

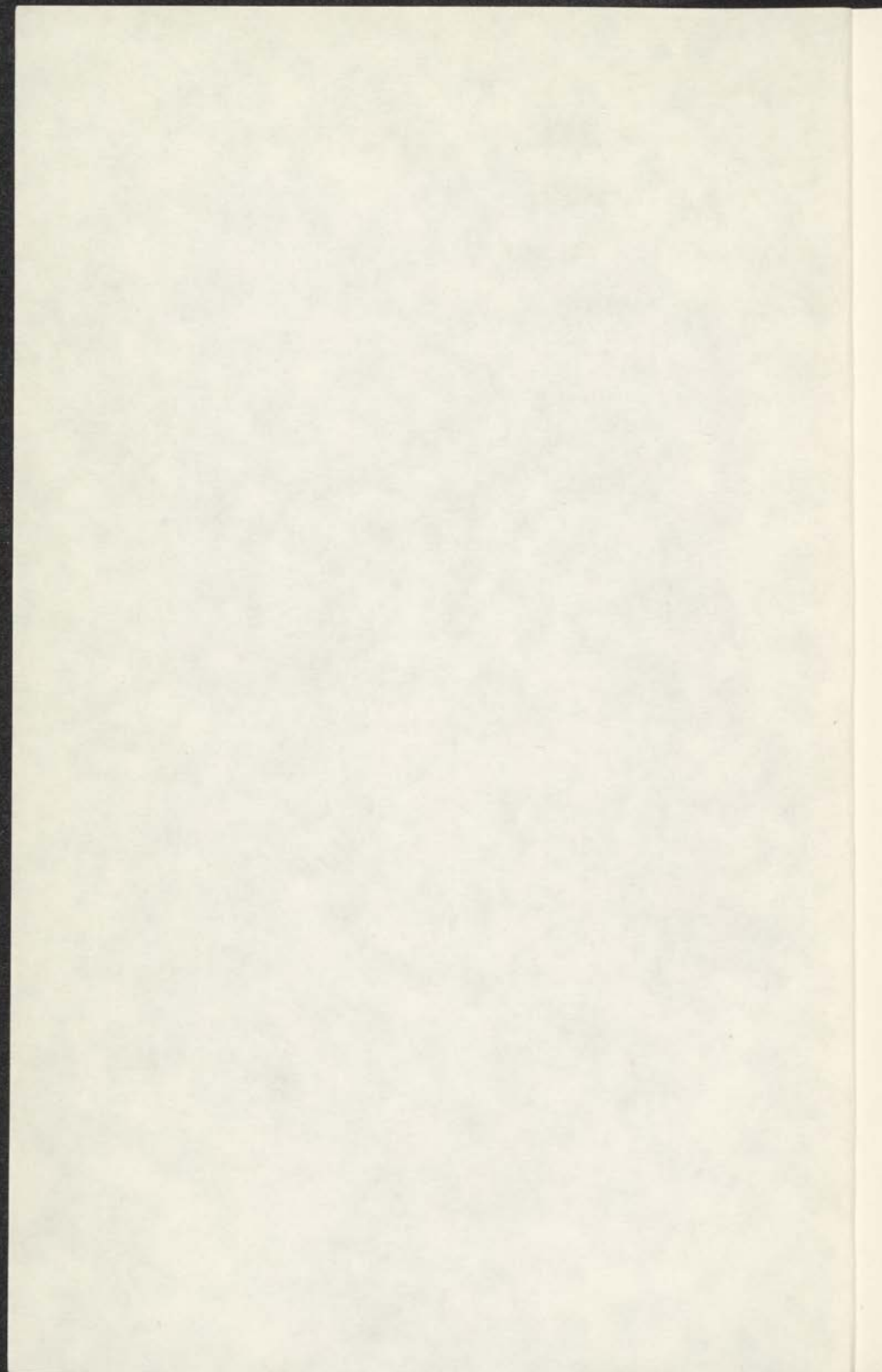
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United States
Department of Labor
Sixty-Fourth
Annual Report
Fiscal Year 1976

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United States Department of Labor Sixty-Fourth Annual Report Fiscal Year 1976

W. J. Usery, Jr., Secretary

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United States Department of Labor

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Deputy Under Secretary for Legislative Affairs

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² Appointed 5/24/76 to replace John C. Read

³ Richard H. Lukstat resigned 7/30/76

⁴ Appointed 7/4/76

⁵ Appointed 5/18/76 to replace Robert O. Aders

⁶ Appointed 8/15/76

⁷ Appointed 7/25/75

⁸ Appointed 8/1/76

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Associate Deputy Under Secretary for International Affairs

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¹⁰ Appointed 9/28/75

¹¹ Appointed 9/14/75

¹² Appointed 9/14/75

¹³ Appointed 5/2/76 to replace Lillian A. Hamrick

¹⁴ Appointed 5/18/76 to replace Bernard E. DeLury

¹⁵ Appointed 8/15/76 to replace Robert C. Chase

¹⁶ Appointed 3/7/76 to replace Philip J. Davis

¹⁷ Appointed 1/7/76

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Administrator for Pension and Welfare Benefit Programs

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Assistant Secretary for Employment and Training

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Employment and Training Administrator and Deputy Assistant
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Administrator, Office of Policy, Evaluation and Research

Pierce A. Quinlan
Administrator, Office of Comprehensive Employment Development

Hugh C. Murphy
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Lawrence E. Weatherford
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¹⁸ Appointed 4/18/76 to replace Paul J. Fasser, Jr.

¹⁹ Appointed 5/11/76 to replace Robert B. Lagather

²⁰ Appointed 6/25/75

Floyd E. Edwards

Administrator, Office of Field Operations

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Deputy Assistant Secretary for Occupational Safety and Health

²¹ Appointed 11/23/75

²² Appointed 12/2/75 to replace John H. Stenuer

²³ Appointed 7/22/75 to replace Howard J. Schulte

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Report of the Secretary

This year, America celebrated its Bicentennial, commemorating 200 years of free and independent growth which have brought many changes in our social and economic life. Yet the basic democratic ideals upon which this Republic was founded have remained the same; indeed they have been strengthened.

American working people have also experienced many changes in their lives. New industries and technological developments have demanded new job skills and training from an ever expanding workforce. Nevertheless, the goals of working people today are much the same as those of our colonial ancestors. Better wages and working conditions, more opportunity for individual advancement and personal fulfillment, and increased security in both employment and life itself are still basic ingredients for achieving the American dream.

As this nation enters its third century, the challenges and opportunities facing working people are great. Our democratic way of life, expanded and strengthened over the years, is being tested by serious economic problems. These problems affect the daily life of every American; indeed, they are global in scope and no industrialized nation has succeeded in escaping or completely solving them.

Inflation erodes the buying power of all Americans causing many in our society to do without many of the goods and services basic to a decent life.

Unemployment prevents millions of our citizens from earning a livelihood for themselves and their families and contributing their skills and ideas to help this nation grow.

And recession has hindered economic stability, reduced the confidence of both producers and consumers and made recovery slower than many people expected.

These problems will continue to confront all of us. The true test of our nation in the coming years will be how well we work together to solve them. We must continuously be aware, as government conducts the public's business for the public's benefit, that behind abstract economic concepts are people, people who need and deserve our help.

The Labor Department has worked to keep pace with the growing and changing needs of working Americans. This year was no exception. A major program expanding apprenticeship opportunities, new health and safety standards, expanded pension reform measures, improved statistical analysis and increased responsiveness to the needs of consumers are just a few of the many new services the Department offers to our citizens.

Yet the basic mission of the Department remains the same now as it was at its founding in 1913: "to foster, promote, and develop the welfare of the wage earners of the United States."

In 1976, the Department met the challenges of change by combining traditional policies with new and improved programs to better serve American workers during a period of economic uncertainty.

A major program expanding apprenticeship opportunities in highly skilled occupations began just as fiscal 1976 concluded. It will help enlarge the supply of skilled workers needed by our economy. The program, administered by the Employment and Training Administration, also promotes apprenticeship in industries not now using this type of training. It is a combined effort of government, trade associations, national unions, professional organizations, and schools. Expanding apprenticeship into new areas will help our economy grow by allowing these previously under-utilized groups to enter the mainstream of American economic life.

Major changes in the unemployment insurance program, enacted near the end of the fiscal year, helped many workers during a period of economic instability. More money was made available and coverage was extended to include groups of workers previously excluded.

A national commission on unemployment insurance was set up to study the problems of that program and recommend changes and improvements. This type of long range planning can do much to ease the burdens which may be faced by future generations of working people.

The Department continued to expand its Comprehensive Employment and Training Act (CETA) programs. During the year, program prime sponsors received more than \$5 billion in federal funds. By the end of the year, CETA programs had served almost 2.5 million people including veterans, Indians, women and minority group members.

Migrant and seasonal farmworkers benefited from enlarged national special emphasis programs during the year. Training, placement and social services programs are helping this long neglected group of workers make substantial advances on the road to social and economic stability.

Similar programs for veterans, youth and ex-offenders have helped these groups prepare for, find and keep jobs. By helping these workers enter the mainstream of American economic life, the Department is working to see that this nation has the workers it needs for today's jobs and tomorrow's.

The health and safety of working Americans continued to be a major concern of the Department in fiscal 1976. The Occupational Safety and Health Administration (OSHA) planned and developed its National Emphasis Program (NEP), a comprehensive effort to correct the occupational health and safety problems of industries having particularly high job illness and injury rates.

Educating the public about job safety and health continued to be stressed and contracts with universities, junior and community colleges and professional associations brought important safety and health information to people across the nation.

Fiscal 1976 was a year of significant activity at the collective bargaining table. The free association of people seeking to solve common problems is fundamental to American industrial democracy. This past year saw a number of disputes in which negotiated settlements prevented potentially harmful and lengthy strikes.

When strikes did occur, the Department continued its policy of encouraging the resolution of labor-management disputes with a minimum of direct intervention. Around-the-clock negotiations helped end the longest strike in the history of the rubber industry. A potentially crippling nationwide trucking strike was halted after only three days.

Collective bargaining by skilled representatives has helped bring about better conditions for workers while keeping industrial production growing.

Accurate statistical information became increasingly important as economic fluctuations affected more and more workers. The Bureau of Labor Statistics began revising the Consumer Price Index (CPI), measuring price changes of certain goods and services, to make it more reflective of modern American life.

When the revision is completed, the CPI will accurately analyze more goods and services in more geographic areas for a greater proportion of the population. A second index will be published, beginning in 1977, for urban households. Both indexes will incorporate the revisions program. This will give both producers and consumers a more accurate interpretation of price developments and changes.

The Department has also worked to better inform the public of proposed programs and laws by publishing news releases on all rulemaking activities to supplement formal notices in the Federal Register. We invite—and encourage—comment and suggestions on our rulemaking activities. Public participation in government affairs is a sign of a healthy and stable democracy and I hope that the voice of the people will always be heard as the Labor Department serves the American public.

To continue serving the needs of all Americans, the Department must expand its services and increase its efficiency. We must reach out to the unemployed and the disillusioned and offer them not only hope but the realistic prospect of productive employment. Only when everyone has the opportunity to make a meaningful contribution to our society can he or she hope to reap a fair share of its benefits.

As we work to solve these and other broad economic and social problems, we must not neglect the basic everyday needs of working people. The Department of Labor now administers more than 150 laws affecting

every aspect of working life in America. For these laws to be effective, we must continue to administer them fairly and efficiently.

America has faced many challenges during the past 200 years. In meeting these challenges, we have always emerged with the democratic ideals upon which this republic was founded reaffirmed and strengthened. I am confident that in the years to come, this nation will continue to confront the challenges of change with the spirit of achievement and determination which has developed in this country over these 200 years.

The job of building a better society is never over. Generations yet to come must improve upon the past and create for the future to assure continuing freedom and prosperity for all. I am confident that the Labor Department will continue its fine tradition of service to working people. It will, like the people it serves, continue to grow with the nation as an important source of its strength and its pride.

It was a privilege to serve as Secretary of Labor during much of this fiscal year. Some of the progress we achieved was made possible by the efforts of my predecessor, John T. Dunlop. His high standards of professionalism demonstrated the best aspects of government administration and certainly helped me fulfill my duties as the 15th Secretary of Labor.

Employment and Training Administration

The former Manpower Administration started the Bicentennial year with a new name. On November 12, 1975, the Secretary of Labor announced the change to Employment and Training Administration (ETA). Program activities and responsibilities were not affected, but the names of certain agency components and publications were changed.

An improving economy during the fiscal year enabled ETA to place more clients in jobs. The public employment service made 4.6 million placements in nonfarm jobs, 8.6 percent more than in fiscal 1975. Similarly, persons registered for the Work Incentive Program obtained 211,185 full-time jobs, the largest number in the history of the program and a fourth more than in fiscal 1975. Placements of Job Corps youth increased slightly as 91.8 percent of those available for placement went into jobs, returned to school, or entered the Armed Forces. The number of persons receiving their first unemployment insurance payments dropped from 11.9 million in the 1975 fiscal year to 10.2 million in 1976.

With the number of unemployed workers still substantial, ETA continued its commitment to an expanded public service jobs program. Of more than \$5 billion distributed to prime sponsors to carry out their responsibilities under the Comprehensive Employment and Training Act (CETA), over \$3.7 billion was for public employment, including summer jobs for youth. Over their 2 years of operation, CETA community programs have provided transitional employment for about 751,000 workers, plus work experience, training, and other services, including a limited number of jobs, to another 1.7 million.

Major changes in the unemployment insurance program were enacted by the Congress near the end of the transition quarter and signed into law shortly thereafter. The new legislation increases financing of the program, extends permanent coverage to State and local government employees and farm and private household workers, and changes the basis for triggering Federal-State extended benefits. It also sets up a national commission on unemployment insurance to recommend further program changes.

During the second year of operations under CETA, the ETA helped prime sponsors gain additional expertise and helped coordinate other ETA activities with CETA programs. Technical assistance and training materials were developed for a number of common problem areas, and a newly established clearinghouse supplied CETA-related products. Meanwhile, Job Corps arranged to share its services with other CETA programs, and the

employment service worked out improved arrangements to coordinate its activities with community programs in many local areas.

Special programs continued serving Indians, farmworkers, older workers, and others in particular need of job-related services. Veterans received priority in employment services and a variety of other help; and apprenticeship opportunities were expanded for military personnel, women, and minorities.

Community Employment Programs

Support for public service employment continued, and a number of steps were taken to help prime sponsors gain additional expertise in designing and operating programs for their jurisdictions. In fiscal 1976, 431 sponsors, 28 more than in the previous year, conducted programs under Titles I, II, and VI of the act. They included 66 cities, 171 counties, 140 consortia, 44 balance-of-State sponsors, 4 rural Concentrated Employment Program sponsors, the District of Columbia, and 5 U.S. territories and possessions.

These sponsors received more than \$5 billion in Federal funds to carry out their responsibilities under CETA. Of this sum, \$1.58 billion was for comprehensive employment and training services authorized by Title I, such as work experience, classroom and on-the-job training, recruitment, orientation, counseling, other supportive services, and placement. The remainder was for public employment activities. Support for transitional public service jobs under Title II amounted to \$400 million and for emergency jobs under Title VI to \$1.625 billion. An additional \$1.2 billion in Title II funds was distributed to prime sponsors to continue through January 1977 the 265,000 jobs previously funded under Title VI. A supplemental appropriation of \$528 million funded 888,000 summer job opportunities for economically disadvantaged youth aged 14 to 21.

By the end of the year, these CETA programs had served 2,482,400 persons. Cumulative enrollments for the 2 years of operation were 1,731,500 for Title I programs, 255,700 for Title II, and 495,200 for Title VI.

Major effort was devoted to improving program operations. Work groups composed of Federal, regional, and prime sponsor staffs developed technical assistance and training materials for a number of common problem areas in prime sponsor operations. Revised regulations for the Titles I and II and summer programs were issued; additional policy guidelines were provided for such areas as maintenance of effort, payment of unemployment insurance benefits to CETA participants, and on-the-job training in private industry; and formal standards were developed for assessing prime sponsors' past performance and critically reviewing grant proposals for

the following fiscal year. Other actions taken refined the CETA grant cycle schedule to facilitate operating locally managed grants and developing demonstration projects to link local CETA programs with employment service and Work Incentive Program activities.

Prime sponsors were encouraged to use part of their Title I or II money to serve offenders, and about \$85 million was allocated to help this group. The Department of Labor devoted an additional \$5 million to such activities as pretrial intervention projects, model ex-offender projects, Federal bonding of ex-offenders unable to get commercial bonding, and the Comprehensive Offender Program Effort, jointly funded with the Law Enforcement Assistant Administration to coordinate resources to serve offenders.

Employment Service

The public employment service (ES) placed 4.4 million persons in non-agricultural jobs during the 1976 fiscal year and the transition quarter ending September 30. The number of nonfarm placements was 7 percent above the corresponding 15 months in fiscal years 1974 and 1975. Despite the large number of youth under 22 placed in short-term summer jobs, employers expected about 60 percent of the jobs listed to last more than 150 days. The number of nonfarm placements was nearly 4,641,000 in fiscal 1976 compared with 4,274,000 in the previous year, an increase of 8.6 percent.

All groups that receive special job-finding assistance showed measurable gains during the fiscal year and transition period. Migrant and seasonal farmworkers accounted for 75,000 placements; unemployment insurance claimants for 880,000; CETA participants, 400,000; and economically disadvantaged workers, over 1.5 million.

Major attention was devoted to coordinating ES activities with CETA programs. Progress was made in clarifying the roles of the ES and CETA prime sponsors in delivering employment and training services. In many local areas, CETA sponsors and ES staff improved coordination of their activities, and several projects were funded to test various other arrangements.

Special efforts were made to assure that comprehensive job-related services are available to migrant and seasonal farmworkers. For the second year, a number of steps were taken to carry out a 1974 court order requiring improved services for this group. The U.S. Employment Service (USES), in cooperation with the Office of Investigation and Compliance, conducted onsite reviews of farmworker services at employment service offices in 11 States. Intensive training was also given to local office staffs,

and formal guidelines and new reporting procedures were issued on services to farmworkers.

The design for a standard computerized job-matching system was completed, and plans to install the system in 16 States were approved. Seven will start operating real-time or instantaneous systems, and nine will begin batch or overnight processing systems during the next 2 years. Planning for the automated systems was coordinated with the Unemployment Insurance Service, and 12 of the States receiving funds for job matching will also install computerized UI benefits and tax systems.

All regulations and directives on operating the public employment service system are being revised to delineate the roles of national, regional, and State offices. The new regulations are to be supplemented by technical directives for carrying out the regulations and by a series of technical assistance guides suggesting effective program administration. Regulations on services to veterans, services to migrant and seasonal farmworkers, and ES responsibilities for labor certification of aliens were being prepared for Federal Register publication as the period ended.

The system for allocating grants to State ES agencies on the basis of their performance was modified for fiscal 1977. To distribute funds more equitably, new factors such as placement difficulty, productivity improvement, and share of the U.S. civilian labor force were considered.

Particular attention was given to providing job-finding services for workers losing their jobs as a result of foreign trade competition. The 1976 fiscal year was the first full year in which these workers were eligible for special assistance under the Trade Act of 1974.

Assisted relocation projects started by eight State ES agencies in the Southeast are trying to determine how many unemployed people are willing to move to jobs. The projects check on job openings in other areas and provide job search and relocation assistance.

A flexible model for improving employer services was extended to 100 local Job Service operations; 180 communities in 37 States and the District of Columbia and about 4,000 employers are now involved in this effort. In these cities, local employer committees and Job Service task forces work together to identify problems in employer use of the ES and plan solutions to them.

ES research efforts are concentrating on such questions as: What is the appropriate role of the ES in today's labor market? Whom should it serve? What services should it provide, and how much should it cost? How should it be administered, and what management and operational tools should it use? Program managers are to take part in planning and conducting studies to provide some answers. Currently, the major project is a pilot evaluation of the impact of the employment service. Other projects include evaluating the counseling program, the Job Information Service, and em-

ployer services and studying resource allocation methods and productivity measurements.

Continuing research and development programs on occupational testing resulted in substantial progress in developing or revalidating aptitude tests that predict success in specific occupations and are free of racial bias; improving the General Aptitude Test Battery, the Nonreading Aptitude Test Battery, the Basic Occupational Literacy Test and work sample assessment techniques; and developing a new inventory for measuring occupational interests. A new edition of the *Dictionary of Occupational Titles* was prepared, and the two-volume dictionary will be published early in 1977.

