill but no job or job market available.

We caution the committee to provide assurances that the training provided under these bills will be useful training, that is, training related solely to actual jobs that are available. Many times in the past we have had training programs with no jobs at the end of the line.

People go from one training program to the other and still seeking employment at the end of each. Indeed, this is why the Conference of Mayors has pushed so hard for public service employment legislation. We have the jobs in the cities and we have said before, we need less training money and more funds for operational expenses. In the instance of the older skilled employees, training or rather retraining may be necessary, but the prime importance should be placed on making jobs available.

Second, direct Federal/local funding is essential to the effective implementation of any jobs programs. The prime sponsor must be the direct recipient of Federal manpower funds and have the authority to plan and coordinate to meet local needs.

Third, local government should be the prime sponsor of local employment programs or have the authority to designate such a local sponsor for public sector jobs. It is only at the local level that needs and priorities as well as the availability and type of local personnel can be best evaluated.

Fourth, any effective manpower program, be it for young middle-aged or old, must be designed to reach high densities of unemployment in localities. A clear and guaranteed formula for allocation of funds to local units of government based on local needs must be developed.

Fifth, full Federal funding is essential. The financial crisis is such in many of our cities that it would be difficult to raise local matching funds.

Again, on behalf of the Nation's mayors and their cities, I appreciate the opportunity to appear before the subcommittee today and I can assure you that the mayors and the cities that they represent stand ready to assist in any way possible toward meeting the goal that we all share, full job opportunities for those unemployed citizens now handicapped due to shifts in Federal spending and age. We can ill afford to let our human resources lie dormant. The talents of many older persons must be used and we know that, with Federal funds for salaries, the cities have the job opportunities available now.

Senator EAGLETON. Thank you, Mr. Gunther. Can you expand a bit further on this question of the allocation of the funds, bearing in mind the problems that we are facing under the allocation of funds pursuant to the Emergency Employment Act, that was just passed? Should we try to formalize and write into law a better method of insuring that the funds get to the areas of most desperate and urgent need?

Mr. GUNTHER. Mr. Chairman, as you know so well, mayors generally take the position that the Executive should be allowed as much flexibility in the administration of a program as possible. This has been our position with respect to how Governors operate and how the Executive Offices of the present national administration operates. However, as the Congress was developing public service employment legislation, you got very little help from the administration. First, you got opposition, then you got a veto and then when it became clear you were going to enact another law, you got very little help and guidance as to how such a program ought to be administered.

Since the bill was passed and signed by the President, we have been encouraged by the President's statement, that we are going to make this work in a hurry, we are going to start employing people right away. We have been in contact with his Office hoping that we could start this new program up by Labor Day, put the first people on the payroll by Labor Day of this year. The allocation formula announced Friday by the Secretary of Labor was a great disappointment to all of us who worked on this legislation. It is a formula that goes way beyond anything that was discussed, to our knowledge, with the Members of Congress and indeed with us.

We have volunteered to work closely with the Executive Office of the President and the Labor Department in developing the guidelines, administration, the distribution formulas. We found out about the distribution formulas from the same press release that most of the Nation found out about it and we were quite surprised to find that, for example, the State of Pennsylvania got less than half of what we thought they would get under a fair distribution formula based on the number of unemployed persons in the State of Pennsylvania as compared to the rest of the Nation.

We found that New York got about half. We found that Maryland got less than half. Therefore, we believe that you are probably going to have to enact into law some more detailed formulations than we would normally recommend because to leave it to administrators who have opposed the legislation does not seem the way to get the program into action.

Senator EAGLETON. So, drawing from that very recent and current experience with the emergency employment bill, perhaps we should consider a more structured formula than allocation on this bill if it turns out that the administration either opposes it or is indeed reluctant about it.

Mr. GUNTHER. Yes, I would say that if you can determine where the unemployed older workers are and that is what this bill is aimed at, then you ought to write a formula which requires a fair and equitable distribution of the funds available to get to those people.

I think to leave it totally open to Executive decision would be a mistake. I must say the Public Service Employment Act that we were discussing a moment ago does not really seem to us to be that wide open to determination. However, the administration took advantage of the small opening and they drove a truck through it.

Senator EAGLETON. Thank you, Mr. Gunther.

Our final witness this morning is Dr. Weldon Barton, assistant director for legislative services of the National Farmers Union. I think Mr. Blue Carstenson himself was going to be here, perhaps, but he suffered a heart attack earlier this week and we extend our best wishes for a speedy recovery to Mr. Carstenson.

**STATEMENT OF WELDON V. BARTON, ASSISTANT DIRECTOR,
LEGISLATIVE SERVICES, NATIONAL FARMERS UNION**

Dr. BARTON. Thank you very much, Senator, and I will certainly convey that to Blue. He certainly had planned to be here and give this testimony as you had invited him to do. I know that he is really

disappointed that he could not make the meeting today but he did have a heart attack last Sunday and remains in the hospital today.

Mr. Chairman, we have a five-page statement that was put together primarily by Blue before he went to the hospital. I would like to summarize it very briefly and submit it in full for the record at this point.

Senator EAGLETON. The statement will be printed in the record in full at the end of your testimony.

Dr. BARTON. Our statement, Mr. Chairman, cites statistics showing that during the last year and a half persons 55 to 64 years of age were hit much more severely by unemployment than the general population. The statement also shows that although those persons 65 and older appeared to have suffered less unemployment, this is only because the aged tend to be classified as "retired," officially, rather than "unemployed."

No doubt the problem of poverty and unemployment among middle-aged and older persons is critical, and it is getting worse rather than better. Congress has responded vigorously to the problem by providing programs for employment of middle-aged and older workers. Yet, when it comes down to placing dollars on the line, the Department of Labor continues to interpret legislation passed by the Senate and House in such a manner that few dollars or jobs go to anybody over age 25. The three bills pending before this committee—S. 555, S. 1307, and S. 1580—would strengthen and expand employment and training programs for middle-aged and older workers.

The Farmers Union fully supports early enactment of legislation based upon these bills. We would also urge the committee, Mr. Chairman, to use its influence to get the administration to fund programs of employment for the aged at levels that match the seriousness of the poverty and unemployment problem that faces these people.

Mr. Chairman, rather than present any more of this statement, we have a 20-minute film on the Green Thumb program entitled, "Green Thumb in Service to America," that I am prepared to show at this point, if it is the pleasure of the committee. I would like to just conclude by showing this film.

Senator EAGLETON. Before we get into the film and we do want to see it, is Green Thumb the biggest single program within the senior aides concept?

Dr. BARTON. It is, Mr. Chairman. It does have more people employed at this point than any other of the Mainstream programs. We have a total at this time of 2,680 people in Green Thumb or Green Light, Green Thumb being the program for older men and Green Light the program for older women.

We have Green Thumb in 17 counties of the Nation now and as Senator Kennedy pointed out in his testimony earlier this morning, there is a need in virtually all of the other States for this program and in numerous additional counties if we could get the money to expand the program. Certainly the people are there and ready to work, and there would be no problem of expanding this program tremendously if we could get the funding.

Senator EAGLETON. You have 2,680 in both Green Thumb and Green Light.

Dr. BARTON. That is right.

Senator EAGLETON. Operating in 17 States?

Dr. BARTON. That is correct, Senator.

Senator EAGLETON. We will now have the film.

(A film was shown.)

Dr. BARTON. Mr. Chairman, I would like to apologize for the quality of that film in the beginning. I think, in any event, it does explain the Green Thumb story better than I could have done it in words, and I appreciate the opportunity to have shown it this morning.

Senator EAGLETON. Thank you, Dr. Barton. I think it is an excellent portrayal of what is encompassed in the Green Thumb program. Do the participants in the program have the same work situation as the Council of Senior Citizens program? Is it a 4-hour a day maximum?

Dr. BARTON. They work a maximum of 8 hours a day, 3 days a week.

Senator EAGLETON. What is the average hourly pay?

Dr. BARTON. Green Thumbers are generally paid the Federal minimum wage or the prevailing wage rate in the area. The pay averages about \$1.80 per hour nationwide. Otherwise, Green Thumb and senior aides are, generally, similar kinds of programs, except that Green Thumb is a program for rural areas, for people with farm and rural backgrounds, just as senior aides is primarily urban-oriented.

Senator EAGLETON. Do you have any figures or even an estimate of how many people you turn away from the program who otherwise would be useful participants in it but you just don't have the funds to hire as many as you like?

Dr. BARTON. I certainly wish that Blue Carstenson was here to respond to that question. I am certain that I have heard him say that he could use \$100 million per year and have plenty of people ready to work. There are many counties to be added, many people in every county that would like to get into this program. It is a question also of making them aware that the program is available. Where you are serving primarily poor people and older people, you don't have them really coming in unless they are aware that the program is available.

The people have to be aware of the program, and then they respond to it. Certainly, the possibilities are almost unlimited for expanding this program in useful areas across the country.

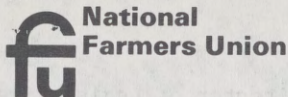
Senator EAGLETON. You are operating in 17 States, but you are by no means operating in the entire rural regions of those 17 States?

Dr. BARTON. That is correct.

Senator EAGLETON. It may be a county here or a county there.

Dr. BARTON. That is correct, Mr. Chairman. We could expand into the other States and also into many counties in those 17 States that we are operating in at the present time, if we had the funds to expand the program.

(The prepared statement of Dr. Barton follows:)



Statement of

Weldon V. Barton
Assistant Director of Legislative Services
National Farmers Union

on

EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS

before the

Subcommittee on Aging
Committee on Labor and Public Welfare
United States Senate

July 29, 1971

Mr. Chairman and Members of the Committee:

I am Weldon V. Barton, Assistant Director of Legislative Services of the National Farmers Union.

Blue Carstenson, Director of Farmers Union's Green Thumb Program, had planned to present this testimony today at the invitation of Senator Eagleton. Unfortunately, Blue remains in a local hospital with a heart condition since last Sunday, and is unable to be here. I am pleased to appear in his behalf before the Committee today.

Perhaps we have cried "wolf" for so long nobody is listening. Yet the situation among older persons in America has been tragic and continues to get worse. Current unemployment has had a major impact upon the older worker.

Between 1968 and June 1971, the number of unemployed persons aged 45 and above has nearly doubled from 621,000 to 1,025,000. This does not include the increasing numbers of older people who, particularly over age 65, give up hope and drop out of the labor market.

If the second six months of 1971 follow the pattern of the first, the labor force will reach 82,367,000 by January of 1972, an increase of 3.3% from January of 1969. However, the number of workers 45 and older will increase only .4%, with the total increase concentrated in the 45-54 age bracket. The number of workers 55-64 has actually decreased during the past three years, 3%, and the number 65 and older has decreased 8.8% during the same period.

This factor is reflected in the following figures on increases in unemployment between January 1969 and June 1971:

Increases in Unemployment

	All Ages	45+	45-54	55-64	65+
All unemployed	105.2%	72.0	61.8%	124.2%	-3.7%
Long-term (27+weeks)	340.9%	327.1%	375.0%	446.2%	81.1%

Although unemployment has increased dramatically from 2.7 million to 5.5 million, long-term unemployment (27 weeks or more) increased even more dramatically from 127,000 to 560,000. In both cases, people 55-64 were affected much more severely than the general population. While those 65 and older appear to have fared better, this appearance is due to a statistical quirk caused by the tremendous decrease in the labor force in this age bracket. These older people are not designated as "unemployed", they are officially designated as "retired".

When we examine the proportion of all unemployment which is long-term, a very different picture emerges. As of June 1971, 10.2% of all unemployed people were without jobs for more than six months, but the older worker did much worse;

Proportion of Unemployment Long-term

All Ages	45 & older	45-54	55-64	65+
10.2%	20.0%	21.2%	17.4%	25.6%

Our contention that the present employment situation is squeezing older people out of the labor market is borne out in Social Security figures. Between December of 1968 and May of 1971, the number of Social Security beneficiaries in current payment status increased by 1,026,000, or 6.2% among people 65 and older. But among people 62-64 years of age the increase was 297,000, or 14.2%. Assuming that the last seven months of this year follow the pattern of the first five, the total increase in beneficiaries between December of 1968 and December of 1971 will be 1,203,800 (or 7.2%) among those 65 and older and 407,600 (or 19.4%) among those 62-64. A full 46.5% of the total increase among beneficiaries ages 62-64 since December 1968 will take place in 1971.

It is bad for anyone to be without a job for a month or two months, but the person who remains unemployed for more than six months faces a tragic situation. There is no hope for the man with a family who is age 57 and loses his job or his farm. There is no hope for him, his wife, or his children who often are still in school. For the man or woman over age 65 who is living in poverty, widespread unemployment means no hope for the present and little hope for the future.

Nor is this the whole story. The number of people in poverty who are over age 65 is about 4.8 million. That is roughly one out

of every four persons over 65. But among blacks over age 65, one of every two persons is in poverty.

The Committee on labor and Public Welfare has responded to the needs of the young, and we are happy that it has added ½ billion dollars to the Neighborhood Youth Corps authorization for an emergency program. We were happy that in the Employment Training and Opportunity Act of 1970, which was passed by Congress but vetoed by the President, you provided means in the manpower programs for trying to achieve some equity for older workers. At the present time, the U. S. Department of Labor's Manpower and Training Programs still are giving scant attention to the problem of the worker age 45 and above. Enrollees 45 and over in Manpower and Training Programs sponsored by the Department of Labor in Fiscal Year 1970 constituted about 4% of the total, yet the proportion of long-term unemployment in this age group is twice the proportion in the total labor force.

In round figures there are nearly a million persons aged 45 to 64 who are unemployed. There are approximately 4.8 million people aged 65 and above who are poor and nearly 2 million more who are near poor. If 60% of these 6.8 million people are physically able to work, this means that approximately 4 million people over age 65 could and probably would work if opportunities were truly available. Figured on this basis, the real unemployment rate for people age 45 and older is approximately 5 million. The Labor Department last month indicated that total unemployment was 5 and 1/2 million; real unemployment would be changed to closer to 9 million people if the definition were changed to those persons who are willing, able and wanting to work.

It is true that many older workers cannot at the present time work in competitive employment. The prejudiced design of our pension systems, the lack of training resources to assist the older worker, and his obsolete education assure that he will not be able to compete in the current unemployment situation.

Does this mean that they are any less hungry? Less desirous of work? Less entitled to assistance by the Federal Government? These older people want employment assistance, not a handout-- which most older people do not want and often reject even at the cost of hunger.

Each of the national organizations--National Council of the Aging, National Council of Senior Citizens, American Association of Retired Persons--National Retired Teachers Association, and Farmers Union Senior Member Council--have demonstrated the viability and the effectiveness of employment programs for older people both as a way to solve many of our community problems and as a way to cope with poverty among older people. The Congress has responded vigorously by providing programs for employment. Green Thumb was the first adult work program under the Economic Opportunity Act and has pioneered and built Public Service Employment. Other Senior Service Programs have been popular and have demonstrated the viability of this concept. Yet, when it comes down to placing dollars on the line, the Department of Labor continues to interpret your legislation in such a manner that few dollars go to anybody over age 45.

Time and again on the floors of the Senate and the House, Green Thumb has been cited as the example of Public Service Employment, only to find that it and the other Senior Service Programs end up with little after the Office of Management and Budget gets through with program appropriations and allocation of funds. Unfortunately, the OMB and the middle and upper echelons of the Department of Labor never get out of their ivory towers to see the problems of the older worker--and especially the problems of older persons in rural areas. We are reluctant to advocate categorization. Yet, we categorize for the young; we categorize for other purposes. The JOBS Program, the WIN Program, and New Careers all effectively exclude older people through categorization. I would be willing to bet, despite Farmers Union's best efforts to encourage state and local governments to move, that the end result of the Public Service Employment Bill will be practically to exclude all people over age 60 and a disproportionate share of people ages 45-60.

We who represent rural America are faced with another problem that aggravates the unemployment problem for the aged. In the Midwest, many older persons have been forced out of farming due to low farm prices and ever-escalating costs of production. Some can retire with relative ease, but many cannot. These older persons who are forced off the farm present additional need for employment opportunities such as Green Thumb provides.

Senator EAGLETON. Thank you, Dr. Barton, and thanks to all of the witnesses who have been with us this morning and our thanks to those in the audience that joined us for this hearing. That concludes today's hearings on these three measures and tomorrow at 9:30 in room 4232, one floor up, we will continue hearings on these same three bills. Thank you.

(Whereupon, at 11:55 a.m., the hearing was adjourned to reconvene at 9:30 a.m. on Friday, July 30, 1971, in room 4232 of the New Senate Office Building.)

EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS

FRIDAY, JULY 30, 1971

U.S. SENATE,
SUBCOMMITTEE ON AGING OF THE
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The subcommittee met at 9:30 a.m., pursuant to notice, in room 4232, New Senate Office Building, Senator Thomas F. Eagleton (chairman of the subcommittee) presiding.

Present: Senators Eagleton and Kennedy.

Committee staff members present: James J. Murphy, counsel; and Michael S. Gordon, minority counsel.

Senator EAGLETON. The committee will come to order.

Good morning ladies and gentlemen. The Subcommittee on Aging of the Senate Committee on Labor and Public Welfare will once again conduct hearings on the three bills relating to employment opportunities for middle-aged and older workers, S. 555, S. 1307, and S. 1580.

Yesterday we had a very interesting set of hearings in which individuals who are participating in various programs such as green thumb and senior aides testified and gave us some very interesting information. Today we will continue those hearings.

Our first witness is a member of the U.S. Senate who has had a long and continuing interest in matters relating to aging. He serves as a member of the Special Committee on Aging, chaired by Senator Church of Idaho, and we are pleased to have with us and welcome Senator Percy of Illinois who is the author of S. 1580, one of the three bills this committee is considering.

STATEMENT OF HON. CHARLES H. PERCY, A U.S. SENATOR FROM THE STATE OF ILLINOIS

Senator PERCY. Before going into my testimony I would like to introduce to this committee Dr. Lamar Harrison, director of the Chicago senior aide project.

I have invited Dr. Harrison to accompany me today and if, after I have finished my prepared statement, he would like to make a comment, we would be certainly happy to have him do so.

Senator EAGLETON. We welcome the doctor and he will be at full liberty to give us the benefit of his advice. We welcome you both.

Dr. HARRISON. Thank you.

Senator PERCY. Dr. Harrison works with the senior aide program daily. He has a very practical knowledge of, and firsthand experience

with the program. He knows how it works from a very personal involvement. And I know you would be interested in the fact that he was just recently made a member of the city of Chicago's Hall of Fame for Distinguished Senior Citizens.

I would like to start out by being a little personal about my interest in this field, which I know is an interest I share with my esteemed colleague from the sister State of Missouri. I have served for about 22 years as the honorary chairman of the Retired Employees Association of Bell & Howell and have worked closely with thousands of our people as they approach retirement.

But I think for purposes of my testimony today I have to go back much further than that. We are all products, I think, of our past experience to a certain extent. And I recall quite vividly when I was 13 or 14 years old in 1932 and my father was a cashier in a small neighborhood bank in Chicago, Roger Spark National Bank. This was a leadership bank because it failed a year ahead of the bank holiday and preceded the runs on most other banks. I can recall at that time when my father was thrown out of work—I guess he was about 45 or 46. I had one skill: I had learned how to typewrite. And I typed hundreds of letters individually for my father, who was applying to every financial institution that he had had any connection with, any place he felt he could put his services to work, and he was never able to get back into the financial field that he had been trained in all his life.

He did over a period of the next 5 or 6 years occasionally pick up part-time jobs, but that was about the size of it. So at a very impressionable age, when I was in my teens, I could see what society had done to man. When the companies bothered to answer the letters sent by my father, almost all of them came back and said, "It is our policy not to hire anyone over"—and then they would issue some age, 40 or 45.

In other words, it doesn't matter what happens—a recession, a depression, a failure of a company—if the man happens to have picked a region of the country such as Seattle, Wash., or Oregon or some other depressed areas, or an industry that might be down, and he couldn't have foreseen what would happen, if he happens to by accident be out of a job and he is middle aged, many times a private company does not want to take him.

And there is a movement now within the Federal Government to have age limits—some of them are arbitrarily and unreasonably low for certain types of jobs. So what are older people going to do?

So it is with that deep strong personal impression of the tragedy that occurred to a man early in his life, in the prime of his life, that I now testify on behalf of what I believe is an unemployment problem for many, many hundreds of thousands of middle aged and older workers.

I, therefore, welcome this opportunity to talk about the problem. The problem unfortunately seems to be getting worse, not better. Its seriousness is dramatically illustrated by up-to-date figures provided by the Labor Department.

Between January 1969 and June 1971 a number of unemployed individuals aged 45 and older rose from 596,000 to 1,025,000 or by 72 percent. So when you look at the statistics they are pretty cold, but I think of 1,025,000 individuals multiplied by four or five members of

the family—now that is 5 million individuals that have been hit by tragedy when they are unemployed.

During the same time period the number of persons in this age group out of work for 15 weeks or longer rose from 115,000 to 353,000 or about 207 percent. This means that about one out of every three unemployed persons age 45 and older, as opposed to one out of four younger individuals, has been looking for work for 15 weeks or longer.

The number of mature persons out of work for very long periods—27 weeks or longer—rose from 48,000 to 205,000 or by 327 percent from the January 1969 level.

The average duration of unemployment for persons 45 and older is 17 weeks. For all other unemployed persons, the average is 10.3 weeks.

A report issued by the Senate Special Committee on Aging projects that if current labor force participation trends continue, one out of six men now in the 55 to 59 age category will no longer be in the work force by the time he reaches age 65.

Ten years ago this ratio was only one in eight. And the committee suggests that if major policy changes are not made, this problem will intensify during the 1970's.

Unemployment hangs like a black cloud over the entire Nation, but it most seriously threatens the middle aged and older worker. It is much easier for the younger worker to increase his job opportunities simply because he is more mobile than the older person.

More often than not, older persons are tied down to a given location because of home mortgages and children in school. Older people cannot readily cancel debts and say goodbye to friends and ties of long standing to take jobs in other cities. Thus their job market is somewhat more restricted than that of the younger worker, who can more easily relocate to another city where employment prospects are better.

In addition to his reduced mobility, the older worker must cope with age discrimination in employment. One study has revealed that more than half of all private employers in States without age discrimination legislation in 1965 admitted to making use of age limits in hiring practices.

Although discrimination is widespread, only 15 court proceedings had been instituted under the Age Discrimination in Employment Act of 1967 by the end of 1970. Because of the costs of training and re-training workers, private companies and industries assume it is more profitable to hire younger people. Ironically, many employers overlook the fact that the older worker's less mobile but more stable situation offsets to some degree his shorter working future. Companies may incur the same, or an even greater, loss by hiring the younger but more mobile worker who decides to relocate or change jobs than by hiring the older but more stable worker.

I have some personal experience in this area as an employer for more than a quarter of a century in a company that has some 12,000 to 14,000 employees now, where the turnover rate would be considered average or somewhat less than average for industrial work, but nonetheless running very high. We made correlated studies in our company to show the relationship between age, seniority, and turnover.

If every factory would do that, I think they would develop a bias in favor of hiring older people rather than just younger people because

older people are more stable, they stick at the job, they are willing to learn and are grateful for the continuing opportunity for steady employment.

Mr. Chairman, the effects of unemployment on the younger worker can be discouraging. The effects on the older worker can be tragic.

One of the most serious consequences of unemployment for the older worker is a reduced or lost income during his years of retirement. Because of serious deficiencies in many private pension plans, the end of one's job may also mean the end of one's pension coverage—even though an individual may have contributed hundreds or thousands of dollars over the years toward his pension account.

The end of one's job may mean the total or near total erosion of his lifetime savings.

My own experience with pensions shows that once again there is high discrimination against the employee who for one reason or another is put out of work for reasons beyond his control or for the many times he must move. The immobility of many of our pension plans is a tragedy. I feel there is an obligation on the part of industry to fund, and to fund rapidly, a minimum of 10 percent per year, so that at the end of 10 years service with a company an employee's plan ought to be fully 100 percent vested, so that regardless of what happens to him, all of his accrued benefits would be his to hold, to carry forward into some other situation, or to keep building up in the same company.

Even if the older worker manages to escape the total loss of private pension coverage or his lifetime savings, he may not escape suffering from reduced social security benefits caused by unemployment during his later working years. The reason for this is that social security benefits are based on a person's lifetime earning record.

Unless appropriate action is taken, older persons currently unemployed will join the ranks of the "older poor," those living at or below the nationally established poverty level. Yet already, the older poor total 5 million Americans—or a full quarter of the elderly population.

Despite all these grim facts, only a very small percentage of the Nation's job training and retraining efforts are focused on workers 45 years of age and over. In 1970, only 4 percent of all enrollees in manpower programs were older workers.

At this point I would like to address a comment to the administration, and I do so in friendliness and in a desire to be helpful. I know that the administration supports revenue sharing and that the administration has had bills in for 2 years now for revenue sharing. In theory we ought to carry out all of these categorical programs at local levels. I agree with this thinking. I am not a "Johnny Come Lately" to revenue sharing. I sponsored the first revenue sharing bill introduced, along with Howard Baker, in 1967, my first year in the Senate, 2 years before the administration bills. The administration bills are much better than the original bills we put in, and I unhesitatingly support the concept of revenue sharing, but I don't think you can sit there and say unrealistically we are against all categorical programs now because we are going to move to revenue sharing. We don't have revenue sharing. The cities and States are broke, they are bankrupt.

It doesn't take a magician to figure that out. They are down here telling us this in one way or another every day. And we can go to the

States and find out how many new programs can be added as new needs are developed.

So I would simply like to say that as a supporter of the President's revenue sharing proposal I am reluctant to propose another categorical program. Categorical programs are inconsistent with revenue sharing.

However, I think we must be realistic and fair with the States in recognizing that revenue sharing has not yet been enacted, but still something to work toward. In the meantime, the States and cities cannot do without certain high-priority programs, and I strongly believe the Federal Government must help the States zero in on a problem as serious as the current problem of unemployment among older workers.

And I defy anyone to name an area of higher priority than taking care of those who are simply unable to stand on their own feet, but who through the years and decades have contributed to the greatness of this country. These are the loneliest, most neglected, most abandoned people in America, and I consider it an absolute national disgrace that anyone can tell me they can find a higher priority than that so far as domestic spending is concerned.

To provide increased employment opportunities for middle-aged and older workers, I have introduced S. 1580, a bill entitled the "Middle-Aged and Older Workers Employment and Community Service Act."

Title I of this act would do the following:

(1) Direct the Secretary of Labor to designate full-time personnel experienced in manpower problems of middle-aged and older workers to have responsibility for leadership, development, and coordination of the programs initiated under this legislation—and I will debate anyone as to whether we don't have the resources and the capability to do something as simple as that.