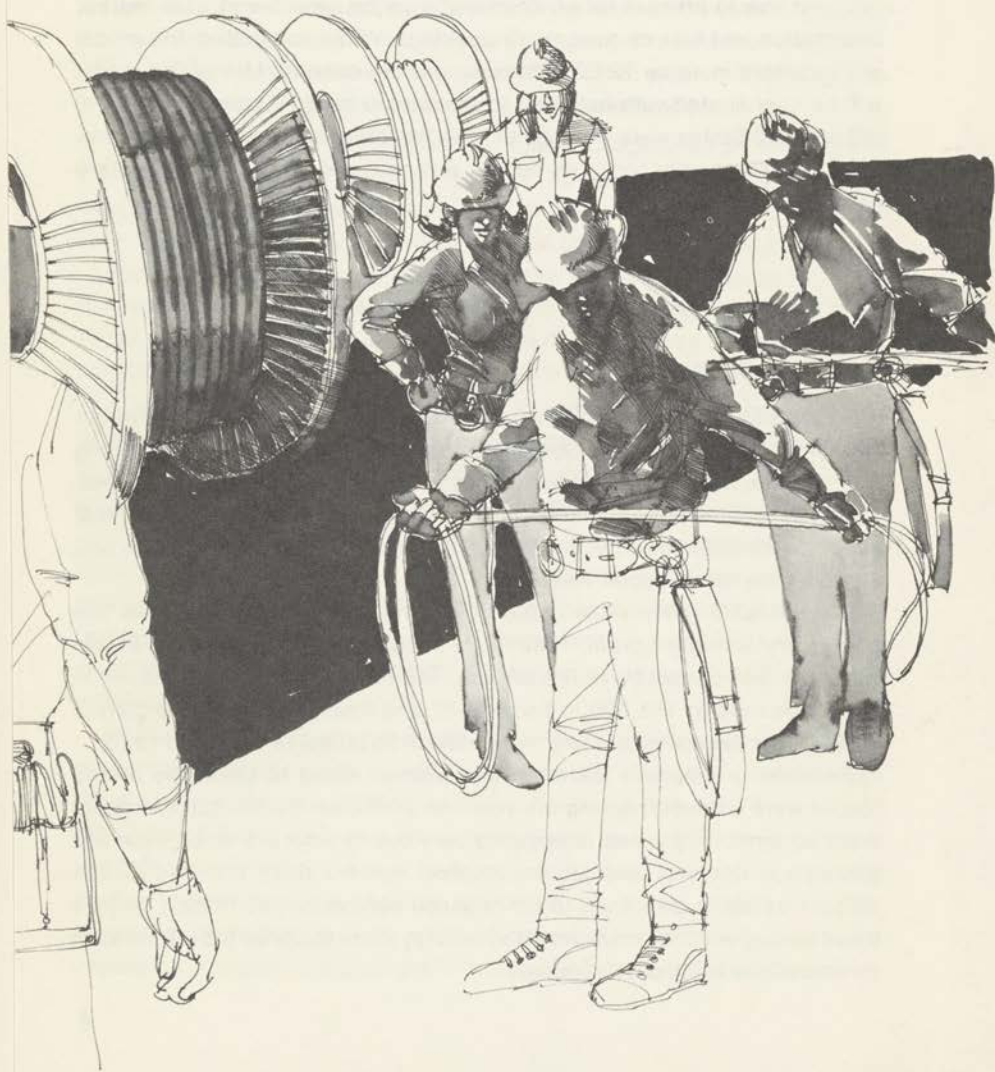
A start was made on developing a model Job Information Service. It will include audiovisual materials on where to look for a job, how to apply for a job, and how to prepare for an interview, plus job search and labor market information and lists of current job openings. When completed, the model will be tested in some 12 ES offices across the country. Use of the model will be coordinated with activities to modernize local ES offices; over 100 offices in 23 States were redesigned with flexible modern equipment to improve their capacity to serve people and respond to changing program needs.

Services to Veterans

Activities aiding veterans included continued priority in employment services plus a number of special outreach efforts and projects testing new ways to increase job opportunities and improve job-related services. The employment service placed about 780,000 veterans during the fiscal year and transition quarter. Some 520,000 were Vietnam-era veterans and 90,000 were handicapped veterans.

Considerable gains were made in placing veterans in jobs under the mandatory listing program, requiring Federal contractors to list suitable openings with the employment service. The number of veterans placed in such jobs rose to 155,000 in fiscal 1976 and transition quarter, a gain of 15,000 over the corresponding 15 months in fiscal years 1974 and 1975.

Services to veterans and men and women about to leave the armed forces were extended during the year. An additional 32 ES staff members were assigned to provide job-related services to veterans at 24 Veterans Assistance Centers, and job information viewers were installed at 205 military bases to give soon-to-be-released personnel information on jobs listed throughout the employment service system. Updated job information on microfiche is supplied regularly.



Among the projects conducted to test new ways to serve veterans, particularly disabled, Vietnam-era, and minority veterans, were:

- The International Association of Chiefs of Police cooperated with the employment service to identify job opportunities in law enforcement activities, especially with small police forces, and place veterans in them.
- Purple Heart Veterans Rehabilitation Services, Inc., evaluated jobless and underemployed veterans referred by California ES offices. Three mobile units are being used to help veterans assess their career potentials and learn job search techniques.
- Blinded veterans provided counseling, job development, and placement services to other blinded veterans.
- A voucher program enables 125 disabled veterans to purchase individualized on-the-job training. Special counseling is provided to assist them in selecting training jobs. The findings will be made available to CETA prime sponsors for use in community programs.
- The Associated Industries of Oklahoma, a statewide organization of employers, is advising employers on the employment and training needs of veterans, encouraging them to list jobs with the employment service, and helping develop affirmative action plans for hiring and promoting disabled and Vietnam-era veterans. Jobs for veterans are promoted through radio, television, and newspaper announcements and job fairs.

The Secretary of Labor has established a Committee on Veterans Affairs, chaired by the Under Secretary, to coordinate all departmental programs concerned with veterans. A new position of Special Assistant to the Under Secretary for Veterans Affairs has been created to assist the committee.

Unemployment Insurance

The number of workers receiving unemployment insurance (UI) dropped by almost half a million from the previous year, as the Nation eased its way out of the economic recession. The decline in numbers collecting their first payments was 1.7 million—from 11.9 million new beneficiaries in fiscal 1975 to 10.2 million in fiscal 1976. However, the total volume of benefits rose from \$12.6 to \$18.2 billion, as weekly benefit amounts moved upward with changes in State entitlements.

The Unemployment Insurance Service emphasized three areas: The quality of service to the public, the Employment Security Automation Plan, and passage of permanent UI legislation in such areas as benefit financing and coverage. The objective in fiscal 1976 was to restore program quality and improve the delivery system with almost 6,000 new staff positions

available to the States for UI functions. In addition, performance standards and measures were developed for all major claims areas; among them were standards designed to assure prompt payment of benefits and timely hearing of appeals. An automated fraud crossmatch system, now operated by half of the States, was among the measures adopted to detect and recover fraudulent or accidental benefit overpayments.

Particular effort was made to monitor activities under the Trade Adjustment Assistance program, which aids jobless workers adversely affected by the Nation's trade policies. During the program's initial period, the 14 months ending June 30, 1976, almost \$61 million in benefits was paid to over 51,000 workers—about 11,000 more than the number who received payments in 12 years of the previous program.

Progress was made in carrying out the comprehensive Employment Security Automation Program, designed to give claimants faster, more accurate service. On-line benefit payment and tax processing systems now being installed are expected to result in overall management improvements. Payment systems became fully operational in four pilot States (Arkansas, Louisiana, Mississippi, and Missouri), and work on similar systems began in five other States. Prototype tax systems were installed in the District of Columbia, North Dakota, and Montana and started in four additional States. Within 4 to 5 years, all States are to be linked by computers and data communications permitting prompt exchange of data on claimants and job applicants, timely billing and collection of taxes, and improved control over fraud and overpayment.

Permanent changes in financing, coverage, extended benefits, and other areas are authorized by a new unemployment insurance law, signed by the President on October 20, 1976. Public Law 94-566 increases financing of the program by raising the wage base on which covered employers pay UI taxes from \$4,200 to \$6,000. This increase was essential since 22 States exhausted funds for UI benefits in fiscal 1976 and received advances of \$2.4 billion from the Federal Unemployment Account.

The new law also extends coverage to State and local government employees and agricultural and private household workers. It increases the net Federal unemployment payroll tax from 0.5 to 0.7 percent, effective January 1977, and extends the UI program to the Virgin Islands.

The law changes the basis for triggering Federal-State extended benefits and prohibits denying benefits to pregnant women without a finding that they are not able or available to work. It also establishes a national commission on unemployment insurance to study and develop recommendations for further program changes.

Temporary programs provided income protection to some 4 million unemployed workers during the year. About 3 million received \$3.4 billion under the Federal Supplemental Benefits program, which allows up to 26

weeks of extended benefits to covered workers with long-term unemployment. The Special Unemployment Assistance (SUA) program, providing up to 39 weeks of benefits to jobless persons not protected by regular UI, paid over \$900 million to about 1 million workers, primarily local government employees. Originally scheduled to expire in March 1977, SUA has been extended for an additional year to allow time for the changeover from temporary to permanent coverage of local government, farm, and private household workers under the new law.

National Special Emphasis Programs

In addition to community employment programs planned and operated by State and local governments, CETA provides for nationally administered programs for groups in particular need of job-related services. The principal special programs administered by the Office of National Programs, serve Indians and other native Americans, migrant and seasonal farmworkers, youth, and older workers.

The Indian program, providing work, training, and job-related services in virtually every part of the country, is operated by federally recognized Indian tribes, bands, or groups and organizations working with nonreservation Indians, which receive direct grants from the Department of Labor. During the 1976 fiscal year and the transition quarter, 145 prime sponsors received \$88.5 million in special program allocations and enrolled about 40,000 persons; 78 sponsors also got funds for public service employment. Particular attention was given to strengthening the sponsoring organizations' program capabilities through technical assistance and training in such areas as planning, administrative procedures, reporting, program development, and coordination of activities.

The migrant and seasonal farmworkers program offers a broad range of services—day care, emergency food, health care, and legal aid, in addition to work experience, classroom and on-the-job training, and job placement. During the year, 82 grants amounting to \$63.3 million were awarded to groups serving farmworkers, and more than 240,000 persons received program services. Nearly two-thirds were members of minority groups, most of them Spanish speaking, and special efforts were made to coordinate farmworker activities in New York, California, Texas, and Florida. As a result, different program services are now being linked in California, and similar arrangements are nearing completion in New York and Florida.

The older worker program, funded under Title IX of the Older Americans Amendments of 1975, provided about 12,400 part-time community service jobs to disadvantaged older persons. Increased funding authorized in July 1976 permitted the program to expand its operations to 15,000 jobs during the transition quarter. It operates through national contracts with Green Thumb, Inc., the National Retired Teachers Association-American Asso-

ciation of Retired Persons, the National Council on the Aging, the National Council of Senior Citizens, and the Department of Agriculture's Forest Service.

Other national programs serve the disadvantaged, veterans, youth, and ex-offenders, primarily through contracts with the National Alliance of Businessmen, the Human Resources Development Institute (AFL-CIO), the National Urban League, SER/Jobs for Progress, and the Opportunities Industrialization Centers of America. In addition, special activities were funded to ease the transition from school to work, assist persons with severe labor market problems, and serve persons with limited English-speaking ability.

Work Incentive Program

The Work Incentive (WIN) Program helped 211,185 people applying for or receiving Aid to Families with Dependent Children (AFDC) become self-supporting workers, the largest number in the history of the program and a fourth more than in fiscal 1975. In addition, registrants obtained 19,689 part-time jobs.

Revised WIN regulations published in the *Federal Register* on September 18, 1975, were an important step in redesigning the program. Effective March 16, 1976, the regulations transferred WIN registration from welfare agencies to WIN sponsors, providing improved employment services to registrants. The regulations also streamlined WIN adjudication procedures and introduced the Intensive Manpower Services component, providing concentrated services to help registrants prepare for, find, and keep jobs.

A study to measure welfare savings resulting from WIN activity was conducted by the Departments of Labor and Health, Education, and Welfare. It showed reductions of more than \$209 million in AFDC grants, almost \$49 million in food stamps, and an estimated \$17 million in medic-aid costs. In addition, WIN registrants who obtained jobs paid about \$19 million in Social Security and \$16 million in Federal income taxes. These figures indicate that the movement of WIN registrants into jobs saved the government at least \$310 million in fiscal 1976.

Job Corps

Job Corps, now authorized by Title IV of CETA, plans to share its services with other CETA programs. Arrangements were made for prime sponsors and grantees to purchase training services from Job Corps centers, for teachers and trainers in community programs to become familiar with Job Corps education techniques, and for local program operators to recruit youth for Job Corps residential training.

Placement of Job Corps youth continued at high levels. Of all young

people who left the centers and were available for placement during the year, 91.8 percent were placed in jobs, returned to regular schoolwork, or entered the Armed Forces—an increase of about 1.6 percent over the previous year.

Union training for women in the construction trades, a major innovation last year, was expanded as part of an overall increase in union programs at Job Corps centers. Over 90 percent of the graduates of union programs went into jobs with an average starting wage of more than \$4.30 per hour.

Efforts to improve Job Corps Educational materials included national workshops updating the training curriculum in selected vocational fields and work on revising Job Corps' general educational development program.

Apprenticeship

The number of apprentices increased by 17,000 during the year, as 113,000 persons entered apprenticeship, bringing the number in training to 394,000. The proportion of minority group members also increased. Minority group members represented 16.8 percent of all apprentices and 17.5 percent of persons starting apprenticeship.

Efforts to increase the number of women in apprenticeship received high priority, and while women's share of apprenticeship jobs was only 1.2 percent at year's end, this proportion represents a gain from 0.8 percent a year earlier; 2.1 percent of the new apprentices were women.

A significant step during the year was the signing and registration of national apprenticeship standards for training U.S. Navy personnel in five skilled crafts. Apprentices in the Navy program will receive training records so that those who are discharged before completing their apprenticeship may get appropriate credit from employers and joint apprenticeship and training committees.

Standards were also registered for the U.S. Army Facilities Engineers for training civilian personnel at Army installations. Several new trades added to the list of apprenticeable occupations also helped expand apprenticeship opportunities.

State and National Apprenticeship (SNAPS) seminars were conducted to instruct all staff of the Bureau of Apprenticeship and Training and State apprenticeship councils on the use of the SNAPS automated program information system. The system was designed to collect comprehensive data on all registered apprenticeship programs throughout the United States and its territories.

Policy, Evaluation, and Research

A new strategic planning system was designed during the year to analyze and set long-range objectives for ETA. Initial efforts under the system

were devoted to preparing an interim strategic plan for fiscal years 1977-79 in five areas: (1) Changes in the scope of CETA programs and services, (2) labor exchange, (3) administration of work tests associated with income maintenance activities, (4) counterrecessionary policies, and (5) ways to reduce youth unemployment.

The major evaluation study completed during the year analyzed the impact of the Work Incentive Program on welfare recipients. For long-term CETA evaluation, information was compiled by the Continuous Longitudinal Manpower Survey on the characteristics and preenrollment earnings of a national sample of CETA participants. Other studies started by year's end were evaluating the U.S. Employment Service's labor exchange activities and the Job Corps.

Research and development projects were aimed at overcoming the employment problems of special groups, improving local CETA program techniques, and identifying more efficient ways to supply employment and training services. Activities included expansion of the supported work project for drug addicts, alcoholics, and ex-prisoners; a job search and relocation assistance demonstration that is moving jobless and underemployed workers to jobs outside their home areas; and studies of persons who have exhausted their regular unemployment insurance benefits and of extending these benefits during periods of economic decline. Other studies concerned labor force behavior, economic forecasting of local manpower requirements, and social and economic issues regarding migrants, illegal aliens, and immigrants.

Through grants, ETA is encouraging the development of occupational and educational information to enable schools, employment service offices, and CETA prime sponsors to provide career guidance for youth and adults. It continued to support employment and training researchers through grants for doctoral and postdoctoral research and funded training at 13 colleges and universities for State and local planners and program operators. A series of seminars was conducted by the International Manpower Institute for public officials of developing countries.

Technical Assistance and Training

Major attention was devoted to developing technical assistance and training materials needed by CETA prime sponsors. Seven work groups composed of national, regional, and CETA prime sponsor staffs were formed to design products in such areas as data management, planning, review and assessment, and advisory councils. Supported by national office staff, the groups prepared and distributed over a dozen products to the field.

A clearinghouse was set up to supply technical assistance and training

materials to Federal, State, and local organizations and encourage their use. Initial efforts were concentrated on the review and distribution of CETA-related materials. In addition, annotated bibliographies were published and distributed monthly. Plans call for adding materials from each major ETA program during the coming year.

ETA has approved plans for a National Training Center designed to coordinate and direct national office training activities. Intended to improve the national capability to develop and supply technical assistance and training, the Center is also charged with supporting regional efforts. The Center should be fully operational by fiscal 1978. To provide technical assistance and training in the field, each regional office now has a training center for regional office, CETA prime sponsor, State employment security agency, and other grantee staffs.

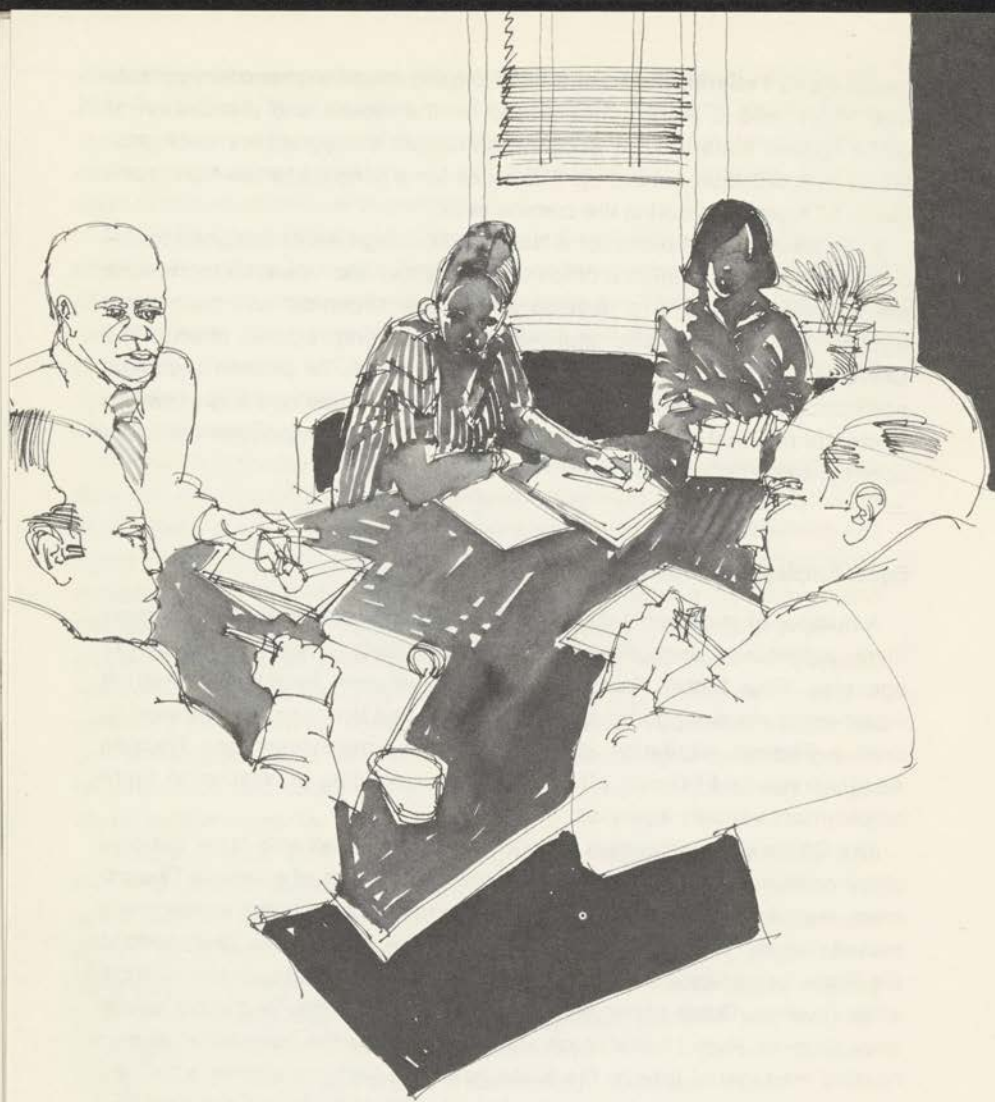
Equal Employment Opportunity

A number of steps were taken during the year to promote equal employment opportunity and affirmative action in State employment security agencies. Four States field tested several different formulas for setting equal employment opportunity (EEO) goals, and the results were used to draft a Federal regulation incorporating the Employment and Training Administration's EEO and affirmative action policies in relation to State employment security agencies.