(2) Direct the Secretary to establish a central office within the Department of Labor to provide information on and special attention to the problems of middle-aged and older workers and the programs concerning such workers. Anyone that would oppose that simply is either ignorant of the total facts or ignorant of the needs or absolutely callous to the conditions we face.

(3) Authorize the Secretary to conduct research and demonstration projects to focus on the special problems of the mature worker. Now if we know everything we need to know, then we should have done 1 and 2 before this. If we don't know it all we better find out as quickly as we can, so I say no one in his right mind could testify against point No. 3.

Title II would establish a midcareer development service program. Now this gets into some money, and someone could logically say we don't have the money, we are broke, we can't afford it as a nation with a trillion dollar economy, or we have got other higher priorities. This is subject to perfectly legitimate debate.

This program would be administered by the Manpower Administration of the Department of Labor, to assist older workers to find employment by providing training and counseling services to them.

For employed persons who find themselves in dead end jobs, supportive services would be offered to enable them to upgrade their skills and to foster occupational advancement. The authorization

under this title would be \$140 million during fiscal 1972, and \$210 million during fiscal 1973.

I testify on this as a member of the Appropriations Committee. I am well aware of the overall budget requirements of the country. In my judgment we can find \$140 million in fiscal 1972 in a trillion dollar economy to take this necessary next step. And I say this because I know it has been possible in years past, decades past, for a worker to go into a factory with his bag of tools at age 17 or 20 and leave at age 65, retire and never have changed his job experience or skill. But those days are gone forever. They went out with the iceman.

Today the average worker must change—must change—his job skill four to five times in order to hold steady employment. Jobs are changing rapidly, and we must take into account that there is an individual responsibility—that cannot be overlooked—to keep one's skill high for retraining. But there are certain people in low-income categories that simply at age 40 or 45 haven't the resources or ability to take off 6 months and go back to school and learn a new trade because their own has become obsolete.

So we certainly have to take into account the need to assist and help those people who simply haven't the resources to get back on their own feet. We must decide whether we are going to have them on welfare for the rest of their careers or whether we want to take 6 months out and help them get a job.

I am all for the family assistance plan, and I hope that it will not be too long before this program becomes a reality, but it is not in effect right now and until such time we have to take other counter-measures.

Title III of this bill would establish a community senior service program for persons aged 55 and older who lack opportunities for other suitably paid employment. The Secretary of Labor would administer the program and the Federal Government would pay up to 90 percent of the program cost. Older citizens would be paid at least the minimum wage in work which would contribute to the general welfare of a community.

Thus this legislation seeks not only to help older workers, but also to utilize their talents and contributions to make improvements in our clinics, hospitals, schools, daycare centers and libraries and in our environment.

The projects operated under this title would be coordinated to the fullest extent possible with projects now operating under the Economic Opportunity Act of 1964 and with other existing related programs. The bill authorizes \$35 million for fiscal 1972 and \$60 million for fiscal 1973 to carry out the purposes of this title.

The kinds of programs that could be developed under this title are similar, for instance, to the successful foster grandparents program. And, incidentally, I am very pleased to report to you, Mr. Chairman, that our Labor-HEW Subcommittee of the Appropriations Committee, on which I serve, accepted an amendment that I put in to increase the budget for foster grandparents from 9 million to 15 million. The subcommittee unanimously supported the proposal, and the full committee also unanimously supported that modest increase so that we can open up 460, I believe it is, new projects and move this program which

helps younger people so much, and offers a helping hand which only older people who have the time and attention and the concern can offer to them.

What a small investment we are making for a magnificent potential achievement for both the older people, who suddenly feel important in what they are doing, and for the younger people they are able to help in that program.

Title IV, the "Special Reports and Studies" provision, calls for:

(1) A study of the feasibility of extending unemployment compensation benefits for unemployed workers aged 55 and over who have exhausted their unemployment compensation;

(2) A report on the means of eliminating the lack of coverage and other inadequacies in the workmen's compensation and disability insurance programs, health insurance, and pension plans—particularly as they affect adversely the employment of middle aged and older workers;

(3) A report on present programs of private nonprofit organizations to furnish job opportunities on a full- or part-time basis for individuals 55 years and older;

(4) A study of part-time employment in the executive branch of the Federal Government to help increase part-time job opportunities for older persons in the executive branch.

I maintain in these two Senate buildings that are right across the street from each other there are many, many senatorial offices that on their own initiative have gone out and found ways to hire and compensate older people on a part-time basis in their offices to help with critical workloads. We have done that in my Chicago, Springfield, and Washington offices. So it can be done. We are doing it in these buildings. The executive branch can help us downtown.

It is a sad irony that as we achieve major advancements in medicine and technology which make it possible to prolong the lifetime of an individual, we also seem to be pushing middle-aged and older persons out of the mainstream of American life.

There is a definite trend toward limiting the options for employment, recreation, and education for older persons. While we must, of course, focus much of our attention on the needs and problems of the young, we must not do so at the expense of the needs of older people.

More and more frequently, and in more and more ways, we seem to be saying to the older person: "You are neither needed nor wanted." This is a strong statement, but I think some bluntness is required if the public is to become fully aware of the effects on older people of our thoughtless actions or apathy. There is not a person in this room, including our chairman and the head of our staff, that isn't some day going to be in a position where they are wondering whether they are needed or wanted. Somebody is going to be pushing you around and somebody is going to be pushing us around and saying you are not needed, get out of our way, we have got to get on with the world at hand.

I trust by the time we reach that possible age society will have done a lot more about this problem than it has up to now. And I don't blame the Government first, I blame the Government last. I blame individuals and families that week after week, month after month,

Sunday after Sunday, abandon their older people to 25,000 nursing homes in this country, that the Federal Government is putting \$1,800 million into out of \$2.5 billion spent in those programs, and they don't even take the time to visit those people in the nursing homes.

Almost every weekend for months I have been in nursing homes in Chicago and Illinois and in other cities, and it just makes me weep to see these people sit around absolutely alone, and I realize when I walk out that maybe I missed another Sunday afternoon with my own family, but I have walked out of a hundred or 200 people's lives I have touched and I have suddenly made them feel important by popping in and saying hello.

That can be done by many, many people. There are all kinds of people in this country who are needed and wanted and others who don't feel anyone needs them. If we can just act as a catalyst and put them together. If someone would just take the time to go in and read to someone that is an invalid in bed in a nursing home I'll bet they would stay for 4 hours and walk out feeling 10 feet tall. It is an act that always helps the person that participates in it even more than the person they presumably think they are helping.

So I am not saying the Government has to do the whole job. This committee can be one of the main instruments for recognizing, for pricking the national conscience and having this Nation realize that we can't do everything through Government. We must not do everything through Government.

Government must do its share and Government is abandoning today as far as priorities are concerned the elderly in this country, but we can't do the whole job at the Government level. We will be willing to help at the Government level if private individuals, with their own family members, or just in a nursing home that happens to exist in their community or city, will reach out their hand of fellowship.

Mr. Chairman, nothing is more damaging to the human spirit than the belief that one's capacities are unused or unwanted. I think we can not only lift the spirit of older Americans but tap a vast and valuable pool of human resources by passing S. 1580.

I vigorously and strongly support this measure because its authorship has not been myself, the authors have been hundreds of people consulting with my office who have come to me and said, Look, here is a problem, you can help us.

And in closing, Mr. Chairman, I would like to read the words, not my words, I am inadequate to express the feelings of these people, but I would like to read just three or four sentences that depict the feelings that people have who have engaged in the senior aide program. And Dr. Harrison will be a witness to the accuracy of these statements not just by the people who gave them to me but by all the people he has worked with as suddenly someone cares about these people.

A person says this: "At 75 years it makes me feel good to know that I can still serve and be helpful to humanity. It makes me feel almost young again."

Another person says: "The pay received," and this is under the aides program, "allows us many things our meager income did not allow, doctors of medicine being so expensive. It instills in us new hope, self-respect, and dignity in this fast changing world. We in turn, try to

give a good service that only time and experience can prepare one to give."

Another: "It is my prayer and wish that all cities adopt this program so that the sunset of our lives will be more beautiful."

Another: "The program has been a good morale booster as no one can claim to be too old to be working when you see her," and she pointed to a 79-year-old aide hustling about, and "before I started this job I was depressed because of my low income. Along with my social security check I was getting a small check from State welfare. As soon as I got the senior aide job I was able to get off State welfare. This did so much for me. It gave me back my self-respect."

No better testimony could I offer than the words of these people who have been participants in the aide program.

Thank you.

Senator EAGLETON. Thank you, Senator Percy. I think you very wisely and eloquently closed with those very moving quotations from people who have actually experienced the benefits of senior aide type programs.

We had a panel of witnesses yesterday brought forth by Mr. Hutton who participated in different facets of the senior aide program.

One witness' comments tied in with something you said earlier. Mr. Slagel is from my home city of St. Louis. Part of his job as a senior aide is to follow up on patients on a regular basis once they are transferred from a State geriatric hospital to private nursing homes. He is to follow up on just how they are being cared for.

And he tries to make up for the lack of attention that, if they have existing relatives, those relatives do not bestow upon them; it seemed to me to be a very worthwhile endeavor.

Since you have Dr. Harrison with you, would you share with us some of your experiences with the senior aide program?

STATEMENT OF LAMAR HARRISON, M.D., DIRECTOR, CHICAGO SENIOR AIDE PROGRAM

Dr. HARRISON. Yes. The senior aide program, like many other worthwhile programs throughout the Nation, has meant so much to the senior citizens, and not only to them but to other people who are affected by their welfare, that they just can't imagine being without that program.

We admit that it is not large enough. It doesn't provide aid for a sufficient number of people because we are allowed, under the present program, only 60 persons for Metropolitan Chicago.

But those persons have made such a dent and such an impression on the people that various organizations, nonprofit and public, feel that they are now almost indispensable.

For example, an official of the welfare counsel of Metropolitan Chicago was talking to me just the other day and she said: you know, we have this senior aide, you wouldn't believe it, Dr. Harrison, but she is 80 years of age; she has gone to the various communities, has arranged with the people of her neighborhood to go and spend a certain length of time each week in the mental hospital as volunteers, and because of her efforts the people have organized a volunteer corps

and she is heading the program so that the volunteers will have an opportunity to work with those people who are mentally disturbed.

We have a senior aide who was inducted into the Chicago Hall of Fame for Senior Citizens this year—she has been working for years, and when she became a senior aide she said it made her feel that at last her work was appreciated. She works very diligently in the Volunteer Service Corps working with and helping those people who can't help themselves.

Senator EAGLETON. Can you describe specifically for us some of the types of work—are you the director of the program?

Dr. HARRISON. Of Chicago.

Senator EAGLETON. For the senior aide program. Give us an example or two of some of the specific duties that these senior aides perform. It is my understanding that they are paid for 4 hours a day when in fact they often work a full day.

Dr. HARRISON. I will give you one illustration. We have a senior aide who works, in a sense, as a nurse aide. She has not had specific nurse training but because she was able to work and give assistance—there is a shortage you know of nurses—she goes in and does actually almost as well as a trained nurse does in handling some problems.

Senator EAGLETON. Does she work in a nursing home or make house visits to people?

Dr. HARRISON. House visits. We have others who go and assist with meals, carrying meals to the shut-ins who cannot get out. We have persons who help to take the persons who are unable to get about shopping or go shopping for them. There are various types of jobs they perform. Then we have others who actually go into the public agencies like the city agencies and assist in developing various types of programs that will be of benefit to the senior citizens. They are well versed, and well acquainted with many aspects of public service and they work in various types of programs. These aides work under 21 job titles, such as record clerks, key punch operators, supervisors of handicapped workers for Jewish vocational service training center, teacher aides in Headstart, secretary to project director, and so forth.

For example, I had a letter from one aide who was saying: "You know, since I have been working on this job I am an expert in data processing," and she says she can go out now and hold a full-time job. As a matter of fact, we have had a number who have been in the senior aide program and because they have gained skills in a particular field they have been promoted to full-time employment in industry. And that is one of the things we are very much concerned with.

Now we know a person 85 years of age or older would probably have a very difficult time in finding employment, but we do have any number of senior aides, 55 years and older who have gone into various types of jobs full time.

Senator EAGLETON. You have 60 participants in your senior aide program?

Dr. HARRISON. That is right.

Senator EAGLETON. Being as conservative as you can, what number could you meaningfully utilize if you had the financial wherewithal to pay them? How many more aides, that is, either persons who have applied for positions that you had to turn down because your budget

is limited, or others, do you think you could accommodate and meaningfully utilize?

Dr. HARRISON. We have turned down hundreds of requests of persons who are eligible other than the fact we didn't have the funds. You see, we have in metropolitan Chicago, over 500,000 persons who are above the age of 60, and of that number approximately 20 percent of those persons are in the lower income bracket, so you see what a tremendous number we have in Chicago that could be helped.

Senator EAGLETON. 500,000 over 60, 20 percent of those below the poverty level, so that would be roughly 100,000 over 60 and below the poverty level.

Dr. HARRISON. Those are statistics of 1971.

Senator EAGLETON. My thanks to you, Senator Percy, for your very excellent statement, and my special thanks for your making available to us Dr. Harrison of Chicago.

Senator PERCY. Thank you, Mr. Chairman. I always enjoy being before this committee.

Senator EAGLETON. We have two witnesses from the administration. Would they like to appear together or separately? Whatever is preferable to them is all right. Mr. Paul J. Fasser, Jr., and we also have Commissioner John B. Martin, Commissioner of the Administration on Aging.

Mr. FASSER. We have separate statements.

Senator EAGLETON. Commissioner Martin, why don't you come forward and we will have you all here at the same time. So first is Mr. Paul J. Fasser, Jr.

STATEMENT OF PAUL J. FASSER, JR., DEPUTY ASSISTANT SECRETARY AND MANPOWER ADMINISTRATOR, DEPARTMENT OF LABOR

Mr. FASSER. Thank you, Mr. Chairman.

I am pleased to appear before the Subcommittee on Aging on the subject of middle-aged and older workers. We share a serious view of the problems of older workers. Although we may differ on solutions, we agree on the nature and scope of the problems.

EMPLOYMENT AND LABOR FORCE STATUS OF MIDDLE-AGED AND OLDER WORKERS

It may be well to sketch out briefly the facts and trends from which we view the situation of middle-aged and older persons, that is persons of age 45 and over. Middle-aged and older persons constitute 38 percent of the labor force. Their overall unemployment rates are low relative to younger people; nevertheless, for workers 55 years of age and older the rate of unemployment was 3.6 percent in May 1971. (The overall rate was 6.2 percent.) In May 1971, 1 million persons 45 and over were unemployed, or about one out of four of all unemployed. Middle-aged workers constitute a relatively high proportion of the long-term unemployed—1 out of 3 of those unemployed 15 weeks and over; 2 out of 5 of those unemployed 27 weeks or more. Over 400,000 persons 45 years of age and older had been unemployed 15

weeks or more, and about half of these for 27 weeks and more in May 1971.

The long-term trends have been consistent in showing that starting in the middle forties, with increasing age; duration of unemployment rises among those who do lose jobs; labor force participation declines, and poverty increases. Unemployment in the middle and later years means lower retirement income, often a loss of pension rights, and almost always loss of medical insurance for themselves and their families.

And so we would agree that, although the middle-aged, long-term unemployed older worker is only 1 in 11 of all unemployed, these individuals are severely affected.

Having outlined the problems, we may now briefly review present and proposed programs as they affect the employment of older workers.

ONGOING PROGRAMS

The Labor Department is conducting programs affecting older persons, that is, persons 45 and over, under three legislative acts: the Manpower Development and Training Act, the Economic Opportunity Act, and the work incentive program of the Social Security Act. We estimate that about \$100 million is being spent in providing work and training opportunities currently for persons aged 45 and over. I am sure the members of this committee are familiar with the Operation Mainstream conducted under title I-B of the Economic Opportunity Act by the Department of Labor. In 1970, approximately 50 percent of the participants under this title I-B program were of age 45 and over. Mainstream program funds support the community senior service programs for low-income persons aged 55—programs which you may know better as green thumb, and senior aides. The kinds of programs funded as community senior service programs may be considered as prototypes of the programs envisaged both under the recently enacted Emergency Employment Act and the Older American Community Service Act in the bills before this committee.

We have had a series of evaluations of Operation Mainstream, and specifically of green thumb and the senior aides programs, and are very much pleased with the results of these programs. At hearings conducted by this and other committees of the Senate, and from other witnesses at this hearing, you have been provided with quite adequate descriptions of the programs.

In fiscal year 1971, after title I-E of the Economic Opportunity Act was added, the overall mainstream program was increased by about \$32 million. In fiscal year 1972, we expect to see more than a 25-percent increase in mainstream activities and participants.

On April 1, 1971, the President announced a program to deal with the growing number of unemployed scientists and engineers formerly in aerospace and defense industries. We presented testimony on this program as recently as July 11, 1971, before the House Committee on Science and Aeronautics, therefore I shall not go into detail here. It is relevant, however, to note that almost half of the applicants under this program are aged 45 and over. We have set aside \$42 million for

job training, retraining, and mobility costs under existing Manpower Development and Training Act authority and funding.

STATE EMPLOYMENT SERVICES

The Manpower Administration and affiliated State employment services have operated an older worker program for many years under the authority of the Wagner-Peyser Act and more recently a section of MDTA. The program aims to help older workers achieve equal opportunities in employment in competition with other workers. Services provided include: taking applications for work, employment counseling, individual job development when no suitable employer orders are available, persuading employers to remove restrictive age specifications and to judge each applicant on his ability to perform on the job regardless of age. Since enactment of the age discrimination in employment law, this process of persuasion has a legal base.

In fiscal year 1971, it is estimated that applications for work were taken from about 1.8 million persons 45 and over; about 123,000 were provided counseling service. About 250,000 older applicants were placed in employment and another 26,300 older workers were enrolled in training.

Still another current general manpower program providing opportunities for older workers is the WIN program, a training and employment program authorized under part C of title IV of the Social Security Act as amended in 1967. The goal of this program is to provide the necessary services and opportunities to aid families with dependent children (AFDC) so as to help these individuals into meaningful jobs and eventual economic independence. The program is limited to AFDC recipients and consequently enrollment of workers is not large.

Nevertheless, the 45 plus enrollee represented about 5 percent of the WIN program in fiscal year 1971. The total program in fiscal year 1971 reached about 130,000 enrollees, so that the 45-plus older worker is estimated to have had 6,500 training opportunities. In fiscal year 1972, \$197 million has been requested to fund an enrollment level of 160,000; assuming the 5 percent participation rate continues, then the 45 plus will receive some 8,000 training opportunities.

In addition to the programs mentioned—mainstream, TMRP and WIN—in fiscal year 1971, other employment and training programs have had varying proportions of participants 45 and over—MDTA institutional, 8.2 percent; on-the-job training (jobs optional), 9.7 percent; job opportunities in the business sector (JOBS), 4.9 percent; new careers, 7.5 percent; concentrated employment program (CEP), 6.1 percent. Overall, as a whole for fiscal year 1971 for various training and job programs, the Labor Department accounts for about \$100 million, for approximately 70,000 participants of age 45 or over.

The Trade Adjustment Act is helping about 20,000 unemployed, 80 percent of whom are 45 years or older through indepth counseling, relocation and readjustment allowances and training.

There are opportunities for employment—paid, volunteer, and part-time—which are available under programs administered by other departments and agencies. I shall touch upon them briefly, sufficient to indicate the variety and scope of Federal programs as a whole.

VOCATIONAL REHABILITATION SERVICE

HEW's vocational rehabilitation program provides intensive counseling, testing, training, placement to the vocationally handicapped worker. In fiscal year 1971, vocational rehabilitation served a clientele of about 236,000 persons age 45 plus at an estimated cost of \$159 million. In that year 72,100 were rehabilitated, i.e., placed in paid employment or selfemployment.

ACTION

Under Reorganization Plan No. 1 of 1971, several programs involving older persons were transferred to ACTION. All were directed to volunteer programs, but, some offer significant paid employment opportunities for older persons.

Foster grandparents, transferred from D/HEW, provides part-time employment in child care for participants age 60 and over. Their work arrangements, pay and hours are essentially the same as those in the community senior service programs we administer. In fiscal year 1971, this program will provide opportunities for 4,200 foster grandparents at a cost of \$10.5 million.

The retired senior volunteer program (RSVP), newly funded this year, anticipates involving about 100,000 volunteers at a cost of \$5 million. These volunteers are reimbursed for their expenses.

SCORE, a program transferred from SBA, will involve about 6,000 retired executives on a part-time basis at a cost of \$360,000. VISTA, transferred from OEO, has had a significant proportion of older volunteers. They are reimbursed for living expenses plus a \$55 monthly stipend.

NEW LEGISLATION—EMERGENCY EMPLOYMENT ACT

On July 12, 1971, President Nixon signed Public Law 92-64, the Emergency Employment Act of 1971. Thus the public service employment program proposed in S. 555 is already enacted and a budget request for the full \$1 billion authorized for fiscal year 1972 is before Congress, hopefully to be enacted soon. It is a job creation program for unemployed and underemployed in needed community services with 90 percent support by the Federal Government. It differs from S. 555 in that nonprofit private agencies are not eligible for support. The public service employment program is intended to reach all age groups, including older persons. Section 7(c)2 requires a plan for effectively serving, on an equitable basis, all significant segments of the unemployed population. Section 12 anticipates that opportunities will be made available in relation to the proportion of unemployed and requires periodic reports on characteristics of participants, including age. The President has requested the full authorization for the first year—a total of \$1 billion. Since State and local government employers are directed to give consideration to the relative number of unemployed persons in each segment of the population, middle-aged and older persons should benefit substantially.

PROPOSED LEGISLATION

Obviously, the problems of employment and income maintenance overlap significantly. For many older workers, social security im-

provements may reduce or eliminate their need or wish for employment. For men and women of retirement age, the problem of unemployment may be lessened by improvements in income maintenance provisions, such as the recent 10 percent rise in benefits retroactive to January 1971. Further, H.R. 1 as passed in the House contains provisions the administration supports for the liberalization of the retirement test, and for cost of living increases. The best answer for insufficient income for older workers may not always be job opportunities.

Welfare reform—H.R. 1, Social Security Amendments of 1971—would substantially solve the problem of older people trying to subsist on incomes below poverty level. This would diminish the needs of those 65 and over for income through employment.

The bill's new opportunities for families program would also provide about 200,000 public service jobs for welfare recipients at a cost of about \$800 million. If only 5 percent of the opportunities went to persons between age 45 to 64, this would mean \$40 million for 10,000 jobs. By way of comparison, S. 555 would authorize only \$35 million in fiscal year 1972 for persons age 55 and over. Moreover, under this new legislation, the training programs now operated as WIN would be substantially improved and expanded, and open even larger opportunities for middle aged and older Americans.

MANPOWER REVENUE SHARING ACT—S. 1243

The programs developed under legislation enacted during the 1960's (MDTA, EOA) were primarily categorical and heavily oriented toward youth; e.g., NYC, Job Corps. Mainstream was the sole program oriented toward older persons primarily. Despite the apparent success of several of the categorical programs such as the community senior service program, it is clear that, as a whole, because of the multiplicity of separate and distinct programs each vying for a share, the categorical approach of recent years has not fulfilled the expectations of manpower programs for older people or for anyone else. We believe it is time to stop proliferating categorical programs imposed by the Federal level.

We recognize the appeal categorical programs will continue to have—e.g., for veterans, for youth, for minorities, for middle-aged, for older workers—but we must bend our efforts toward implementing the principles of decentralization and decategorization. Through the proposed Manpower Revenue Sharing Act, the administration proposes to consolidate existing manpower programs and permit flexibility in funding comprehensive manpower programs by Governors and mayors or other elected officials of local general governments, to whom authority would be decentralized.

The interests of older workers, as well as others, can best be served by giving the authority for manpower program administration to States and localities closest to the problem, to develop and adapt programs best suited to local needs at a given time and place.

Among the activities which would be authorized by the Manpower Revenue Sharing Act is a public service employment section which State and local governments could use for Mainstream-type programs. If conditions in their jurisdictions so indicated, and if they so wished,

they could devote their entire allocation to such programs. As a result of 5 years of demonstrations, we now have model programs which would be useful in promoting the adoption and extension of such projects.

The Emergency Employment Act observes the principles of decentralization and flexible funding to a degree, and is a long step in the direction which Manpower Revenue Sharing Act would further. We believe State and local governments should determine their priorities in manpower programs.

S. 555 AND MAINSTREAM

The sponsors of S. 555 this year and of S. 3604 last year know well the pilot programs community senior service programs funded by the Labor Department from Mainstream funds. They go by different names—senior aides, green light, green thumb. In view of the success of these programs, the sponsors of S. 555 wish to extend these programs into a permanent national program.

Our support of Mainstream programs and our desire for their continued success should be evident. In past years, Mainstream appropriations have been at a level of about \$40 million. In fiscal year 1971, about \$72 million was allocated to these kinds of programs—a 75-percent increase. This increase in the funds available occurred primarily in the latter part of the fiscal year. Therefore, most of the results of this expansion—that is, expenditures and increased participants—will take place in fiscal year 1972.

In the past, about 50 percent of Mainstream participants have been age 45 and over. If we apply that proportion to the funds available in fiscal year 1972, we may conclude that about \$30 million will be spent for person 45 years or older. In the community senior service projects they are all at least 55 years old and their median age is 65. The community senior service projects operated by six contractor organizations provide 5,000 enrollment opportunities at a cost of \$13.3 million. We recently extended contracts for community senior service projects. Green Thumb has been operating since 1966 (as has Foster Grandparents). National Council of Senior Citizens and National Council of Aging projects began in 1968; others in 1969. Projects which will have been operating for 5 to 7 years are clearly more than pilot projects. In any case, it is difficult to see how new legislation would make this project more permanent.

S. 1307 AND EXISTING AUTHORITY

Title II of S. 1307 and S. 1580—Midcareer development service program—would provide training, counseling, and other supportive services to middle-aged persons. Practically all (perhaps all) of the services can be and, in fact, are being provided under the Wagner-Peyser Act and MDTA. The section 202 provision for loans and grants to public and private agencies and to individuals for training persons 45 and over is authorized under existing legislation—except for loans.

Collections on loans would be a tremendous administrative task, as would approval of individual training programs, payments to indi-

viduals based on proficiency, and loan guarantees. In contrast to our objective of decentralization, this approach would require a large corps of Federal employees.

Section 206 to train trainers; section 204, services for mass layoffs; section 205, services for employed workers in dead end jobs; and section 206, employment services for part-time jobs, all can be done under present authorities and many are being provided, e.g., mass layoff provisions.

Title III of S. 1307 and title IV of S. 1580, "Special Reports and Studies," are all substantially redundant of existing legislation.

Now, to sum up briefly our position on the bills before your committee today:

First, with respect to S. 555, the proposed older Americans community service bill which would create employment opportunities for older persons—we now have similar opportunities provided through Mainstream, JOBS, JOBS optional, new careers—all programs administered by the Department of Labor. These total about \$42 million. Foster Grandparents account for another \$10.5 million. These funds now available are more than equal to the authorization proposed under S. 555.

When appropriations are available under the Emergency Employment Act, they should provide from \$40 to \$100 million additional; and when H.R. 1—Welfare Reform is enacted, an additional amount of about \$35 million for public service opportunities could be provided for older persons.

Second, other programs would be authorized under Mr. Percy's and Mr. Randolph's bills. For these programs—research, demonstrations, studies, special services and staffing—we already have adequate authorization under existing legislation—MDTA, EOA, the Age Discrimination in Employment Act, the Emergency Employment Act.

Third, we have taken a strong and consistent position against the proliferation of categorical programs. We believe the proposed Manpower Revenue Sharing Act which would provide flexible funding for the States and localities based on their own assessment of priorities, and would decentralize administration to elected State and local officials—would best meet the needs of all population groups.

Accordingly, we cannot support enactment of the bills now before this committee.

Thank you.

Senator EAGLETON. I think we will hear now from Commissioner Martin at the conclusion of which I will probably have to recess the hearing briefly for a vote.

**STATEMENT OF HON. JOHN B. MARTIN, COMMISSIONER,
ADMINISTRATION ON AGING, DEPARTMENT OF LABOR**

Commissioner MARTIN. Thank you, Senator.

Mr. Chairman, I am pleased to have this opportunity to appear before this subcommittee to testify on S. 555, S. 1307, and S. 1580, bills relating to employment opportunities for middle-aged and older workers.

You and the subcommittee are to be commended on your recognition—shown by these hearings—of the seriousness of these problems

and on your desire to find and implement solutions. The figures which Senator Percy has given you, and Mr. Fasser, show conclusively that there is a serious problem and that this needs attention from Government levels.

As much as I share the concern of the sponsors of these measures and sympathize with their desire to do something to help solve these problems, I am unable to support these bills in view of activities which are currently being carried out under present law, proposals pending before Congress, and new legislation being developed for early submission to Congress. They would also appear premature in view of the upcoming White House Conference on Aging.

The Department of Labor witness, Mr. Paul Fasser, has discussed in detail employment programs now in effect, and I think it is not necessary for me to repeat his careful analysis of these programs. I would like to highlight the possibilities for public service employment for the elderly under the Emergency Employment Act recently signed by the President.

All State agencies on aging have been sent information on the new law, and the Administration on Aging will take steps to assure them of timely information on the implementation of the act. Some State agencies on aging are already making plans for assuring the elderly of their States a fair share of the jobs under the new law. We are now endeavoring to set up a meeting with Labor Secretary Hodgson to work out plans for a cooperative effort under the new law in behalf of the Nation's elderly.

And I am delighted, of course, with the comments which Mr. Fasser has made in his presentation this morning with regard to the provisions that are already being made to recognize the respective segments of the population in working out the provisions of the Emergency Employment Act. It would appear from these statements that the problem is clearly recognized; Mr. Fasser has given me further assurances to that effect this morning in our discussions just before the hearings began.

Let me also emphasize that there are a number of provisions in H.R. 1 which have a direct impact on the objectives of the proposals before the subcommittee. To the extent that H.R. 1, which has passed the House and is now before the Senate, would increase incomes of middle-aged and older persons, it would reduce the necessity to supplement retirement incomes.

Under H.R. 1 there would be a percentage increase in social security benefits and automatic cost-of-living increases in the future, to keep benefits abreast of the rising cost of living.

Another provision of that bill, as you know, would assure public assistance recipients sufficient cash benefits to bring their incomes up to a minimum of \$130 per month in the case of an individual or \$195 per month in the case of a couple, and more in future years.

Incomes in old age would be increased by various other provisions of H.R. 1, including the proposed special minimum primary benefits, the proposed increase in benefits of widows and widowers, and the proposed increase in benefits for those who delay retirement beyond age 65.

There has sometimes been a tendency to forget that the proposed opportunity for families program and the family assistance plan would

benefit middle-aged and older Americans as well as those who are younger. The truth is that many of this age group would be benefited by these programs, since many middle-aged or older individuals live in households in which there are children under 18, either their own children or their grandchildren, and would thus meet the definition of "family members" for purposes of benefits under those programs. This would be particularly helpful for those who are too young to qualify for public assistance but too old to secure and keep jobs without difficulty. These people, together with people of younger ages, would be eligible for the income supplements provided by these programs, as long as their incomes are below certain levels.

Furthermore, they, along with younger persons, would be eligible to register for and receive manpower services to enable them to receive training or employment. There would be strong incentives to provide them the manpower services they need, since this would help raise their incomes to the level where benefits under these programs would no longer be payable.

It would seem, therefore, that the members of this subcommittee could do much to help older Americans improve themselves economically by support of H.R. 1 and assistance in its passage through the Senate. And the same, I think, might also be said of the manpower revenue sharing proposal.

The administration will, in the near future, transmit to Congress a recommendation for legislation strengthening the national older Americans volunteer program, which was authorized 2 years ago as title VI of the Older Americans Act of 1965. As this subcommittee knows, the compensated services component of this program is known as the foster grandparents program. Under the act now, compensated services can be rendered only to children, only on a person-to-person basis, and only in health, education, welfare, and related settings. The administration will propose that the present program, foster grandparents, be authorized to use low-income persons, age 60 or over, to meet a wide variety of community needs. The administering agency, ACTION, would, through grants or contracts with public and non-profit private agencies and organizations, pay up to 90 percent of the cost of such projects.

There are many similarities between the administration's proposal on the one hand and, on the other, the community service provisions of S. 555 and S. 1580. Both would authorize the Federal Government to pay up to 90 percent of the cost of community projects providing part-time work opportunities for low-income older persons.

While there are differences between the descriptions of the services to be rendered, both would authorize the meeting of a wide variety of needs. There are a number of requirements which are common to both, such as the requirement that employed workers not be displaced and the provision for training and the payment of expenses during the training period.

We believe, however, that the service orientation in the upcoming administration proposal is preferable to the employment orientation in the bills before you. While the program will include compensation, the emphasis will be upon providing elderly participants with the nonmaterial rewards of serving, such as the satisfaction of engaging

in interesting and useful activities, the resulting benefits to mental and physical health and morale, and the opportunity of escaping from loneliness and isolation and enjoying interacting with others who serve and with those who are served.

In addition, the emphasis will be upon providing needed services which would not otherwise be provided. The formula has been well tested with foster grandparents and is ready to be broadened.

And finally, Mr. Chairman, the approaching White House Conference on Aging is scheduled for little more than 4 months from now. One of the principal topics considered in the community and statewide meeting leading up to the conference, and which will be considered by the conference itself, will be increasing employment opportunities for middle-aged and older workers. These matters are extensively dealt with in the background papers prepared for the conference. The deliberations and recommendations of the conference will undoubtedly be of interest to Congress in consideration of the type of measures we have been discussing today.

In summary, Mr. Chairman, for the reasons outlined above we cannot support the bills before the subcommittee. However, the steps we are now taking in the new ACTION agency and in the Department of Labor should help to meet the problems in this area as should the recommendations coming out of the White House Conference.

Thank you.

Senator EAGLETON. Thank you, Commissioner Martin.

May I ask the indulgence of the two witnesses, plus the others scheduled to appear? I will recess the hearings hopefully for a brief period so I can go over and vote and then I will come back.

(Brief recess.)

Senator EAGLETON. The committee will once again be in session.

I have a few questions I would like to put to Mr. Fasser and Commissioner Martin.

Mr. Fasser, the National Council of senior citizens has produced a working paper entitled "The Nation's Stake in the Employment of Middle-Aged and Older Workers," and there is a section in that working paper which is devoted to title I-E funds, those funds which were available for distribution during or up to the end of June 1970.

Can you give us any breakdown for the record as to how this money has been spent, and second, after the breakdown on spending, could you please tell us how many positions for individuals 55 and over did this money fund?

Mr. FASSER. I don't have that information with me but I will be glad to provide such information for the record on both counts.

Senator EAGLETON. All right. We would appreciate it if you could provide us with that for the record.

(The following information was subsequently supplied for the record:)

DISTRIBUTION OF TITLE I-E FUNDS

Initial allocations for Title I-E Operation Mainstream projects were made in May 1970 in the amount of \$10 million. Allocation was on the basis of rural population by State and was made through the Regional Manpower Administrators for further distribution to the States. The initial allocation was used to implement approximately 125 Mainstream projects of six months' duration. These projects were continued in FY 1971 by reprogramming \$20 million for their support; \$10 million was provided in December 1970 and an additional \$10 million in June 1971.

We are not able, at this time, to supply information on the age or other characteristics of persons enrolled with these Title I-E funds. Because the allocation of Title I-E funds was not made until late in FY 1970, actual operations did not begin until well into FY 1971. Processing of FY 1971 data is still under way and complete and final information is not expected to be available until September or later.

Although characteristics information on Title I-E cannot be separated at this time, we are certain that at least 25 percent of all Operation Mainstream enrollees are 55 and older because of the nature, size and purpose of certain national contracts.

Although Mainstream program guidelines clearly specify that emphasis is to be on older workers, the Department has taken additional steps to clarify and reinforce that priority. A Manpower Administration Order, MAO 19-71, has recently been issued which requires that 40 percent of all Operation Mainstream positions be reserved for applicants 55 and over. Only projects on Indian reservations are exempted.

The new MAO is expected to have a significant impact in raising the proportion of enrollees 55 years and over in the program, including those in projects under Title I-E.

Senator EAGLETON. In your prepared statement it says "In fiscal year 1971, after title I-E of the Economic Opportunity Act was added, the overall mainstream program was increased by about \$32 million."

How much of that \$32 million has found itself into programs for the elderly? It is our belief that the bulk of this program money, if not all of it, went for problems and conditions related to youth?

Mr. FASSER. A good proportion of it did go for the youth. I don't have the exact dollar figures in terms of the outlays for older workers. We do have some information in that regard and I would be glad to provide that also for the record.

Senator EAGLETON. Give us then the breakdown of how the \$32 million that you referred to on page 3 was spent with special emphasis on age categories.

Mr. FASSER. Yes, I would be glad to do that.

(The following information was subsequently supplied for the record:)

OPERATION MAINSTREAM EXPENDITURES

The \$32 million increase in the overall Mainstream program referred to in the testimony includes the \$20 million provided for Title I-E which was explained above. In addition, \$6.2 million was used to support Title I-B commitments and \$5.9 million involved the transfer of certain CEP projects to the Mainstream program.

We are not able to provide information on the age distribution of the specific persons served by the \$32 million increase for reasons similar to those cited in the explanation of Title I-E. The \$32 million represents funds made available for Mainstream projects, not expenditures. Since a considerable part of the \$32 million was not made available until late FY 1971, and because the impact on enrollment comes from actual expenditures, the effect of the increase will not be reflected in our data for some time.

However, the new Manpower Administration Order (MAO 19-71) will apply to those projects funded by the \$32 million increase as well as all others. The requirement that 40 percent of enrollees be over 55 should result in an upward shift in the age distribution of enrollees served by these funds.

Certain facts regarding the statistics on the Mainstream program should be noted. One is that the number of youth in the program, defined as under 22, is extremely small, less than 4 percent in FY 1970. Some of this may represent incorrect reporting as well as failure to conform to guidelines. Further, where the percent of older enrollees has declined, it has been partly the result of increases in workers 35-44, a group that experiences problems somewhat similar to, if less severe than, those of older workers, particularly in times of a loose labor market. These shifts in age distribution are shown in the following table comparing age characteristics for FY 1968 through FY 1970.

Age Distribution of Mainstream Enrollees
FY 1968-70

Age	FY 1970	FY 1969	FY 1968
Total	100.0	100.0	100.0
Under 22	3.7	1.9	3.7
22 - 34	29.1	25.8	32.1
35 - 44	16.7	14.5	19.6
45 and over	50.6	57.8	44.6

Another factor is that the relatively small size of Mainstream tends to make the statistics particularly subject to fluctuations. Large national contracts serving only workers over 55 can shift the age distribution upward. Conversely, funding of regional contracts serving a more general age group can shift it downward. Finally, the use of some Mainstream projects in STEP-like activities, that is, to absorb trainees from other programs while they await placement, can have a disproportionate effect on the statistics because of the turnover involved.

Senator EAGLETON. Now I take it that the basic premise of your opposition to S. 555 is that in effect it is duplicitious or unnecessary because Operation Mainstream is already in existence.

It that in part the substantial thrust of your position?

Mr. FASSER. That in part is the reason for our opposition. We are in place to provide the services that would be provided in that act. We have a new act on the horizon, it is here, the Emergency Employment Act, which is going to have a large chunk in it for older workers.

There are many things that we are doing, including the Wagner-Peyser Act obligation, which provide services asked for in the act. Generally the thrust is that this is just one more categorical program piled onto the others we already have.

Senator EAGLETON. Well, I think somewhere in your testimony you paid tribute to the success of Operation Mainstream and I think Commissioner Martin did perhaps too in his testimony. The program as operated up to date, in the opinion of the Department of Labor, has been a success. Is that correct?

Mr. FASSER. That is correct, Mr. Chairman.

Senator EAGLETON. And I take it also that, and I repeat, you think our bill is unnecessary since it is in existence and presumably is going to continue.

Mr. FASSER. That is right, Mr. Chairman.

Senator EAGLETON. Now presumably—would you take it, to be the intent of the administration as you now know it, that Mainstream would be continued into the future?

Mr. FASSER. Yes, sir; the intent of the administration is that Mainstream would be continued in the future.

Senator EAGLETON. And continued pretty much on its present basis in terms of how it is structured and how it is administered?

Mr. FASSER. Under current legislation and because the program as it is currently structured is a successful one, there is no question that it would continue much as it is.

Senator EAGLETON. All right. Since it has been a success, and I share that opinion with you, that it has been a success, do you have any plans for the expansion of the program? From the figures we have between 4,000 and 5,000 people participated in Operation Mainstream. We also had testimony that many, many others have applied to participate who are eligible in terms of qualifications, and so forth, but can't participate because of the limits of the program.

Do you have any intention of expanding the program so as to permit more people to participate?

Mr. FASSER. As of this date we had not contemplated expanding the program, Mr. Chairman. Nevertheless, that does not mean that at some point when we review our priorities, take into account the effects of legislation like the Emergency Employment Act, and see where the needs are the greatest, the program may assume even greater priority. However, presently we have no plans to expand the program.

Senator EAGLETON. If a program has been deemed to be successful, and I emphasize this is one that has been, and if the record shows more people qualified to participate are denied an opportunity because of lack of funds, shouldn't some consideration be given to expanding a program that all parties, the administration, the Congress, and those working in it deem to be successful?

Mr. FASSER. Mr. Chairman, this is certainly true, that consideration is given. However, consideration is also given to other successful programs and we have quite a number of those.

Senator EAGLETON. All right.

Can I direct your attention to page 10 of your prepared statement, bottom paragraph on that page, in part reads as follows:

In past years Mainstream appropriations have been at a level of about 40 million. In fiscal 1971 about 72 million was allocated to these kinds of programs, at least a 75 percent increase.

Now it is my understanding that the authorization for Mainstream was \$41 million of which \$38.8 million was appropriated.

I am a bit confused where the \$72 million figure came from.

Mr. FASSER. There was a reprogramming effort in the spring and we were able to add more money into the program and if at all possible we will try to hold it at that level.

Senator EAGLETON. We may be wrong on our authorization figures but as much as I like this program and I hope it is being funded more intensively—you can't fund over and beyond the authorization level.

Mr. FASSER. That is exactly right.

Senator EAGLETON. Would you double check? We perhaps are in error and I think the record ought to be clear as to the paragraph on page 10—that \$72 million figure and check it with \$41 million.

Mr. FASSER. I will be glad to provide you with a detailed explanation of that.

(The following information was subsequently supplied for the record:)

The additional funds for Operation Mainstream were the result of reprogramming of FY 1971 funds. Such shifts of funds within Title I of EOA are not unusual.

Reprogramming of most of the funds referred to was cleared in a letter to Senator Magnuson from Secretary Hodgson dated May 13, 1971. This procedure was followed in further reprogramming in June 1971.

Details of the Reprogramming are as follows:

	<i>Millions</i>
Reprogrammed from PSC Title I-B commitments and disaster relief projects -----	\$6.2
Reprogrammed from CEP to permit transfer of CEP-OM projects in Eastern Kentucky to OM -----	5.9
Reprogrammed from PSC to Title I-E -----	10.0
Reprogrammed from NYC to Title I-E -----	10.0

Senator EAGLETON. Now statistics which we have indicate that the percent of enrollees, and again I am talking about Operation Mainstream, who are 45 and older has been reduced from 58 percent in fiscal 1969 to 51 percent in fiscal 1970.

How did that come about? Do you have any answer to that?

Mr. FASSER. As Mainstream expanded, the step-like programs, for example, were expanded and they hit a different clientele, which would account for the drop.

Senator EAGLETON. By a different clientele, that means those being brought into the program in that one year; then the new clientele were people below 45 years of age.

Wasn't it intended that, if not exclusive, the primary emphasis of Operation Mainstream be on employment opportunities in useful service for people 45 and older?

Mr. FASSER. That is one of the thrusts of the program but it has others too and those are taken into account.

Senator EAGLETON. Wasn't it more or less the principal thrust of the program?

Mr. FASSER. It is the principal thrust.

Senator EAGLETON. I am concerned, and I think the committee is, that there is this noticeable percentage drop in participation by people 45 and older. I am not trying to ignore any other segment of the community but this program has as its premise middle-aged older workers. I don't think it should be diluted so that it becomes just another across-the-board program with no special attention being paid to the middle-aged or the elderly.

Under the Age Discrimination and Employment Act, about which I think there was some statement in your prepared presentation, Secretary of Labor Hodgson is directed to undertake a study regarding the institutional and other arrangements giving rise to involuntary retirement.

I might add that the Senate Appropriations Committee, in a report, stated:

This committee also expects that within the amounts recommended, the Department will initiate a study of the institutional and other arrangements giving rise to the involuntary retirement as directed by section V of the Age Discrimination and Employment Act.

What is the status of this study?

Mr. FASSER. I checked this before I came to testify, Mr. Chairman, and I learned that there may be a preliminary report late in the fall and perhaps a final report in January.

Senator EAGLETON. When was the study authorized?

Mr. FASSER. When the act was passed.

Senator EAGLETON. Our information is 1967, effective in 1968. Can you assure us though that you will have this study, at least a preliminary, by this fall?

Mr. FASSER. I will do my best to assure you we can get it.

Senator EAGLETON. I think its benefit is slow in coming and if you can speed it up we would appreciate it.

Mr. FASSER. Yes, sir.

Senator EAGLETON. Now, according to published sources only 40 suits have been prosecuted during the 3 years that the Age Discrimination and Employment Act has been on the books, and I am aware that the law provides for some informal techniques to try to resolve disputes and disagreements prior to going to court in litigation.

You have 40 suits in 3 years and that amounts to 13 suits a year. Can you comment on why there have been so few court proceedings instituted under the act?

Mr. FASSER. The 40 suits yielded about three-quarters of a million dollars and provided restitution for 655 employees. The implementation on the part of the Department of Labor has been directed toward the conciliation effort rather than legal action, which is more or less a last resort type activity.

Senator EAGLETON. I didn't quite get the figure of employees. Did you say 655?

Mr. FASSER. 655.

Senator EAGLETON. Is that the sum total of complaints?

Mr. FASSER. No, sir, that is the number of people covered in this three-quarters of a million dollars as a result of the 40 suits.

Senator EAGLETON. As a result of the 40 suits. Well, there has been testimony earlier this week before another committee of the Labor and Public Welfare Committee with respect to pension rights and discharged employees, middle-aged and older, and their inability to become reemployed, and so forth, that, at least as I remember their testimony, would indicate that 655 employees is really, in this context, very miniscule.

Mr. FASSER. Yes, sir. Some 6,650 complaints have been investigated and conciliation has been most successful, and that is where we stand in terms of the figures we have on the activity in this area.

Senator EAGLETON. Back on Operation Mainstream, you specifically mentioned in your presentation the green thumb program which is one of the largest I think being operated under Operation Mainstream, some 2,600 or thereabout participants in the program.

The testimony yesterday was that it was in being only in 17 States and not statewide in all those 17 States. Why hasn't it been expanded into other States since those 17 don't in any way come close to representing the totality of rural America?

Mr. FASSER. That is true. The green thumb program is not large enough to go to all 50 States. The money is let out according to need. The funds authorized for the green thumb program are just about \$7 million. And it provides 2,680 slots. We are now into contract renegotiation. As a matter of fact, that contract expired Saturday night and we have just about successfully completed a renegotiation. One of the thrusts of the renegotiation was to wring out very dry the administrative costs, so that we could increase the number of slots. I mean that we have not cut the appropriation or the amount of money allocated for this item in fiscal 1972. We just wanted to redirect some of the money and we have been successful in doing that and working with the green thumb people. We should have a contract soon and we will have more slots.

Now the idea of increasing the number of slots was to put them in those areas in the 17 States where there was the most need. We didn't pick up a great deal of slots, maybe 150 more slots, but we cut the administrative cost to a bone, and we will be able to expand in the 17 States. We do not contemplate going beyond the 17 States at this time.

Senator EAGLETON. What did your analysis show as to the cost of the administration of this program?

Mr. FASSER. We have gone on the basis of the 15 percent administrative cost.

Senator EAGLETON. That was under the previous contract?

Mr. FASSER. No, that will be under the new one.

Senator EAGLETON. The cost will run slightly higher than 15 percent. In terms of the administration of manpower-type programs, employment-type programs, is the 15 percent administration cost considered high, low, average, typical, or what?

Mr. FASSER. This kind of a program would normally carry a low administrative cost. The programs that involve a great deal more effort on the part of the administration, the Manpower Administration, and on the part of the contractor, would be more expensive. But this kind of a program would be one of relatively low administrative cost.

Senator EAGLETON. Now, again, there was in your testimony and Commissioner Martin's testimony repeated reference to the Emergency Employment Act and the main thrust of that bill was to provide full-time employment for various individuals in need of work.

Is that program the same as what we are talking about here this morning with respect to Operation Mainstream which has shown the desirability of part-time employment for elderly persons; that is, aren't we asked or expecting too much to look upon the Emergency Employment Act to fill the need which we seek to meet by the bills before us and the continuation of Operation Mainstream as a permanent, ongoing program?

Mr. FASSER. Well, there will be, of course, people in the same general category that are covered by both Operation Mainstream and the Emergency Employment Act. The Emergency Employment Act so specifies that in taking into account the people who will be hired using funds supplied by the act, employers will take into account the various problems. One of those problems is the age of the people in that particular locality—the age of the unemployed. There is a laundry list in the act of things to be taken into account, and the older worker problem will be one of the things taken into account.

Senator EAGLETON. Well, I think in part that gets at the problem as I view it. The Emergency Employment Act is a broadly gaged program designed to assist in the relief of unemployment problems across the board and I fear, and I believe others in Congress do also, that the problems of the middle-aged and the elderly tend to get terribly diluted, terribly obscure, almost forgotten, when it is thrown in just a general collage of unemployment problems. That is why I think there is a greater need for categorical or special emphasis on the particular unemployment problems of the elderly as is provided in a program like Operation Mainstream and others, so it doesn't get lost in the big sea and become just a minor portion in comparison with the bigger picture.

Don't you think there is a serious risk, based on our past experiences in dealing with programs, that problems of the elderly will just be ignored?

Mr. FASSER. Well, I hope not. There is always that risk, of course, with a brand new program, and a glamorous one such as the Emergency Employment Act. We don't intend to diminish our efforts in this regard in terms of the Mainstream-types of programs. We intend to implement the Emergency Employment Act to the greatest extent possible to suit all segments of the working population.

Senator EAGLETON. Senator Kennedy?

Senator KENNEDY. Thank you, Mr. Chairman. I regret that I wasn't here earlier for your testimony, gentlemen. I look forward to reading it. Do you not agree with me that generally our senior citizens have been perhaps the most overlooked group within our society?

Mr. FASSER. Certainly, Senator, I agree with you.

Senator KENNEDY. Certainly it would appear to me that they were the ones that participated to the least extent in the poverty programs and Federal manpower programs. Even in terms of legal services, for example, programs directed toward senior citizens were faced with budgetary cutbacks suggested by the administration.

Despite the extraordinary number of our senior citizens who are unemployed and living in poverty, we see a general lack of funding for older American programs authorized by the Congress.

And I find it difficult to understand the reservation of the administration to enactment of target programs for middle-aged and older workers. We have had rather, I thought, convincing and dramatic testimony not only before this committee but more significantly in the communities where these employment programs have taken place.

And I suppose if I were just an elderly citizen interested in some employment opportunity, it would appear that those doors are closed.

And I am just wondering if you are feeling the increase in the despair and sense of hopelessness which is being communicated by the elderly.

Mr. FASSER. Senator, we are sensitive to those problems. We hear probably as much from the same constituency as you do on these subjects and we are aware of them. We do have programs to help to alleviate the problems. We do look forward to new programs. We do look forward to improving our own ability in the Manpower Administration, in the Department of Labor to handle some of these problems and we think that we do have some facilities for doing this. That generally is the thrust of our statement today and our reasons for opposing the particular bills that we are talking about today.

Commissioner MARTIN. Senator, if I could add—

Senator KENNEDY. Mr. Martin, it is nice to see you back again. We take a good deal of our frustration out on you from time to time.

Commissioner MARTIN. I am getting used to that, Senator, but that doesn't mean I am any the less interested in this.

You were not here for the short presentation which I made, but I might mention the fact that we or rather the new ACTION agency anticipates coming forward with legislation very shortly to broaden the operation of the foster grandparents program, which has, as you know, had a rather fantastic success and has a wonderful image with older people as well as with the people who are served.

We believe that this now is a tested program and that the time has come to broaden the opportunities for older people to serve in the many capacities in which they can serve if they are given the opportunity to do so. And we are hopeful that when that legislation does come forward that the Congress will give attention to it and will see fit to broaden the responsibilities of the foster grandparents program into related fields where these older people can do such wonderful work as they have already proved they can do in this program and in Mainstream and some of the other programs.

Senator KENNEDY. Well now, Mr. Martin, the foster grandparents program, as you well pointed out, has been enormously well received and I think has exceedingly high marks in terms of evaluation. I am not so sure that it really has to be studied or needs another stamp of approval by a White House conference.

I must say, in terms of S. 555, the community service employment program, you are well aware of the programs that have taken place—in my own State, in Fall River, in New Bedford, in Boston—and the tremendous sense of value that those senior citizens have acquired. Many say, "We are not interested in welfare, we want to go on out and try to perform." And they can.