The Office of Investigation and Compliance worked with other national office components to carry out the recommendations of a Justice Department review team on improving EEO compliance in State employment security agencies. A computerized information system was developed to aid State compliance officers with complaint investigations and compliance reviews. Other activities included providing onsite technical assistance to more than 10 States on ways to increase the number of women holding managerial jobs in the State agencies and conducting a national session designed to sharpen the technical skills of State and regional EEO officers and monitor advocates and foster closer working relationships.

Under a new policy developed during the year, national and regional administrators are required to sign an EEO impact assurance statement before initiating mass personnel changes or issuing new or revised policy statements. This is designed to make administrators more aware of the effect of proposed actions on EEO goals.

To promote EEO in CETA activities, the EEO provisions of CETA regulations were strengthened. Staff also participated with a Justice Department team in a review of a selected CETA program to assess its EEO record and field test an EEO review process designed for use throughout the CETA system.



Labor-Management Services Administration

The Employee Retirement Income Security Act of 1974 continued to be the major focus of public attention, and an important part of Labor-Management Services Administration activities, during the 1976 fiscal year. Portions of this important law went into effect during the fiscal year.

LMSA's Office of Employee Benefits Security—later changed to Pension and Welfare Benefit Programs office—worked closely with the Internal Revenue Service and the private sector to keep paperwork down and to make it easier for the public to comply with the law.

The number of labor organizations reporting under the Labor-Management Reporting and Disclosure Act (LMRDA) increased by over 500 to 54,517. LMRDA investigations also went up in fiscal year 1976 to 7,662 from 6,116 in 1975.

LMSA services for Federal labor-management relations showed increases in 1976.

Changes in military needs and in the economy resulted in reduced demand for LMSA services to secure the reemployment rights of veterans, reservists and National Guard members during the year.

Fiscal 1976 was a heavy year for collective bargaining, and LMSA served the Secretary of Labor in this area and provided labor-management relations assistance to non-Federal governments and organizations of their employees. Other activities included information services furnished construction industry and union negotiators and activities to secure the rights of workers affected by Federally-assisted mass transit projects.

Pension and Welfare Benefit Programs

Approximately 600,000 employee benefit plans were on file with the Department under the Employee Retirement Income Security Act (ERISA) at the end of the 1976 fiscal year. Of the total plans on file, about 520,000 were retirement plans.

A series of regulations and proposed regulations, interpretive bulletins, and technical releases were issued. Seven popular pamphlets were published. A total of 282 investigations under ERISA were completed as of December 31, 1975. The Department was involved in 10 civil actions under ERISA as of September 30, 1976.

Compliance, Enforcement

There were 54,517 active labor organizations with reports on file under the Labor-Management Reporting and Disclosure Act (LMRDA) as of September 30, 1976. LMSA completed 7,662 LMRDA investigations during the year, including 219 involving union elections.

The Department instituted 32 civil actions under the Act in Federal District Courts. Fifty-three individuals were charged with criminal violations of the LMRDA in indictments or criminal informations filed in Federal District Courts, including 19 as a result of LMSA participation in Organized Crime Strike Forces in 17 major cities. Forty-three persons, including some indicted in previous years, were convicted of LMRDA violations. One was acquitted and LMRDA charges against five others were dismissed.

LMSA received annual financial reports required under the Standards of Conduct Section 18 of Executive Order 11491 from 3,034 active Federal labor organizations. Of the 663 Standards of Conduct investigations LMSA completed during the year, 10 involved Federal union elections and 563 delinquent and deficient reports.

Federal Labor Management

During the year, 1,556 cases involving representation petitions, unfair labor practice complaints and grievance-arbitration applications were initiated in LMSA's 24 area offices; 1,499 cases were closed, and 329 representation elections were supervised by LMSA field personnel. The assistant secretary issued 142 decisions based upon records of formal hearings conducted before hearing officers or administrative law judges and made determinations on 194 requests for a review of actions taken by LMSA regional administrators.

Veteran's Reemployment

The Department continued to meet its responsibilities to veterans, reservists, national guard members and others having statutory reemployment rights.

A decline in total separations from military service to about 480,000 from about 500,000 the year before; an improvement in the economy that made the preservice job relatively less attractive, and an apparent decline in the proportion of separatees who left employment to enter military service in view of the end of the draft in 1973 resulted in a decline of complaint cases filed during fiscal 1976 to 2,886 from 3,516 the year before.

Of these, a higher proportion were from State and local government employees (346 or 12 percent, as against 6 percent the year before) and from National Guard members and Reservists (546, or 19 percent, as against 12 percent the year before). This reflected increased awareness of the 1974 amendments, extending coverage to State and local government, as well as increased emphasis on readiness training of the Guard and Reserve in view of the end of the draft.

Increased field staff expertise and program specialization, along with the drop in incoming cases, reduced the backlog of pending complaint cases from 694 to 623 during the fiscal year, and reduced the number of cases the Department referred to the Department of Justice for consideration of litigation (256 or 9 percent of the cases closed, as against 11 percent the year before).

Participation of new veterans in the referral procedure established in cooperation with the Department of Defense continued at about the same proportion (some 57 percent of total separatees) as during the previous fiscal year, despite the impact of the Privacy Act in making such participation voluntary instead of a mandatory part of the separation process. Some 36 percent of the participating veterans, compared with 40-percent the year before indicated that they had preservice employment. Each participating veteran was sent basic information about reemployment rights, as well as reemployment rights assistance and other services available to veterans through the Department of Labor. In the cases of those indicating preservice employment, general information on the reemployment rights law was also sent to the preservice employer. Many veterans were thus reinstated in their jobs and accorded their other reemployment rights without further action by the Office of Veterans' Reemployment Rights (OVRR).

Copies of the referral forms received by OVRR from the military separation centers were made available to the Employment and Training Administration's Veterans' Employment Service (VES) assisting veterans in finding employment in cases where they do not have reemployment rights or do not choose to exercise them with their preservice employers.

Labor-Management Relations

The Labor Department continued its policy of encouraging resolution of labor-management disputes with a minimum of direct participation. This policy was followed in negotiations in the U.S. Postal Service and trucking, rubber, electrical products, meatpacking, automobile and farm and construction equipment industries.

A three-day nationwide trucking strike was halted after the Secretary of Labor personally entered the talks and assisted the parties in reaching an

agreement. At the request of the Teamsters Union, the Department monitored the mail ratification vote on the new contract terms.

The longest strike in the history of the rubber industry was resolved when the parties were called into around-the-clock negotiations in Washington by the Secretary and the Director of the Federal Mediation and Conciliation Service. After almost a week of intensive negotiations, the industry and the Rubber Workers reached tentative agreement on major economic terms. Final agreements on all contract terms were concluded several weeks later when bargainers returned to company bargaining sites.

Federal action was necessary in one dispute when mediation failed to produce a settlement. A Presidential Emergency Board, under the Railway Labor Act, investigated and reported on a dispute between the Nation's railroads and employees represented by the Railway Employees' Department (AFL-CIO). The dispute was later resolved on the basis of the Board's recommendations.

"Early warning" reports covering negotiations which could affect the national interest were provided to the Secretary and other key Government officials. Staff assistance was provided to the Presidential Emergency Board established under the Railway Labor Act.

In addition, the Department continued its program of assistance to State and local governments and public employee organizations to establish procedures for resolving labor-management relations problems. Upon request, the Department provided technical assistance, information and data services, and training and conference activities to the participants in the non-Federal public sector. It conducted special training seminars for newly appointed Public Employee Relations Board members, for labor and management representatives, and for third party neutrals. It also provided technical assistance to a number of State and local jurisdictions in drafting public employee rules and regulations and in conducting representation elections.

The Urban Mass Transportation Act of 1964 provides that the Secretary of Labor certify that arrangements are made to protect the interests of employees affected by urban mass transportation projects assisted by the Department of Transportation. In the 1976 fiscal year, the Department certified 476 applications for assistance under the Act, involving total project values of some \$5 billion. Similar responsibility was carried out under a number of other Federal statutes.

The Division of Construction Industry Services continued to maintain the Construction Industry Stabilization Committee wage data bank and to provide the national contractor associations and the national construction unions with comprehensive information concerning negotiated wage settlements in the industry.

Policy Development

Legislation was enacted in areas of policy interest such as pension reform, Taft-Hartley coverage of nonprofit hospital workers, and reemployment rights for veterans previously employed by state and local governments. Policy recommendations were developed on important labor-management relations issues including extending Federal labor relations law to farmworkers and protection of workers adversely affected by various governmental and private actions. A number of other proposals affecting labor-management relations were also reviewed, evaluated and augmented by a supportive program of analysis and research.

The research staff completed a study of welfare and pension plan coverage during layoffs and strikes and a study of multiemployer pension plan terminations during 1965-1973. The latter was part of a larger study by the Treasury Department. Research studies were planned on pension plans required to file under the Employee Retirement Income Security Act of 1974.

LMSA financed studies of "Grievance and Arbitration Procedures in State and Local Agreements," "Multiemployer Pension Plan Provisions in 1973," and "Pension Plan Provisions in the Construction Industry, 1973," which were published by the Bureau of Labor Statistics. LMSA also financed a study of "Arbitration of Public Sector Labor Disputes: The Nevada Experiment," a condensation of which was published in the *Industrial and Labor Relations Review*, October 1974.

LMSA arranged with the Bureau of Labor Statistics for collecting and maintaining public sector agreement files and for analyzing State and local public sector agreements. Funds were supplied to the Bureau of the Census to collect data on labor-management relations at the State and local government level.

Six contracts were awarded for research in the areas of private pensions and private sector labor relations.

Planning, Evaluation

The Office of Planning, Evaluation and Systems, established within LMSA in 1975, provided agency-wide support services in program planning, program evaluation and systems management activities. During the year the staffing of the office was completed, along with much of the systems design and procedural development work. A long-range planning process was completed, and implementation began.

An evaluation workplan was developed outlining the specific evaluative efforts for the ensuing fiscal year and the anticipated activities for fiscal year 1978.

Several major projects started included an assessment of current LMSA management information systems, development and implementation of a revised field activity reporting system in order to better meet the needs of field and program managers, and, with contractor assistance, a benefit plans report processing subsystem of an overall information system to support the new Pension and Welfare Benefit Program.

Research

Policy recommendations developed included proposals to amend various provisions of the National Labor Relations Act and to protect workers adversely affected by governmental or private actions. Numerous other issues affecting labor relations in both the private and public sectors were also reviewed and analyzed including provisions for altered work schedules and issues in Federal labor-management relations. These efforts were aided by a program of research and analysis.

The research staff continued to work on studies mandated by the Employee Retirement Income Security Act (ERISA), including the impact of Federal contract terminations on pension and retirement rights and the impact of ERISA's Title I on the provisions and costs of pension plans.

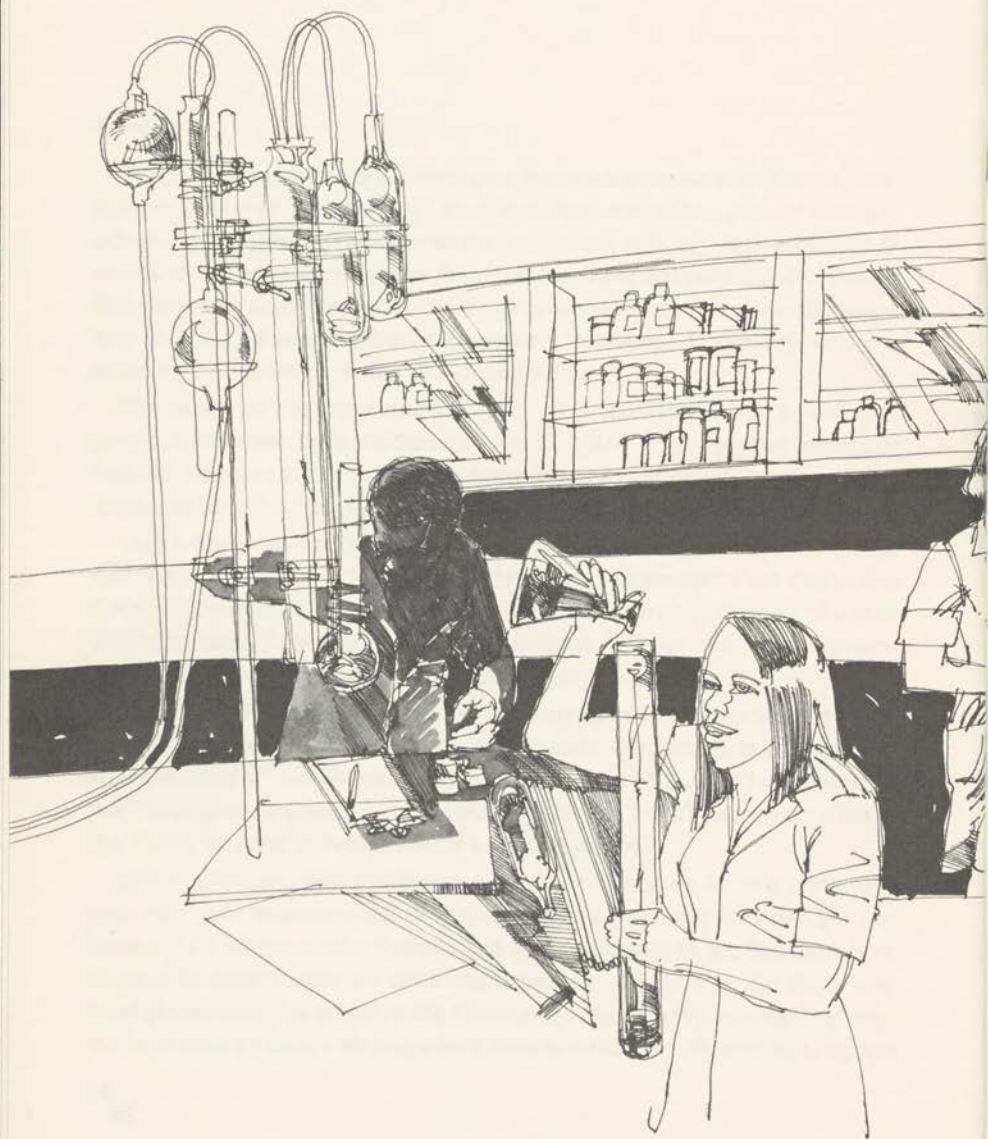
LMSA-financed studies of "Collective Bargaining Agreements for Police and Firefighters" and "Collective Bargaining Agreements for State and County Government Employees" were published by the Bureau of Labor Statistics, and "Labor-Management Relations in State and Local Governments: 1974" was published by the Bureau of the Census.

LMSA also funded a study of "Public Management's Internal Organizational Response to the Demands of Collective Bargaining in Twelve Mid-western States," which was to be published by LMSA, and two others on the "Changing Structure of Collective Bargaining" and "Representation of the Public Interest in Public Sector Labor Relations."

LMSA arranged with the Bureau of Labor Statistics for the continued collection and maintenance of public sector agreement files and for another public sector study. Funds were again supplied to the Bureau of the Census to collect data on labor-management relations at the State and local government level and to the Federal Mediation and Conciliation Service to assess its Labor-Management Relationships By Objectives program

and to study the impact on collective bargaining of the 1974 health care amendments to the National Labor Relations Act.

An additional six contracts were awarded for public and private sector research and for studies in union administration.



Employment Standards Administration

Concentrated investigations of farm labor contractor operations, examination of employers for equal pay and age discrimination violations, and discussions with citizen groups about federal contractor affirmative action requirements were among highlights of the Employment Standards Administration's (ESA) efforts to protect working men and women during the 1976 fiscal year. ESA also began analyzing its workers' compensation office to develop procedures for faster delivery, ordered employers to provide back pay to employees who suffered from discriminatory job practices, sponsored conferences to discuss employment concerns of special groups such as handicapped workers and women offenders, and observed International Women's Year and the 55th anniversary of the Women's Bureau with a conference on the economic status of women.

Throughout the year, ESA set policy and developed procedures for administering employment standards programs and worked with employers and employees to make sure they understood the laws. ESA enforced those laws to protect Americans from unfair and illegal employment practices.

Protecting Wages

More than 54,800 compliance actions by ESA's Wage and Hour Division disclosed \$89.1 million in unpaid wages due under the Fair Labor Standards Act (FLSA) in the first four quarters of the year, \$37.9 million in minimum wage violations due 296,000 workers and \$51.2 million in overtime violations due 262,000 workers. About \$55.6 million of this amount was received by 226,000 workers for minimum wage violations and 213 workers for overtime violations.

During the transition quarter, 11,700 compliance actions revealed nearly \$5.7 million in minimum wage underpayments due to 56,200 employees and \$8.9 million in overtime underpayments owed to 50,700 employees. Employees received \$8.3 million in restored wages during the transition quarter.

Not all of the money found due was actually paid; in some cases, considered unsuitable for litigation by the Department, the employers refused to give back pay. Wages recovered in private employee suits are not reflected by ESA's statistics.

On June 24, 1976, the U.S. Supreme Court, in *National League of Cities et al v Usery*, held that the minimum wage and overtime provisions of the FLSA cannot be applied to state and local government activities which are integral parts of government services traditionally provided by states and their political subdivisions. The Court expressly found that certain activities such as schools, hospitals, fire prevention, police protection, sanitation, public health, parks and recreation are among those to which the minimum wage and overtime provisions do not apply.

The Court's decision deals only with the minimum wage and overtime provisions of the FLSA.

Back wages found due for construction workers under government contract labor standards laws—the Davis-Bacon and Related Acts and the Contract Work Hours and Safety Standards Act—increased about 20 percent in the first four quarters of fiscal year 1976 to \$1.8 million. An additional \$600,000 in back wages was found due in the transition quarter. During the year, Wage and Hour placed more contractors on the ineligible bidders list than at any time since it took over enforcement of these laws in 1967.

During the year ending June 30, 1976, the Wage and Hour Division found over \$3.3 million in underpayments due to approximately 22,000 workers under the Service Contract Act, the Walsh-Healey Public Contracts Act and the Contract Work Hours and Safety Standards Act as it applies to service workers on government contract jobs—a substantial increase over the previous fiscal year. Of this amount, \$2.2 million was restored.

The Wage and Hour Division also found during the transition quarter that \$.6 million was due about 4,000 employees. Of this total, \$.4 million was restored.

During the first four quarters of fiscal year 1976, 13,141 wage determination decisions were issued for federal or federally assisted construction contracts. Of this total, 1,743 were general determinations: that is, determinations which cover all crafts in a specified geographic area and are published in the Federal Register for use by any contracting agency with a project in that area. The other 11,398 wage determination decisions were project determinations issued on request to a contracting agency for projects in geographic areas not covered by a published determination. These determinations compare to 2,441 general and 13,110 project determinations issued in fiscal year 1975.

In the transition quarter, 3,566 determinations (2,897 project and 669 general determinations) were issued.

Efforts continued to increase the number of general determinations and decrease the need for specific project determinations.

Under the Service Contract Act, 6,761 determinations setting prevailing

wage rates and fringe benefits for a wide variety of job classifications required to perform service contracts awarded by federal agencies were issued. These determinations covered 19,207 contracts during the first four quarters of the year (about 72 percent of all federal service contracts) and 5,210 contracts during the transition quarter.

ESA's Wage and Hour Division found in the first four quarters of the year that over 12,950 older workers (40-64) were discriminated against. This is a 123 percent increase over those 5,540 individuals identified under the Age Discrimination in Employment Act (ADEA) in the previous fiscal year. A total of \$8.6 million was found due to 1,900 persons under the ADEA. Over \$3.5 million was restored to 750 persons and more than 32,000 job opportunities were made available during the first four quarters.

During the transition quarter, about 421 individuals were identified as age discrimination victims and \$1.1 million was found due to over 280 individuals; \$385,000 was restored to 141 individuals.

Major cases in litigation at the end of the year included those involving Pan American World Airways, Sandia Corporation, Sun Oil Company, Goodyear Tire and Rubber Company and Phillips Petroleum Company.

Under the Equal Pay Act, underpayments of nearly \$18 million to 24,610 workers, nearly all of them women, were disclosed during the first four quarters of fiscal year 1976, a decrease from \$26 million disclosed during the previous fiscal year. The number of employees whose income was restored also decreased from 17,889 in fiscal year 1975 to 16,728 in the first four quarters of fiscal year 1976. However, the amount of income restored increased from \$7.5 million to \$7.9 million.

In the transition quarter, 2,402 employees were found underpaid by \$1,487,000; \$650,200 was restored to 1,765 individuals.

In the first four quarters of fiscal 1976, ESA's Wage and Hour Division found 10,701 minors employed contrary to child labor provisions of the FLSA, a decline of almost 37 percent from the previous fiscal year. However, the number of minors found employed in agricultural occupations declared hazardous by the Secretary of Labor increased substantially from 22 in fiscal year 1975 to 94 in 1976. In nonhazardous agricultural occupations, there was an increase from 2,849 in fiscal 1975 to 2,994 in 1976.

The new child labor civil monetary penalty went into effect early in the year. Assessments during the first four quarters of the year affected 426 employees and totaled almost \$463,000.

The Wage and Hour Division found a proposal requiring employers to have proof of age for all minor employees unnecessary for enforcement of child labor regulations and did not adopt it.

The Work Experience and Career Exploration Program was made permanent and 20 states were approved for participation.

During the year ending June 30, 1976, 21,110 certificates were issued permitting employers to employ full-time students at not less than 85 percent of the federal minimum wage. These certificates provided 613,599 employment opportunities. During the transition quarter, 4,430 certificates were issued, providing 108,024 job opportunities.

Employment of handicapped workers with impaired productive ability in sheltered workshops under special minimum wage certificates continued to expand. About 150,000 workers were employed as of September 30, 1976, compared with 47,412 a decade ago.

The Supreme Court's National League of Cities decision removed from FLSA coverage three-fourths of the approximately 30,000 patient workers with limited productive capacity employed under special minimum wage certificates in hospitals and institutions.

Increasing Job Opportunities

Early in the fiscal year, ESA completed merging its three federal contractor affirmative action programs in the Office of Federal Contract Compliance Programs (OFCCP). Final regulations for the handicapped workers' and veterans' affirmative action programs were published, and staffing for these programs was essentially completed. OFCCP personnel explained the new regulations in presentations to more than 20,000 constituents and federal contractors.

At the end of the fiscal year, individual complaints under the handicapped program exceeded 1,500—about 800 of which were closed. Back pay settlements totaled almost \$50,000 for 21 handicapped workers. Under the veterans' program, 108 complaints were filed and 33 were closed.

To facilitate processing discrimination complaints for veterans, ESA and the Employment and Training Administration signed a memorandum of understanding stipulating certain responsibilities of the agencies under the Vietnam Era Veterans' Readjustment Assistance Act of 1974.

The OFCCP proposed revised service and supply contractor regulations under the affirmative action program for minorities and women. The new regulations simplify and clarify enforcement procedures and bring more contractors into compliance.

The Federal Advisory Committee for Higher Education Equal Employment Opportunity Programs, created in January 1976 by the Secretaries of Labor and Health, Education, and Welfare to study federal contractor affirmative action requirements affecting institutions of higher education, met six times during the year and made valuable suggestions for the proposed revised regulations.

Under the affirmative action program for minorities and women, 25,164 federal contractor reviews were completed by the compliance agencies

during the fiscal year—13,164 reviews of service and supply contractors and 12,000 of construction contractors.

The number of compliance agencies enforcing this program was reduced from 17 to 16 during the year, and further reduction to 11 will be effective on October 1, 1977. Consolidation should increase efficiency by making OFCCP oversight responsibilities more manageable and by creating more rational assignments of industries to the agencies for enforcement responsibility.

The OFCCP and the ESA training office jointly developed a comprehensive training program for compliance agency staff. Two pilots were conducted in the spring and summer. The training program, currently under-going revision, will be ready for use in fiscal 1977.

The OFCCP also implemented procedures, including new reporting requirements, for monitoring service and supply compliance agencies. These procedures increased the number of compliance agency contractor reviews monitored by the OFCCP and strengthened enforcement, especially in target industries, including insurance, banking, glass and rubber contractors. Back pay of more than \$2.6 million was authorized for almost 5,000 minorities and women who suffered from discrimination.

A new Construction Operations Manual was developed for agencies monitoring construction contractors. It includes review procedures and reporting formats for the agencies and OFCCP staff supervising the agencies.

At the end of the year, 75 hometown and imposed construction plans for equal employment opportunity were in effect. The OFCCP developed special bid conditions for construction contractors in non-hometown-plan areas. Thirteen major federally financed construction projects in non-plan areas were covered by these bid conditions.

The Women's Bureau, concerned that women should have increased access to job training and placement programs, published "A Guide to Seeking Funds From CETA", explaining CETA and renewing efforts to involve women's organizations in CETA planning at the local level. With a grant from ETA, the bureau began developing model programs for CETA funds focusing on women in nontraditional jobs, special counseling and referral services, pre-apprenticeship training and job development.

The Women's Bureau also began planning 10 regional conferences with low-income women and representatives of community groups and government agencies to identify employment problems and propose solutions for low-income women. Information from regional meetings will be shared at a national conference.

The bureau's program to increase training and job opportunities for women offenders continued, as did its programs focusing on reservation

Indian, union, Hispanic, rural (particularly those in Appalachia) and mature women, youth and others.

The bureau sponsored consultations with community groups in Maryland and Florida on employment difficulties of women offenders; cosponsored conferences for reservation Indian women in New Mexico and Arizona, and met with interagency groups to explore government services to mature women.

The Women's Bureau continued its role in operating the Department's day care center for employees' children and met with members of the Alliance for Child Care in Federal Agencies, an organization chaired by the Bureau director.

Workers' Compensation

A total of 191,172 injuries was reported under the Federal Employees' Compensation Act during the year's first four quarters, up from the 144,897 reported in fiscal year 1975. At the end of the four quarters, 42,401 cases were being compensated on ESA's Office of Workers' Compensation Programs (OWCP) periodic payment rolls, up from 36,479 in fiscal year 1975. Benefits paid under the Federal Employees Compensation Act amounted to \$477,177,290, or 29.8 percent more than the previous fiscal year.

In the transition quarter, 52,487 injuries were reported; new claims for compensation totaled 10,027. At the end of the quarter, 43,376 cases were on the OWCP periodic payment rolls. Benefits paid amounted to \$124,633,433 during the quarter.

New injuries reported during the first four quarters of the year under the Longshoremen's and Harbor Workers' Compensation Act and its various extensions increased to 225,270, up from 198,336 in fiscal year 1975. Estimated lost-time injuries increased from 46,741 in fiscal year 1975 to 48,303. These continue to reflect changes brought about by 1972 amendments to the Act. The amendments extended coverage to workers performing maritime work at land installations adjoining, and used in connection with, maritime activities. During the first four quarters of fiscal year 1976, 101,051 or 57 percent of maritime injuries reported were covered by the extension of the Act to include shoreside areas.

During the transition quarter, 66,305 injuries were reported under these acts; lost-time injuries reported totaled 14,177.

Maximum benefits increased under the Longshoremen's and Harbor Workers' Compensation Act on October 1, 1976, from \$318.38 per week to \$342.54 per week, representing 200 percent of the national average weekly wage applicable for both periods.

A total of 26,051 black lung claims was reported under the Federal Coal Mine Health and Safety Act (black lung program) from July 1, 1975, through June 30, 1976. Benefits paid under this program amounted to \$12,062,517, of which \$2,512,676 was for medical benefits.

From July 1, 1976, through September 30, 1976, 6,302 claims were filed and benefits totaled \$3,913,184, of which \$721,743 was for medical benefits.

On June 1, 1976, ESA established the Office of Workers' Compensation Programs Task Force to conduct a comprehensive review of all OWCP programs in order to improve program policies and procedures and fiscal management and responsibility. The task force was directed to analyze previous program evaluations, identify problem areas, and propose solutions to current problems.

During its first two months of operation, the task force completed detailed program descriptions of Federal Employees' Compensation, Longshore and Harbor Workers' Compensation, and Black Lung Benefits programs. The reports were circulated among regional program directors for their review and comment. Their recommendations were assigned to program committees for review.

In August and September, the committees completed their evaluation, submitted between 40 and 50 initial recommendations in each program area, and sent these to ESA's assistant secretary for review.

Final recommendations will be submitted to the Secretary of Labor and will also be discussed with other federal agencies, labor and management groups, and Congressional representatives.

Educating the Public

A conference, Women in the Economy: Full Freedom of Choice, marked the Women's Bureau's 55th anniversary and International Women's Year. The conference provided an opportunity to review the economic status of American women. The 1,300 participants represented a cross section of the country, including American Indian, Asian American, Hispanic and black women, and women from urban and rural areas. Discussions focused on a variety of topics including minority women, nontraditional jobs, women in politics, enforcement of anti-discrimination laws, economic contributions of homemakers and domestic workers.

The Bureau produced a slide series on increasing job options for women, the legal rights of women workers and the legal responsibilities of employers. It continued a close working relationship with union women, commissions on the status of women and women's organizations. The Bureau sponsored, cosponsored or participated in more than 2,400 conferences.

The OFCCP hosted a two-day conference for women business owners to explain government contracting and procurement. Over 300 persons attended the sessions, cosponsored by the Department and five other federal agencies. Eight private corporations also participated. Conference workshop topics included the kinds of contracts available, how and where to obtain subcontracts with private companies and the rules and regulations affecting government contractors.

Farm Labor Contractor Registration

(Public Law 93-518, as amended, requires the Secretary of Labor to report on provisions of this Act in the Annual Report of the Secretary.)

A comprehensive revision of regulations 29 CFR, Part 40, fully implementing the 1974 amendments to the Farm Labor Contractor Registration Act (FLCRA)*, was published in the Federal Register on June 29, 1976, and became effective July 29, 1976. The Wage and Hour Division began writing Regulation Part 41 for the Act. Updated enforcement procedures were developed and distributed to field personnel, and Wage-Hour compliance officers received training on the amended law. The investigation report form was revised, reflecting detailed information on the person under investigation and the nature of violations. Enforcement statistics were computerized for more comprehensive analysis and fuller reporting of investigative findings. All registration and certification forms were revised to reflect requirements of the 1974 amendments.

The Act was amended, effective April 5, 1976, by Public Law 94-259, to exclude from FLCRA coverage any custom combine, hay harvesting or sheep shearing operation. The Act was further amended, by Public Law 94-561, on October 19, 1976, to exempt from FLCRA coverage certain poultry harvesting, breeding, debeaking, sexing and health service operations.

During the transition quarter, the civil money penalty provision of the 1974 Amendments, section 9(b)(1), was implemented, when the revised regulations became effective on July 29, 1976. Persons in violation of the Act or the regulations may now be assessed up to \$1,000 for each such violation. Procedures for handling such cases have been established and a schedule of penalties adopted. While no penalties had been assessed by the end of the transition quarter, all violation cases completed on or after July 29 are being considered for such action.

ESA officials continued to meet with representatives of the principal national associations representing growers and farm labor contractors to provide guidance on the Act, and speakers were provided to address meetings of state and local organizations.

In order to achieve a greater impact from available resources during the limited harvest season, enforcement efforts under the FLCRA were intensified by a "strike force" approach. Investigation activity was concentrated in those areas where low wage rates and poor working conditions for migrants prevailed. As a result, there was a marked increase in farm labor contractor registrations. In the first four quarters of fiscal year 1976, 10,942 persons were registered under the FLCRA, compared with 2,512 in 1975. The total number of migrant workers in registered crews was 286,350, compared with 80,061 in fiscal year 1975.

During the transition quarter, 1,214 persons employing an estimated 26,347 migrants registered under the Act.

A total of 595 complaints alleging violations was received in the first four quarters of fiscal year 1976, which was more than double the 241 received in 1975. The number of complaints received through State Employment Service Offices increased from 130 (54 percent of the total) in fiscal 1975 to 260 (44 percent) in 1976 (first four quarters).

A total of 2,398 investigations was conducted under the Act in the year's first four quarters, more than two and one-half times the 910 investigations in 1975. Seventy-nine percent (1,889) of these disclosed violations of one or more provisions of the Act. The greatest number, 1,293 (68 percent), involved farm labor contractors, 308 (16 percent) involved full-time or regular employees of farm labor contractors, and the remaining 288 (15 percent) involved farmers or growers. Farmer and grower violations involved either the hiring of unregistered farm labor contractors or record keeping. Those of farm labor contractors and their employees were more diverse, including failure to register or have registration cards available; failure to properly inform workers of the conditions of employment at the time of recruitment; failure to post information on housing and working conditions, or provide earning statements; and having no vehicle insurance or providing unauthorized transportation. In light of these findings, ESA is continuing the strategy of investigating all known contractors over the next three to five years in order to attain a more satisfactory level of compliance.

More than 400 administrative reviews of investigative findings were conducted during the first four quarters of fiscal 1976, compared with about 50 such actions in 1975. Twenty-three certificates and employee identification cards were revoked, and certificates were refused for 24 applicants by the Wage and Hour Administrator. During this same period, over 400 court actions were filed as a result of investigations made, compared with only about 60 such actions in 1975. Of these, 358 have been successfully concluded by permanent injunctions prohibiting future violations, four resulted in criminal sanctions and four are pending in the U.S. Court of Appeals.

During the transition quarter, 613 investigations were made under the Act; 419 (68 percent) revealed one or more violations. This was a slight in-

crease in the investigative rate over the first four quarters, but was a 10 percent decrease in the proportion of the investigations found to be in violation. The greatest number of violations, 219 (70 percent) involved farm labor contractors, 77 (18 percent) involved full-time or regular employees of farm labor contractors, and the remaining 51 (12 percent) involved farmers or growers.

The types of violations during the transition quarter were also very similar to those during fiscal 1976. Farmer and grower violations involved either the hiring of unregistered contractors or record keeping. Violations by farm labor contractors and their employees involved the failure to register or have registration cards available; failure to properly inform workers of the conditions of employment at the time of recruitment; failure to post information on housing and working conditions, or provide earning statements; and having no vehicle insurance or providing unauthorized transportation.

During the transition quarter, the Wage Hour Administrator refused to issue three certificates and two identification cards, and revoked 17 certificates and four identification cards. Nearly 100 court actions were filed during the period.

Occupational Safety and Health Administration

During the 1976 fiscal year, the Occupational Safety and Health Administration (OSHA) continued to improve its inspection procedures, emphasized developing new health standards, and stressed health training programs for its compliance officers.

OSHA also continued work on revising safety standards. A National Emphasis Program to reduce hazards in specific industries was begun. OSHA also continued to encourage States either to initiate or implement plans for their own safety and health programs.

Enforcement and Compliance

Efforts to improve the quality of inspections and to make procedures more uniform continued. Efforts also continued to raise further the level of technical competence of compliance officers. Exacting guidelines were established for hiring both safety and health compliance officers, and for training and cross-training. Priority was assigned to enlarging the staff of industrial hygienists to deal with health hazards in the workplace.

OSHA inspected 90,369 workplaces for compliance with the Occupational Safety and Health Act during the fiscal year. As a result of these inspections, 380,356 violations of standards were alleged, affecting 6 573,530 employees. Penalties totaling \$12,449,706 were proposed.

The Field Performance Evaluation System continued monitoring regional performance and programming inspections according to a region's injury and illness rates and the worker population of various industries. Twenty-one area office monitoring visits were made under this system during the fiscal year.

Standards Development

One of OSHA's concerns was the future direction of its safety standards program. A final rule was issued on the guarding of farm machinery, and developmental efforts continued in other areas.

With regulatory reform a major theme throughout government during 1976, OSHA implemented a new procedure for review and revision of safety standards. This procedure, announced in the Federal Register on

April 23, 1976, allowed increased participation by employers, employees and safety professionals in formulating proposed revisions of standards.

Previously, public comment was limited generally to proposed standards. The new procedure provided the opportunity at the pre-proposal stage for interested parties to submit written comments and make oral presentations at informal meetings. OSHA officials hope this will widen public participation.

The first standards to which the new procedure was applied, also announced in the April 23, 1976, Federal Register, concerned walking-working surfaces, fire protection, and anhydrous ammonia. Nine meetings on these standards were conducted in various locations around the country during the fiscal year.

Participation in these meetings and the written comments submitted by business and labor aided OSHA in writing more effective standards.

To assist OSHA with its safety standards, the President established a task force to suggest ways to speed OSHA's review and revision activities. This task force, comprised of technical and legal staff from several Federal agencies, began its activities at the close of the fiscal year. Its efforts were primarily directed at revision of other sections of OSHA safety standards.

OSHA has continued its efforts to develop more comprehensive health standards, particularly regarding toxic substances.

An increased number of qualified health professionals in the Office of Standards Development and a systematic management scheme for processing data from HEW's National Institute for Occupational Safety and Health (NIOSH) resulted in proposed standards for lead, trichloroethylene, beryllium, sulfur dioxide, ammonia, and toluene. A revised standard was proposed for asbestos.

Three major hearings were held on pending health standards and their economic impact. Statements on inflationary impact, required by an executive order, were the focus of proceedings on coke oven emissions and inorganic arsenic. Hearings on a proposal concerning noise in the workplace and the proposal's economic and technical feasibility were in progress during the fiscal year. A final rule on coke oven emissions was expected.

In the area of employment-related housing, OSHA withdrew its earlier proposal and began gathering material for developing a new proposal. The process included regional public hearings.

An emergency temporary standard was issued concerning hazards found in diving operations. The standard was not in effect, however, at the close of the fiscal year because of a court order. OSHA was developing a proposed standard.

Work continued on the OSHA-NIOSH project to expand into complete

standards the current exposure limits for some 400 toxic substances. A hearing on the ketones proposals was held in September 1975, and a further hearing was held in September 1976 to address the inflationary impact assessments. Technical review of other jointly developed technical standards also was in progress.

National Emphasis Program

The National Emphasis Program (NEP) was planned and developed during fiscal 1976 to address the occupational safety and health problems of specific industries. It was scheduled to be implemented early in the 1977 fiscal year.

Metal casting industries (i.e. ferrous foundries, nonferrous foundries and die casting establishments) were selected for inclusion in the prototype program.

The NEP is an outgrowth of OSHA's Target Industry Program, which focused on five hazardous industries. Following announcement of the NEP in late 1975, OSHA began to work closely with representatives of 19 States, 55 private companies, 32 management and technical groups, and 10 unions to develop the program and materials.

In addition to inspections of the foundries, both consultation and education programs were developed in order to encourage voluntary compliance. Foundry operators will be able to receive on-site consultations and take advantage of seminars for top management and for supervisors and union representatives. Special materials were prepared for employees.

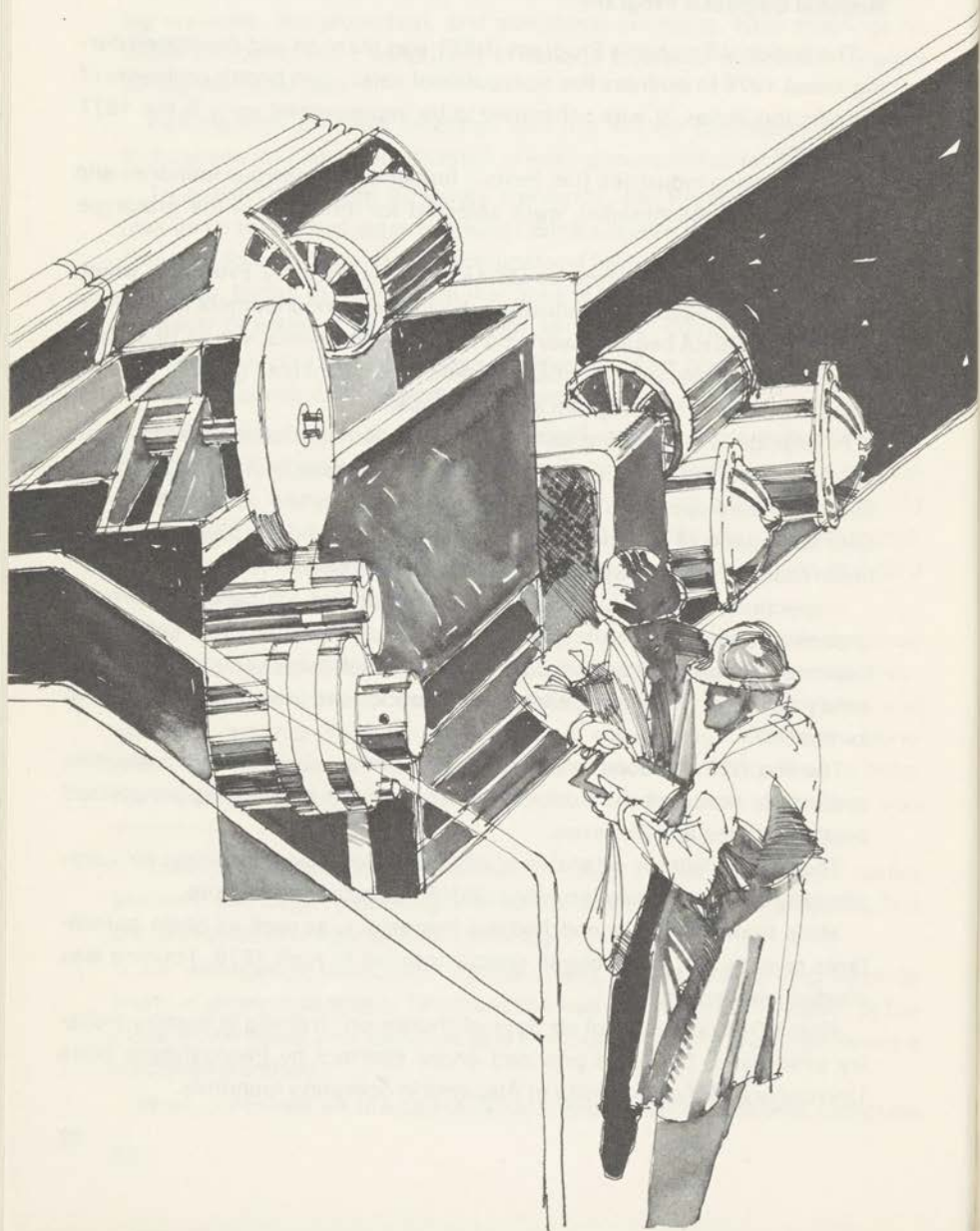
Inspections will not begin until consultation and education have been underway awhile. These inspections, conducted by teams of safety and health personnel, will be thorough and will emphasize serious health and safety hazards. Both consultants and inspectors received special training for the NEP.