That program has been tested. It is warmly embraced by the groups affected and yet you find reasons to oppose it. In the same way, the pilot nutrition program was a success, yet the administration cut \$1,700,000 put into the supplemental to continue 17 nutritional programs for senior citizens. It wanted to cut out those 17 nutritional programs where scores of senior citizens are totally dependent for their basic diet. At the same time, the administration fights for a \$59 million icebreaker. I find that to be a basic distortion in priorities. I just hope that when you go back you say we are getting a lot of heat up there and that this will strengthen your hand in trying to get more funds for the elderly.

Commissioner MARTIN. If I may, I would like to make two points, on the nutritional program. We are funding those nutrition programs for another year. And we are launching, in response to testimony that I gave before your committee—

Senator KENNEDY. Originally, they were dropped and then we all sent down a joint letter, initialed by Senator Percy. Let me ask if I could in terms of the manpower funds, what percent of manpower funds last year were spent on workers over 45?

Mr. FASSER. I am sorry, Senator, I didn't hear that.

Senator KENNEDY. What percent of Manpower funds last year were spent on workers 45 and over?

Mr. FASSER. Excluding Job Corps and the youth programs, it is about 7 percent.

Senator KENNEDY. Seven percent. What percent of the enrollees are workers 45 and over?

Mr. FASSER. I don't have a percentage figure on enrollees. It would be roughly the same in terms of the money because of the distribution.

Senator KENNEDY. Well the Committee on Aging sets the figure at approximately 4 percent. Do you think that is a reasonable estimation?

Mr. FASSER. Yes, Senator, that is a reasonable estimation taking into account all Manpower programs including such things as the Job Corps.

Senator KENNEDY. What do you think it will be next year?

Mr. FASSER. I don't know, Senator. In fiscal year 1972 there will be another billion dollars added to the budget of the Manpower Administration, the Department of Labor, and that is, of course, for the Emergency Employment Act. I do not know what the percentage of participation will be in that money.

Senator KENNEDY. Well just outside of the Emergency Employment Act. I think what all of us are interested in is what you are planning and programing for next year. Then, we can measure those programs in relation to your expression of reservations about this legislation.

If you say that in terms of the kinds of employment possibilities provided in S. 555—we are going to make sure that not just a few thousand are provided; but we are going to have tens of thousands. And we have got a program right here and that is why we object to S. 555. And we are coming back up here next year and hope to have a meeting like this and you can base your judgment on the record.

And, you know, I for one would say fine. But if we are unable at least to get a stated objective or commitment—it doesn't strengthen

your case. I am just wondering now what you might be able to say to us in terms of next year.

Mr. FASSER. In terms of fiscal year 1972, we anticipate no change from our previous activity in this area. However, because of the fact that the problem is a severe one, I hope if any change occurs I would have a better story to tell you a year from now in these circumstances because of the fact that we do have the Wagner-Peyser obligation and the MDTA obligation, the trade adjustment obligation, and because we are growing in size and expertise. I hope I would be able to tell you that we are delivering for the older worker a year from now in a more satisfactory fashion than we are right now.

Senator KENNEDY. There is no guarantee then that you can give us either for an increase of resources for the continuing, ongoing programs, or for new programs? Would there be a larger percentage or share that would go to older workers?

Mr. FASSER. In terms of an increase, Senator?

Senator KENNEDY. Yes.

Mr. FASSER. No.

Senator KENNEDY. I find that distressing. I don't know how others would find it but in terms of the percent of the unemployed now who are over 45, do you know what that percentage is?

Mr. FASSER. One in four.

Senator KENNEDY. One in four.

Mr. FASSER. One in four unemployed are age 45 and older.

Senator KENNEDY. One in four. And yet we can't get any commitment that any more than 4 percent of our manpower funds for next year will go to older workers. I find that shocking, particularly since it seems to me that you would want to have an even greater percentage than 25 percent because of the special difficulties that are presented by senior and elderly workers. I find this distressing.

Do you have any recommendations to us? Can you give us any ideas or suggestions or recommendations on how we can alter the formulas to move into this area of need or do you feel that you don't have to? What can we do about it? If we try in our own way to device legislation programs and then have them knocked down, tell us what we need to do.

Mr. FASSER. We did suggest in our statement that you seriously consider our manpower revenue sharing.

Senator KENNEDY. All right. Can you give us any assurance, if we enact that, that there will be either 25 or 30 percent to go to elderly workers, or any percent?

Mr. FASSER. Well I don't know whether or not that would happen on a level of 25 or 30 percent, on a national average, but locally—

Senator KENNEDY. What would that be?

Mr. FASSER. The money would be spent at the local level where the need is known and if the mayor or the Governor or the county commissioner or whoever is handling the money would deem the older worker one of the serious problems in his particular jurisdiction, then he would spend his money there. I don't have any percentage figure.

Senator KENNEDY. I can see why elderly people might support that because the Federal Government has done such a poor job in protecting their interests, quite frankly; they do a great job on a lot of things, but a miserable job in terms of this particular interest.

But you see, with revenue sharing we can't really tell what resources are going to get to the elderly because that will depend on the local mayor or Governor. However, with the legislation which is before us this morning, we are sure that it is going to go to the senior citizens; we are sure that it is going to go to the elderly. [Applause.]

We are not going to deem it an option of the Government. We are targeting that in on the elderly and we are going to be sure of it. By the way, the programs that are included here are the most local programs you could possibly imagine. You couldn't get anything any more local.

It just seems to me that we have a responsibility which has not been met in terms of assuring employment and service opportunities to the elderly. And as one who has tried to develop a targeted program to meet a targeted need, it distresses me quite frankly to find this opposition to it. Particularly when you admit that if we go the administration route, you are unable to give any solid assurances to the elderly workers that we are going to get the job done.

And that is just one man's view on that. I know we have a disagreement on it.

Senator EAGLETON. That is two men's views on it.

Senator KENNEDY. I thank you.

Can you tell me how many older Americans you estimate dropped out of the labor force over a period of let's take—recent years. I don't know if you have the figures now for the last 2 or 3 years. You might provide it for the record in terms of the last 5 or 8 years.

Mr. FASSER. I don't have those figures, Senator, but I would be glad to provide it.

Senator KENNEDY. Can you? Because you see, I think when we asked you about the number of people unemployed and you have one of four.

I don't really feel that is an accurate estimation of the total number of elderly people who are unemployed. I think it would be important to our understanding of the problem to truly evaluate the number of elderly who are not even counted in the total labor force.

Do your associates have any figures or estimates?

Mr. RAVIN. There has been a great variety of figures. Reports of the Senate's Special Committee on Aging, for example, the Developments on Aging—1970, the hearings on the economics of aging have had estimates from such experts as Dr. Harold Sheppard and Dorothy McCamman. It is very difficult to stay what is the most accurate estimate. It depends on your operational definition—particularly after age 65 when a man may be presumed to be retired. Would he come back if he were offered a job? In what kind of job market? It is a very difficult question to answer, although I think no one would question the fact that a fair number of workers drop out because they can't find employment.

Senator KENNEDY. What were the figures that were provided in terms of—

Mr. RAVIN. They ranged from less than 1 million to more than 5 million. It seems to me that the latter figure is far too large.

Commissioner MARTIN. Senator, the work force participation figures fall very rapidly, of course, after age 65 is reached. The trend has been steadily downward. Seven out of 10 men over 65 were in the labor

force at the turn of the century. Now that is down to about 25 percent of men over 65 who are still in the labor force. This is why we are particularly interested in the thrust of the proposal which the administration will soon send to Congress. We are particularly interested in seeing it presented, and in seeing the Congress act on it, because we see an opportunity there to expand the service role of older people.

Compensation can be a part of it, as it is in the foster grandparent program, but we believe that the service role can be greatly expanded and that opportunities of all kinds can be made available to our older population, not only in health, welfare, and related settings, but in community service settings as well. We know we have the older people who want to serve in these ways, because we have four times more applications than we have service opportunities at the present time. So, we think this is an important initiative and one which can greatly increase the opportunities to provide services which the older people want to provide, and which are needed in the communities.

Senator KENNEDY. That sounds like the best endorsement of S. 555 I have heard.

Commissioner MARTIN. It is an endorsement of the forthcoming administration proposal which is somewhat similar, Senator, but it isn't an endorsement of S. 555.

Senator KENNEDY. We won't hold you to that, Commissioner.

Commissioner MARTIN. It is similar but different. It emphasizes the service role. It emphasizes the volunteer aspects of it, the satisfactions to the individual in service, the opportunities for personal satisfaction. While the compensation or the stipend has importance in boosting morale and in boosting income somewhat, that really is for many of these people not the important thing. The important thing is to continue to be useful.

Senator KENNEDY. You described my bill just beautifully. We ought to get together.

I think we have seen, Mr. Secretary, these various figures talked about and I think we ought to try and get some further information.

Mr. FASSER. We will be glad to provide any information we can along those lines.

(The following information was subsequently supplied for the record:)

UNEMPLOYED PERSONS 45 YEARS OF AGE AND OVER

Based on the Current Population Survey for the second quarter of 1971, BLS estimates, there were 275,000 persons 45 years of age and over who were not employed and wanted a job but were not looking for one because they thought they could not find one. Of these 90,000 were persons 45 to 55 years old, 42,000 were 55 to 59, and 143,000 were 60 plus.

The persons included in these figures might have "dropped out" of the labor force a month ago or several years ago. The estimate necessarily is based on responses at a given time.

Senator KENNEDY. I want to thank you very much for coming.

Thank you, Mr. Chairman.

Senator EAGLETON. Thank you, Senator Kennedy.

Commissioner Martin, in your prepared testimony, you make this statement:

We believe, however, that the service orientation in the upcoming administration proposal is preferable to the employment orientation in the bills before you.

And in part you were discussing that with Senator Kennedy. You do see in S. 555 and similar bills an employment orientation and you do see in Operation Mainstream an employment orientation that in your judgment distinguishes it from a program such as Foster Grandparents?

Commissioner MARTIN. That is correct.

Senator EAGLETON. You don't see them as being identical?

Commissioner MARTIN. No, sir. But—

Senator EAGLETON. And you see them as pursuing the same goal but on separate and different avenues?

Commissioner MARTIN. I think of S. 555 as aiming far more perhaps, at people who are actually a part of the regular labor force. I think of the foster grandparents program, if expanded, as dealing primarily with people who may not be in the labor force at all. They are low income but they are in many cases as old as 80 or 90. We have one or two people in that program who are 90 and, of course, it is a program that is no longer administered by the Administration on Aging. It has been transferred to the ACTION Agency. But I have had numerous conversations with Mr. Blatchford with regard to what emphasis is to be put on older people in the ACTION Agency, and I have had repeated assurances from him that he regards this as of major importance, not minor, and the evidence of that is in the fact that the new ACTION Agency has a division which is simply designated as Older American Services; it has not been homogenized into the general structure. It will have separate identity, and the programs it is operating will be given separate attention.

Senator KENNEDY. They are directing it?

Commissioner MARTIN. For that program, yes. The director of the Older Americans portion of it is the man who was working for me before these programs were transferred, Mr. John Keller, who is here this morning and who has done a wonderful job not only in getting the foster grandparents program going but in getting the retired senior volunteer program going.

Senator KENNEDY. Is Mr. Keller here?

Commissioner MARTIN. Yes.

Senator KENNEDY. Would the Senator let me ask a question?

Senator EAGLETON. Yes.

Senator KENNEDY. Do you have a staff?

Mr. KELLER. Yes; we do.

Senator EAGLETON. Would you please give your full name and title for the record?

STATEMENT OF JOHN B. KELLER, DIRECTOR, OLDER AMERICANS PROGRAMS, ACTION

Mr. KELLER. Yes, sir. My name is John Keller and I am head of the older Americans program in ACTION.

In regard to your question, we do have authority at this time within ACTION to proceed with recruiting and hiring 33 staff within ACTION to serve older Americans programs. Currently we have only seven staff positions filled.

The reason for that is that in the transfer from HEW to ACTION there were no transfer of staff from the regional office to the ACTION

regional office. We will soon be recruiting staff to fill the vacancies in those regional offices.

We will have 13 in the central office and 20 positions in the regional offices.

Senator KENNEDY. This is a new kind of a program that you are heading in terms of ACTION?

Mr. KELLER. No, sir.

Senator KENNEDY. You would be coordinating the foster grandparents program—

Mr. KELLER. Yes, sir.

Senator KENNEDY. Does this mean a corresponding reduction in terms of your personnel?

Commissioner MARTIN. Yes, Senator. The seven personnel who were assigned to the program in AOA have been transferred to ACTION.

Senator KENNEDY. How many does that leave you?

Commissioner MARTIN. That will be increased to 13 there. It leaves us with 55.

Senator KENNEDY. Good. When do you expect to have them filled?

Mr. KELLER. We expect—we are developing the job descriptions now and will be recruiting within the next month.

Senator KENNEDY. Good. Can you either submit to us or let us know what those programs are in terms of the elderly at the appropriate time?

Mr. KELLER. Yes, sir.

Senator KENNEDY. Thank you, Mr. Chairman.

(The information referred to and subsequently supplied follows:)

FOSTER GRANDPARENT PROGRAM

The purpose of the Foster Grandparent Program is to provide opportunities for low-income persons age 60 and over to contribute to their community in retirement by providing continuous person-to-person service to needy children in health, education, welfare and related settings while being supported by a nominal stipend and enjoying the self-respect and satisfaction that comes from being needed and serving others.

The Director of ACTION is authorized to make grants to public or nonprofit private agencies to pay not more than 90 percent of the cost of development and operation of foster grandparent projects designed to carry out the purpose as defined above. There are 67 projects operating in 40 states and Puerto Rico. During fiscal year 1971, there were 4,400 foster grandparents serving 8,800 children on any given day in approximately 190 institutions. During a year approximately 5,600 different foster grandparents serve as many as 24,000 children in these settings. The range of financial assistance is \$69,000 to \$356,000 with the average grant at \$145,000.

Foster grandparents serve four hours a day, five days a week and receive a stipend of \$1.60 per hour; they are reimbursed for their transportation cost and, where possible, are provided a nutritious meal daily. Each foster grandparent receives a physical examination yearly and all foster grandparents are covered by accident insurance. At least eighty-one percent of the total program budget (Federal and Non-Federal) is spent as direct benefits to the foster grandparents. Indirect benefits to the foster grandparents include orientation, in-service training, and continuing on-the-job supervision. Through the professional staff of each individual program, foster grandparents receive counseling on personal matters and information regarding benefits available through medicare, social security, legal aid and other community and Federal programs.

Seventy-three percent of the foster grandparents serve mentally retarded children. In one project for retarded children, seven children achieved the level of functioning that enabled them to enter Head Start classes; four were admitted to special education classes; one boy thought to be retarded was enrolled in summer Head Start and then registered for a regular classroom program.

Foster grandparents also serve in institutions for the emotionally disturbed, for the dependent and neglected, for the mentally ill, for the physically handicapped; in pediatric hospitals; in day care, head start, and elementary classrooms; in correctional institutions; and, mental health clinics. National authorities on child care have commented on the excellence of the Foster Grandparent Program. Dr. Maria Piers, dean of the Erikson Institute for Early Childhood Education and co-author with Dr. Robert Coles of the book Wages of Neglect, has stated: "As a preventive program, Foster Grandparent is the best thing known to combat the pernicious influence of neglect. Children who are ignored, cut off from adult contact and love can face a total deterioration of the intellect with life-long crippling effects. Foster grandparents give the children the warm, loving contact with adults that is so necessary to their growth and development. I have seen the positive results of this program. Every institution or agency caring for children could benefit from the work of a foster grandparent in every child care unit."

Institutions and agencies caring for children have actively responded to the program; literally hundreds of requests for Federal funds to start new projects are turned away each year for lack of funds. In addition project directors report eight applications for every foster grandparent volunteer position funded.

The Foster Grandparent Program has provided many insights into the potential utilization of the elderly in social roles in community settings. It has demonstrated to communities that older persons have the talent, skill, experience, ability and desire to serve their communities by meeting some of the unmet human needs in the community.

RETIRED SENIOR VOLUNTEER PROGRAM

The Retired Senior Volunteer Program offers many of America's men and women, age 60 and over, new and varied opportunities for volunteer service to their communities. This program was authorized by the 1969 Amendments to the Older Americans Act.

The purpose of RSVP is to develop a recognized role in the community and a meaningful life in retirement for older adults through significant volunteer service. Retired persons will be encouraged and helped to offer their skills, experience and talents to their communities through socially useful activities. There are no income, education or experience requirements for a retired person to become an RSVP volunteer.

ACTION is authorized to make grants to pay for the development and operation of senior volunteer programs within the limits of appropriated funds. Applicants are required to have a plan for non-Federal contributions to the program. Only one RSVP will be funded in a community or service area.

RSVPs are organized and operated in local communities by public or private nonprofit organizations based in those communities. These organizations seek out older persons for volunteer service through RSVP. In close cooperation with Volunteer Stations, the organizations and institutions needing volunteers, the local RSVP arranges for proper orientation, assignment, instruction and supervision of Senior Volunteers.

Senior Volunteers serve in a great variety of assignments, such as schools, parks, courts, museums, day care centers, hospitals, libraries, welfare agencies, nursing homes, institutions, etc. Assignments are carefully selected to match the needs of Senior Volunteers as well as the needs of the Volunteer Stations at which they serve. Senior Volunteers receive no compensation, but are reimbursed for out-of-pocket expenses incident to their service, such as transportation and meals.

Eleven programs were funded with \$500,000 in fiscal year 1971 by the Administration on Aging, U. S. Department of Health, Education, and Welfare. On July 1, 1971 the Retired Senior Volunteer Program was transferred to ACTION. The President's fiscal year 1972 budget request for RSVP is \$5 million. If this amount is appropriated by Congress it will permit the development of an estimated 75 additional programs.

Information about RSVP and grant application procedures will be available to prospective grantees by October 1, 1971, through State Offices on aging. All RSVP applications will be submitted to ACTION through the State offices on aging. This permits the State offices to comment on the capacity of applicants to conduct the program as proposed.

July 1971

ACTION

Staff Plan for Older Americans Programs

<u>Position Title</u>	<u>Position Filled or Vacant</u>
<u>Headquarters, Washington, D.C.</u>	
Director	Filled
Secretary-Steno	Vacant
Senior Program Specialist (FGP)	Filled
Program Specialist (FGP)	Vacant
Program Analyst (FGP)	Filled
Secretary (FGP)	Vacant
Clerk-Typist (FGP)	Filled
Senior Program Specialist (RSVP)	Filled
Program Specialist (RSVP)	Vacant
Program Specialist (RSVP)	Filled
Program Analyst (RSVP)	Vacant
Secretary (RSVP)	Vacant
Clerk-Typist (RSVP)	Filled
<u>Regional Offices *</u>	
10 Older Americans Field Representative	10 vacancies
10 Secretaries	10 vacancies

* Each of the 10 Regional Offices of ACTION will begin with a Older Americans Field Representative and a secretary with additional Regional staff to be added depending on workload.

Senator EAGLETON. Commissioner Martin, on that nutritional program that Senator Kennedy raised with you and you said you were going to continue funding for another year, do we as yet know where those funds are coming from? In order to fund it, some funds are going to have to be taken away from some other program.

Commissioner MARTIN. Yes, we are funding them for another year.

Senator EAGLETON. Has the decision been made as to where the \$1.7 million is to be subtracted, who is going to lose, what program is going to lose?

Commissioner MARTIN. Research and demonstration money for the total SRS social rehabilitation program. There has been no decision as to what portion of that account they will come from but they will come from that account.

Senator EAGLETON. When that decision is made—do you anticipate, by the way, that it will be made fairly soon?

Commissioner MARTIN. Yes, soon.

Senator EAGLETON. Would you please notify us of the specific details as to what programs are going to be cut back in order that this nutritional program can go forward? I happen to agree with the nutritional program and am glad that it is going to be funded for another year, but I am also wondering who is going to pay for the two.

Commissioner MARTIN. We shall notify you.

Senator EAGLETON. Mr. Fasser, not immediately germane or precisely germane to today's hearing on S. 555 but since it has been repeatedly mentioned in your testimony with respect to the Emergency Employment Act, you realize that some question has been raised as to the allocation of funds under the Emergency Employment Act.

State-by-State allocation was announced by the Department on July 23. Is any thought being currently given in the Department to reviewing that allocation formula with a thought to revising it, or is it final, irrevocable and that is it?

Mr. FASSER. I don't think anything is final in that sense or irrevocable. The decision stands to use a formula where we will take into account the number of persons who are unemployed and the severity of the unemployment in that particular State, for that initial allocation. As of this time that decision still stands.

Senator KENNEDY. On the foster grandparents program, as I understand, they spent \$10.5 million last year; is that right?

Commissioner MARTIN. That is correct.

Senator KENNEDY. And then the request this year was for—the original budget request was for 7.5.

Commissioner MARTIN. That is correct. That budget request was later raised again, back to \$10.5 million.

Senator KENNEDY. Well why was it cut back? After the expression of enthusiasm that everyone has stated in terms of the foster grandparents program—

Commissioner MARTIN. It was thought—

Senator KENNEDY. What is the authorization?

Commissioner MARTIN. It was thought, Senator, that there could be some trade off with the retired senior volunteer program. When the problem was scrutinized more carefully it became quite clear that there would be no real trade off there. Because it become clear that there

were the foster grandparents who would not or could not really transfer to the retired senior volunteer program and I think that was the reason that the restoration was made.

Senator KENNEDY. What was spent on the RSVP, \$500,000?

Commissioner MARTIN. \$500,000, yes, to get the program started. We funded 10 programs and we have \$5 million.

Senator KENNEDY. What was it this year?

Commissioner MARTIN. In fiscal 1971 it was \$500,000 and in the fiscal 1972 budget it is \$5 million. So that ACTION anticipates that some 80 programs will be funded by the end of the present fiscal year. The program is fully operative now. And the demands or the requests for funding have come from all over the country.

Senator KENNEDY. What will be the administration's request in terms of the foster grandparents program? The authorization goes up rather significantly. Can you tell us anything about that? What you expect to be the request?

Commissioner MARTIN. Of course, that is now over in the ACTION Agency, and I can't speak to that, Senator. I don't know what funding is being contemplated there.

Senator KENNEDY. Thank you, Mr. Chairman.

Senator EAGLETON. Thank you, Senator. Thank you, gentlemen, Mr. Fasser and Commissioner Martin.

For the record, could we have the names of the two gentlemen with you? I think one gentleman responded to a question.

Mr. RAVIN. Louis Ravin, Office of Policy and Planning, Department of Labor.

Mr. O'DELL. Charles O'Dell, Manpower Training Services.

Commissioner MARTIN. Senator, Mr. Richard Verville, Deputy Assistant Secretary for Legislation at HEW.

Senator EAGLETON. Very good.

OK. Our next witnesses are Mr. Bert Seidman and Mr. Kenneth Young. AFL-CIO.

Mr. Seidman and Mr. Young, we welcome you and you may proceed. May we have order please?

Mr. Seidman, do you want to identify the third member of your team?

STATEMENT OF BERT SEIDMAN, DIRECTOR, DEPARTMENT OF SOCIAL SECURITY; ACCOMPANIED BY KENNETH YOUNG, ASSISTANT DIRECTOR, DEPARTMENT OF LEGISLATION AND LAWRENCE SMEDLEY, ASSISTANT DIRECTOR, DEPARTMENT OF SOCIAL SECURITY, AFL-CIO

Mr. SEIDMAN. Yes, I will be glad to. My name is Bert Seidman and I am director of the Department of Social Security, AFL-CIO.

With me to my left is Kenneth Young of the AFL-CIO Legislative Department, and to my right is Lawrence Smedley, assistant director of the AFL-CIO Department of Social Security.

Mr. Chairman, I have a prepared statement, but in view of the lateness of the hour, with your permission I would like to submit it for inclusion in the record and try to summarize the main points in the statement.

Senator EAGLETON. Fine. Your entire statement will be printed in full at the end of your testimony.

Mr. SEIDMAN. Let me say at the outset, Mr. Chairman, that we appear in support of the objectives of S. 555, S. 1357, and S. 1580, the bills which are aimed at providing increased employment opportunities for middle aged and older workers.

Taking these three bills as a whole, they would in the first place establish in the Department of Labor a community service employment program for persons 55 years of age and over who have low incomes and difficulties in securing employment. And, second, they would establish a midcareer services program in the Department of Labor to help resolve the unique and growing employment problems encountered by persons 45 and older.

It is our opinion that both of these programs are urgently needed and we would like to see them established. We think, however, that in looking at the employment problems of older workers, as in looking at the employment problems of the Nation as a whole, that first priority should be given to immediate measures to overcome the administration's engineered recession. In fact, the greatest advance that could be made toward greater employment opportunities for older workers would be full-employment opportunities for everyone.

But that isn't the sole solution to the problems of older workers because we know that even under the best of economic conditions they have great difficulty without training and retraining in adequately competing in the labor market.

We are convinced that old age should be to the maximum extent possible a time of service and continued self-development. And it is also clear to us that the period of the late forties and early fifties is a critical period in the worklives of adults.

And during this period, as the figures demonstrate, joblessness increases, duration of unemployment rises sharply, and labor force participation declines and poverty increases. And once the older worker becomes unemployed he runs the greatest risk of being without work for long periods of time.

The statistics show also that as has been indicated with the previous witnesses, that the ratio of men no longer in the labor force, in the older age categories, is increasing; that is, it was at one time only 10 years ago one in six, now it is one in eight.

The lack of adequate employment opportunities for older workers has resulted in an increase in this poverty, particularly within the last couple of years. The incidence of poverty among the elderly is twice as great as it is for the younger population.

The bills that you have under consideration are designed to help alleviate these problems and are directed to two age groups: first, those who are too old to secure employment but too young to qualify for retirement benefits; and second, there are those who are in the older age group who have reached retirement age but who find themselves with inadequate retirement incomes.

With regard to the first group, what is needed primarily to improve their economic status is training and the opportunities for employment. But unless there are programs to provide training and retraining and employment opportunities, the occupational outlook of this group is bleak.

For those in the more advanced age group who have reached retirement age, for many of them a modest work opportunity means the difference between eking out their later years in grinding poverty and frustration or a contented old age in which their major needs are met.

Therefore we think that the programs of these bills taken as a whole, which are aimed to deal with the specific problems of both of these groups, are very urgently needed.

Mr. Chairman, we find it anomalous that this administration which is putting so much emphasis on trying to force the mothers of small children into the labor market, into situations where their opportunities for employment are bleak, at the same time seems to be paying very little attention to the urgent needs for both employment and added income of older workers—many of whom are very anxious and willing to engage in employment either on a full-time basis or a part-time basis and who have training and experience and qualifications which would permit them to provide very important services for our communities, urgently needed services in hospitals and other medical institutions, in libraries, school, and many other areas.

In short, we think there is a dire need to enlist older Americans in public-service projects that would help their own communities become better places in which to live.

We note with approval that the bills that are under consideration base all their program activities in the Department of Labor, and we think this is important because in the last analysis these are employment programs and therefore they belong in the Department of Labor.

Mr. Chairman, we have expressed our support for the objectives of this legislation, but do have concern over a possible conflict with new comprehensive manpower legislation that will be considered by the Employment, Manpower, and Poverty Subcommittee chaired by Senator Nelson. Last year, as you well know, Mr. Chairman, the Employment and Manpower Act, unfortunately vetoed by the President, included special provisions for middle aged and older worker manpower programs as part D of title V and the AFL-CIO strongly supported this special emphasis on programs for older and middle-aged workers with its reservation of funds, and we continue to do so.

If the problems of these older workers are simply folded into broad, comprehensive manpower legislation without separate funding and without separate identity, these problems will all too often be ignored, and what we heard from the previous witnesses makes it all too clear that this is what happens when there is not separate funding and separate development of programs for older and middle-aged workers.

Since many of the sponsors of the legislation before this subcommittee are members of the Nelson subcommittee, we are confident that this potential conflict can be worked out.

The Mid-Career Development Service program, authorized in title II of both S. 1307 and S. 1580, was authorized in Section 536 of last year's vetoed bill.

Given this background, the AFL-CIO suggests that this subcommittee consider the possibility of including the major provisions of the bills now being studied as amendments to any new comprehensive manpower legislation.

The AFL-CIO does have one specific criticism of the bills before this subcommittee: All three bills give the Labor Secretary broad discretion in the distribution of assistance. We view the language in section 105 of both S. 1580 and 1307 as well as section 6 of S. 555 as an open invitation to a State plan.

Members of the subcommittee who served on last year's Manpower Conference will recall the tough negotiations involving population cut-off figures that permitted whole units of Government to serve as prime sponsors of manpower programs.

The Labor Department proposed regulations covering the recently signed Emergency Employment Act serve as another example of this State plan mechanism.

The AFL-CIO strongly opposes this approach. We urge the subcommittee to be specific in its instructions to the Secretary for the distribution of assistance.

Finally, Mr. Chairman, we congratulate this subcommittee on its determination to focus attention on the critical manpower problems facing older Americans. We commend your subcommittee for directing its attention to these problems and look to you for constructive recommendations that will advance the welfare of older Americans and the entire Nation as well.

Thank you, Mr. Chairman.

Senator EAGLETON. Thank you, Mr. Seidman.

I wish to underscore, insofar as my own personal views are concerned, a portion of your statement on page 5 with which I agree wholeheartedly:

The AFL-CIO strongly supported this special emphasis on programs for older and middle-aged workers with its reservation of funds. We continue to do so. If the problems of these older workers are simply folded into broad, comprehensive manpower legislation without separate funding and without separate identity, these problems will—all too often—be ignored.

And I think it bears repeating that that is the fear that I have expressed in earlier exchanges with Commissioner Martin and Mr. Fasser from the Department of Labor. It is all well and good to have an over-all umbrella program but it appears to me in the question by Senator Kennedy on the States bears out the fact that when there is a problem, the elderly worker seems to fall by the wayside.

So I think it has to have a separate identity so that it can receive the attention it deserves.

Could you elaborate for us, Mr. Seidman, at the bottom of page 5, the objections that you have to date, or the comments you may have to date, with respect to the distribution formula, and I have in mind specifically the formula announced a few days ago on the Emergency Employment Act?

Mr. SEIDMAN. I would like Mr. Young to respond to that question.

Mr. YOUNG. Senator, we are unhappy with that formula because we don't believe that formula follows the purpose of the bill, the legislation that was signed.

What in effect the Labor Department seems to have done is added another criterion. As you recall, the bill talks in terms of total nationwide unemployment, and then it states unemployment as a percentage of the national employment.

The Labor Department has now added this severity factor which in a way is sort of a double dip and we have been looking at some of the figures and it looks to us like by doing this they have in effect loaded in money for certain States at the direct expense of other States. This causes a real problem. We are working with the League of Cities and Conference of Mayors now in coming up with figures—

Senator EAGLETON. Is it your belief they have gone far beyond the scope that was put in the bill by Congress?

Mr. YOUNG. I think it has, yes.

Senator EAGLETON. You are cautioning us to be on guard against the repetition of that in the future? As it may apply to aging?

Mr. YOUNG. Absolutely. I think this once again verifies really there is a need not only for spelling out national programs and assigning funds, but specifically instructing in terms of apportionment. This reminds me of the old adage that sometimes it is better to have a bad law well administered than to have a good law badly administered.

Senator EAGLETON. You mentioned in your prepared statement that we ought to perhaps consider including some of our proposals contained in these bills before us today in a broader piece of manpower legislation sponsored by Senator Nelson that may be working its way through this committee.

Aren't we going to have to be very certain if we follow that legislative approach not to fall into the trap that we think perhaps the Department of Labor has in diluting them to such a point they are overwhelmed by the other provisions in the bill?

Mr. SEIDMAN. Mr. Chairman, we agree with you and we have urged that the programs which are provided for in the bills that the committee is considering should be included in the overall legislation but that that legislation should include separate funding and a separate identity for the problems of the middleaged and older workers.

Mr. YOUNG. One of the things we are thinking about, Senator, is if you pass legislation now before this committee, separate legislation, first we have the appropriations route to go through, then we have the problem of whether the administration is actually going to spend the money—and I am not so sure that it might not be smarter since the administration wants comprehensive manpower to insist upon national programs in that legislation and then reserve a portion of that fund for special national needs such as older workers.

Senator EAGLETON. Don't you have an even earlier hurdle to get over, drawing on your legislative experience, if we pass separate legislation opposed by the administration we have a veto risk, I presume. Whereas if it is included with a separate identity, a separate funding, in an overall bill that presumably the administration favors in general; don't we run less risk of a veto?

Mr. YOUNG. I have given up guessing what the administration is going to veto but I would think yes, as you recall, of course the administration doesn't like the idea of any national programs. You recall last year the national program for Indians as well as for older workers and the Labor Department people speaking for the administration didn't want any part of any of them. The veto message dealt with the public service employment title but they also didn't like that, which reminds me that when the administration talks about the Emer-

gency Employment Act, I think, remembering their emphasis on public service employment, they want temporary, they want basically training, and if you talk in terms of their revenue sharing proposal they want a limit of 104 weeks.

Now, there are a lot of older workers that just won't apply to. I never recall the administration's looking upon the Emergency Employment Act as a way of solving the problems of older workers. They don't want the act to start with, really.

Senator EAGLETON. Gentlemen, thank you very much. We appreciate your testimony.

Mr. SEIDMAN. Thank you, Senator.

(The prepared statement of Mr. Seidman follows:)

STATEMENT BY BERT SEIDMAN, DIRECTOR, DEPARTMENT OF SOCIAL SECURITY,
AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS
BEFORE THE SUBCOMMITTEE ON AGING,
OF THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE
ON S. 555, S. 1307 AND S. 1580

July 30, 1971

Mr. Chairman, my name is Bert Seidman. I am Director of the AFL-CIO Department of Social Security. With me is Kenneth Young, Assistant Director of the AFL-CIO Legislative Department and Lawrence Smedley, Assistant Director of the AFL-CIO Department of Social Security.

We appear in support of the objectives of S. 555, S. 1307 and S. 1580, bills to provide increased employment opportunities for middle-aged and older workers. S. 555 would establish in the Department of Labor a community service employment program for persons 55 years of age and over who have low incomes and difficulties in securing employment. S. 1307 would establish a mid-career services program in the Department of Labor to help resolve the unique and growing employment problems encountered by persons 45 and older. S. 1580 combines the objectives of S. 555 and S. 1307.

Though unions through seniority systems and better pensions have increased the security of older workers, organized labor is aware that unemployed and unskilled older workers are particularly disadvantaged and require special public support and services. In fact, we feel that resolution of their problems will require comprehensive efforts involving all segments of society -- labor, management and government.

First priority should be given to immediate measures to overcome the Administration's engineered recession. The greatest advance that could be made toward greater employment opportunities for older workers would be full employment opportunities for everyone. Hundreds of thousands of older workers have been forced on unemployment rolls by this economic debacle.

We realize, however, that under even the best of economic conditions, millions of older workers will require training and retraining to adequately

compete in the labor market. The AFL-CIO also feels that old age should, to the maximum extent possible, be a time of service and continued self-development. Training, education and community services for the elderly should be regarded as eminently worthwhile investments in human resources enriching both the individual and society. The type of legislation under consideration by this subcommittee will do much to advance these goals.

We have abundant evidence that the critical period in the work lives of adults occurs during their late forties and early fifties. As persons move into these age categories, several trends are obvious. Joblessness increases, duration of unemployment rises sharply, labor force participation declines and poverty increases. Today, there are more than a million individuals 45 and older without jobs, a 68 percent increase in unemployment for this group since January 1970. Nearly 500,000 individuals 55 and older have lost their jobs since January 1969, an 84 percent increase.

Once he is unemployed, the older worker also runs the greatest risk of being without work for long periods of time. Today, there are 171,000 persons in the age 55 and over category who have been unemployed for 15 weeks or more. This is a shocking 195 percent increase in their long-term joblessness since January 1969. Moreover, these statistics actually understate the problem because they do not include the labor force "drop-outs." Millions of men and women over 45 have withdrawn from the labor force in recent years, too often unwillingly because they simply could not find jobs and eventually gave up looking for them. If present labor force participation trends continue, the ratio of men no longer in the labor force in the age 55 to 64 category will soon be 1 out of 6. This ratio was 1 out of 8 only ten years ago.

The sad results are all too apparent in the economic status of the older population. It is a startling fact that the elderly are the single largest poverty group in the nation. Their proportion of the poor population is actually increasing. In fact, for those in the 60 to 64 age category, recent Census Bureau statistics show that from 1968 to 1969 the absolute number of persons in poverty in this age group actually increased, reversing a long-term trend.

The three bills under consideration are designed to help alleviate these problems and collectively are directed at two age groups. First, there are those who are too old to secure employment but too young to qualify for retirement benefits. Too often, they find themselves on the shelf when they still have much to contribute to society in terms of experience, skills and energy. This is not only a waste from the standpoint of the individual but also from the standpoint of a nation which needs the many contributions they can still make.

Under present training and employment programs, the older worker in too many instances has been ignored. Among individuals participating in manpower programs, very rarely do workers 45 and over constitute more than 10 percent of all enrollees in manpower programs although they comprise 22 percent of all unemployed persons in the United States.

Many older workers are also stuck in "dead-end" jobs with little or no opportunity for advancement. They want to improve their economic status but lack adequate training or experience. Given the opportunity for training and retraining, these older workers can be as productive as their younger counterparts. But without the kind of specific programs authorized by these bills, their future occupational outlook will remain bleak.

The other age group to which these bills are directed are those who have reached retirement age, but who find themselves with inadequate retirement incomes. Many want and need useful activity to bolster their self respect and prevent the physical, mental or psychological deterioration which inactivity sometimes brings. To those older Americans, a modest work opportunity can often mean the difference between eking out their later years in grinding poverty and frustration or a contented old age in which their major needs, both material and non-material, are met.

For many of these individuals, programs such as the Senior Aides project of the National Council of Senior Citizens have literally been an economic life preserver. Under this kind of program, the elderly poor can supplement their meager incomes by working at socially useful task in their communities.

The evidence is abundant from this program as well as others that many persons in their late 50's and 60's and even beyond, have the energy, need and willingness to work in such projects. The evidence is also all around us of the great need for services in most communities, in hospitals and other medical institutions, in libraries, schools and many other areas. In short, there is a dire need to enlist older Americans in public service projects that would help their own communities become better places in which to live.

Two of these bills provide for special reports and studies on federal manpower programs, extended unemployment compensation, compensation and disability insurance, private nonprofit employment opportunities, and opportunities for federal employment. These studies would attempt to determine how much these programs hinder or may help resolve the employment problems of middle-aged and older workers. One of the major difficulties in efforts to improve employment prospects for middle-aged and older workers is the low priority assigned to research. This proposal, if properly implemented, could have important and far reaching benefits.

We also note with approval that the bills base all program activities in the Department of Labor. As you know, there has long been a problem relating to the differences between employment and service programs and the objectives of each and on the related issue of how to define the appropriate roles of various government agencies.

Employment programs pay workers for hours worked or services performed. Service programs utilize volunteers although there may be reimbursement for expenses such as carfare and lunch money. Both can enhance the well-being of the elderly through job satisfaction, social contact, etc. But in employment programs, the emphasis is on income maintenance. In service programs, the purpose is primarily therapeutic to enhance the well-being of the elderly by having them do useful and satisfying work, and by giving service to the community. Any program primarily intended for employment should be administered by the Department of Labor along with its other training and manpower programs if maximum progress is going to be made in increasing employment opportunities for older workers.

We have stressed our support for the objectives of this legislation, Mr. Chairman, because of our concern over a possible conflict with new comprehensive manpower legislation that will be considered by the Employment, Manpower, and Poverty Subcommittee chaired by Senator Nelson.

Last year, as the members of this committee know, the Employment and Manpower Act -- unfortunately vetoed by the President -- included special provisions for middle-aged and older worker manpower programs as Part D of Title V. The AFL-CIO strongly supported this special emphasis on programs for older and middle-aged workers with its reservation of funds. We continue to do so. If the problems of these older workers are simply folded into broad, comprehensive manpower legislation without separate funding and without separate identity, these problems will -- all too often -- be ignored.

Since many of the sponsors of the legislation before this subcommittee are members of the Nelson subcommittee, we are confident that this potential conflict can be worked out. The Midcareer Development Service Program authorized in Title II of both S. 1307 and S. 1580, for example, also was authorized in Section 536 of last year's vetoed bill.

Given this background, the AFL-CIO suggests that this subcommittee consider the possibility of including the major provisions of the bills now being studied as amendments to any new comprehensive manpower legislation.

The AFL-CIO does have one specific criticism of the bills before the subcommittee. All three bills give the Labor Secretary broad discretion in the distribution of assistance. We view the language in Section 105 of both S. 1580 and S. 1307 as well as Section 6 of S. 555 as an open invitation to a "state plan."

Members of the subcommittee who served on last year's manpower conference committee will recall the tough negotiations involving population cut-off figures that permitted local units of government to serve as prime sponsors of manpower programs.

Labor Department proposed regulations covering the recently signed Emergency Employment Act serve as another example of the Administration's determination to use the "state plan" mechanism wherever possible. The AFL-CIO strongly opposes this approach. We urge the subcommittee to be specific in its

instructions to the Secretary for the distribution of assistance.

Finally, Mr. Chairman, we congratulate this subcommittee on its determination to focus attention on the critical manpower problems facing older Americans. These problems must be solved.

Millions of older Americans are bearing the burden of poverty and enforced idleness when they could be productive members of society. The longer we wait the greater the hardship on them and the greater the deprivation of the communities they could be serving. There is a pressing need to undertake programs that will provide useful and rewarding opportunities for service for middle-aged and elderly Americans.

Senator EAGLETON. Next I would like to call Dr. Harold L. Sheppard of the Upjohn Institute, representing the National Council on Aging.

While Dr. Sheppard is coming forward I will identify him a bit further as a widely recognized authority on the issues we are discussing today and an author of "A New Perspective on Older Workers."

We welcome you, Dr. Sheppard.

STATEMENT OF DR. HAROLD L. SHEPPARD, UPJOHN INSTITUTE, REPRESENTING THE NATIONAL COUNCIL ON AGING; ACCOMPANIED BY DOROTHY BAUER, FIELD SERVICES COORDINATOR, NATIONAL COUNCIL ON AGING

DR. SHEPPARD. Thank you. This is Mrs. Dorothy Bauer who is with the staff of the National Council on Aging. Her title is Field Services Coordinator with the Department of Labor.

I would like to quickly, if you don't mind, Senator, go through some of my own reasons for concern with this topic.

As the testimony, the formal testimony, presented to you shows, I am here representing the views of the National Council on Aging. I am not going to read too much of this statement. I might do some ad-libbing in the light of the morning's discussion and in the light of some extra tidbit statistics that I have put together for this testimony.

Senator EAGLETON. Your entire statement will be made a part of the record at the end of your testimony and you can highlight it as you desire.

DR. SHEPPARD. First of all I want to point out, for the record, that it is nice to be back here because I was the first research director of the first Senate Subcommittee on Aging in 1959. I say that because I want to make clear that I am interested in this topic not because I am at this point getting older but many years ago knew that I was going to get older, but in large part also because of some studies I have done and some direct experience, one of those being a study of what happened to the workers when the Packard motor plant shut down, published by sheer coincidence by another Senate committee under the title of "Too Old To Work, Too Young To Retire."

Later on in 1963, the Studebaker plant shut down and I had just left the Government under the Kennedy administration as an assistant administrator for area development. I was shanghaied back to the Government by President Johnson to work in that community trying to put the pieces back together again, seeing what could be done for the community as well as those 7,000 or 8,000 Studebaker workers, the average age of whom was about 56 or 57 years of age.

So it was that kind of direct experience that brought me more and more into this field, sometimes over my own protest as I am interested in the broad manpower economic employment picture as my foundation requires me to be.

Right now I am doing some work with my own foundation with some Ford Foundation support on the problems of job conditions and work satisfaction across an age span of white, male union members. I hope I can get back a little bit to some of the research on that because it relates very directly to the question of midcareer develop-

ment. It taps some of the research on getting that, taps the unmet need for second career opportunities among blue-collar workers.

Another important area that is connected also with the National Council on Aging that I was engaged in was as an evaluator of an experiment in New Haven, Conn., with older workers, in training older workers in new skills in order to test the hypothesis that you can't teach old dogs new tricks. You have to train the trainers in new techniques of training older workers and that is one of the things one or more of these bills provides for, as I read them.

Finally, I am on the White House Conference Technical Committee on Employment and Retirement and have been involved in some of the deliberations of that group. We hope that it will come out with some fruitful recommendations.

I have heard a lot of talk today about the unemployment problems and the long-term unemployment problems of the older workers and in anticipation of that, I did a little work in addition to the material in our formal testimony, on the issue of hidden unemployment. No one has really gotten at this question of hidden unemployment in any "scientific manner" but if you take a look at the figures for June of this year the official unemployment rate for just the people 45 to 64 is 2.7 percent.

I am talking about men in that age group from 45 to 64. I won't talk about 65-plus because that is an open end scale. We don't have enough detailed data about 65 and older. That is not one homogeneous glob any more. There are the young-old and the old-old and the middle-aged-old.

Senator EAGLETON. I hate to interrupt but could you clarify that figure 45 to 64?

Dr. SHEPPARD. The official unemployment rate as of June for men was 2.7. I call that a minimum rate. The rate I estimate, without going through the methodology, as a maximum rate for that age group is 9.4 percent. That is the maximum.

Now later we might get into how I measured that and give a more conservative estimate. I still think it is at least twice the official rate; the rate I have given you is 3.6 times the official rate.

Those are some of the items I think are important to bring out.

Another thing is you hear about the greater problems of the teenagers. We confuse unemployment rates with duration rates. As I think Mr. Seidman pointed out, the older worker, once unemployed, remains unemployed longer than the teenage jobseeker.

Second, the last time I looked at these figures, in 1969, the older worker made up a disproportionate percentage of the long-term unemployed, far, far greater than the teenage group did.

For example, in 1969, 37 percent of the long-term unemployed were 45 and older. I think it is still that figure, by the way. But in that year only 8 percent of the unemployed teenagers were unemployed for 15 or more weeks.

I think we have been doing the older worker a disservice. I say in my formal presentation that we are concerned about the increasing number of unemployed older workers and there are figures that show that in the last year there has been a dramatic increase in that age group.

We are concerned about the effects this increasing nonworking population will have on our total economy. I think if we don't change the roles that we have been assigning to older people, I think if we don't change the current drift toward earlier and earlier retirement, we may find ourselves in an untenable economic condition because it is going to take a lot of this country's wealth to support people out of work at the age of 55, 56, 57, 59. Both age groups will be dependent on the productivity of those working people in their twenties, thirties, and forties and a little bit in their fifties.

This is what is called a dependency ratio which goes beyond any welfare semantics. In many ways our current lack of policies contribute to longrun inflationary pressures in the economy.

We talk a lot about inflation and refer to a few of the causes but not all of them. One of the basic secular trends—the long-term influences on inflation in our society, is an increase in the number of people out of the labor force with a certain amount of income competing for a fixed amount of goods and services being put out by the working-age population.

Now other countries, notably Sweden, have recognized this and have begun to encourage older workers to remain in the working population even by providing them with a bonus for putting off their retirement. We do the opposite. We try to kick them out and if they retire at the age of 62; we penalize them for retiring before the age of 65.

Someone asked about labor force participation rates. I would like to put it in the following way: If we take men in 1950, 20 years ago, who were 35 to 44 and ask where are those men now as far as labor force participation is concerned, 20 years later when they are 55 to 64, there has been a drop from about 98 percent of the group 35 to 44 in 1950, to 83 percent in the age group 55 to 64.

Now, I submit that not all of those men are out of the labor force because of illness or because of the big fat pension funds. I submit that over the years they have been subjected to a discouragement process. Once fired in their forties, say, and this happens all the time. Even in a booming economy, companies move, companies merge, contracts change, even within a fixed amount of, say, a defense expenditure budget, the technology changes, and once a guy is out on the market in his forties, he starts to hit a number of environmental insults.

In recent years I have had a close relative who was a president of a large corporation in his early forties who lost that job, having nothing to do with his competence, but anyway over the last 6 years that guy has been in and out of jobs.

Another argument used in this field is that these unemployed older workers are unemployed because they don't have the training to take new jobs—that age just happens to be statistically correlated to lack of education.

Well, there have been some very fascinating studies to show that when you hold education constant the older worker is still discriminated against. The Department of Labor itself has done a study a few years ago in the aerospace industry, taking just the men who are scientists and engineers and holding age constant, and number of

degrees constant, and the number of honors and papers they wrote, etc.—the older guys had a tougher time getting a job.

There is in our culture a form of what might be called “agism”—equivalent to racism, and I consider it more endemic than racism because we are aware much more now when we make racist statements or engage in racist behavior than when we indulge in agist statements and agist behavior.

I was just reading through the new Emergency Employment Act and I notice that it prohibits all kinds of discrimination except age. Oops, we slipped again! We are victims of agism. We forgot about those old people. And remember that the act that prohibited age discrimination is supposed to be applied here refers to people under 65. We are not talking about 99-year-old people in wheelchairs.

We are concerned about this problem also because I am experiencing, observing, a growing unrest among adult Americans in this position which can have dangerous political overtones. I don't want to elaborate too much on that, but 60,000 to 100,000 scientists and technicians unemployed in their forties, I would argue, are more dangerous politically than, say, 300,000 kids in the ghettos of our cities. And a lot of their unrest will be manifested not in demonstrations in campuses but in the secrecy of a voting booth. I won't bother you with the degree to which older people vote as compared to younger people. It goes up to the age 75, and it bothers me that top, leading political leaders are ignorant of their own self-interest.

We are concerned about the thousands of unemployed older persons who want and need to work not only for increased income but for the satisfaction and dignity that a job can provide. Our testimony points out that of all of the manpower funds only 4 percent of all enrollees in the present work and training efforts are in the older age categories.

This to me is another example of, I would say, blatant contempt of Congress by an administration. And I want to be very careful about this. I am not talking merely about the present administration. I am being bipartisan in my criticism, although I can get very critical too about current economic policies.

We shouldn't be misled with the small percentage of elderly participants in today's manpower program. Some people say this indicates that the older worker has a lack of interest in getting trained or doesn't have the motivation or likes his current status.

Well, first of all, we have shown again only on an experimental basis that older workers can be trained to acquire skills given the right kinds of training techniques. As you might know, most of our learning theory is based on infant rather than adult learning psychology. And we do have experiments which show that given the right kind of training, trainers can train older workers effectively.

NCOA has had a number of demonstration programs and I think they, along with other organizations, are getting impatient with these programs continuing to be merely demonstration programs and not made into on-going institutionalized programs as part of our regular manpower program.

The senior community service project that NCOA has had included a little over 500 workers but they found that for every one opening in that program eight people applied.

Now this belies the proposition that the older people like it the way it is. So the desire of the need to work is there. And, of course, the latest income figures show that about 25 percent of all older persons live below the poverty level but more important, Senator, for the first time since we started measuring poverty in 1969 we have had an increase in the number of older adults.

I am not talking about the upper aged, but older adults living below the poverty line. These are adult men primarily. An increase, from 1969 to 1970. It is partly due to the recession that is occurring but I cite it again for a reason, another need to have the kinds of programs these bills would provide.

I hate to do this in a way but I want to point out in our statement we say that older persons are both a national resource and a societal problem but the degree to which they become more of a resource and less of a problem depends, as a former board member of our organization, Charles Odell, once said, this all depends on the "level of priority given by the society in dealing with the needs of these people and at the same time helping them to help themselves."

Now it is through Congress and through the executive branch that society manifests its priorities and again Congress is doing the right thing or at least this committee is. I hope that the full Congress will also, and that the administration will carry through the wishes and intent of Congress.

I have already talked about the question of racism that we deal with on page 11 of the formal statement. Now I am also personally interested in this mid-career development service program much more than in the community services projects.

The midcareer development program, as already has been pointed out, was in the comprehensive manpower bill that was vetoed. I am glad that it has been resurrected as a separate piece of legislation. It aims at the unemployed person 45 and over. It would retrain his skills and offer him much needed supportive service such as counseling, etc.

SENATOR EAGLETON. Doctor, could I break in there because it can be helpful to us. Can you spell out a little bit more clearly how this mid-career development concept would actually work? How do you think it should work?

DR. SHEPPARD. I think there is a great unmet need for people to enter into a new occupation or profession but we have done very little in our country to make it possible for people to get training for a second career. In one of the publications I think I gave Mr. Murphy some weeks ago—maybe that chapter can be put in—the chapter on the emerging pattern of second careers—I say that perhaps with the exception of the military few other institutions are doing little to make it possible for older people to enter new occupations.

In fact one could make a case for the proposition that such institutions do everything in their power to discourage occupational change. And one of the midcareer development programs envisioned in this bill would make it possible, as I understand it, and I want to be corrected if I am not correct, for those individuals desirous of a change to get reeducated and at income levels with stipends higher than I hope at the level of MDTA pittance.

Some of this would involve loan programs to either a company or to the individual wanting to go to a school for such purposes. I know

that one of the objections of the administration to this bill is that it would require more administrative responsibilities.

Ain't that tough?

I can go through some of the provisions of the Randolph or Percy bill. Each covers more than what I have indicated. It includes effective counseling for these people. I also think it should include, and the legislation implies that it would include, trying to find out who are the people desirous of second career changes.

I happen to believe this is a growing phenomenon and it hasn't been fully recognized and articulated, yet alone treated.