The first NEP, planned to last about 18 months, also will have evaluation systems to measure the success of the program in reducing job-related deaths, injuries and illnesses.

The NEP called for extensive specialized professional training for compliance personnel, unlike anything OSHA had attempted before.

More than 500 State and Federal inspectors, as well as State consultants selected for NEP, began special training in April 1976. Training was divided into two phases:

Phase One consisted of six days of "hands-on" training in foundry industry processes. This was provided under contract by Pennsylvania State University and the University of Alabama in operating foundries.



Phase Two of NEP training for compliance personnel was conducted at the OSHA Training Institute at Rosemont, Ill., and included sessions on human relations, professional attitudes and communication skills.

During 1976, OSHA placed increased emphasis on health hazards and their abatement. A severe national shortage of qualified industrial hygienists made necessary one of OSHA's goals to develop and deliver the technical training for safety compliance officers. Increased emphasis could then be placed on serious problems related to worker health. A two-week training program was developed. OSHA committed itself to completing two weeks of health training for each CSHO by the end of 1977.

In order to improve the balance between safety and health inspections, virtually all of the new compliance officer positions authorized in fiscal year 1976 were for health inspectors.

Training and Education

On-site consultations continued as a significant contribution in OSHA's efforts to encourage employers to comply voluntarily with the requirements of the OSH Act during 1976. In addition to authorized on-site consultation conducted by State personnel in States where occupational safety and health programs are administered by OSHA, consultation became available through two additional sources on a limited basis.

An extension to the OSHA contract with the American Industrial Hygiene Association provides for free consultation, primarily to small employers, through the occupational health centers of five major universities.

A \$1.2 million contract awarded to the American Association of Community and Junior Colleges included a pilot program to explore the capabilities of two-year institutions to offer advisory surveys to small and medium sized establishments.

By the end of September 1976, about 363 consultations had been conducted by two colleges selected for the pilot program.

The contract also provided for short-term (eight to 12 hours) job safety and health training to be offered through 26 community and junior colleges.

OSHA continued to provide basic courses and various technical courses for federal and state compliance personnel at the OSHA Training Institute preparing them to enforce the standards in a fair and competent manner.

Due to the shortage of qualified industrial hygienists, OSHA initiated a career-ladder program of training and professional development for its health inspectors. The three-year industrial hygiene training program was aimed at new personnel with the necessary academic qualifications recruited at the entry-level grades.

Trainees receive one year of classroom and on-the-job training assisting senior health inspectors. The last two years of the program are still being developed.

OSHA continued to use existing safety and health educational systems to provide private sector training. The University of Wisconsin School for Workers received supplemental funding for an earlier contract to continue developing and conducting occupational safety and health courses for employee representatives.

OSHA also undertook new efforts to teach persons outside OSHA, such as apprentices, about job safety and health. OSHA awarded a contract to the Texas Department of Community Affairs to conduct a demonstration program integrating job safety and health training with occupational training.

Under a contract with the Institute of Industrial Relations, University of California, Berkeley, training programs were developed, conducted and evaluated for target apprenticeship occupations.

In addition, OSHA developed and provided through contracts instructional materials for employers, employees and their representatives.

Federal Agency Programs

During the fiscal year, the efforts of the Office of Federal Agency Safety Programs were centered on assuring that Federal employees were provided safer, more healthful workplaces.

This office provides leadership and guidance to heads of Federal departments and agencies to assist them in fulfilling job safety and health responsibilities.

Congress and the General Accounting Office have issued separate reports showing their interest in efforts to make the occupational safety and health program of the Federal departments and agencies a proper example for the Nation.

The House Committee on Government Operations issued a report, "Safety in the Federal Workplace," on January 26, 1976. The General Accounting Office's report, "Hazardous Working Conditions in Seven Federal Agencies," was issued on August 4, 1976.

As a result of these reports, various departments and agencies are giving greater attention to implementing the OSH Act more effectively.

The Federal safety unit conducted 78 department and agency program evaluation reviews, processed 193 employee complaints of unsafe and unhealthful working conditions and made 180 consultative advisory visits to provide program assistance.

State Programs

A fundamental aim of the OSH Act is to encourage States to assume responsibility for administering and enforcing their own safety and health programs. States desiring to undertake their own programs may submit plans to the Department of Labor for approval. Such plans, however, must be at least as effective as that of the Federal OSHA.

After approval, all aspects of a State program are monitored to ensure that it remains at least as effective as the Federal program. Data are collected pertaining to commitments within the plan for enforcement of standards, training of employees, and collection of injury and illness statistics. Wherever possible, evaluation of State performance is based on comparison with similar Federal performance.

Virginia's plan, which was approved on September 23, 1976, increased the number of approved-plan States to 24. Fifteen States have submitted plans but are not now actively pursuing their approval. Each of these States has been notified of additional requirements it would have to meet before its plan could be approved.

The amount of OSHA-awarded grants to States for administering their programs in fiscal year 1976 was \$34,230,587. State programs, funded by these grants, supplemented the Federal enforcement program with more than 1,800 State compliance personnel.

Prior to the end of fiscal 1976, three approved-plan States (South Carolina, Iowa and Minnesota) were certified by OSHA as having completed their developmental steps.

Policy, Evaluation and Research

During the 1976 fiscal year, the Office of Policy, Evaluation and Research carried out a broad program of planning and developing policy for the Department, participating in developing legislative initiatives, and stimulating and coordinating evaluation and research.

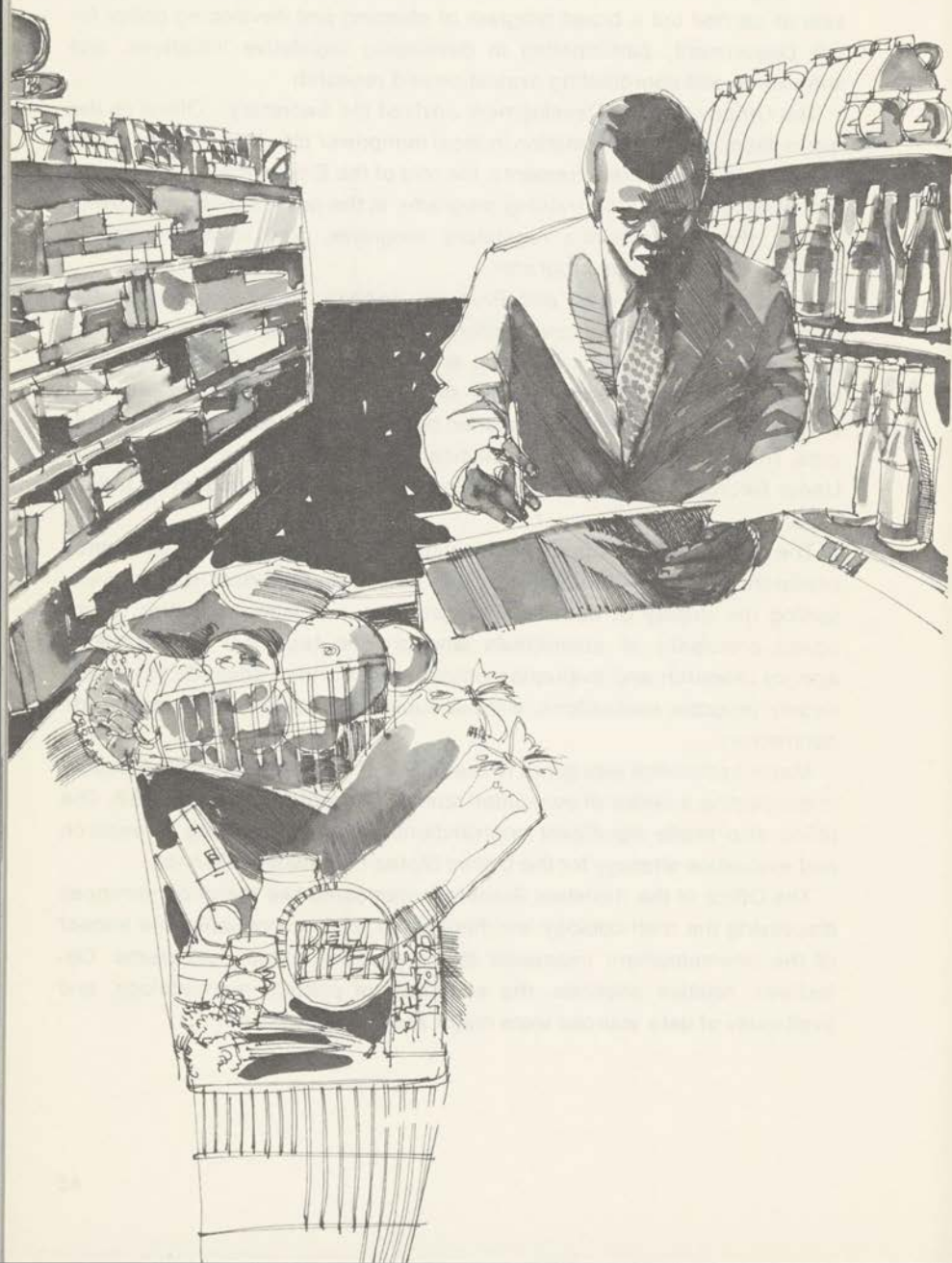
The Office of Policy Development advised the Secretary's Office on the use of labor market information in local manpower planning, modifications in food stamps work requirements, the role of the Employment Service, the role of employment and training programs in the post-recession recovery period, the Department's regulatory programs, and improvements in workers' compensation programs.

The Office of Planning and Program Analysis helped coordinate the Department's internal planning efforts and provided necessary staff support to the Department's Program and Budget Review Committee. This helped ensure an objective review of major policy issues and resource proposals submitted for consideration by the Department's program agencies. The office also provided analytical staff support to the Secretary and Under Secretary in establishing major departmental management objectives.

The Office of Research and Evaluation planned and coordinated agency research and evaluation activities and played an important role in maintaining the quality of departmental program evaluation activities. Composed principally of economists who provide technical assistance to agency research and evaluation offices, it performed scientific analyses, largely program evaluations, without substantial assistance from outside contractors.

Major assistance was given to the Office of Employee Benefits Security in developing a series of evaluation studies of programs under ERISA. The office also made significant contributions toward developing a research and evaluation strategy for the United States Employment Service.

The Office of the Assistant Secretary sponsored two major conferences discussing the methodology and findings of studies evaluating the impact of the unemployment insurance and manpower training programs. Objectives, relative priorities, the adequacy of present methodology, and availability of data sources were major areas of discussion.



Bureau of Labor Statistics

The 1976 fiscal year was a year in which unique demands strained the Bureau of Labor Statistics' capacity to satisfy them. Several factors contributed to this bullish market including: the need to monitor the economy carefully and to analyze factors affecting employment, unemployment, price, and wage behavior; a wave of legislation affecting Bureau programs; rising interest from the Joint Economic Committee of Congress, the Council of Economic Advisers, the Federal Reserve Board, the Council on Economic Policy, and the Council on Wage and Price Stability; and the revision of the Consumer Price Index and the adaptation of a new Standard Industrial Classification.

The Bureau continued producing its regular statistical series on employment, unemployment, price, wage, productivity, and safety and health trends and developing related analytical output and special projects and reports.

Significant improvements also were made in the Bureau's management procedures and publications programs. Management progress included: attention to hiring and promotion of women and members of minority groups; initiation of a Bureau-wide employee utilization program; review of career ladder promotion system; improvements in the management of the Bureau's Federal-State cooperative programs; careful monitoring of Presidential and Agency "Management Objectives"; and adoption of word-processing technology.

Publications achievements included: phasing in of text-editing and photocomposition technology improving timeliness and typographical quality of publications; reducing the prices of the Bureau's *Occupational Outlook Handbook*, and of seven subscription periodicals; agreements with the Government Printing Office improving subscription services to the public; new awards for the *Monthly Labor Review*, the *Occupational Outlook Quarterly*, and other BLS publications; and to mark the Bicentennial year, the *Monthly Labor Review* published several historical articles: *U.S. Workers and Their Jobs: The Changing Picture*, a chartbook, was developed; and the *Brief History of the American Labor Movement* was updated and published.

Major improvements were made in statistical operations such as: the institution of quality measurement and control; expansion of probability sampling; and improved computer systems including Table Producing

Language, a procedure developed by BLS for extracting statistical tables from a computer data base more quickly and at less cost.

Monitoring the Economy

The Bureau's macro-economic indicators are always scrutinized closely, but never more so than during fiscal 1976, a period of imbalance in the economy. The persistent combination of both high inflation and unemployment brought increasing attention from a wide variety of sources including the Joint Economic Committee of Congress before which the Commissioner of Labor Statistics appeared monthly to describe the trends in the Bureau's employment and unemployment data and, sometimes, prices as well. The Bureau continued over the year to improve its statistics and related analyses particularly in employment, prices and wages to increase their usefulness in assessing economic progress.

The Consumer Price Index was upgraded in quality to reflect recent social and economic changes affecting consumer spending patterns. This long-term revision, started in 1970, peaked in fiscal year 1976. Processing of the data was under way at the close of the year. The Bureau plans to publish, early in 1977, a revised consumer price index for urban wage earners and clerical workers which, like the present index, will cover 40 percent of the population and a new more comprehensive index for all urban consumers, covering 80 percent of the population. These indexes will incorporate probability sampling and improved methods of collecting prices as well as many conceptual advances. The number of prices collected on a monthly basis will be increased from 48 to 53 percent of the market basket weights and most other prices will be collected bimonthly rather than quarterly. This improvement will make the indexes more sensitive to price change. Plans were developed for a continuing consumer expenditure survey providing the primary data needed to revise the Consumer Price Index in the future, ensuring its relevance to current economic and social conditions. The survey also provides data permitting analysis of the impact of social and tax legislation on consumers.

The Industrial Price Program, including the Wholesale Price Index, was also being revised. The weights for the Wholesale Price Index and the Industry Sector Price Indexes were updated to reflect the value of shipments from the 1972 industrial censuses. Plans also were developed for further steps in the revision process, including probability sampling, expanded industrial coverage, and additional transaction pricing.

A new macro-economic measure of wage change, the Employment Cost Index, was being developed in 1976. It is designed to measure changes in the total compensation of workers, a measure similar, in some

ways, to the CPI. In June 1976, the Bureau published the first part of this new series, a quarterly measure of changes in wage rates in the private nonfarm economy. The measure is being expanded to include changes in the cost of fringe benefits and the remaining sectors of the economy—government, farms and households. When completed, the index will show changes in total compensation for all workers in the economy.

Monthly testimony before the Joint Economic Committee of Congress over the year focused public attention on the significance of both the Bureau's employment and unemployment data, the effects of seasonal variations in unemployment, and the experience of various subgroups of unemployed workers for whom the Bureau publishes data. The Bureau published an employment/population ratio in *Employment and Earnings*, changed its method of seasonal adjustment of the unemployment of teenagers (as well as for the Consumer Price Index and the Wholesale Price Index), and began a series for various combinations of unemployed groups.

The Bureau urged establishment of a National Commission on Employment and Unemployment to review the concepts and methodology of unemployment measure.

Legislation

During the year, a major factor in the expansion of Bureau output was legislative requirements for using unemployment rates in allocating Federal revenue-sharing funds and other forms of assistance to economically depressed areas. The Bureau responded to these demands by strengthening two components of the data base used in developing unemployment rates—the Current Population Survey and the records of the State unemployment insurance agencies—and by improving its estimation procedures.

The Current Population Survey was expanded to provide data for all 50 States. Contracts also were let with State employment agencies to improve the inter-State comparability of their data. These efforts to improve the data base will enable the Bureau to improve the quality of local area unemployment rates supplied to the Employment and Training Administration for its use in implementing the *Comprehensive Employment and Training Act* (CETA) of 1973, and to other Federal agencies.

Congress provided for development of a consumer price index for Fairbanks, Alaska, and planning started for this index. It will be a broad index only and not part of the national index.

Reflecting public concern about the adequacy of employment and worker earnings, CETA also required the Bureau to develop measures of "labor market related economic hardship." Some research in this area was initiated.

Congress also required the Bureau to develop a comprehensive system of household budget data designed to reflect differences in living costs at different levels of living in both urban and rural regions and localities, and to develop a measure of a level of income adequacy. These legislative requirements created many conceptual and methodological questions to be resolved.

The Trade Act of 1974 required the Secretaries of Commerce and Labor to develop and maintain a trade monitoring system providing information on imports and their relationship to domestic production, changes in employment in related domestic industries and, where feasible, information on these factors as they relate to individual geographic areas.

During 1976, the Bureau took account of the interests of top-level economic groups.

The Bureau prepared a paper for the Joint Economic Committee on short-term non-cyclical unemployment. At the request of the Council of Economic Advisers the Bureau conducted two special surveys based on the Current Population Survey: the jobseeking activities of the unemployed and the characteristics of persons outside the labor force. Strong support was extended to the development of a continuing consumer expenditure survey and the completion of the industrial price revision program, the international price competitiveness program, and the Employment Cost Index. The Bureau developed plans to collect data—through the use of the CPS—on quarterly earnings to link earnings of workers to their personal characteristics such as race, age, sex, occupation, education, etc. The Bureau studied, with the Economic Policy Board, the change in the rate of productivity growth and its impact on the potential gross national product.

The Bureau worked on plans to determine the feasibility of developing information on job vacancies and to increase monthly pricing, in part, to meet the needs of the Federal Reserve Board.

The Council on Wage and Price Stability recommended improvements in the Bureau's industrial price program and its data on public sector wages and industrial relations. The Bureau developed plans to make both of these improvements.

Constraints on Supply of Data

Of the principal factors limiting the supply of data—the need to devote resources to revision activities, the fiscal framework, the limitations on federal reporting, and the need to develop viable concepts—the only new constraint the Bureau experienced was the Office of Management and Budget limitation on data collection. These requirements include a 10 percent reduction in OMB forms to collect data and a 5 percent reduction in

hours of reporting time by September 1977 and an additional 15 to 20 percent reduction in hours by September 1978.

One of the most serious hindrances to the Bureau's expansion of data is in the safety and health area where the Bureau faces a difficult problem in defining illnesses that are the product of hazard in the workplace.

Management Initiatives

The Bureau of Labor Statistics continued its efforts to improve internal managerial and administrative processes. Efforts continued to expand career opportunities for women and members of minority groups, to improve the utilization of Bureau employees, and to monitor carefully the Government-wide career-ladder promotion system.

In the 15 months ending September 30, 1976, the number of women professionals in the Bureau increased from 327 to 369 and their representation from 26.9 to 28.0 percent of the professional workforce. A woman was promoted to a GS-18 level which made her the highest ranking woman government career employee in the Department of Labor. The number of minority professionals increased from 163 to 175 nationwide. Their proportion of total professionals stayed about the same at a little over 13 percent of the professional workforce. A minority professional was promoted into a supergrade position as Regional Commissioner for Labor Statistics.