Senator EAGLETON. I think in part you have answered my question but would this be typically a worker, say, in his late 40's, who is currently employed, who is under no threat of being discharged because his company is about to fold, but he realizes that he could be doing better or more and he seeks counseling in order to upgrade himself. After being properly counseled then he seeks an outside educational opportunity for which—

Dr. SHEPPARD. As I read at least the Randolph bill I think that would be possible. And that raises some questions about qualifying these certain schools. It would also mean working out arrangements with regular institutional instructors, I would hope with accredited technical institutes and community colleges all around the country.

I haven't seen any elaborations on the congressional intent here but that would be one of the things I would have in mind.

Senator EAGLETON. If he is in this program, the community college or the vocational school of some sort, it is adult education, he doesn't forgo the job he currently has?

Dr. SHEPPARD. That is not clear in the legislation as I read it. But there is also an opportunity to make money available to employers so that that individual could conceivably stay as an employee of the company. It also seems to make it possible to have cooperative arrangements between labor unions and employers.

I am also concerned that employers would be willing to take the risk that once they have trained him they might lose him. But if every employer gets involved then everyone enjoys the benefit of the better trained worker.

I don't see enough of the spelling out of the kinds of questions that you are raising. I don't consider that a major obstacle. I would hope that the advisory committee could work on that and one of my caveats here is that we had better have some first steps prior to the actual operation of such a program. We need adequate manpower to run the program, and secondly we need that kind of detailed information, in addition to adequate knowledge, about the magnitude or the dimensions of the problems that this bill is designed to meet. I also think that there needs to be, as in all this legislation, effective monitoring programs and one of my pet notions is that Congress should start having its own evaluation staff and not always have to anticipate the typical response of an administrator saying "I don't have that but I will be glad to submit it for the record." You know that story, Senator.

I am very, very uptight about this point that Congress needs to have its own intelligence staff and not to rely on administration information. Sometimes they hold it back. They rewrite it the way they want you to see it.

I have a lot more to say but it is already 1 o'clock and I don't want to keep you. I certainly agree that priority should be given to the unemployed. I would like to mention that when we were playing around with this idea a long time ago it was when unemployment was about 4 percent, we were thinking primarily, about the employed worker who wanted an opportunity for a real change in careers.

I have a table in this report on the emergence of second careers as a pattern comparing the people I consider as candidates for second careers as opposed to those who are not candidates. I want to repeat the urgency of it.

Just as one interesting thing, taking all of the second career candidates who voted in the 1968 election, 16 percent of these white union members voted for George Wallace as compared to only 8 percent of the people who were not candidates. That is taking all age groups.

I consider that a worthwhile factor that should prompt greater interest in this problem.

I think one of the reasons you get this Wallace phenomenon is that a certain group of workers in the North feel they don't have the opportunities, and want them, for second careers.

Senator EAGLETON. I take it you conclude from these statistics, as well as from other studies that you have done through the years, that there is a high motivational desire among industrial workers for a second career. Take a fellow who is 45 and has been working in an industrial capacity as a blue-collar worker for 20 years. He has had through union negotiations, and so forth, wage increases, some as high as 10 percent a year, or 11 percent, increased accumulation of fringe benefits, pension rights, health care services, the whole gamut of industrial collective bargaining, and there is no threat that he is going to lose his job.

Do you still think under these circumstances that a substantial number of workers have a desire to shoot craps or change a known condition that is reasonably remunerative for something that might be more intriguing?

Dr. SHEPPARD. It is almost as if I asked you to ask me that question.

Senator EAGLETON. You didn't.

Dr. SHEPPARD. I know I didn't. But it is beautiful.

Just take the men 40 and over in my sample. I chose 40 instead of 45. I didn't know we were going to have legislation for 45 and over; 35 percent of them I consider as candidates for second careers based on the questions I asked them. I compared the 35 percent of the white male union membership with the others who were not interested in changing careers.

On this question of the difference between the candidate for second career and the noncandidate among these adult workers, there is no difference between the candidate and the noncandidate as far as hourly wages are concerned. No difference as far as total family income is concerned. No difference as their own judgment as to what the adequacy of their income is. That is an important criterion, too. How adequate they think their income is. No difference.

What it comes down to is the fact that they have jobs that they are bored with by now. The jobs might pay well but we are coming to a point in our society, unless we have a really long term unemployment period, where money ain't going to be enough, when you reach a cer-

tain level of income adequacy—and I think we are fortunate, people in the upper income groups are aware of this, other things being about equally if not more critical than just the income.

The same thing is beginning to happen in this middle-America, blue-collar crowd that has it made from the hourly wage point of view, relatively speaking, But these people are satisfied with their job less frequently. They experience and manifest a very high discrepancy between the other aspirations they have had in their lives and the actual achievement of those aspirations than the noncandidates, and I am saying again there is this unmet need.

I am not going to defend the 35-percent figure. I would say it is between 25 and 40 percent in this type of group if you took a nationwide sample. This was a selective sample in only five cities in Michigan and Pennsylvania.

But again they are white male blue-collar workers. There is an unmet need which I think this bill in a first-step fashion will serve to meet. I am very excited about it.

Senator EAGLETON. Were the results of this inquiry—did you reduce them to statistics?

Dr. SHEPPARD. Yes, they are in the "New Perspectives on Older Workers." This is based on a smaller sample. I have more data, more interviews completed since that report.

Senator EAGLETON. This information will be incorporated in the record.

(The information referred to may be found on p. 200.)

Dr. SHEPPARD. But the more recent data confirmed this. I didn't put in the political behavior because I had to publish this as a staid publication and I didn't want to get into the Wallace vote bit.

I am very excited about this mid-career development idea. The Europeans are beginning to do it. I was just back from a trip in a couple of countries, not for this purpose, but I ran across references in conferences and in papers to some European countries now beginning to pay attention to their adult workers and their upgrading needs which is in part what we are talking about.

I first became interested in this not with reference to blue-collar workers but professional people. Psychotherapists were telling me about patients not wanting to go to work in a job paying them \$30,000 a year, they were bored to death. News Week, Wall Street Journal, several other business publications, have written feature stories on this.

So I became interested in the question, is it possible that the same thing is happening among blue-collar workers? And it is. They are trapped in many ways, it is a paradox, by the benefits they have accrued over those long years of staying in that one job.

We have to make some new institutional arrangements so that we benefit as well as they because I think we suffer by their having to stay in that job.

Senator EAGLETON. You stated earlier that you started your interest in this area several years ago at least when unemployment was at 4 percent. In this business of establishing priorities, isn't our problem today, in 1971, a bit different in the sense that we have a large body of workers in your statistical study that are doing very well but are bored in what they are doing; do we have to be as concerned about them as we are about the unemployed?

Dr. SHEPPARD. I think you have got to give priority to the unemployed but in counseling them and offering them opportunities we have to tap their unmet needs and their previous interests in looking for a different kind of occupation. That is what is happening with the scientists and technicians being laid off as a result of changes in aerospace and defense.

I wrote out one note for this hearing that says, don't you think it is rather ironic that we have to wait for a catastrophe to make it possible for these men to become architects instead of aerospace engineers?

There was a beautiful story in the Post about one of these men out in Gaithersburg who was going to "how-to-get-a-job" courses that some agency was running, and all the guys were looking for jobs in their same occupations, but this one man got a notion in his head that maybe he ought to look for something else. Everybody thought he was nuts and now he is reviewing research and demonstration grants in HEW in some health field completely different from designing, what he did before. So while he has got a job these other guys are still filling out résumés and application forms for the kinds of jobs that don't exist.

I met a few months ago with the American Council of Electrical Engineers who have a broad enough viewpoint to say we would like to get a second career program started for our ex-members, we don't care if we lose them as members, we want to help them.

There are very few professional organizations or unions that say that about their members. They are willing to do things or help them get a job even if it means losing membership.

We do have those unemployed higher level people now and you have the lower level people unemployed and obviously yes, we should give them first priority. I agree with that. I am just sorry to see that we are getting motivated to do something about this in a period of high unemployment, but let's take advantage of it to do something good for a long-term purpose.

Senator EAGLETON. I have one final question I will direct to Mrs. Bauer with respect to the Senior Community Service program that is being operated by the National Council on Aging.

Do you have about 500 participants?

Mrs. BAUER. 572.

Senator EAGLETON. You had had eight applications in the program for each. Does that mean eight people you thought might be qualified but for limitation on funding the program?

Mrs. BAUER. In the 11 areas in which we are operating what happened was that there were eight people applying for every job but the funding limitations prevented their being hired.

Senator EAGLETON. Without undue effort, if you had the money you could expand your program beyond eight-fold?

Mrs. BAUER. Without any problem at all. It is a rather dramatic other end of the spectrum from the things that Dr. Sheppard has been discussing because the people employed in this project are those who do not have any alternatives. The alternative to work versus not working is based on the need for income. Fifty percent of the people employed in our project had incomes of less than \$1,500 a year when they started to work. As a matter of fact, when we looked at applications and saw some older persons who had incomes of \$2,000 we almost wondered why they were applying because a great number of them had monthly incomes from \$50 to \$73 a month. They weren't bored working at all. They were getting terribly bored not eating or having to decide whether to buy medicine for a physical condition which could maintain them or buy food.

So in our being here today we really do represent both ends of the spectrum and the greater need really can't be determined. It has to be inseparable from the kinds of programs that are devised and then those programs should be institutionalized. It isn't quite enough to run a program for 3 years.

Dr. SHEPPARD. On a categorical program basis too.

Mrs. BAUER. When you don't have to collect any kind of data to know if people are working they are eating and are better citizens.

Senator EAGLETON. Let me clarify one statistical point. Your testimony was that in the age group 45 to 64 for the male blue collar worker the official unemployment figures were 2.7 percent. It could be as high as 9.4 percent. It is your best educated estimate that it is what?

Dr. SHEPPARD. I worked up the 9.4 by taking all people in that age group not in the labor force who were not sick, who were not taking care of a house, et cetera, and there was one category in those obscure

statistics of the Labor Department called other reasons. And other reasons includes "Tried to get a job but couldn't and gave up."

But it might include saying "Retired and don't want to work." But by including all of those, I got a 9.4. I would say that the figure must be between 6 and 8 percent.

Senator EAGLETON. Well, thank you, doctor.

Dr. SHEPPARD. Thank you, Mr. Chairman.

(The prepared statement of Dr. Sheppard follows:)

PREPARED STATEMENT OF DR. HAROLD L. SHEPPARD, UPJOHN INSTITUTE, REPRESENTING
THE NATIONAL COUNCIL ON AGING

Mr. Chairman, I am appearing here today to represent the views of the National Council on the Aging, with which I am associated as a member of its Board of Directors (on an unpaid basis), and as Chairman of the NCOA's Advisory Committee on Employment and Retirement. With me today are a number of professional staff members of that organization who are involved in a variety of ways with the employment of middle-aged and older workers. Each is thoroughly familiar with the problems and successes to date in attempting to employ this population, and they are prepared to answer questions raised by your Committee on this subject. Summaries of their activities and projects have been submitted as an Appendix to my testimony.

We appreciate the opportunity to appear before you to share NCOA's views about a subject of great concern to us -- employment of the middle-aged and older worker.

We are concerned about the increasing number of unemployed middle-aged and older workers.

We are concerned about the effects that this growing dependent population can and does have on our economy.

We are concerned about the discouragement process taking place among mature workers by which the unemployed in this segment of our population of employables unnecessarily and tragically become unemployable.

We are concerned about the thousands of older persons who want and need to work - for the increased income and for the dignity a job can provide - but who cannot find such job opportunities. I must add that even before the current recession developed, the middle-aged and older workers have been subjected to such a discouragement process.

We are concerned about the under-utilization, the sheer waste, of our "national resource" of the majority of twenty million older Americans.

And we are alarmed that, despite the enactment of the Age Discrimination Act, we are fast becoming a society where "age-ism" is as pervasive as racism.

Let me begin this testimony by summarizing the hard facts behind each of these concerns:

1. First, we are concerned about the increasing number of unemployed older workers.

As this Committee has heard repeatedly, there are now more than one million unemployed individuals forty-five and older. That number represents a 68% increase since January 1970.¹ Further, once out of work, the middle-aged and older worker remains unemployed for a longer period of time than does his younger counterpart. About one out of every three unemployed persons forty-five and older - as opposed to one in five for younger persons - had been unemployed for fifteen weeks or longer in the first months of this year.² I suspect the situation has grown worse since then.

Even these alarming statistics do not fully indicate the scope of the problem. Many older workers losing their jobs leave the labor force permanently. I suggest that a disproportionate number of adult and older men and women make up the "hidden unemployed." They never appear in our official unemployment statistics.

¹ Senator Jennings Randolph, Congressional Record, March 19, 1971, S. 3394.

² Senator Harrison Williams, Congressional Record, March 19, 1971, S. 3432.

2. We are concerned about the effects that this increasing non-working population will have on our economy.

If our country does not change these assigned roles, its policies and attitudes regarding the employability of older workers-- and its current drift toward earlier retirement (before 65), we may find ourselves in an untenable economic position, for it will take a great deal of this country's wealth to support schooling until the age of twenty and retirement at age fifty or fifty-five. Both age groups will be dependent on the productivity of those working age people in their twenties, thirties, and forties.³

This growing "dependency ratio" does not make good economic sense. We do not believe that an increase in dependency is a way to fight inflation. We do believe that our nation has far more to gain by raising its productive capacity and maintaining a high level of labor force participation among older workers. In many ways, our current policies or lack of policies -- resulting in more and more persons under age 65 not in the labor force -- contribute to the long-run inflationary pressures in the economy. Other countries, notably, Sweden, have recently recognized this impact, and have moved to encourage older workers to remain in the working population; for example, by providing a bonus in their public pension for each year they put off actual retirement.

³ Irma Withers, "The Vanishing Pyramid," Industrial Gerontology #6, Lincoln, Nebraska, Summer 1970. p. 20.

3. We are concerned about the discouragement process by which older unemployed workers become unemployable in the eyes of employers and employment service personnel, which then leads to their dropping out of the labor force.

Economic and technological changes have displaced mature employees from the older industries. The industries which have had the sharpest declines in manpower needs are those which, in earlier years, utilized many older persons - agriculture, mining, and railroads. Older workers constitute a disproportionately high percentage in these declining industries, but a small percentage in expanding fields. Even when older workers become aware that employment is declining in their industry, they do not usually separate from their jobs until the jobs abandon them.⁴ I do not believe this has to be. The fact that this has happened has been interpreted wrongly as proving that the decreasing labor force participation of older persons is a natural law, equal to that of the law of gravity.

Second, the displaced older person may find himself disqualified from newer fields because he lacks the education required by employers. In one study, for example, men over forty-five years of age with less than eight years of schooling, showed an unemployment rate of 7%, compared to only 3% among high school graduates, and 1% among college-educated men. While the years of schooling for older men have been increasing, they are still below the educational levels of younger men.

⁴ Rashelle Axelbank, "The Position of the Older Worker in the American Labor Force," Washington, D.C., National Council on the Aging, April 27, 1970. p. 3.

Third, the private pension plan system has served to work against the older workers. It has intensified age discrimination in the hiring process, curtailed job opportunities for older men and contributed to their longer periods of unemployment.⁵ Growth in private pension plans have, unintentionally or not -- reinforced the preference for younger workers; the added cost of pension coverage for newly hired older employees is the usual reason given. The total cost of such discrimination, to companies and to individual Americans as taxpayers, has never been calculated, but I have a hunch that such cost is greater than the alleged cost of keeping older persons in the labor force.

The current Congressional interest in pension plans, we hope, will force a re-examination of the entire private pension plan system and the extent of its discriminatory policies. This re-examination should result in an enlightened philosophy and program which will ease the burden for older workers, and for the general society.

But perhaps the most devastating factor in the unemployed-to-unemployable syndrome among older workers, is the deep psychological harm that is inflicted by unemployment. The trauma becomes further aggravated by sociological changes in life style that result from being out of work. We can only speculate on this point, but it is my personal opinion that in comparison to the overt signs of unrest and discontent manifested by the young on our campuses and on our streets,

⁵ Ibid. p. 11.

the unrest among the unemployed adults of America will show itself -- in undesirable forms -- in the silence of the secret polling booth at election times.

Thus, the unemployed older worker often falls into an irreversible cycle: his feelings of self-worthlessness and depression mount, his family relationships become strained, his frustration leads to withdrawal, and society is left with an unemployable alienated citizen.⁶

4. We are concerned about the thousands of unemployed older persons who want and need to work - for increased income and for the satisfaction and dignity a job can provide.

The Labor and Public Welfare Committee Report on the recently enacted Emergency Employment Act provides us with the disturbing facts about the lack of job opportunities for older people. The Report states:

By whatever barometer one would choose to use, persons forty-five and older have been under-represented in our nation's manpower and training efforts. Mature workers now constitute 38% of the civilian labor force; they represent close to 22% of all unemployment in the U.S.; they account for 34% of the long-term joblessness; and they comprise 40% of all unemployment for 27 weeks or longer. Yet they account for only 4% of all enrollees in present work and training efforts.

Even in the one program which emphasizes employment for the disadvantaged elderly, Operation Mainstream, persons forty-five and older comprise barely a majority of all participants.⁷

⁶ Terry Kaplan, "Too Old to Work: The Constitutionality of Mandatory Retirement Plans," Southern California Law Review, Vol. 44, No. 1. p. 158.

⁷ Senator Frank Church, Congressional Record, March 24, 1971. p. 3784.

For these reasons, the Labor and Public Welfare Committee included provisions for the older worker in the public service employment program. While we heartily support the intent of the Act's provisions, past experience should warn that without specific statutory requirement and effective monitoring, the special training and manpower needs of the middle-aged and older workers will be ignored.

We should not be misled about the small percentage of elderly participants in today's manpower programs. Do not think that these figures indicate the older worker's lack of interest in entering, remaining in, or re-entering the labor force - for it is quite the contrary. There are very few regular programs explicitly designed to provide employment for middle-aged and older workers; most of these are demonstration-type programs and their budgets are small. The real question is, how many demonstration projects have to be carried out before we institutionalize programs for adult and older workers, as ongoing programs?

NCOA's Senior Community Service Project employs over 500 older persons; they found, however, that they had eight applicants for every one of these job openings.

So the desire or need to work is there. The latest income figures show that about one out of every four older persons live below the poverty level. And, as we have seen in our programs by the numbers of older persons being turned away, many would be working today if the jobs were there.

5. We are concerned about our under-utilization of our "National Resource" of a large proportion of twenty million older Americans over 65, not to mention older men and women under 65.

The NCOA theme for this year, which coincides with that of the upcoming White House Conference on Aging, is "The Mature American as a National Resource." NCOA has focused on this theme in its national and regional meetings and in our publications. They have circulated this poster I am holding to organizations across the country along with an invitation to write to NCOA for information concerning ways to creatively involve this resource.

The theme reflects a major shift in thought about our older Americans. We have gone from a problem-oriented focus to a potential-oriented one.

The reality is, of course, that older persons are both a national resource and a societal problem. But the degree to which they become more of a resource and less of a problem or vice versa really depends - as former NCOA Board member Charles Odell has stated - "upon the level of priority given by the society to dealing with their needs and at the same time helping them to help themselves."⁸

To date, they have been given the lowest priority - hence the attention to their "problems." It is time to change that priority level.

⁸ Charles E. Odell, "Our Older Population - A National Resource and/or a Societal Problem." Paper presented before the National Conference on Social Welfare, Dallas, Texas, May 18, 1971. p. 1.

We should stop arguing for employment of the elderly only on soft-hearted, philanthropic "look-what-a-job-can-do-for-them" grounds. Let us instead realize what their employment can do for the general society and economy.

For by shelving our elderly, we are indeed depriving ourselves.

Agencies who have utilized older persons in our Senior Community Service Project, for example, find that they can offer more services because they have gained needed personnel, trained with relatively little cost and effort. The community at large benefits from the expanded and new services provided by the older workers.

It was very gratifying to find an editorial about one of NCOA's projects in the June issue of the American Journal of Nursing; it was even more pleasing to find that the editorial focused on and was entitled, "Ages of Usefulness." Let me read to you their closing paragraph:

As we plan all these varieties of services for the elderly, let's not forget the importance of services from the elderly. We need them and we need their values, at the very least to test our own against. We need their wisdom from years of living; we need their love to make us more loving.⁹

It is time to start utilizing and stop wasting the millions of older men and women who can make a meaningful contribution to this troubled country.

⁹ Thelma Schorr, "Ages of Usefulness," American Journal of Nursing, Vol. 71, No. 6, June 1971. p. 1129.

6. Finally, we are alarmed that, despite the enactment of the Age Discrimination Act, we are fast becoming a society where "age-ism" is as pervasive as racism.¹⁰

A racist is one who acts on an unquestioned belief that other races are inherently inferior to ours. Similarly, an "age-ist" believes that older people - not just those in their 70's, but also those in their 40's and 50's - are inherently inferior to younger people.

Perhaps age-ism explains why we have not, for several decades, utilized our "national resource" of twenty million older Americans.

Perhaps age-ism explains why older people are under-represented in our manpower and training programs.

Fortunately, however, your Subcommittee is considering three bills which, if enacted, would help to counteract this trend. The programs proposed might even begin to change the "age-ist" stereotypes about older people in jobs and older people in society generally.

All of the bills before us today - S. 1580, S. 555, and S. 1307 - would also begin to meet the many concerns which I have just enumerated. NCOA supports the intent of all three bills. Each aims to create meaningful employment opportunities for mature adults, to provide training, counseling and supportive services, and to offer special recruitment and placement services. Each begins to utilize this national resource of older Americans by providing the skilled

¹⁰ Harold L. Sheppard, Ph.D., Towards an Industrial Gerontology, Cambridge, Schenkman Publishing Company, 1970. p. 17.

personnel so needed in our country today. Each attempts to interrupt the unemployed-to-unemployable syndrome by placing these individuals back into the mainstream of our work-oriented culture.

Most importantly, each proposal - if enacted - would constitute a major stride forward in establishing a clear-cut national policy with regard to the employment of middle-aged and older workers. Up until now, such a national policy has been sorely lacking.

Senator Kennedy's bill, the Older American Community Service Employment Act (S. 555), and Senator Randolph's bill, the Middle-Aged and Older Workers Employment Act (S. 1307), are both subsumed in their identical form under Senator Percy's bill, S. 1580.

Two of the bills would establish a Midcareer Development Service Program. NCOA heartily supports such a proposal.

The Midcareer Development Service Program aims at the unemployed person forty-five and older. It would retrain and upgrade his work skills and would offer him such needed supportive services as counseling, recruitment and placement. The unemployed middle-aged worker has been as ignored as his elderly counterpart, if not more so. His situation is critical; he is in the midst of such financial obligations as his children's education, house and car payments. He is too young to retire, but treated as too old to work, too old to be trained for new skills.

We are indeed pleased that he has not been overlooked in this legislation. We are pleased that the Midcareer Development Service Program recognizes his special needs and makes an effort to meet them.

The Older American Community Service Employment Program would establish community jobs in such places as health, education, beautification, and environmental agencies for persons fifty-five and older who lack opportunities for other suitably paid employment.

We know of the benefits that such employment can bring to both the participants and to the community. NCOA has experienced success in its Senior Community Service Project. We know about similar successes in the National Farmers Union Green Light and Green Thumb programs and those of the National Council of Senior Citizens. These pilot projects have proven themselves successful. But, however successful, demonstration projects can tap only a small number of people. It is now time for the "demonstration" to end and for the permanent programs to begin.

And this is precisely what this legislation would do - provide a basis for converting demonstration projects such as those just mentioned into permanent, on-going, national programs. NCOA applauds this aim and will work in every way for its early passage.

There are also provisions in the legislation for Special Reports and Studies. Each one proposed will provide us with desperately needed information about the adequacy of services offered to middle-aged and older workers. Equally important, issuance of the findings will certainly heighten the public's awareness of the problems. A result will be - hopefully - that both the private and public sector will become more responsive to this population's needs.

We fear, however, that insufficient manpower will hinder the completion of these studies and reports. We have waited anxiously for over three years for

results of the study authorized under Section 5 of the Age Discrimination in Employment Act which would have reported on institutional and other arrangements giving rise to involuntary retirement. We understand that the study has not been undertaken to date. We hope this action - or inaction - will not be repeated in the proposed legislation.

For many years, the National Council on the Aging has fought for a comprehensive employment policy for middle-aged and older workers. We will continue to work for that goal. The legislation before us today brings the goal much closer to a reality. We support its enactment at the earliest possible date.

Thank you.

APPENDIX

NATIONAL COUNCIL ON THE AGING

PROJECT SUMMARIES

NATIONAL INSTITUTE OF INDUSTRIAL GERONTOLOGY

The National Council on the Aging's National Institute of Industrial Gerontology is an applied research program focusing on the employment and retirement of middle-aged and older workers. In July 1967, after several years of preliminary study and many months of intensive planning, the Institute was established to help improve employment and industrial services for middle-aged and older workers by providing specialized training to placement and counseling officers in industrial gerontology; by encouraging, coordinating, and applying research on this subject; and by developing and distributing material in this field.

The Institute's quarterly monograph, Industrial Gerontology, consists of original articles, abstracts of pertinent studies in the field, and notes on current developments. Its 2,500 subscribers include personnel administrators, vocational counselors, employment service specialists, policy makers and research scholars. These readers also receive the Industrial Gerontology Legislative Supplement, a publication designed to expand coverage of legislative and related Washington activities which involve the employment and retirement of the middle-aged and older worker. The Institute has also published several books on the subject; this year, two books were completed, in cooperation with the W. E. Upjohn Institute for Employment Research, entitled Toward an Industrial Gerontology and New Perspectives on Older Workers.

Audio-visual materials are being developed for distribution in the near future for training use. One film, Live and Learn, deals with the Discovery Method of training middle-aged and older workers; another, entitled GULHEMP,

concerns the scale developed by Dr. Leon Koyl which is used to match physical capacity to job demand.

The National Institute of Industrial Gerontology convenes a variety of seminars, conferences, and meetings. Funded in part by the Manpower Administration of the U. S. Department of Labor, the Institute has held a number of seminars for State Employment Service agencies. These seminars make available to the states' employment personnel the body of knowledge developed and identified by the Institute, provide insight on trends in this field, and encourage the states' participation in solving problems of the middle-aged and older workers serviced by their agencies through the development of strong, active programs. Other meetings provide a forum within which business, industrial, and educational representatives can meet, exchange views, and enhance their knowledge about and contributions to the field.

INDUSTRIAL HEALTH COUNSELING SERVICE

Employers are often hesitant to employ the older worker for fear that his physical stamina cannot measure up to job performance requirements. To explore the validity of this employment obstacle, the Industrial Health Counseling Service was established by a contract between the U. S. Department of Labor and the National Council on the Aging, through its National Institute of Industrial Gerontology. The pilot project is located in Portland, Maine, in cooperation with the State's Employment Security Commission.

The Industrial Health Counseling Service, launched on June 30, 1970, was designed as a means of assisting in the placement of middle-aged and older

workers in industrial and commercial employment. At the request of prospective employers, pre-placement physical examinations for the older workers are given by the Service's medical staff. The results of the exams are then used as a basis for rating the job applicant on a scale of physical abilities developed by Leon Koyl, M.D., of Toronto, Canada. This "Physical Abilities Profile" is next matched to a "Job Demand Profile" which estimates the physical and environmental demands of a specific job. The process results in more selective placement by matching the candidates' physical capabilities to the physical job demands.

The staff consists of a Director, Physician, and Medical Social Service Associate. To date, contact has been made with seventy-five employers in the Portland labor market area, and approximately one hundred older workers have been examined and processed. Of those examined thus far, about 50% have had some degree of disability; in only two cases, however, were the disabilities great enough to disqualify them from the job position offered.

This is our first experiment with a community industrial medicine service for older employees. While it is still too early to thoroughly evaluate the project, we are becoming increasingly aware of its usefulness as a tool in providing maximum employment opportunities for the middle-aged and older workers.

THE SENIOR COMMUNITY SERVICE PROJECT

The Senior Community Service Project was established by a contract between the Department of Labor and the National Council on the Aging. It provides for the part-time (20 hours per week) employment of persons 55 and over, at a minimum salary of \$1.90 per hour, as paraprofessionals in human service agencies. In addition to the age requirement, enrollees must meet poverty income criteria.

Its goal has been to combine the need of older persons for income with the need of the community for services, and to date the demonstration has tested and proved the ability of older individuals to perform effectively in their spheres of work.

At present there are 572 senior aides assigned to 81 human service agencies in 11 different areas, and the project is currently being sponsored by:

AUGUSTA, MAINE:	Maine Division of Economic Opportunity
BRONX, NEW YORK:	Bronx Foundation for Senior Citizens
BURLINGTON, VERMONT:	Champlain Valley Office of Economic Opportunity
HOBOKEN, NEW JERSEY:	Hoboken Organization Against Poverty and Economic Stress (HOPEs, Inc.)
HUNTINGTON, WEST VIRGINIA:	Southwestern Community Action Council, Inc.
LOS ANGELES, CALIFORNIA:	Economic and Youth Opportunities Agency
PAINTSVILLE, KENTUCKY:	Big Sandy Area Community Action Program
PORTLAND, OREGON:	City-County Council on Aging
SAN ANTONIO, TEXAS:	Economic Opportunities Development Corporation
SAN FRANCISCO, CALIFORNIA:	Economic Opportunity Council
TRENTON, NEW JERSEY:	United Progress, Inc.

The enrollee profile for senior aides reveals that approximately 52% are age 66 and older (26% in the 61-65 age bracket), that 60% had completed less than 12th grade schooling, and that over 50% earned less than \$1500 per year prior to joining the Senior Community Service Project.

In conducting this demonstration, jobs have been constantly designed and redesigned for senior aides to meet their capabilities and these vary widely,

ranging from successful efforts in protective services in San Francisco, California, to home repair in Paintsville, Kentucky. Enrollees serve in schools and libraries; afford bilingual interpretive skills; assist in consumer education and nutrition programs; render important help in hospitals and housing authority complexes. Overall, these senior aides have shown not only how well they relate to and communicate with their own age group - which they do with remarkable results - but also with youth, notably in juvenile detention work in the San Antonio Center.

Under a new contract, the Manpower Administration of the U. S. Department of Labor has just extended the Senior Community Service Project of the National Council on the Aging for another year, ending July 31, 1972, on the previous basis of 572 aides in 11 areas.

[Excerpt from "New Perspectives On Older Workers," by Harold L. Sheppard, of the W. E. Upjohn Institute for Employment Research in Cooperation with National Institute on Industrial Gerontology of the National Council on Aging]

The Emerging Pattern of Second Careers

Perhaps the biggest threat to the human race at the moment is not so much the nuclear weapon as the possibility of eliminating the aging process. . . . If we could rearrange the human genetic structure to program death at the age of 1,000 rather than at 70 . . . the human race would face the biggest crisis of its existence, a crisis which I illustrate easily to an academic audience by asking them who wants to be an assistant professor for 500 years?

Kenneth Boulding, *Washington Post*, September 6, 1970

The popular press recently has dramatized a number of case studies of individuals, mostly men in professional and business positions, who have made drastic leaps from one type of occupation to another seemingly incongruous one. Call it the middle-age work crisis, male menopause, mid-career depression, or anything else. There do seem to be greater signs of this type of phenomenon, or at the very least, counselors and other persons in related behavioral sciences may be conceptualizing old problems into new bottles.

The critical point is that such a phenomenon does exist — apart from the issue of whether it is any more extensive today than it was in the past. However, I would argue that it is more extensive — at least more salient than it was in the past. I would also submit that our popular mentality — perhaps even the academic literature — is dominated by the single career concept, the notion that an individual should have a single lifetime occupational role-identity. Perhaps in a more traditional, i.e., a slowly, if ever-changing, society, it made sense from both the individual and societal points of view to stress the acquisition of a single set of skills to be used during one's working life — which, by the way, wasn't very long, to begin with.

But today the average age at death is higher, and the social and physical technology of the environment is constantly in flux. Longevity increases the probability that a number of intervening experiences — environmental and subjective — will affect the individual's occupational self-identity and his continued interest in a given occupation.

Changing technology is naturally accompanied by changes in the skills necessary to use that technology. One of the critical points here is that our sources of socialization — chiefly the family and the school — do little, if anything, to prepare members of society for multicareers *prior* to their entering the world of work. Such preparation need not be strictly devoted to actual acquisition of specific task skills of widely varying character. Perhaps it would be more relevant to prepare young people *psychologically* for the fact that before they die they will have entered a variety of somewhat differing jobs.

Another critical point is that, with perhaps the exception of the military establishment, our *other* institutions which actually or potentially touch the lives of *adults*, are doing little, if anything, to make it possible for middle-aged and older persons to enter really new and different occupations. In fact, one could make a case for the proposition that such institutions do everything in their power to discourage and make it *impossible* to facilitate occupational change. A more charitable proposition would be that, in our effort to solve certain problems and to achieve other goals, we have developed solutions and mechanisms that — without malice or deliberate intent — function today as anachronistic obstacles to the encouragement and facilitation of second careers. Typical examples include certain provisions of pension plans, narrow-range seniority rules, and early retirement as a so-called solution to unemployment or other personnel problems.

Dr. Thomas Green, of Syracuse University's Educational Policy Research Center, has argued before the House of Representatives Committee on Science and Astronautics that the postindustrial society will have to be based on the cultivation of knowledge, rather than on craft skills.

The idea of reshaping the education system to encourage multiple careers by individuals and even provide for occasional "moratoriums from productive work" was presented by Dr. Green.

"Surely there is nothing more damaging to the human spirit than the knowledge — or belief — that one's capacities are unused, unwanted, or expended in something of no particular value.

"Who knows what human misery would be relieved and what human energies released if the possibility of multiple careers were the rule, and if there were, as a consequence, ready means of entry and exit to and from new avenues of work."¹

Let me cite one more possible factor that may be involved in the emergence of concern about flexible (or second) careers, namely, the saliency among adults of a discrepancy between original aspirations and mid-life achievements. It is interesting, and at first paradoxical to some observers, that amount of education is positively related to the tendency among employed men to define work as an activity that is not enjoyed or required. This is a finding of a 1959 study of Detroit workers by Robert Weiss and Robert Kahn. They suggest their own explanations for this finding, but the one I want to add here is derived from a discussion by Orville Brim, in his survey of adult socialization research.² In that discussion Brim points out that the greater the person's

¹"Panel Examines New Technology," *New York Times*, January 30, 1970.

²*Socialization and Society*, edited by John A. Clausen (Boston: Little, Brown and Co., 1968), pp. 203-205. *

educational achievements, the higher his aspirations; *but* that higher aspirations are accompanied by a higher risk of *nonachievement* of those aspirations.

Brim says that a person "handles these discrepancies for a long period of time by successively displacing fulfillment of aspirations into the future, but the day of reckoning does come." For some persons, this displacement of aspirations into the future continues for an indefinite length of time. The point I wish to make is that persons whose occupational achievements do not equal their original aspirations come to look upon their jobs as something which must be performed but not necessarily enjoyed. Such persons may constitute the group for whom second-career opportunities may be the most critical. I want to return shortly to some empirical research of my own, which may shed more light on the question of identifying such persons as candidates for second careers.

This point of view can be strengthened by such arguments as the need for upgrading middle-level workers and professionals to "make room" for lower working class men and women who complain about being in dead end jobs; the needs of society for more people to perform higher level functions and public service functions now in sad neglect; and the need for workers today to be "loose" when it comes to overidentification with one occupation in times of high unemployment. In a study of unemployed workers by the Upjohn Institute, it was found that workers who looked for jobs really different from what they had been doing regularly had a higher jobfinding success rate.³

I now want to present some findings of my own which may shed some light on the characteristics of potential candidates for mid-career development in the adult male working class population. Little attention has been paid to the problem among men who are *not* in the professional and executive classes. During the months of July and August 1970, interviews with approximately 300 white male union members in four selected urban areas of Pennsylvania were conducted. The interviews concentrated primarily on working conditions, job satisfaction, social and political attitudes and behavior, and related topics. The material presented here is based on interviews with 140 of these workers 40 years of age or older. Thirty-five percent of these men may be considered candidates for second careers. The 49 individuals in this group are operationally so defined here because of their qualifying responses to two key questions:

³Harold L. Sheppard and A. Harvey Belitsky, *The Job Hunt* (Baltimore: The Johns Hopkins Press, 1966).

Question	Response qualifying individual as second-career candidate
How often have you thought very seriously about making a real effort to <i>enter a new and different</i> type of occupation:	
Very often? Once in a while? Hardly ever? Never? Already did it?	Very often; Once in a while; or Already did it.

Suppose your employer, the government, your union, or some *other* organization offered you a training and education program (with enough money to support yourself and family) to make it possible to get a promotion with the employer you have now, *or* to get a much better job somewhere else:

Would you choose the program leading to a promotion with your present employer? Or the program leading to a better job somewhere else? Or would you just not take <i>any</i> program like that?	With present employer; or Better job elsewhere.
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I want to present here in brief fashion the preliminary results of a comparison of these 49 candidates with the 91 *non*candidates for second careers.

First, let me cite the variables on which there is little or no difference between the candidates and noncandidates for second careers. Three items are especially important. *One*, there is little difference between the two types insofar as their hourly wages or adequacy of take-home pay is concerned. *Second*, the same is true regarding family income: they are virtually identical. *Economic* factors apparently do not provide us with any understanding of the problem. *Third*, there is no overwhelming contrast regarding education although one might expect to find the higher education level among the candidate group since they tend to be somewhat younger. The critical point is that the usually considered economic variables such as income and/or the adequacy of take-home pay do not appear to contribute to understanding the second-career candidates, or their desire to change to really different occupations.

**Comparison of Candidates and Noncandidates
for Second Careers, White Male Union
Members 40 or More Years Old**

Item	Candidates for second careers (percent)	Noncandidates for second careers (percent)
1. Age		
40-54	71	57
55-59	17	29
60 +	12	14
	<hr style="width: 100%; border: 0.5px solid black;"/>	<hr style="width: 100%; border: 0.5px solid black;"/>
	100	100
2. High achievement values ^a	67	47
3. If completely free, would prefer some other job to the kind he now has	41	25
4. Has <i>actually</i> tried to get into a line of work really different from any he has been in	37	18
5. Above average chance, or excellent chance of mobility opportunities on present job	10	34
6. High aspiration-achievement discrepancy index ^a	51	36
7. Low job autonomy ^a	48	29
8. Stated that <i>job rotation</i> is a very good idea	57	40
9. Satisfied with job "most of the time"	41	60
10. Feels that employers and/or unions doing "too much" in getting good training or good jobs for minority groups like Negroes and Puerto Ricans	33	16
11. Earns \$3.50 per hour or less	45	42
12. Says that his own <i>take-home</i> pay is good enough to take care of family's usual bills and expenses	67	71
13. Reported <i>family</i> income		
Under \$8,000	33	33
\$10,000 and over	37	36
14. High school diploma	46	39

^aSee pages 78-79 for statements and questions used to measure or define variables cited in table.

It is rather in the social-psychological sphere that the differences appear. For example, the candidates for second careers have higher achievement values, and I suspect that if we had administered McClelland's projective test, they would also register higher on *N Ach* (achievement motivation).⁴ As further indication of this, on a *behaviorial* level, a higher proportion of the candidates reported that they actually have tried to get into a really different kind of work.

The other variables on which the candidates stand out as different — their lower perceived mobility chances in their current jobs; their greater preference for a different job from the one they have now, if completely free to go into any type of job they wanted; their lower job satisfaction — all point to a group of men who would benefit from a more structured opportunity program enabling them to shift to new and different kinds of work life. Their apparent job discontent or greater aspirations for a different kind of job — however one may choose to characterize these men — plus the higher gap between their aspirations and their actual achievements, may lead to some socially undesirable positions. Witness the one-third of them who feel that employers and/or unions have done too much to help minority groups — a proportion *twice* that among the *noncandidates*. That they are really more discontented, or more ambitious, or more restless is further confirmed by the fact (not reported in the table) that nearly one-half of the candidates (45 percent) said they would choose a training or education program that would lead them to a better job *away from their present employer*. In contrast, among the group of *noncandidates* some *did* say they'd take a training program,⁵ but only one-sixth (16 percent) would choose a program for a better job elsewhere.

One of the most provoking findings is the high proportion of the second-career candidates who expressed feelings of a low degree of autonomy on their jobs, as measured by the statements and questions (see pages 78-79), and adapted from Turner's and Lawrence's research reported in their *Industrial Jobs and the Worker*.⁶ These men feel that they have little or no

⁴Without resorting to technical psychological definitions, achievement motivation refers to the individual's willingness and tendency to develop and exploit opportunities, to persist, and to excel in situations leading to success or failure.

⁵*Noncandidates* for second careers included some workers choosing a training program opportunity, but they had rarely or never seriously thought about making a real effort to enter a new and different type of occupation — thus disqualifying them as second-career candidates.

⁶Arthur N. Turner and Paul R. Lawrence, *Industrial Jobs and the Worker* (Boston: Harvard University Graduate School of Business Administration, 1965).

freedom to do their jobs as they want to, and can use little or none of their potential ideas and skills on their current jobs. Very few of them (10 percent) reported an excellent chance to advance themselves or to be promoted in their present work situations. This contrasts with the more than one-third of the noncandidates who — it should be noted again — are by definition either not interested in changing occupations or not willing to take an upgrading training or education program, or *neither* interested *nor* willing.

When we combine any two of the three variables (1) achievement values, (2) aspiration-achievement discrepancy, and (3) autonomy on the job, the differences between the candidates and noncandidates become even more striking. The ratio of the proportion of candidates with high achievement values *and* a high aspiration-achievement discrepancy to the proportion of *non*candidates with the same social-psychological attributes is more than 2.5 to 1 (33 versus 13 percent); the proportion of candidates with high discrepancy *and* low job autonomy is in a ratio of more than 2.8 to 1 (27 versus 9.5 percent); and in the case of those with low job autonomy *and* high achievement values, the ratio is 4 to 1 (28 percent versus 7 percent)!

* * * * *

In summary, one might say that there *is* a malaise among a significant portion of white male workers in America — the “blue-collar blues,” to use a recently coined journalistic expression. Much of this relates, it seems to me, to a growing need for flexible or second careers among such persons. The same may be said even for the technician and professional classes in our society. Neither do I exclude the growing numbers of minority group members of our labor force. (We may be dealing here with a new or growing symptom of the nature of our industrial or “post-industrial” society.) I have presented here one suggestion for identifying such persons and have also indicated some of the social-psychological dimensions in which they differ substantially from the so-called noncandidates. This approach might help contribute to a program that conceivably could combine an improved counseling and education effort designed to improve the work lives and social environment of the contemporary generation of men and women in our constantly changing, tense society.

*Statements and Questions Used To Measure or Define
Variables Cited in Table*

Achievement Values¹

Degree of agreement or disagreement:

1. In his work, all a person should want is a secure, not-too-difficult job, with enough pay for a nice car and home.
2. Nowadays a person has to pretty much live for today and let *tomorrow* take care of itself.
3. When a person is born, the success he will have is in the cards, so he may as well accept it.
4. It is best to have a job as part of an organization all working together, even if you don't get individual credit.
5. Don't expect too much out of life; be content with what comes your way.
6. Planning only makes a person unhappy since his plans hardly ever work out anyway.

Discrepancy Between Aspiration and Achievement

1. How well would you say your job measures up to the kind you wanted when you *first* took it? Is it very much like the kind of job you wanted? Somewhat like the job you wanted? *Or*, not very much like the kind you wanted?
2. Compared with what you had hoped for when you finished school, are you better off than you hoped for at that time? Not as well off? *Or* just about as well off as you *had* hoped for?
3. Compared with where you were 10 years ago, are you further ahead in the things you've wanted out of life? Behind? *Or* just about the *same* as where you were 10 years ago?

¹From Bernard Rosen's research. His concept of achievement values is more directly related to the economic success facet of human behavior, particularly with regard to interclass mobility. Whether a person strives for success in this sense depends upon his awareness and willingness to undertake the steps necessary for achievement: (1) to plan, (2) to work, and (3) to make sacrifices.

*Perceived Autonomy on the Job*²

1. Which statement best describes the kind of job you have?
 - I have *no* freedom at all to do my work as I want.
 - I have *little* freedom to do my work as I want.
 - I am *fairly free* to do my work as I want.
 - I am completely free to do my work as I want.

2. Which one of the following items best describes how much of their *potential ideas and skills* are being used on the job by the people working on the same general kind of job as yours?
 - Almost *none* of what they can offer.
 - About *one-fourth* of what they can offer.
 - About *half* of what they can offer.
 - About *three-fourths* of what they can offer.
 - Almost *all* of what they can offer.

²Arthur N. Turner and Paul R. Lawrence, *Industrial Jobs and the Worker* (Boston: Harvard University Graduate School of Business Administration, 1965).

Senator EAGLETON. Our next witness is Mr. Sykes representing the American Assn. of Retired Persons. Please proceed.

STATEMENT OF ROBERT S. SYKES, LEGISLATIVE REPRESENTATIVE, AMERICAN ASSOCIATION OF RETIRED PERSONS, ON BEHALF OF BERNARD E. NASH, EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF RETIRED PERSONS

Mr. SYKES. My name is Robert S. Sykes and I am the legislative representative of the American Association of Retired Persons.

Senator EAGLETON. We apologize to you, Mr. Sykes. You have been very indulgent to stay with us.

Mr. SYKES. The testimony has been very interesting and worthwhile. I am sorry that Mr. Nash couldn't be with us this morning but I do have his prepared statement and with the permission of the chairman I would like to have it submitted for the record and just summarize the statement.

Senator EAGLETON. It will be made a part of the record at the end of your testimony.

Mr. SYKES. Thank you.

My name is Robert F. Sykes, legislative representative for the American Association of Retired Persons and the National Retired Teachers Association.

These two volunteer organizations have a combined total membership of 2.9 million older persons and we are growing at the rate of more than 2,000 new members each day. This will give you some idea of the increasing self-awareness among older people in America today.

I would first like to say a few words about the legislative philosophy of our two associations. It is based on rational dialog, commonsense, understanding of the needs of others, and, above all, respect.

Some other organizations have seemingly concluded that legislative success must be measured in decibels or that noise and militance are more important than substance and purpose and that it is better to demand than to discuss.

Unfortunately, even some older Americans grab picket signs, clinch their fists, and scream "senior power." Our associations do indeed believe there is a senior power, but it lies in the power of seniors, effectively applied in constructive action, rather than in some emotional display of pressure tactics.

We are confident that our associations will achieve their legislative goals not because we are militant but because we are right.

We are happy Mr. Chairman, to come forward today and endorse the three bills now being considered by this committee. S. 1307, S. 555 and S. 1580 would provide the means for older Americans to earn badly needed income and, at the same time, again become working, contributing members of society.

In addition, the programs contained in these bills would supply the needed experience and manpower required to accomplish a host of critically needed projects in communities across the Nation.

There are myriad aspects—social, economic, and political—involved in the economic problems of older Americans, but I should like to confine my remarks to just three aspects. They are: meaningful employ-

ment; cooperation between the public and private sectors; and elimination of discrimination.

First, with respect to meaningful employment, medical studies have shown that extending a vigorous life span calls for more than just medication. Programs providing employment for the older person must not be mere "make work" projects or a subtle form of welfare. The older person has already suffered too many indignities, and to insure that society receives multiple benefits it is essential that the end result be the provision of a needed service.

Mr. Chairman, with respect to cooperation between the public and private sectors, it is the view of our associations that there is a real need for a partnership between the public and private sectors. This is essential in order to satisfy effectively the needs of the older workers in our country.

Our two associations have considerable experience in administering a very successful project under the Operation Mainstream program. We also have been working closely with Mature Temps, an employment service specifically geared to the needs and capabilities of older people.

Some of the lessons which we have learned from our experiences with these two programs are detailed in our prepared statement.

But in the light of this experience we would like to underscore our support, of section 404 of S. 1580 sponsored by Senator Percy. As you know, this section would require the Secretary of Labor to report to Congress within a year on present programs of private, nonprofit organizations to furnish employment opportunities for individuals 55 years of age and older, and also on the recommendations he has for strengthening and coordinating such programs with employment programs for older Americans that are conducted or assisted by public agencies.

Our point is, Mr. Chairman, that there is a wealth of knowledge and experience in the private sector regarding the utilization of older workers and this wealth of knowledge must be utilized.

We therefore applaud the proposal and are confident that the resultant findings and recommendations will go a long way toward strengthening the private/public partnership which we advocate.

Thirdly, the elimination of discrimination.

Discrimination against the older American must be eliminated. No society can remain in balance if any one sector of it suffers discrimination. Agism is becoming more acute. Action to protect older Americans must be taken now.

The Government must remove those barriers to older workers which it has itself imposed, and the Labor Department must undertake a more effective and aggressive enforcement of the Age Discrimination in Employment Act.

In summary, Mr. Chairman, our associations urge that any legislation dealing with the employment of older persons recognize the need for truly meaningful forms of employment, that it provide for a cooperative effort between the public and private sectors and that it attack the critical problem of age discrimination.

Thank you, Mr. Chairman.

Senator EAGLETON. Thank you very much.

You mentioned in your testimony that you are operating a program under Operation Mainstream.

Mr. SYKES. Yes, sir.

Senator EAGLETON. Is it more than one program? Does it have one broad label?

Mr. SYKES. There is just one program, broadly labeled "Mainstream," and we are operating a senior community service aids project under the parent Mainstream program.

Senator EAGLETON. Where are you operating?

Mr. SYKES. In six cities across the country, including one in Kansas City, Mo.—

Senator EAGLETON. How many participants?

Mr. SYKES. Approximately 350 are currently in the program and 759 have already completed it.

Senator EAGLETON. Although not identical to, would it be somewhat similar to the programs being operated by the National Council of Senior Citizens and the National Council on Aging?

Mr. SYKES. Yes, sir.

Senator EAGLETON. These would be elderly people being paid to work 4 hours a day at a rate somewhere between \$2 and \$2.15 an hour, doing work generally described by previous witnesses?

Mr. SYKES. Yes, sir; community service type of employment for which they are paid an average of \$1.78 an hour. These people come from disadvantaged backgrounds, and have been unable to find work again. They are paid during training and are employed in community service type work and both public and private agencies.

Senator EAGLETON. Do you have any statistics to show how many otherwise qualified and worthwhile applicants you were obliged to turn away because of lack of funds?

Mr. SYKES. Fortunately, we have not had to turn any applicants away; rather, we have been able to find over 205 jobs for people we did not enroll in the project. Of course, if we had additional funds, it would be easier to find jobs for those for whom there is no space in the project, but we feel that we are doing very well with the funds that we do have.

(The prepared statement of Bernard E. Nash follows:)

PREPARED STATEMENT OF BERNARD E. NASH, EXECUTIVE DIRECTOR OF THE
AMERICAN ASSOCIATION OF RETIRED PERSONS AND THE NATIONAL RETIRED
TEACHERS ASSOCIATION

I am Bernard E. Nash, Executive Director of the American Association of Retired Persons and the National Retired Teachers Association. These two voluntary organizations have a combined total membership of 3,000,000 older Americans and are growing at the net rate of more than 2,000 persons each day.

I should like, Mr. Chairman, to take just a minute to tell you something about the legislative philosophy of our two Associations. It is based on a rational dialogue, common sense understanding of the needs of others, and, above all, respect. Some other organizations have today seemingly abandoned these precepts. They have concluded that legislative success must be measured in decibels, that noise and militance are more important than substance and purpose, that it is better to demand than to discuss. Even some older Americans, I am sad to say, have abandoned their dignity for a picket sign. Clenched fist cliches have too often replaced logical, rational, knowledgeable discourse and constructive action to meet the needs of older Americans. Our Associations believe that there is indeed a "senior power." But it lies in the "power of seniors" effectively applied in constructive action rather than in some emotional display of pressure tactics.

That is not our way. While others shout, we speak softly. While other protest, we persuade. I am confident that we will achieve our goals--not because we are loud, not because we are militant, but because we are right. We seek from government only that which is essential and which we cannot obtain by ourselves.

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We ask to be partners with government, not wards of it. We do not want special treatment. We want to be treated as Americans-- as welcome participants in the American way of life.

Mr. Chairman, I was dismayed by the startling facts recently presented by Senator Church to a Senate Appropriations Subcommittee. In touching on employment problems of older workers, Senator Church stated that there are today more than 5,000,000 unemployed Americans, representing all age groups and every region of the nation. One age segment, however, had been particularly hard hit by the present state of the economy. These are the older workers (persons age 55 or older) and their families. Nearly 500,000 have lost their jobs. Many have also lost their pension coverage. Their total represents an astonishing unemployment increase of 85% for this age group since January 1969. Adding to the immediate hardship of losing one's job is the fact that the older worker also runs the risk of being out of work for a substantially long period of time. Tens of thousands of persons in the 55-plus age category have been unemployed for 15 weeks or longer. Compared with January 1969 this represents an alarming increase in long-term joblessness for the older worker.

Coupled with this very serious employment crisis is the even more discouraging fact that the number of persons 65 or older living in poverty increased by over 200,000 in 1969 alone. Older Americans were the only group in the nation who actually experienced an increase in the number of persons living in poverty during this period.

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In 1959 Americans 65 and older constituted 15% of all citizens living below the poverty level. By 1969 that proportion had reached the 20% mark.

It is in the light of such depressing economic statistics that we welcome the creation of opportunities provided in the legislation introduced by Senators Randolph, Kennedy and Percy. S1307, S555 and S1580 would provide the means for older Americans to earn badly-needed income and become working, contributing members of society once again. In addition, the programs contained in these bills would supply the needed experience and dedicated manpower required to accomplish a host of critically needed projects in communities across the nation.