In December 1975, the Bureau awarded a contract to review the findings and recommendations of an earlier ad hoc committee on underutilization in the Bureau and to develop a plan to improve the Bureau's performance. The contractor is currently working with individual offices and supervisors analyzing work flow and procedures, employee utilization, supervisory and managerial practices and recommending methods to improve performance. This effort is expected to increase supervisory and management awareness and to bring about long-range management improvements leading to better planning, better supervision and control, and better utilization of the resources available to the Bureau.

Recent concern about promotions from GS-5 to GS-11 led the Bureau to review its career-ladder promotions. Guidelines for the preparation and review of these promotions were developed assuring more realistic assessments of performance and potential.

Monitoring Program Performance

Federal-State cooperative relationships with the field were centralized in the Office of Field Collection and Coordination, which simplified lines of communication. As part of the administration's system for monitoring pro-

gram performances, the Bureau followed closely the two Presidential Objectives—the Consumer Price Index revision and the development of local area unemployment estimates. Two agency objectives—revision of the industrial price program and continued development of the Employment Cost Index—were, similarly, closely monitored.

The Bureau established a word-processing task force to assure an orderly development of the potential of these mechanical aids.

A variety of activities were instituted to measure and control the quality of surveys. More efficient probability sample designs were developed for some surveys. As time and resources permit, probability sampling will be expanded to all Bureau programs.

Current Employment Analysis

In the field of current employment and unemployment analysis at the national level, public interest remained intense because of the persistence of high unemployment rates. Many questions were raised about the unemployment data, including validity of the underlying definitions, accuracy of seasonal adjustments, and interpretation of the statistics in light of changes in the labor force composition and in the scope of unemployment compensation and other transfer payments.

The nation's employment situation was in a transitional stage during fiscal 1976, and the Bureau developed major studies on the impact of the 1974-75 recessions on labor force activity. At the same time, up-to-date information on the effect of subsequent economic developments on employment patterns had to be maintained. Studies on the recessionary period assured the nature and relative impact of changing employment and unemployment levels on demographic, occupational, geographic, and other population subgroups. Included were three studies on trends in employment and unemployment during the recession and the beginning of the recovery, another which presented a cyclical analysis of involuntary part-time work, and one on cyclical impacts on occupational unemployment rates.

Two articles focused on youth in the labor force: on youth unemployment during the recession and on the effect of residence on labor force characteristics of youth. Several articles dealt with women in the labor force, describing their significant increases in participation over the post-war period. For the first time, the Bureau included data on unemployment rates of female and male household heads in its regular monthly reports.

The Bureau continued to analyze and publish data on the employment status of minority groups. An article described the labor force status of

Spanish-origin Americans. Plans were developed for a major expansion in the collection, tabulation, publication, and analysis of data on this group over the next few years. Another article analyzed black-white unemployment differentials, and a chapter on the labor force status of black Americans was completed for the annual Census Bureau report.

To broaden the amount of information available on the labor market problems of unemployed and discouraged workers, the Bureau developed two new surveys supplementary to the Current Population Survey. The first—on unemployed workers—obtained information on the intensity of job searches by unemployed workers and sources and amount of income received. The second—on persons not in the labor force—focused on prior work experience, past job search activity, current job interest, and possible plans for future search.

New labor force projections to 1990 were prepared and published. The new projections reflected the extraordinary increases in the number and proportion of women who work, including the mothers of young children, and the gradual decline in the proportion of men who work. Estimates of the work-life expectancy of men and women also were updated and revised.

The Bureau conducted an experiment to test both the feasibility of collecting hourly wage data and the accuracy of earnings reported by proxy respondents. The success of the test, using the Current Population Survey, was reported in a paper presented to the American Statistical Association. Data on hourly earnings were published for the first time along with the usual report on weekly earnings. An investigation into the earnings lost by the unemployed continued, and a report on the annual earnings of household heads was prepared.

The Bureau continued to strengthen its regular program of analyses and reports on the employment situation in families. Initial findings from a new monthly data series under development revealed the extent to which the unemployment of a family head was cushioned by the full- or part-time employment of other family members. Three special reports examined the increasing prevalence of the dual-worker family, the socioeconomic status of families headed by women, and the work patterns of divorced and separated women.

Research continued into economic and social implications of changing hours of employment in the United States, including 4-day work-week and other types of new work schedules. New data on unscheduled absence from work were developed to provide rates more comparable to those in use by employers.

The Bureau continued to sharpen and improve its data development program by conducting research on the conceptual and methodological aspects of current labor market measures. The procedure for seasonally

adjusting teenage unemployment and related data series, implemented in January 1976, was improved.

The Bureau has initiated a program for developing position papers on several important conceptual and definitional issues in anticipation of the needs and interests of an Employment Review Commission, to be created as a result of Congressional action.

A report was prepared on the characteristics and alternative uses of employment and unemployment statistics as economic indicators, in response to continuing demand by users for a broader spectrum of labor force measures. The report also developed a range of several alternative unemployment measures. These indicators are now made available to Congress and the public each month, and plans are underway for their regular publication. At the specific request of the Joint Economic Committee, a research study was undertaken to estimate the amount of short-term, noncyclical unemployment in this country.

Several new data series were published, and revisions in the format and content of data presentations in Bureau publications were made to provide users with more relevant and accessible information. A *Directory of Labor Force Studies Based on the Current Population Survey* was published as an aid to users.

Employment Structure and Trends

The fastest growing program area is within the group that includes Federal/State cooperative statistical programs which provide labor market information including local area employment and unemployment data, occupational and labor turnover data, and hours and earnings of production workers. Actions by both the Office of Management and Budget (OMB) and Congress have placed on the BLS new responsibilities of increasing proportions. BLS has sole responsibility for providing national, State, and local area labor force or unemployment data to all Federal Executive Branch agencies for program or allocation purposes. Data provision responsibility for the Public Works and Economic Development Act of 1965 was transferred to BLS.

The Congress continued the trend towards economic assistance legislation using unemployment data as the basis of funds allocation by passing the Public Works Employment Act in 1976, administered by the Economic Development Administration and the Office of Revenue Sharing. This prompted further expansion and improvement efforts for data down to the county level.

The Bureau continues to respond to the Congress and the administering agencies by maintaining current programs for improving data inputs and estimation methodology.

The Education Amendments of 1976 called for establishment of the National Occupational Information Coordinating Committee (NOICC), which includes the Commissioner of Labor Statistics. The Bureau is required to participate in developing an "occupational information system to meet the common occupational information needs of vocational education programs and employment and training programs at the national, State, and local levels. . . ." To carry out the functions and responsibilities of NOICC, the Bureau will work to improve coordination and communication among administrators and planners of vocational education and employment training programs, research personnel, and employment security agency administrators, among others, in developing and using employment data, including data on occupational demand and supply.

Consumer Price Index Revision

The present Consumer Price Index (CPI) represents the experience of wage earners and clerical workers. To escalate the income payments for other population groups and to measure inflation and guide monetary and fiscal policy, a more comprehensive consumer price index is needed. Therefore, the Bureau of Labor Statistics will issue two indexes starting in 1977—the traditional index and the new index that covers all urban households.

The current revision of the CPI is the first since the early 1960's and will update the weights assigned to the various spending categories, such as food, clothing and medical care; the sample of items priced each month in the ongoing CPI; and the sample of retail stores. The conceptual basis and statistical methods employed in the CPI will be modernized.

Index users will see a new index representing 80 percent of the population in addition to the current index which represents roughly 35 to 40 percent. There will be monthly or bimonthly indexes for 28 cities compared with 23 at present; regional indexes for urban areas of different population-size classes; and some index components of a more general character, covering a type of good or service instead of a very specific item.

Prices will be collected in 85 areas as opposed to 56 in the current CPI, with the area selection based on the 1970 Census of Population. This increase in the number of areas covered makes it possible to substantially reduce the number of price quotations collected.

The increase in the number of areas to be sampled will make it possible to publish indexes for an additional 5 cities and the reliability of the national Consumer Price Index, of the indexes recently introduced for different regions of the country, and of urban areas classified by size of population will be improved. For the first time, regional indexes for cities of different

population-size classes can be published. Cities that are not specifically reported in the CPI will thus be able to approximate an index for themselves by using the appropriate population-size class for their region.

The revised Consumer Price Index will utilize an improved process called "store specific pricing" to choose the detailed items to be priced.

The fixed market basket will be a more accurate reflection of purchases; and the outlets surveyed will be more representative of those actually frequented. There will be some increase in monthly pricing, and quarterly pricing will be replaced by bimonthly pricing. The measurement errors will be substantially lower than those of the current CPI. The sample market basket will contain item descriptions of a more general nature. In order that the items priced will represent the purchase of the index population, the specific items to be priced are chosen separately in each survey outlet through a probability process. A new rent sample will improve the timeliness of the rent index and will make possible the measurement of short-term changes. An improved concept will be utilized to price the "flow of housing services" that the owner purchases including mortgage and equity financing costs, maintenance costs, taxes, and a variety of other expenses.

The Bureau of Labor Statistics and the U.S. Census Bureau were involved in the Consumer Expenditure Survey, a series of quarterly interviews conducted during 1972-74 and 2-week "diary" surveys of separate samples, involving about 40,000 families. The Consumer Expenditure Survey provides a sound basis for the selection and weighting of items in the market basket.

Another major innovation, the "Point-of-Purchase" survey, was conducted to provide data on the retail stores and other places where goods and services are actually bought. In 1974, approximately 20,000 families were asked where they purchased various types of goods and services. A full probability sample of retail stores and other outlets to be used in collecting data for the monthly index was developed for the first time from the survey results. The Bureau of the Census served as collection agent under contract with BLS for this survey.

Improved statistical methods include improved timeliness through increased monthly pricing and the move to bi-monthly instead of quarterly pricing, the development of four regional market baskets, and improved procedures for the measurement of sampling errors and overall quality of the data.

The selection of retail outlets and item samples covered in the Point-of-Purchase Survey was made. Initiation of the sample, involving the probability selection of detailed items to price in each outlet, was completed, and regular repricing of those outlets started. Sample selection was also completed for those items not included in the Point-of-Purchase Survey.

In order to assure the quality of the revised rent sample, an additional new sample was selected and preparations made to initiate the augmented sample. Initiation of the Property Tax Survey for the revised CPI was completed.

Considerable progress was made in the redesign of the CPI computer system for both the facilities to compute the indexes and those which will process and control the data collected.

Prices and Living Conditions

The prices and living conditions program provides measures of price change at the consumer and wholesale levels and as indicators for the economy providing measures of living costs in various areas of the U.S. The program also allows analysis of price behavior and consumer spending patterns, the interpretation of price developments in relation to other major economic changes, and measures of price change for U.S. products traded in world markets. The most widely-used statistics in this program are monthly measures of price change for the consumer and industrial sectors.

The Consumer Price Index (CPI), the principal source of information concerning trends in consumer prices in the United States, is used in the formulation and evaluation of economic policy; in wage negotiations; and for escalation of wages, pension, Social Security benefits, and food stamp allocations. A major improvement in the procedures for seasonal adjustment of the CPI was introduced during the past fiscal year. The large-scale effort leading to the introduction of a revised Consumer Price Index in the spring of next year continued. When completed, this program will provide a revised Consumer Price Index for Urban Wage Earners and Clerical Workers and also a new index covering All Urban Households.

In the industrial price program, which is the major source of information on price changes in primary markets of the economy, the value of shipment weights used in calculating the Wholesale Price Index were updated to reflect the 1972 shipment values reported in the most recent economic censuses. The quality of transaction price data was improved and coverage in the service sectors of the economy was expanded. Developmental work was initiated in the first major effort to revise the industrial price program in more than 30 years.

In the international price area, export price indexes were increased from 25 to 35 percent of the value of U.S. commodity exports. Price indexes now exist for 15 percent of the value of commodities imported. Data provided by this program, which provide the only direct measure of price trends for U.S. foreign trade, are used by U.S. Government officials in trade negotiations with developing countries.

Estimates of Autumn 1975 costs of the four-person family budgets were prepared and published in May 1976. In addition, the Autumn 1975 costs of the retired couple's budgets were prepared and published in August 1976.

Selected data from the Diary and Interview components of the 1972-73 Consumer Expenditure Survey were published. This survey, the first in 10 years, provides information on consumer spending patterns in relation to such characteristics as family income, family size, age of family head, region, and other family characteristics.

Productivity and Technology

BLS continued to strengthen and expand its program of research in productivity and technology. Productivity measures for 12 industries were added to the list of industries for which measures are published. Separate productivity measures are now published for about 60 industries.

The series on productivity in the Federal government was refined and expanded. Indexes for the 1967-75 fiscal year periods were completed for 25 functional groupings of Federal agencies representing 68 percent of the Federal civilian work force.

Trends in manufacturing productivity and labor cost for 11 countries were published early in the year, and estimates of the comparative levels of compensation of wage earners in these countries were compiled. These measures provided insights into the changing competitive position of the United States in terms of labor costs.

Studies were made of the employment implications of automation and other technological changes. Reports appraising the impact of major technological changes on productivity, employment, and occupational requirements over the next 10 years on major American industries were published.

The Bureau extended its surveys on labor and material requirements to include new studies on sewers, schools, college housing, and federal office buildings. These studies measure the total labor and material requirements as well as the occupational distribution of the types of construction to serve as a basis for estimating the labor generating effects of construction programs.

Wages and Industrial Relations

The wage and industrial relations program made significant improvements in the quantity, quality and timeliness of its data after several years of developmental work. Major innovations included the Employment Cost Index, new technical systems for reducing the lag in publication of certain

wage surveys by as much as 12 months, and new training programs to improve personnel capabilities. Research resources for BLS program evaluation and development were released. For example, special analyses were conducted to identify the major causes of occupational wage variation among labor markets, providing knowledge with which to assess the occupational wage program.

The Employment Cost Index was published for the first time. This statistical series is designed to provide an integrated set of economy-wide measures of changes in compensation rates—unaffected by occupational, industrial, and geographic employment shifts in the economy. Plans were completed for expanding the coverage of the series to include total compensation by collecting data on employer expenditures for fringe benefits. This expansion will take place in fiscal year 1977.

BLS conducted approximately 110 area wage surveys and 150 special industry studies for the Employment Standards Administration (ESA) to use in administering the Service Contract Act. The industrial coverage of these area surveys was expanded.

Development of a comprehensive training program for entry level data collectors, refinement of occupational descriptions used in the surveys, and introduction of regression analysis in the measurement of wage differences among areas improved the Area Wage Survey program.

Implementation continued on a number of General Accounting Office recommendations to improve the annual survey of professional, administrative, technical and clerical pay (PATC). A series of video tapes and related materials was developed for training data collectors, and a centrally coordinated training program was started. A full-scale test of broader industrial and establishment coverage was conducted in conjunction with the 1976 survey, and a full-scale study of nonproduction cash bonus payments by occupation was completed.

A pilot study to test the feasibility of collecting occupational pay data by mail in the contract construction industry was completed, and a full survey will be conducted during fiscal year 1977 using a combination of mail and personal visit data collection.

The data processing system for union and industry wage surveys was redesigned and should result in more timely publication of reports on these surveys. The first BLS occupational wage survey in shipbuilding since 1942 began in August 1976. Regression techniques for analyzing industry wage survey data, first tested in mid-1974, were made a regular part of these studies.

A comprehensive bulletin on the compensation of State government employees was issued. It includes data on State governments' hourly expenditures for wages and benefit programs (e.g., insurance, retirement benefits, and paid leave) by State and for eight geographic regions.

Information on a variety of employer policies and practices concerning employees was provided to ESA. The data, developed from a special survey, covered employment patterns by age, race, sex and ethnic background; compulsory retirement; maternity leave; garnishment of wages; and work schedules.

Also at ESA's request, the first group of studies of industries and occupations exempt from the minimum wage or overtime provisions of the Fair Labor Standards Act was completed. A second group of studies was launched by the Bureau and planning for a third group of studies to be made in fiscal year 1977 was completed.

A study is underway to ascertain the initial effect of the Employee Retirement Income Security Act (ERISA) on private pension plans. The study will include a detailed analysis of changes in pension plan provisions and finances between September 1974 and 1976. The study is funded by the Labor-Management Services Administration.

In the industrial relations area, work continued in the public sector with the publication of collective bargaining studies dealing with police and firefighters and with State and county employees. The file of State and local labor agreements was enlarged.

As part of the Bureau's ongoing program of studies of collective bargaining provisions in the private sector, two reports were released: (1) Hours and Overtime and (2) Health and Safety. A study in progress analyzes general wage policy provisions, to be followed by one focusing on incentive systems and production standards.

Work was completed on the 1975 edition of the *Directory of National Unions and Employee Associations*, and the *Brief History of the American Labor Movement* was revised.

Occupational Safety and Health Statistics

The Office of Occupational Safety and Health Statistics is charged with ascertaining the number of work injuries and illnesses incurred annually by American workers. The annual survey conducted by this Office is intended also to identify the industries most dangerous to workers—those with the most injuries and illnesses per 100 worker-years of exposure.

The Congress in 1970 enacted the Occupational Safety and Health Act of 1970 (PL 91-596) which requires the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to develop and maintain an effective program of collection, compilation, and analysis of statistics on occupational injuries and illnesses. The Secretary of Labor delegated this responsibility to BLS. Under the Bureau's system, a wide range of

injuries and illnesses are included, occupational illnesses are separated from injuries, and industry coverage is greatly expanded.

The Federal Government enlists the aid of States in conducting statistical programs to meet both Federal and State data needs through a system of grants established under the Act. This cooperative arrangement eliminates duplicate reporting by employers and, together with the use of identical techniques, ensures maximum comparability of estimates. The Office coordinates its data collection system with that of other Federal agencies involved in collecting safety statistics in order to ensure that all segments of industry are included. Although State and local government employees are not specifically covered by the Occupational Safety and Health Act of 1970, the Act contains special provisions requiring the States to legislate coverage for this group of employees upon assuming responsibilities under the Act.

The annual survey covers over 415,000 sample units to develop incidence rates and estimates of occupational fatalities, nonfatal injuries, illnesses both with and without lost workdays, number of lost workday cases comprised of days away from work and days of restricted work activity, and other significant data by industry. The States use the full sample to measure job-related injuries and illnesses in their own areas; about 225,000 units are the basis for the estimates for the Nation as a whole. Employer reporting is mandatory for this survey, the only mandatory program currently conducted by BLS. National and State estimates are available in bulletins and are part of the President's Report on Occupational Safety and Health.

The recordkeeping definitions cover all work-related deaths, nonfatal illnesses, and nonfatal injuries other than minor first aid cases which do not involve medical treatment, loss of consciousness, restriction of work or motion, or transfer to another job. All employers covered by the Act have been maintaining records and using these definitions of injuries and illnesses since July 1, 1971.

During fiscal year 1976, estimates from the 1974 annual survey were published in a *Chartbook on Occupational Injuries and Illnesses, 1974*. *Occupational Injuries and Illnesses in the United States, by Industry, 1973*, was published. Several guides for employers in different industries demonstrated how to use the BLS statistics and the employer's own records to evaluate the establishment's injury and illness experience against that of the entire industry. The Office also cooperated with the Occupational Safety and Health Administration in developing the best methods of evaluating its National Emphasis Program.

The Supplementary Data System, created to obtain information from workers' compensation records, was expanded to provide additional data

on a more uniform basis. The data will identify specific hazards and dangerous work situations by occupation and industry in each participating State. Over half of the States are now participating in this program.

Fifty-two States and jurisdictions participated in the Federal-State statistical grant program in FY 1976. The Federal share of this program was \$3.8 million, 70 percent of which was allocated for activities of the annual survey program. The remainder was used for the Supplementary Data System.

The Office of Occupational Safety and Health Statistics produced a manual, *Injury and Illness Recording*, for all new OSHA compliance and safety officers and other new employees concerned with the BLS-OSHA recordkeeping system.

Several research projects and contracts were underway during the year. A qualitative assessment of workers' compensation first reports of injury was completed. The study indicated that the work injury data elements on first reports are entered with a relatively high degree of accuracy when compared with information in insurance company files. Two projects are still in progress. One is a study of the injury and illness recordkeeping practices and problems of employers of migrant and seasonal farm workers. The other is a study to determine the feasibility of developing a recordkeeping and reporting system for occupational injuries.

Office of Economic Growth

Projections of the economy are prepared on a continuing basis to determine both overall economic growth as well as future job requirements and output by industry under alternative assumptions. A system of models was developed to project demand, output, and employment under different assumptions about Federal Government policies and other factors. A projected input-output model estimates the effects of aggregate economic conditions and policies on job requirements by industry. These projections provide a basis for the occupational projections of the Bureau. In addition, they provide insight into the effects of alternative Federal Government policies on the magnitude and industrial composition of demand. They assist industry and State and local governments in anticipating changing market structures and in formulating their own medium to long-range programs.

Comprehensive projection studies have been made for the years 1980 and 1985. The initial 1980 and 1985 projections were revised to take account of the economic decline of 1974-75 and the more restricted energy availability. Three separate projections are included, showing different rates of economic recovery through 1980. In addition, a new projection study for 1990 has been initiated. This work involves updating and expand-

ing the Economic Growth System models and data base in order to make industry employment projections in greater detail. In addition, work has proceeded on computer programs and systems designed to more fully integrate the models and provide quicker and more analytical projection results.

Research has been underway for several years on the development of data and methods to analyze the employment requirements of major Federal Government programs and policies. In addition, a *Manpower Factbook* was published, providing procedures for Federal agencies to use in determining the employment requirement of their programs in both the public and private sectors.

Work has been in progress to estimate the job requirements associated with three different Federal Government programs. Federal mass transit grants were examined in a case study of the job requirements associated with the construction and operation of transit facilities in the Boston area. A second study was undertaken in cooperation with the Department of Defense and the Arms Control and Disarmament Agency to determine the domestic job requirements created by U.S. foreign defense transfer programs. A feasibility study was initiated at the request of the Department of Housing and Urban Development on the job requirements generated by HUD's Community Development Block Grant Program.

Statistical Operations and Processing

The Bureau has been required to keep pace with growing volumes of data and, subsequently, increased requirements to ensure the accuracy of data. The Bureau is implementing a massive effort to move most of its data processing to modern, "third-generation" computers. The Bureau developed a new computer language to generate computer-produced tables which are transmitted electronically to photo-composition equipment, giving published tables a typeset appearance. The Bureau also entered into a mutually advantageous computer-sharing arrangement with the National Institute of Health using each other's software products.

Statistical operations are being improved by conducting research on estimation techniques for sampling and nonsampling error. Efficient probability sample designs to satisfy specified cost and precision constraints are being developed. Currently, a program of quality measurement, quality control, and operations research activities is planned for major Bureau surveys.

The Bureau has been experimenting with improvements in data collection, data entry, and data transmission through electronic means and through especially arranged Express Mail Service to find more timely but

still cost-effective means of processing massive volumes of data within a fixed and often very tight time frame.

The establishment of a data base for Local Area Unemployment Statistics (LAUS) to permit monthly publication is of special note. In addition, special reports for allocation of funds were prepared for the Employment and Training Administration, for the Economic Development Administration, and for the Treasury Department's Office of Revenue Sharing.

Bureau Management Initiatives

BLS continued its efforts to improve its internal managerial and administrative processes. Major efforts were made in better utilizing its employees and in reviewing the career ladder promotion system.

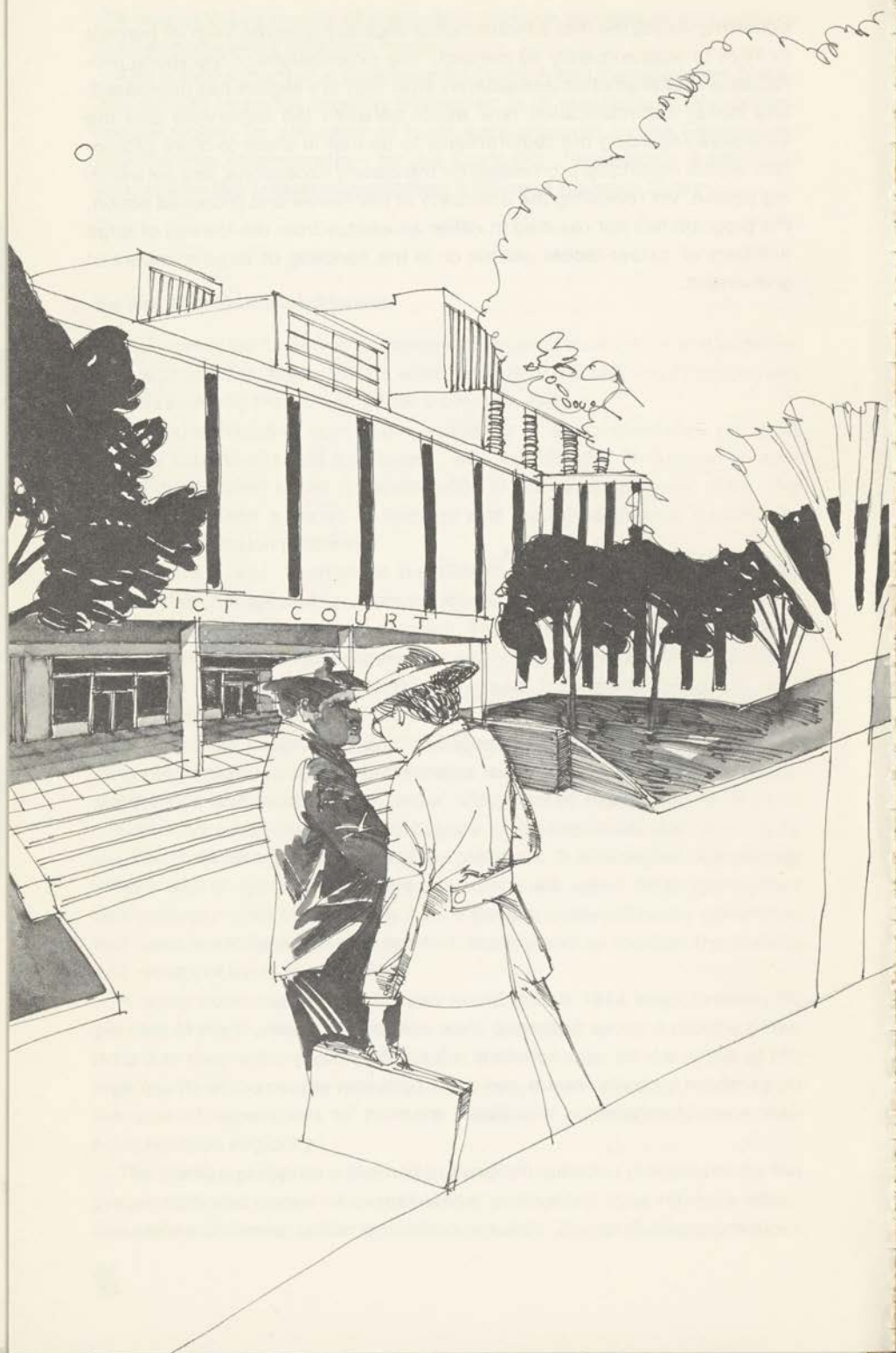
An underutilization committee, made up of a representative group of Bureau supervisors and employees, was established. This group investigated the problem of the underutilization of Bureau employees' skills. The committee made a series of findings and recommendations concerning the underutilization problem.

A contract was awarded to the Science Management Corporation to review the findings and recommendations of the ad hoc committee and to develop a plan improving the situation. The contractor is currently working with individual offices and supervisors analyzing work flow and procedures, employee utilization, and supervisory and managerial practices and making recommendations to individual supervisors. The process is expected to increase supervisory and management awareness and bring about long-range management improvements leading to better planning, better supervision and control, and better utilization of resources. All Bureau offices have been directed to participate in the underutilization effort or to develop their own plan to address the problems. It is expected that several offices with Bureau management assistance will select other approaches and probably other contractors. A new Bureau underutilization committee has been established to oversee this activity and to monitor the activity and results of each Bureau office.

A study conducted in the Bureau found that in 1974 approximately 90 percent of the Bureau's employees were promoted within 3 months of the time that they were eligible. While the statistics may be the result of the high quality of the people recruited and hired, it also reflects a tendency on the part of supervisors to promote individuals automatically once they have reached eligibility.

The Bureau prepared a promotion program outlining procedures for the preparation and review of career-ladder promotions insuring more effective review of career-ladder promotion requests. Career-ladder promotions

occurring during the first 3 months after eligibility dropped from 90 percent in 1974 to approximately 40 percent. The expectations of the young professionals for promotion immediately after they are eligible has decreased, and better communication now exists between the supervisor and the employee regarding the requirements to be met in order to merit promotion. By not holding up promotions for the clearly exceptional and outstanding people, yet reviewing the adequacy of the review and proposed action, the program has not resulted in either an exodus from the Bureau of large numbers of career-ladder people or in the handling of large numbers of grievances.



Office of the Solicitor

The Office of the Solicitor, responsible for all legal aspects of the Department's functions, continued to expand its services to protect workers. It reviewed more cases and filed more legal actions during the 1976 fiscal year than last year. Major areas of increased litigation included occupational safety and health, farm labor contractor registration, and age discrimination in employment.

In FY 1976 the 16 field offices of the Solicitor received 12,225 cases for review and possible legal action, filed legal actions in 7,169 cases; presented the Department's case in 1,144 trials and administrative hearings, and issued 4,136 written opinions. This is a 36 percent increase in cases reviewed for legal action and an increase of 49 percent in legal actions filed. The fiscal 1976 total for trials and administrative hearings was practically identical with that of fiscal 1975. However, the number of other court appearances increased from 1,233 to 2,036, an increase of 65 percent. To help improve organization and management, supervisory counsel positions for employment standards and occupational safety and health enforcement were established in four large SOL regional offices; several training sessions for field attorneys were conducted in Washington; and the majority of the work connected with the design of a computerized workload reporting system was carried out, including initial computer testing of the necessary programs.

A paralegal program, instituted by the Department of Labor as a pilot program for the Federal Government, continues to provide formal study, on-the-job training, and active participation in the legal services provided by the Office of the Solicitor.

General Legal Services

Litigation activity in the area of veterans' reemployment rights continued at an unprecedented rate for the Division of General Legal Services. Of particular significance was the Fifth Circuit's affirmance of the district court decision in *Davis v. Alabama Power Co.*, 383 F.Supp. 880 (N.D. Ala., 1974), aff'd per curiam 535 F.2d 657 (C.A. 5, 1976), which held that military service must be counted in computing a returning veteran's pension benefit. The conflict thus created with the Third and Tenth Circuits could lead this case to the Supreme Court.

In a far reaching decision reaffirming that a veteran need not be at work to receive seniority credit which is primarily for layoff protection, the Sixth Circuit in *Adams v. General Motors Corp.*, 525 F.2d 161 (C.A. 6, 1975), ordered the company to count military service for seniority in the company's skilled training program. The court of appeals rejected the district court's holding that time on the job necessarily means increased proficiency. The court made it clear that military time need not be counted toward seniority only where there is actual proof that measured skill and proficiency is involved or that management discretion is exercised.

There was a substantial increase in the legal services provided under the Farm Labor Contractor Registration Act. In addition to publishing final regulations (29 CFR Part 40) implementing the 1974 amendments to the Act, drafting revised interpretations, and assisting the Administrator in developing field operations, assistance was provided to the regional offices in the processing and handling of administrative and judicial actions.

The courts issued a number of significant decisions supporting the Department's interpretations of the Act's provisions. Of particular importance are the following cases: *El Comite' De Campesinos De S P Growers, et al. v. S P Growers Association, et al.*, C.A. No. 75-895-DWW (C.D. Cal., July 15, 1976); *Usery v. Coastal Growers Association*, C.A. No. 75-2956-HP (C.D. Cal., July 14, 1976); *Usery v. Matilija Growers Association*, C.A. No. 75-2957-MML (C.D. Cal., July 23, 1976); and *Usery v. S & F Growers*, C.A. No. 75-3159-MML (C.D. Cal., July 23, 1976). In each of these cases, the court held that the defendants, nonprofit agricultural associations organized to provide agricultural labor to their member-citrus growers, perform farm labor contracting activities for a fee within the meaning of the Act. These cases are presently on appeal to the Ninth Circuit.

In *Usery v. Arthur Harvey, et al.*, C.A. No 75-271 (D.C. N.H., 1976), the court applied the Act to a "Guild" engaged in providing contractor services to the fruit industry, and directed the "Guild" to register as a farm labor contractor.

Final regulations implementing the civil money penalty provisions of the Fair Labor Standards Act were published and became effective on July 18, 1975. These regulations, 29 CFR Parts 579 and 580, describe the violations for which penalties may be imposed, establish rules governing the issuance of notices of penalties, and set forth the rules of practice governing administrative proceedings relating to such penalties.

The Division has filed with the Chief Administrative Law Judge Orders of Reference for administrative hearings in 20 cases, involving civil money penalties totalling \$213,000.

The most important case under Title III of the Consumer Credit Protection Act was *Usefey v. First National Bank of Arizona* (C.A. 9, No. 75-3763), currently pending on appeal before the Ninth Circuit. The issues are

whether the garnishment restrictions of Section 303(a) of the Act apply to earnings deposited in a bank account, and whether the garnishee bank has a statutory duty to protect earnings in its depositors' accounts from excessive garnishment.

Under Section 459 of the Social Services Amendments of 1974, effective January 1, 1975, the United States was made a proper party to a service of process in connection with collection of unpaid child support and alimony due from Federal employees. The Solicitor represents the Secretary in court actions seeking the collection of funds under court orders against Department of Labor employees.

The Division of General Legal Services has also been involved in litigation arising under the worker adjustment assistance program of the Trade Act of 1974 involving such issues as the Secretary's authority to issue a subpoena after the statutory 60-day deadline for certifying or denying worker petitions (*Usery v. Whittin Machine Works* (C.A. 1, 76-1373)); the sufficiency of a petition necessary to initiate an investigation (*Joliet Wrought Washer v. Usery* (N.D. Ill., 76-C3080)); and whether the Secretary's decision was based on substantial evidence (*Mondrone v. Department of Labor*, (C.A. 3, No. 76-1821)).

Draft Executive Branch position letters were prepared in connection with the submission to the Congress of a number of conventions and recommendations previously adopted by the representatives of member nations of the International Labor Organization (ILO).

The Division also prepared ILO law and practice reports required to be submitted to the ILO by member countries. These are periodic reports concerning particular conventions and recommendations and the extent to which effect has been given to the provisions thereof. In addition, this Division prepared reports pertaining to various special ILO studies.

Two attorneys from this Division were advisers to the U.S. Delegation to the 61st Session of the International Labor Conference in Geneva, Switzerland.

The Department ruled that a recipient of funds under Title X of the Public Works and Economic Development Act is a "contractor" for purposes of the Davis-Bacon provisions of the Act if it performs construction itself (i.e., by "force account"), by hiring additional employees on a temporary basis to perform work which historically has not been performed by its regular work force, or if it performs new building or initial highway construction.

This year, the membership of the Wage Appeals Board was reconstituted. The three former members appointed when the Board was established 13 years ago resigned during May and June of 1976. The yearly case load of the Board has more than tripled what it was in its early years.

The year's most significant case involving the Service Contract Act was

Federal Electric Corporation v. Dunlop, et al., Case No. 74-320-ORL-CIV-Y, 22 WH Cases 996 (M.D. Fla., 1976). At issue was whether certain of the plaintiff's computer operations employees are "service employees" as defined in the Service Contract Act and hence covered by the statute. The Court held that Congress intended to cover only "blue collar" workers, that is, the counterparts of Federal "wage board" employees. Because plaintiff's computer employees would have been classified "white collar" (i.e., assigned to the "general schedule") if they had been employed by the Federal Government, the Court held that they were beyond the purview of the Act. This decision was appealed to the Fifth Circuit, and the Government's appellate brief was prepared by this Division. After the brief was filed, but before the employer filed its brief, Congress amended the Act to provide that *all* employees, other than bona fide executive, administrative, or professional employees, engaged in the performance of a service contract shall be considered to be service employees. The amendment thus ensures that both "blue collar" and "white collar" workers will continue to receive the protection of the Act. On October 13, 1976, the President signed the amendment, rendering the appeal moot.

Employment and Training

The primary activities of the Employment and Training Legal Services (ETLS) Division during the past year have been continuing assistance to the Employment and Training Administration (ETA) in developing, for the first time, comprehensive sets of regulations for operating its many programs, providing an ever increasing amount of legal advice to ETA on a day-to-day basis, and representing the Department's interests in a rapidly growing volume of employment and training litigation.

The Division worked closely with ETA in developing a comprehensive set of regulations for activities such as those under the Wagner-Peyser Act, the Immigration and Nationality Act and the Federal Unemployment Tax Act. Legislation enacted at the end of June 1975 substantially amended the statutes for the temporary programs of Federal Supplemental Benefits (FSB) and Special Unemployment Assistance and provided for phasing out the FSB program beginning in January 1976. Assistance was given to ETA in interpreting the legislation and developing the necessary regulations. These regulations represent a continuing first effort of ETA to place its major programs under such comprehensive regulations and had their precedent in the Comprehensive Employment and Training Act (CETA) regulations.

The Division worked with ETA and the Department of Health, Education,

and Welfare in developing improved regulations for the Work Incentive Program, established under Title IV, Part C, of the Social Security Act, and development of the first benefit payment promptness standard for the unemployment insurance (UI) program.

The Division has achieved significant victories in cases of first impression under CETA and cases pertaining to the interstate clearance system's procedures for securing domestic and seasonal farmworkers prior to the certification of temporary foreign workers. Among significant issues during the year have been the right of prime sponsors to rehire laid-off city employees, UI benefits to strikers, and Title VI, Civil Rights Act of 1964, obligations of ETA.

Labor Relations and Civil Rights

The Division of Labor Relations and Civil Rights prepared and published for comment (41 Fed. Reg. 40340) the Office of Federal Contract Compliance Programs' (OFCCP) proposed revision of basic implementing regulations under Executive Order 11246, as amended. The proposed regulations are intended to supersede regulations found at 41 CFR Parts 60-1, 60-2, 60-30 and 60-60. They would cause substantial changes in the regulatory structure and are designed to facilitate effective monitoring, investigation, and enforcement by the government while at the same time clarifying the nondiscrimination/affirmative action obligations of contractors.

The Division has continued participating in the implementation of the basic steel industry consent decree (*U.S. v. Allegheny Ludlum, et al.*). Early in 1976, nearly \$31 million in back pay was tendered to approximately 46,000 minorities and women who had been affected by past practices deemed discriminatory by the Government. To date, over 95 percent of those persons eligible for back pay have been compensated. In addition, the Division has had primary responsibility for working with the industry to increase the availability of trade and craft jobs to minorities and women.

The Division participated in the proposed debarment from Federal contracts and subcontracts of the Timken Company. This debarment, later invalidated in *Timken Co. v. Vaughn*, 12 FEP Cases 1140 (N.D. Ohio, 1976), appeal pending, was predicated on Timken's failure to set acceptable minority employment goals and timetables based on a realistic recruitment area. It was the first contested debarment of a major government contractor in several years under Executive Order 11246, as amended.

An action was brought in the United States District Court for the Western District of Pennsylvania against the Duquesne Light Company to en-

force the contractual obligations of Executive Order 11246. The court has stayed discovery but as of September 30, 1976, had not ruled on defendant's motion to dismiss.

In *Castillo v. Usery* (N.D. Calif.), originally *Legal Aid Society of Alameda County v. Usery*, the parties reached an agreement in principle for settling the issues scheduled for trial in August 1976, involving regulatory requirements of the surface transportation industry under Executive Order 11246. Under the agreement, bills of lading would be aggregated to help determine coverage under 41 CFR 60-2, for the development and implementation of written affirmative action programs.

In August, the Department promulgated a new set of model Federal EEO bid conditions for Federal and federally-assisted construction contracts and subcontracts in areas covered by hometown (negotiated) affirmative action plans. The new format eliminates a longstanding problem of bid responsiveness, which required turning down low bids because the bidder failed to properly fill out the EEO forms included in the old bid conditions. The new bid conditions do not require bidders to fill out forms to successfully bid on federally involved construction work. Rather, each bidder is deemed to be committed to the requirements of the new bid conditions by submitting a properly signed bid.