Obviously, there are myriad aspects, both social and economic, to the employment problems of older Americans. However, I should like to confine my remarks today to just three:

1. Meaningful employment
2. Cooperation between public and private sectors
3. Elimination of discrimination.

No. 1: MEANINGFUL EMPLOYMENT

Medical studies have shown that extending a vigorous life-span calls for more than medication, and that a sense of purpose is as vital as adequate nutrition as one grows older.

Thus, programs providing employment for the older person must not be merely make-work projects. To assure multiple benefit from their work in these programs, the end result must be the provision of a needed service.

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Six years ago, the Office of Economic Opportunity launched the Foster Grandparent Program, which has had an impressive economic and social impact. First, it gives institutionalized, deprived, handicapped and ill children a chance to develop a normal personal relationship with mature adults. Having an adult model assures them of proper emotional as well as physical development.

Second, it provides the foster grandparent with reborn feelings of usefulness, erasing the trauma of being cast aside by society. The Foster Grandparent Program not only provides meaningful work for older people, but it also satisfies the psychological needs of both the recipient (child) and the employed (older person).

Third, society benefits through less costly health and welfare programs for the idle, diminished institutional costs, and, service to a larger number of children.

Thus, the significant point is that the cost and benefits of the proposed Bills must be measured in many ways -- not only in wages.

No. 2: COOPERATION BETWEEN PRIVATE AND PUBLIC SECTORS

Mr. Chairman, in our view, there is a real need for a partnership between the public and private sectors of our society in order to satisfy effectively the needs of the older workers of our country. To show how the programs proposed by the bills before you complement those conducted by private organizations, may I explain some of our own activities.

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Our Associations have for the past two years been conducting a project under the Operation Mainstream Program of the U. S. Department of Labor in which we have demonstrated that disadvantaged older persons could not be stereotyped. They represented every ethnic group; many were untrained and unskilled for any type of work; all were the victims of age and idleness with an eagerness for work rather than welfare.

The average monthly income for those who responded was a little more than \$100 per month.

After determinations were made as to what type of work applicants were most suited for, they were placed with various community and public service agencies such as the YMCA, YWCA, Red Cross and Boys Clubs. Schools, welfare offices, health departments and other government offices also benefited.

The 759 participants became typists, file clerks, receptionists, interviewers and telephone operators. Day care personnel and teacher's aides were trained along with lab technicians, para-professional hospital personnel, security guards, recreation supervisors, bus drivers and building custodians.

One thing was absolutely certain--they were always on the job--weather or health notwithstanding, and employers felt secure in placing trust and responsibility in their workers.

Mr. Chairman, it is important to make a few brief observations of the lessons learned from involvement in this project.

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Our experience has demonstrated the need for special attention to the complexities of work opportunities when seeking to assist the older unemployed. For example, provision must be made for costs of such things as health examinations, small loans to purchase tools in a trade, transportation, and frequently even for the most mundane necessities, such as white shoes and stockings for a hospital aide.

We have learned, too, of the extraordinary importance of the project director in any training and placement programs. He or she must have unusual empathy. Encouragement and assistance alone, although vital, are not enough. There must be personal and perceptive approaches in aiding these people. They must be treated with special understanding of the psychological impact of past frustrations, defeats and unfulfilled promises. From this we see emerging a need for innovative and specialized training of personnel in this particular field.

We urge the committee to insure that the legislation you approve makes certain that people really are trained and that the Congress is not merely engendering a new and subtle form of welfare. The older people of this country want to be partners with their government, not its wards as we have previously stated. The results of this partnership will benefit our total society.

In 1969, Mr. Chairman, the American Association of Retired Persons and the National Retired Teachers Association recognized the need for the development of a program of employment for older

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persons. It had become apparent that a great number of our members, who came from all walks of life, wanted to get back to work at least on a part-time temporary basis. These men and women wanted to again become "involved" in our society. They also wanted, of course, the opportunity to supplement their fixed incomes in order to offset the effects of inflation. Yet, at that time, there was no real vehicle to help them return to the labor force.

Thus, our Associations turned to private industry for help. The Colonial Penn Group, an organization with a long history of providing special services for older Americans, established with our urging Mature Temps, an employment service geared to the needs and capabilities of mature Americans.

During its first year, Mature Temps paid more than one million dollars in salaries to older workers as a result of its job placement efforts. It placed more than 3,000 persons in a wide variety of positions ranging from clerical work to interviewing for an urban study.

This service has continued to grow; at the present time an average of 225 persons are being placed in temporary positions each week. More than 175 corporations embracing practically every segment of American enterprise have utilized Mature Temps workers. There are currently nine Mature Temps offices throughout the country, and studies are currently under way to evaluate other cities in which offices will be opened within a year.

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Unfortunately, despite its obvious success, Mature Temps has found itself confronted with a major problem. It has discovered that there are a number of requests from the business community which it cannot fill simply because there is a shortage of job applicants with certain skills. The legislation before you today addresses itself to this problem.

The people to fill these jobs are waiting and willing, Mr. Chairman, and the shortage of talented people has created a hardship in the business community. It is only logical, therefore, that we tap the vast pool of older workers to fill these gaps. There must be a development of training programs by the private sector to fill its own needs. In addition, there must be government grants to already established vocational schools, for example. There must also be an effort by the government to establish programs similar to the Foster Grandparent program, but aimed at other interest groups among the aged. And, above all, there must be a closer working relationship between the government and the private sector in this area.

It is important to remember that the jobs about which we are talking do not require years of education or sophisticated skills, but they do require some basic knowledge or training. In many cases, these jobs could be filled by people who need only to have their present skills updated or strengthened. We feel that the measures before your Committee properly point in this direction.

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Along the same lines, Mr. Chairman, I would like to underscore our support of Section 404 of S1580 sponsored by Senator Percy. This section, as you know, would require the Secretary of Labor to report to Congress within a year on present programs of private nonprofit organizations to furnish employment opportunities for individuals fifty-five years of age and older and on recommendations for strengthening and coordinating such programs with employment programs for older Americans conducted or assisted by public agencies.

We applaud this proposal, and we are confident that the resultant findings and recommendations will go a long way toward strengthening the people-government partnership which we espouse. We urge, therefore, that such a provision be included in whatever legislation is recommended by this Committee.

Our experience with Mature Temps has also taught us several valuable lessons regarding placement of older workers in temporary jobs.

The first barrier confronted was the mistaken belief that older workers are not as "flexible" as their younger co-workers. We have learned that such is not the case. Experience indicates that there is very little which can hamper the performance of older workers. They adapt just as readily as, if not more so, than the younger workers to adverse working conditions. Perhaps they remember all too well the days before airconditioning, piped-in music, and the 40-hour week.

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Unfortunately, the older worker will tend to have more physical limitations than his younger counterpart. However, this problem is not insurmountable if the applicant is properly screened and the job is matched to his physical capabilities.

We were surprised to discover that, although many available jobs require at least a minimum of training in order to update skills, some employers are seeking individuals with prior experience on older pieces of equipment. For instance, many business establishments still use the hand-cranked duplicating machine rather than modern photocopy equipment.

Finally, we have learned that the patience and tenacity of older workers is a highly valuable resource. It has proven particularly useful in such requirements as the tracing of errors in stock transfers. Continental Casualty Insurance Company of Chicago and Boston uses older persons as their primary source of temporary help, and a leading university in Massachusetts employs older persons in the sensitive and demanding area of maintenance of student records.

Our point is, Mr. Chairman, that there is a wealth of knowledge and experience in the private sector regarding the utilization of the older worker. Any legislation passed, therefore, should assure the development of a partnership with the private sector in the counseling, training and placement of the older worker.

No. 3: ELIMINATION OF DISCRIMINATION

Discrimination against older Americans must be eliminated, Mr. Chairman.

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It is an accepted fact that the Federal Government, which should be providing an example for the private sector, has itself set up barriers against hiring anyone over a certain age. Furthermore, the government has made almost no attempt to develop an effective and efficient procedure to use temporary help as a regular part of its working staff. This is done now only on selected occasions; for instance, during the taking of the census or the Christmas rush in the Post Office. We believe that all government agencies should follow the lead of the Census Bureau and Post Office Department by encouraging the use of temporary or part-time help during peak periods.

Even more alarming, however, is the failure of the Federal Government to enforce the provisions of the Age Discrimination in Employment Act of 1967. This Act brought new hope to older workers. Many believed that the new law could open doors to new employment opportunities previously closed to mature job seekers. Tragically, this dream has not become a reality.

Labor Department officials admit that enforcing the law is proving far more difficult than expected. They claim that many employers still are not aware that it is illegal to refuse to hire, to promote, or to lay off a worker because of his age. Moreover, many employers find ingenious ways to disguise deliberate discrimination.

Thus, faced with situations in which the facts are often hard to prove, the Labor Department has been slow to bring age-bias cases to court--the first one wasn't filed until late 1969. By late 1970, only 15 court proceedings had been instituted, few of which have been resolved. Moreover, the plaintiff generally

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has not done well in those cases which have been adjudicated.

I submit, Mr. Chairman, that the Labor Department is responsible for informing the private sector of the provisions of this Act and for finding and prosecuting cases of age-discrimination to the fullest extent of the law. No one is claiming that this is an easy task, but the fact remains that it can and must be done. To do otherwise is to thwart the will of Congress.

This is not to suggest that the Federal Government alone has been negligent. At the state level, only 27 states have some form of age discrimination law, and few of these are actively enforced. In fact, a number of them do not even provide for penalties. This situation is intolerable.

Another cause for concern is the lack of action to comply with Section 5 of the Federal law, which states: "The Secretary of Labor is directed to undertake an appropriate study of institutional and other areas giving rise to involuntary retirement, and report his findings and any appropriate legislative recommendations to the President and to the Congress."

Despite the fact that Congress has repeatedly made it clear that this study, of such importance to the older worker, should be undertaken expeditiously, and despite many complaints from Congress and the private sector, no such study has ever been made. We find this unreasonable delay deplorable, particularly in light of present conditions.

Finally, another problem resulted when Congress set the age brackets in the law at 40 and 64, with instructions to the

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Secretary of Labor to recommend within six months any lowering or raising of these age limitations. Unfortunately, the Secretary recommended that the age specifications be retained as defined in the Act; this has resulted in the fact that persons over 64 years of age now have no legal protections in finding or holding a job. Our Associations have urged, and will continue to urge, that the provisions of this Act be expanded to assure those over age 65 who want to work the opportunity to do so.

Mr. Chairman, if such discrimination in employment can so easily be effected against the "average" older worker, think how much more acute the problem must be for the "triple jeopardy" worker--the worker who is not only old, but also is a woman and a member of a minority group. The inescapable facts of sex and race discrimination combine to create an almost hopeless situation for a significant number of older persons wishing to enter or remain in the work force.

We wish to thank the distinguished Chairman and members of this Committee for the opportunity to relate to you today not only some of the distressing problems facing older workers, but also some of the myth-destroying successes of the older worker who has been given the chance to demonstrate that he is an asset which our society can ill afford to neglect. We particularly commend the efforts of Senators Randolph, Kennedy and Percy; their legislation will help solve many of these problems and provide more older Americans with that chance.

Our society is heavily slanted toward youth today, and the pressure is such that the older person is too easily shunted aside. If the legislation which results from your deliberations can help prevent this, it will have made a great contribution to the general good and general welfare of our nation.

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Senator EAGLETON. An excellent report on community service employment programs for the middle-aged and older worker has been prepared by the National Council of Senior Citizens and published by the Special Committee on Aging earlier this week. We will make that report part of this record by reference. We won't have it reprinted.

At this point I order printed all statements of those who could not attend and other pertinent material submitted for the record.

(The information referred to follows:)

**The
American
Legion**

★ WASHINGTON OFFICE ★ 1608 "K" STREET, N.W. ★ WASHINGTON, D.C. 20006 ★



For God and Country

July 27, 1971

Honorable Thomas F. Eagleton, Chairman
Subcommittee on Aging
Senate Committee on Labor and Public Welfare
4230 New Senate Office Building
Washington, D. C.

Dear Chairman Eagleton:

The American Legion is pleased to note that your Subcommittee will holding hearings July 29 and 30 on proposals to provide increased employment opportunities for middle-aged and older workers.

As you know, this subject has been of concern to The American Legion for several years, particularly as it affects disabled and older veterans. For this reason our National Economic Commission has sponsored a nation-wide program encouraging employment of older workers by recognizing outstanding employers of such persons. Our latest bulletin explaining this program is enclosed.

Also enclosed is a copy of Resolution 494, adopted by our National Convention last September, pointing out the specialized employment needs of older veterans.

It will be appreciated if you will have the bulletin and resolution included in the permanent record of the hearings of your Subcommittee.

Sincerely yours,

Herald E. Stringer, Director
National Legislative Commission

cc: James J. Murphy, Counsel

[BULLETIN FROM NATIONAL ECONOMIC COMMISSION
ACTIVITIES, THE AMERICAN LEGION]

* * * * *

* CITATION AWARD FOR NATIONAL *
 * EMPLOY THE OLDER WORKER WEEK *
 * MAY 2 - 8, 1971 *
 * * * * *

The National Employment Committee under The American Legion's Economic Commission, in sponsoring its 13th Annual Observance of "Citation Award for Employ the Older Worker Week", May 2-8, 1971, is making a special appeal to all departments to select an employer who does an outstanding job in hiring and retaining the older worker, especially the war veteran, to be the recipient of The American Legion's authorized National Citation Award. All departments are encouraged to participate in this worthwhile employment program to make year of 1971, the year of 100 percent participation.

The American Legion is one of over 400 national organizations concerned with older people and is involved in the planning and activities of the "White House Conference on Aging" called by the President to meet in Washington, D.C. the week of November 28, 1971. The goal: A more realistic and comprehensive national policy for older Americans. Reports now show that there are more than 20 million older people in our population. One in every ten Americans has reached or passed his 65th birthday, and the number is growing at ^anet rate of 900 a day, ^{or} 330,000 a year.

The Older Worker Class: Hundreds of thousands not yet old, not yet voluntarily retired, find themselves jobless because of arbitrary age discrimination. However, since the Age Discrimination in Employment Act of 1967, much progress has been made. In view of the large number, 42 million middle-aged Americans, many employment problems still exist. Of the 42 million, ^{16 million} are in the age class of 55 to 64, and 24 million ^{are} aged 45 to 54. Opportunities must be opened to the many Americans in the middle-aged class who are qualified and willing to work. Many find themselves "old" in their labor market, caught in a conflict between the lengthening of life and the shortening of work careers.

The American Legion desires to meet its responsibility to all veterans in finding suitable employment, and we must by every means encourage employers to afford the older veteran an opportunity to be gainfully employed. Recognition by presentation of Citation Awards is one way of showing our appreciation to employers who recognize the value and contribution older workers are making to their company and society.

SUGGESTIONS AND INFORMATION FOR THE SELECTION
OF THE 1971 OLDER WORKER CITATION AWARD

1. Department Officials make the recommendation and the selection for the 1971 Older Worker National Citation Award.
2. The criteria on which a selection is made should be based upon the overall employment policy of an employer where the services of older workers are utilized.
3. A small business may be more worthy to receive an award than a large firm. Consideration should be given to all employers.
4. Furnish the National Employment Committee a brief summary of the employer's record which qualified it for the award.
5. The Citations are laminated. You are urged to provide the exact wording of the recipient's name, city and state, and allow at least 30 days before presentation date is scheduled. Forward to: National Employment Committee, The American Legion, 1608 "K" Street, N.W., Washington, D.C. 20006.
6. It is suggested that the award be presented during the "National Employ The Older Worker Week", if convenient, with a ceremony at a Department meeting or a meeting called at the employer's company or firm. However, any date for presentation is acceptable to the National Employment Committee.
7. The public relations value should not be overlooked. Since this is a nationwide program, some departments receive national publicity. Send a copy of all press releases, programs, etc., to the National Employment Committee.

FIFTY-SECOND ANNUAL NATIONAL CONVENTION
OF THE AMERICAN LEGION
PORTLAND, OREGON, AUGUST 28 - SEPTEMBER 3, 1970 .

RESOLUTION NO. : 494

COMMITTEE : ECONOMIC

SUBJECT : ASKING VETERANS EMPLOYMENT SERVICE TO INCREASE AND
INTENSIFY SERVICES TO DISABLED AND OLDER VETERANS

WHEREAS, The American Legion has looked with compassion on the specialized needs of the disabled veteran and the older veteran, and

WHEREAS, Seriously disabled Vietnam veterans, in increasing numbers, are now seeking gainful employment, and

WHEREAS, The advancing age of World War II veterans and the incidence of disability creates serious employment problems for these veterans, and

WHEREAS, The American Legion has worked successfully in providing legislation to provide "a maximum of job opportunity in gainful employment," and

WHEREAS, The responsibility of providing specialized services to meet the unemployment problems of older veterans and disabled veterans has been given to the U.S. Department of Labor through the U.S. Manpower Administration, the Veterans Employment Service and the various State Employment Services, now, therefore, be it

RESOLVED, by The American Legion in National Convention assembled in Portland, Oregon, September 1, 2, 3, 1970, that the National Economic Commission be requested to inform Congress of the specialized employment needs of these veterans and to request provision for adequate funds so that the designated Federal and State Agencies may fully comply with their responsibilities to serve disabled veterans and older veterans, and be it further

RESOLVED, that the U.S. Department of Labor, the U.S. Manpower Administration and the Veterans Employment Service be asked to increase and intensify services to disabled veterans and older veterans.

FORTY PLUS OF



WASHINGTON, INC.

Established December 1953

810 EIGHTEENTH STREET, N.W., WASHINGTON, D. C. 20006
Suite 405 — 638-2125

September 30, 1971

Honorable Thomas F. Eagleton, Chairman
Subcommittee on Aging
Senate Committee on Labor and Public Welfare
Suite 4230, New Senate Office Building
Washington, D. C. 20510

Dear Senator Eagleton:

In connection with your hearings on S.1307, the Middle-Aged and Older Workers Employment Act, and related bills, I am taking the liberty of submitting the attached statement, and will appreciate having it included in the hearing record.

Also enclosed is some material concerning our organization, which might be of interest to you.

Very sincerely,

Frank H. Holt
President

ADVISORY COUNCIL

Donald M. Bernard
Former Vice President,
Washington Post & Times Herald

B. Bernei Burgunder, Jr.
Vice President, Kann's

Philip Larner Gore
President,
Security Storage Company

Frank A. Gunther
President, Security Bank

Fred Z. Hetzel
Director, U.S. Employment
Service for District of Columbia

John F. Lee
President, International
Development Services, Inc.

Charles D. Magruder
Director, Customer Relations
Washington Gas Light Co.

William H. Press
Executive Vice President,
Washington Board of Trade

Alfred M. Pride
Admiral, U. S. Navy (Ret.)

Theodore S. Repplier
Past President,
The Advertising Council

Walter L. Weible
Lt. General, U. S. Army (Ret.)

Sam N. Wolk, Chief
Career Service Division
U. S. Civil Service Commission

STATEMENT OF MR. FRANK H. HOLT, PRESIDENT OF FORTY PLUS OF WASHINGTON, INC., BEFORE THE SUBCOMMITTEE ON AGING OF THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, IN SUPPORT OF S.1307 AND RELATED BILLS TO IMPROVE EMPLOYMENT OPPORTUNITIES FOR MIDDLE-AGED AND OLDER WORKERS, THURSDAY, SEPTEMBER 30, 1971

Mr. Chairman, Members of the Committee, my name is Frank H. Holt. I am President of FORTY PLUS OF WASHINGTON, INC., 810 Eighteenth Street, N.W., Washington, D. C. I greatly appreciate this opportunity to make my views known with regard to S. 1307 and similar proposals designed to improve employment opportunities for middle-aged and older workers.

FORTY PLUS OF WASHINGTON is a non-profit, self-help cooperative organization which was established in 1953. Its sole purpose is to place our continuously changing membership of professionals and executives over 40 years of age in suitable positions.

Today, there are some 19 FORTY PLUS groups in major cities across the country and in several foreign locations. All are working independently in a cooperative venture to help mature and talented people to find employment. As a result of the mutual self-help marketing efforts of FORTY PLUS members, thousands of broadly experienced and highly talented individuals have been placed in business, industry, and government.

Needless to say, we are delighted to strongly support the legislation

Holt/FORTY PLUS/2

now being considered by the Committee which is intended to enhance employment opportunities for a singularly disadvantaged -- and often forgotten -- group, the mature but talented people over 40 who are out of work.

As you know, Mr. Chairman, ours is a youth oriented society. Consequently, there is abroad in the land a pervasive attitude which holds that the mature job applicant may not be as desirable as a young person. Such a cavalier pre-judgment of an important segment of our citizenry is contrary to the historic American concept of equality of opportunity for all. It disavows public preference for men of maturity to cope with the massive critical issues which have confronted our nation throughout the years.

Over the centuries, wisdom has long been associated with age. The history of this august body, as well as that of your colleagues on the other side of the Capitol, clearly demonstrates that the American electorate, by and large, prefers to entrust the destiny of this country to men and women aged 40 and above. A similar respect for maturity is reflected in the age at which our Presidents and members of the Judiciary assume the demanding duties of their offices.

Recent Department of Labor statistics show that well over 1 million persons above age 40 are unemployed. This is a 68 percent jump over similar statistics for January, 1970. It is a trend which we must do everything possible to reverse.

Holt/FORTY PLUS/3

The mature unemployed executive and professional person is a natural resource which this nation can ill afford to lose. The experience of our organization is that these people are singularly talented, deeply dedicated, and highly dependable. It is in the national interest that this talent not be wasted.

The motto of our group is: THERE IS NO SUBSTITUTE FOR EXPERIENCE. We deeply believe this concept should be re-vitalized and more thoughtfully considered by legislators, administrators, and employers. I strongly urge, Mr. Chairman, that the Committee report out a bill which will provide positive assistance to help mature workers to find new employment opportunities.

Thank you.

FORTY PLUS

*The Cooperative Placement
Service For
The Executive Over Forty*

HOW THE FORTY PLUS PLAN WORKS

Since 1953, Forty Plus of Washington has been assisting members with professional and executive talents to find suitable employment. It has evolved a comprehensive and tested plan which assists members to economically advertise their availability and capabilities through modern marketing techniques.

Forty Plus is a non-profit, self-help cooperative organization designed to supplement the member's own employment efforts. In addition it boosts members morale, promoting the realization that success in job-hunting requires diligence, flexibility, patience and above all a belief in oneself.

MEMBERSHIP

Forty Plus men and women are carefully chosen from unemployed professionals and executives over 40 years of age, who have a history of earnings of at least \$14,000 per year in responsible positions. They must be United States Citizens, have a marketable skill and should live within the greater Washington Metropolitan area. Selection to membership is contingent upon a personal interview and favorable responses to a comprehensive screening of references.

THE PLAN IN OPERATION

Members competencies are Evaluated. Following acceptance by the Executive Committee the new member receives expert counseling in the preparation of his resume. He learns to evaluate objectively his capabilities and areas of competence. This is essential since a good resume is the key to gaining interviews.

Availability of Members Receive Wide Exposure. A brief profile of each member being marketed is included in the monthly publication, "40 Plus News-Bulletin." This bulletin is constantly revised and is mailed monthly to more than 1500 potential employers in business and government. In addition, the placement committee distributes individual resumes in response to advertisements as well as direct inquiries from business and government.

Promotion and Source Development. A continuing program of mass media publicity and paid advertising reaches the market within a 250 mile radius of Washington. The program is designed to acquaint potential employers with Forty Plus and to encourage employment of the older professionals and executives.

Members Participate in Management. Forty Plus has no paid employees. The work of the organization is performed under the guidance of the Executive Committee by the active membership. Each is expected under the terms of his agreement to contribute at least one working day each week on committee work in addition to attending the weekly general meeting. Each member's return from Forty Plus is in proportion to the effort he expends in its support.

Assignment to Committees. Forty Plus is organized on a functional basis. There is one directional and five operational committees. Except for the elected Officers and Committee Chairmen, each member is assigned to a committee by the Executive Board. Each assignment is based on making maximum use of each member's talents in the best interests of the organization.

Office Management. Establishes policy . . . provides continuity . . . furnishes day-to-day direction and guidance to the working members.

Marketing. Develops nation-wide mailing lists of employers . . . Canvasses employers in the Washington area to increase circulation of the Forty Plus News-Bulletin . . . makes personal calls on top officials of prospective employers to promote the use of Forty Plus as THE source of quality executive talent . . . publishes and distributes the monthly News-Bulletin.

Placement. Handles all employment actions on a confidential basis . . . screens the competencies of all members against the specifications of job opportunities . . . furnishes appropriate resumes upon discovery of a job opportunity or upon request of a prospective employer . . . follows up on all job leads to the extent practical.

Public Relations. Creates advertising, publicity releases, radio and TV scripts . . . handles public affairs . . . publishes periodically an internal Newsletter for the membership.

Membership. Provides the initial point of contact between the public and Forty Plus . . . interviews prospective members . . . conducts a comprehensive screening of applicants prior to presentation for action by the Executive Committee.

Job Counseling. Directs members in their own self-evaluation . . . develops clear and concise resumes and profiles . . . helps members to plan their job-search program.

Each Member has a Downtown Office.

Members may direct mail and phone calls to the offices of Forty Plus. The use of all facilities and supplies to assist in individual job-search is provided on days other than those devoted to committee work. References, newspapers and periodicals are available for individual convenience and use.

Financial Support. The annual budget identifies funds for essential expenditures within the limits of Forty Plus resources. Monies are derived from the modest initiation fee and monthly dues paid by the members. Additional assistance is provided by voluntary donations and the annual dues of senior alumni.

OTHER FORTY PLUS GROUPS

Forty Plus of New York, Inc.
15 Park Row, New York, N.Y. 10038
(212) BEekman 3-6086

Forty Plus of Philadelphia, Inc.
1716 Chestnut St., Phila., Pa. 19103

Forty Plus Club of Chicago
343 S. Dearborn St., Chicago, Ill. 60604

Forty Plus of Denver, Inc.
251 E. 12th Ave., Denver, Colo. 80203

Forty Plus Ass'n of So. Calif., Inc.
672 S. Lafayette Park Place
Los Angeles, California 90057

Forty Plus of Northern Calif.
1990 Embarcadero
Oakland, California 94606

Forty Plus of Cincinnati
P.O. Box 2033
Cincinnati, Ohio 45201

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Executive Vice President
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Theodore S. Repplier
Past President
The Advertising Council

Walter S. Weible
Lt. General U.S. Army (Ret)

Sam N. Wolk
Chief, Career Service Division
U.S. Civil Service Commission.

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FORTY PLUS OF WASHINGTON
810 Eighteenth Street, N.W.
Washington, D. C. 20006
(202) 638-2125

Senator EAGLETON. That concludes today's hearings on the three bills before the committee.

The committee is adjourned.

(Whereupon, at 1:30 p.m., the hearing was adjourned, to reconvene at the call of the Chair.)