Final amended regulations to enforce Section 503 of the Rehabilitation Act of 1973, requiring government contractors and subcontractors to take affirmative action to employ and promote handicapped workers, were prepared and published. The new regulations (41 Fed. Reg. 16147) improve OFCCP's ability to enforce compliance with the Act. The Division also prepared and published final regulations (41 Fed. Reg. 26386) under the Vietnam Era Veteran's Readjustment Assistance Act, requiring government contractors and subcontractors to take affirmative action to employ and promote disabled and Vietnam-era veterans and to list their job openings with appropriate State employment services. In enforcing these new equal opportunity laws, the Division has considered such issues as the validity of a discharge for concealing epilepsy on a job application form, the right to certain fringe benefits, the right of an employer to set higher physical standards for a job than the State or Federal licensing authority, the right of an employer to discharge qualified experienced workers who do not meet a new Federal health standard, and denial of employment because of the applicant's "bad paper" military discharge.

Legislation and Legal Counsel

The Division of Legislation and Legal Counsel performs a wide range of legal services including house counsel functions for Department officials.

In close cooperation with other agencies within the Department, this Division was responsible for drafting the Department's Legislative Program for fiscal 1976 for submission to OMB.

Draft bills, prepared by the Division in consultation with appropriate agencies of the Department of Labor and transmitted to the Congress, dealt with improvements for such specialized areas as unemployment compensation, comprehensive employment and training, work opportunities for welfare recipients, employment of the handicapped and labor relations.

Extensive assistance was rendered to Department officials when they testified on proposed legislation or during the course of oversight hearings affecting virtually all aspects of the Department's programs and operations.

The Division also performed a wide variety of important legal counsel functions in connection with the Freedom of Information Act, the Privacy Act, the Federal Advisory Committee Act, Executive Order 11821 relating to inflationary impact statements, the Department of Labor Ethics and Conduct Regulations, and review of a wide variety of Departmental regulations or issuances covering the conduct of Department business.

Employee Benefits

One of the most significant developments involving the Division of Employee Benefits was the July 1, 1976, decision of the Supreme Court upholding the constitutionality of several provisions of Part C of Title IV of the Federal Coal Mine Health and Safety Act of 1969. In *Usery v. Turner Elkhorn Mining Co.*, 96 S. Ct. 2882, the Supreme Court held that Congress had the authority to require coal mine operators to compensate employees or their survivors where the miners' disability or death was due to pneumoconiosis arising out of coal mine employment, even if the employment terminated before the Act was passed. In ruling that such provisions do not violate the Due Process Clause of the Fifth Amendment, the Court also upheld section 411(c)(3) which provides an irrebuttable presumption of total disability and the rebuttable presumptions of causality contained in sections 411(c)(1) and (2) of the Act.

Appellate litigation under the Longshoremen's Act resulted in several significant decisions construing the extended shoreside coverage provisions of the Act. The Court of Appeals for the Second Circuit approved the award of benefits to a "checker" injured while checking cargo being removed from a container (*Blundo v. International Terminal Operating Company, Inc.*) and to an employee injured while helping load boxes of cheese on the consignee's truck (*Northeast Marine Terminal Company, Inc. v. Caputo*). The court held that the 1972 amendments cover at least all per-

sons meeting the situs requirements engaged in stripping or stuffing containers, or engaged in handling cargo up to the point where the consignee has actually begun its movement from the pier. Petitions for writs of certiorari were filed with the Supreme Court on September 27, 1976, in *Caputo* and on September 28 in *Blundo*. The first Circuit (*Stockman v. John T. Clark & Son* (July 27, 1976)) and the Fourth Circuit (*I.T.O. Corporation of Baltimore v. Benefits Review Board* (August 26, 1976)) have also rendered favorable decisions upholding the Department's position that employees injured while stuffing or stripping containers are entitled to benefits under the Longshoremen's Act.

The constitutionality of the 1972 amendments extending the Act's coverage to shoreside activities has been affirmed by the Second, Third, and Fifth Circuits. Of particular significance was the opinion of the Fifth Circuit in *Halter Marine Fabricators, Inc. v. Nulty* (September 27, 1976) because it was the first court of appeals decision involving the shoreside provisions of the Act and their application to shipbuilding. In *Nulty* the court upheld the constitutionality of the Act and affirmed the award of benefits to a carpenter injured while fabricating parts for a new ship.

Another significant decision rendered by the Court of Appeals for the Fourth Circuit in *Norfolk, Baltimore and Carolina Lines, Inc. v. Director, Office of Workers' Compensation Programs* (August 6, 1976), involved the 1972 amendment to Section 9 of the Longshoremen's Act. The court upheld the constitutionality of the provisions awarding death benefits to survivors of employees who died while totally disabled as a result of a job related injury even though the death was not causally related to the pre-amendment injury.

The U.S. Court of Appeals for the Ninth Circuit issued a significant decision involving the interplay between the Federal Employees' Compensation Act (FECA) and the Federal Tort Claims Act where the government allegedly was negligent in providing FECA compensation. In *Jimmy Sharpe v. United States* (November 14, 1975), the Ninth Circuit held that decisions as to payment of benefits under the FECA were final and not subject to judicial review and that the Federal Tort Claims Act cannot be utilized to circumvent this bar. Thus, neither an initial denial of benefits nor the subsequent reversal of that determination is subject to judicial review.

An important issue involving the Federal Tort Claims Act was resolved by the unanimous decision of the Supreme Court in *U.S. v. Orleans*, 96 S. Ct. 1971 (1976). The question was whether a community action agency receiving Federal funds and complying with Federal standards is a Federal instrumentality or agency within the meaning of the Federal Tort Claims Act. In a far reaching opinion dated June 1, 1976, the Supreme Court concluded that the Federal Tort Claims Act did not apply because community action agencies were local agencies having complete control over their

own programs and that the Federal Government, in supplying financing, advice and oversight, did not thereby assume day-to-day control over the community action agency but acted only to assure that the Federal funds were not diverted for unauthorized purposes.

Occupational Safety and Health

Appellate litigation continued to increase in volume and complexity, with the caseload of the Division of Occupational Safety and Health approaching 200 district and court of appeals cases annually. Of principal interest among pending cases is the litigation before the Supreme Court testing the constitutionality of OSHA's penalty scheme under the Seventh Amendment, which provides for civil jury trial in actions "at common law."

Last year, major appellate court decisions substantially upheld the Secretary's rulemaking for mechanical power press safety. Lower courts split on the pending appellate question of whether the Act's grant of authority to conduct workplace inspections "without delay" is consistent with the Fourth Amendment's requirement that searches generally be conducted with warrants based on probable cause.

Other decisions of general interest required employers to seek discretionary Commission review of adverse ALJ decisions as a precondition to court appeals, and to contest coverage before the Commission rather than to seek blockage of inspections by bringing actions in the district courts. The courts have also affirmed the heavy burden placed on employers seeking to vacate citations on the ground compliance is infeasible or impossible, holding that employer demonstrations of added expense is not enough and that employers must at least demonstrate they cannot absorb, pass on, or vitiate compliance costs by other legal or practical means. Finally, the Supreme Court settled the Act's constitutionality under Article III and the Fifth and Sixth Amendments by refusing to review courts of appeals' decisions rejecting those constitutional attacks.

The Standards Section of the Division of Occupational Safety and Health assisted OSHA's Office of Standards Development by issuing an emergency temporary standard for diving and developing and publishing proposed standards for coke oven emissions, lead, toluene, asbestos, beryllium, trichloroethylene, ammonia, sulfur dioxide, toxic substances (the second set of standards in the Standards Completion Project), and field sanitary facilities.

The Division provided legal services in the completion of rule-making hearings for coke oven emissions, ketones, the proposed revocation of ground fault circuit protection and fact-finding hearings for the develop-

ment of a new standard for temporary labor camps. Assistance was also provided in evaluating the potential economic and inflationary impact of proposed standards. Attorneys participated in a new safety standards revision procedure, conducting information-gathering meetings for anhydrous ammonia, fire protection and for walking-working surfaces.

Legal activities in the State plans area reflected developments in State programs, as their developmental periods neared completion. Procedures and standards for making determinations under section 18(e) of the Act that the approval criteria for State plans are being applied in actual operations, were developed and adopted as Subpart D of 29 CFR 1902. Under the regulations, three States—South Carolina, Iowa, and Minnesota—were certified as having completed the developmental steps specified in their plans as approved. Upon such certification, States are subject to intensified monitoring for a minimum one-year period to determine whether Federal enforcement and standards authority should be withdrawn from the State. Twenty-four States were operating under approved plans at the end of fiscal 1976, with 13 States assuming full operational responsibility for occupational safety and health regulation under their plans.

Plan Benefits Security

The Plan Benefits Security Division (PBSD) provided a full range of legal services in connection with the Department's responsibilities under the Employee Retirement Income Security Act of 1974 (ERISA).

During fiscal 1976 and the first two months of the transitional quarter, this Division prepared 620 legal opinion letters and memoranda and 1,202 general and congressional letters and memoranda. The Division prepared 121 regulations and interpretive bulletins for filing in the *Federal Register*, as well as 29 exemptions, variances and extensions from the requirements of various provisions of the Act. The Division reviewed 542 District Court cases to determine appropriate instances for intervention. The Secretary intervened in four cases, brought one original enforcement action and filed one brief as *amicus curiae*. The Division also participated in five cases in which the Secretary was named as a defendant.

PBSD drafted numerous important initial regulations providing guidance to the public under ERISA's reporting and disclosure, minimum participation and vesting standards, and fiduciary provisions. Further guidance in these areas was provided through issuance of interpretive bulletins, ERISA technical releases, and advisory opinions.

Some of the more significant developments were regulations, interpretive bulletins, and advisory opinions clarifying certain critical defini-

tions, such as "employee benefit plan," "multiemployer plan," "participant covered under the plan," "hour of service," "year of service," and "break in service." The Act's requirements were refined on reporting to the Secretary of Labor and disclosure to plan participants and beneficiaries. Class and individual exemptions from the prohibited transaction restrictions of ERISA were granted in such important areas as dealings between plans and securities broker-dealers, and dealings between multiemployer plans and various parties in interest, including employer delinquency situations, loans to contributing employers and the furnishing of goods, office space, and administrative services by plans to other plans, unions and employers. The application of the Act to other fiduciary matters, such as the performance of services for plans by parties in interest and the establishment and operation of Employee Stock Ownership Plans (ESOPs), was interpreted.

PBSD conducted litigation on behalf of the Secretary in cases brought by the Department (including interventions) and defensive litigation revolved around such important issues as the fiduciary duties to act solely in the interest of plan participants and beneficiaries, to avoid engaging in prohibited transactions, and to act with prudence.

In *Usery v. Penn et al.*—the first civil action brought by the Secretary as plaintiff—in the Federal district court for the Western District of Oklahoma, the Secretary sought to remedy alleged violations of the fiduciary responsibility provisions of ERISA section 404, designed to prevent reductions in the value of pension plan assets and the use of plan funds for the benefit of others than plan participants.

The Department's action stated claims against the former owners arising from their breach of their fiduciary responsibility to the plan as its former trustee and administrator when they agreed to the sale of company stock, which they owned, to the plan for which they were responsible. The Department also stated claims against the purchaser who named himself as trustee and executed the purchase of stock in that capacity.

A motion was filed for preliminary injunction requesting the court to enjoin the defendants from disposing of or impairing their personal assets, the assets of the plan or the assets of the company. Pursuant to a stipulation and interim consent decree, the former owners have paid the proceeds of the stock transactions into court pending the outcome, and the purchaser has been enjoined from acts which might reduce the value of the business or the plan apart from course of business.

In *Harris v. Stryco*, in the Federal District Court for the Northern District of California, suit was brought by a plan participant and former employee to enjoin sale of the employer-sponsor of the plan, Stryco Manufacturing Co., to a prospective purchaser. The participant alleged that a completed condition precedent to the sale, a May 1975 restructuring of the credit

arrangement between the plan and the plan-sponsoring employer, was a prohibited transaction under ERISA Section 406(a) and ought to be set aside. Issue was quickly joined by the defendants—Stryco, the prospective purchaser, the plan trustee and others—who claimed among other things that the credit arrangement was not prohibited by Section 406 and that, if it was, the transition rules set forth in Section 414 exempted the transaction from Section 406. The Department intervened in order to assert the Secretary's interest and perspective on the complex and novel ERISA issues that are present.

Department intervention papers alleged that the credit arrangement was a prohibited transaction, to which no exemption had been granted. The Court was asked to order the defendants to present a proposal for restoring the plan to its rightful economic place. The parties consented to and the Court allowed the Secretary's intervention, and an expedited discovery and trial schedule was ordered. Shortly before the trial date, some of the defendants proposed a series of significant modifications to the original May 1975 loan arrangement which, while still involving a prohibited transaction, substantially improved the position of the plan, without (as the defendants claimed undoing the transaction completely would) driving the company into bankruptcy. The Secretary and the defendants jointly moved the court for a stay of the trial date so that the defendants could apply to the Secretary for a Section 408 exemption of the restructured transaction. The court granted the stay; the exemption application was promptly filed; and notice of the proposed exemption was published in the Federal Register on May 18, 1976. If the exemption is granted, the Secretary will have obtained all the relief sought in the case, and there will be no further need for adjudication of the scope of Section 414 or of Section 406(a); accordingly, the Secretary will consider withdrawing from the litigation.

Winpisinger, et al. v. Aurora, et al., in the Federal District Court for the Northern District of Ohio, involves a jointly administered multiemployer pension plan to which more than 2,000 employers contribute. The suit was brought by plan trustees for a declaratory judgment that a certain retroactively effective plan amendment they adopted in June 1975 was lawful. Intervention papers asserted that the trustees failed to comply with the duty imposed by ERISA section 404(a)(1) to discharge their duties with respect to the plan "solely in the interest of [plan] participants and beneficiaries" when they retroactively deprived active participants whose rights had vested under the terms of the plan (before amendment) of their accumulated past service credit and when they retroactively discriminated against non-union-represented plan participants.

Labor-Management Laws

Among the matters handled by the Division of Labor-Management Laws during the past year were the following:

Local 3489, United Steelworkers, pending before the Supreme Court, was a case in which the Court of Appeals for the Seventh Circuit, in disagreement with the Sixth Circuit's ruling in 5724, *Steelworkers*, upheld the Secretary's contention that the Steelworkers' three-year 50 percent meeting attendance requirement was an unlawful qualification on the right of members to be candidates for local office.

In *McDonald et al. v. Local 795, Longshoremen*, the Fifth Circuit Court of Appeals affirmed a judgment for the Secretary and private plaintiffs in consolidated actions filed under Titles I, III, and IV of the LMRDA. The union had attempted to prolong a trusteeship by setting aside a valid election held to terminate it. The Court terminated the trusteeship and directed the installation of the elected officers; further enjoined the union from attempting to remove the elected officers or reinstate the trusteeship before the expiration of the term; and granted back pay to the elected officers and attorneys' fees to the successful private plaintiffs.

In *Laborers, Local 1177*, the Fifth Circuit Court of Appeals reversed and remanded a district court decision, which had found that an election intervening between the time the Department filed suit and the court's hearing had mooted the Secretary's complaint. The Department of Justice granted the Solicitor's Office the authority to brief and argue the case.

Valenta v. Dunlop was a defensive suit in the Sixth Circuit challenging the Secretary's determination not to litigate on the basis of the plaintiff's Title IV complaint. The District Court dismissed the complaint, and Valenta has appealed to the Sixth Circuit in an effort to prove that the decision of the Secretary to not litigate had in fact been arbitrary and capricious.

Fletcher v. Usery was a defensive suit which was pending in the Seventh Circuit Court of Appeals before it was withdrawn by plaintiff. This action was brought by plaintiff against the Secretary based on the Secretary's refusal to bring suit to set aside the election of International officers of the Brotherhood of Railway, Airline and Steamship Clerks. The plaintiff alleged the refusal to bring suit was in return for BRAC's agreeing to settle a nationwide strike. No evidence was found to support this allegation and the District Court granted summary judgment for the Secretary.

Backowski v. Usery and United Steelworkers of America, Third Circuit Court of Appeals. The Supreme Court on June 2, 1975, issued an opinion stating that lower courts have jurisdiction to entertain suits by disappointed complainants and to review, on a very limited basis, the Secretary's decision not to file suit to overturn an union election under the LMRDA.

In *Local 639, International Brotherhood of Teamsters*, D.C. Circuit, the Court issued a decision of confirming the Secretary's certification of the

supervised election in 639, over the objection of the plaintiffs-intervenors. The decision further stated that intervention may be permissible by defeated incumbent officers to challenge the Secretary's certification and that review of the Secretary's certification may have a broader scope than review of his decision not to challenge an election; it concluded that intervenors' attorneys were entitled to compensation. The case was remanded to the District Court for further consideration of the intervenors claim to attorney fees.

Textile Workers, Local 1369, in which the court granted the Secretary's motion for summary judgment on the grounds that a one-year 50 percent meeting attendance requirement had not been uniformly imposed. In connection with the supervised rerun elections, it was found that to adhere to a strict application of the rule would in effect produce an insufficient number of eligible candidates, therefore, the rule was not applied. The court decided that the Secretary's decision to dispense with the rule was clearly within his authority when supervising an election.

In *District 22, UMW*, the Department challenged a requirement that in order for a candidate to appear on the ballot, he must obtain the endorsement of five of the sixteen local unions in the district. The union appealed and the Department cross-appealed from the court's failure to set aside the election in connection with two offices other than that sought by the complainant which were subject to the same unreasonable qualification. The Tenth Circuit upheld the Department's position.

In *Teamsters, Local 355*, the Department filed suit challenging a requirement that candidates be nominated and seconded by a member in good standing. In this case the complainant's nomination was unexpectedly seconded by a member not in good standing, before his planned seconder had a chance to speak, and he was, therefore, declared ineligible to be a candidate for office.

Office of Assistant Secretary for Administration and Management

With approximately 57 per cent of the Department's employees now located outside Washington, improving and strengthening the administrative support services in the ten DOL regions became one of the primary objectives for the Office of the Assistant Secretary for Administration and Management (OASAM) during the 1976 fiscal year.

A series of comprehensive on-site operational reviews of Regional Administration and Management Offices was initiated. These reviews will encompass all ten regions by the end of fiscal 1977.

During the year, the decentralization of the Departmental Accounting System was completed. Now regional staff, using remote terminals, will have access to the national office computer center. This will enable them to insert data and have more timely financial information on which to make decisions. Also decentralized were certain payroll functions where changes to employees' records will be transmitted from the regions via a centralized personnel/payroll computer file.

A cost determination capability was established in the regions. This will result in much more effective assistance to grantees and contractors assisting in administering DOL programs as well as the DOL regional personnel involved in grant and contract administration.

The Departmental Development Center, which includes classroom space for seminars and lectures as well as facilities for specialized training requirements, opened. It has computer terminals for automatic data processing training, a typing room, individual learning centers, and video-taping equipment. A total system for employee improvement and career development was introduced, and 69 Executive Development Program Seminars and 14 Senior Executive Development Program Seminars were conducted. In addition, the ACT (Administrative, Clerical and Technical Employees) program, giving employees in the lower grades an opportunity to improve their skills and prepare for advancement, was introduced in all DOL agencies and regional offices. An ACT evaluation system was also designed and implemented.

The Department's new Upward Mobility Program Guidelines were developed and issued. As the result of a Department-wide study, an OASAM effort to increase awareness of the problem confronting Hispanics in the workforce was begun to place additional emphasis on the Hispanic Program.

The Department's Equal Employment Opportunity (EEO) efforts were reinforced this year with establishment of an Equal Employment Opportunity Investigations Staff to conduct complete fact-finding investigations of all formal complaints.

The Department succeeded in surpassing the President's mandate to reduce public-use reports by 10 percent. The overall reduction in the Department was 22 percent, with the public being the main beneficiary of the reduced paperwork burden.

Safety and health program evaluations and surveys were conducted in 6 regional offices, 19 area offices and 7 Job Corps centers. Health education programs relating to cancer, heart disease, cholesterol and emphysema, as well as disease detection and prevention programs (PAP smear, vision-glaucoma, and hearing) were conducted during the year. Safety and health publications included an Employee Summer Safety and Health Handbook, as well as an Occupational Safety and Health Guide for Supervisors.

OASAM's audit staff issued 3,122 audit reports covering \$2.8 billion in expended Federal funds, of which \$66.2 million was questioned. Several achievements were made in the Integrated Audit Program, a means of maximizing efforts of Federal, State, and local audit agencies to eliminate or minimize duplication and overlap in auditing programs administered by the three levels of government. These include: (1) negotiating 11 agreements with various State and local audit agencies to perform audits of CETA prime sponsors; (2) developing a comprehensive ES/UI Administrative Funds audit guide for use in auditing of ES/UI programs; and (3) conducting approximately 35 seminars for nearly 700 non-Federal auditors on the DOL CETA audit program. The number of unresolved audit reports at the end of fiscal 1975 was reduced 44 percent.

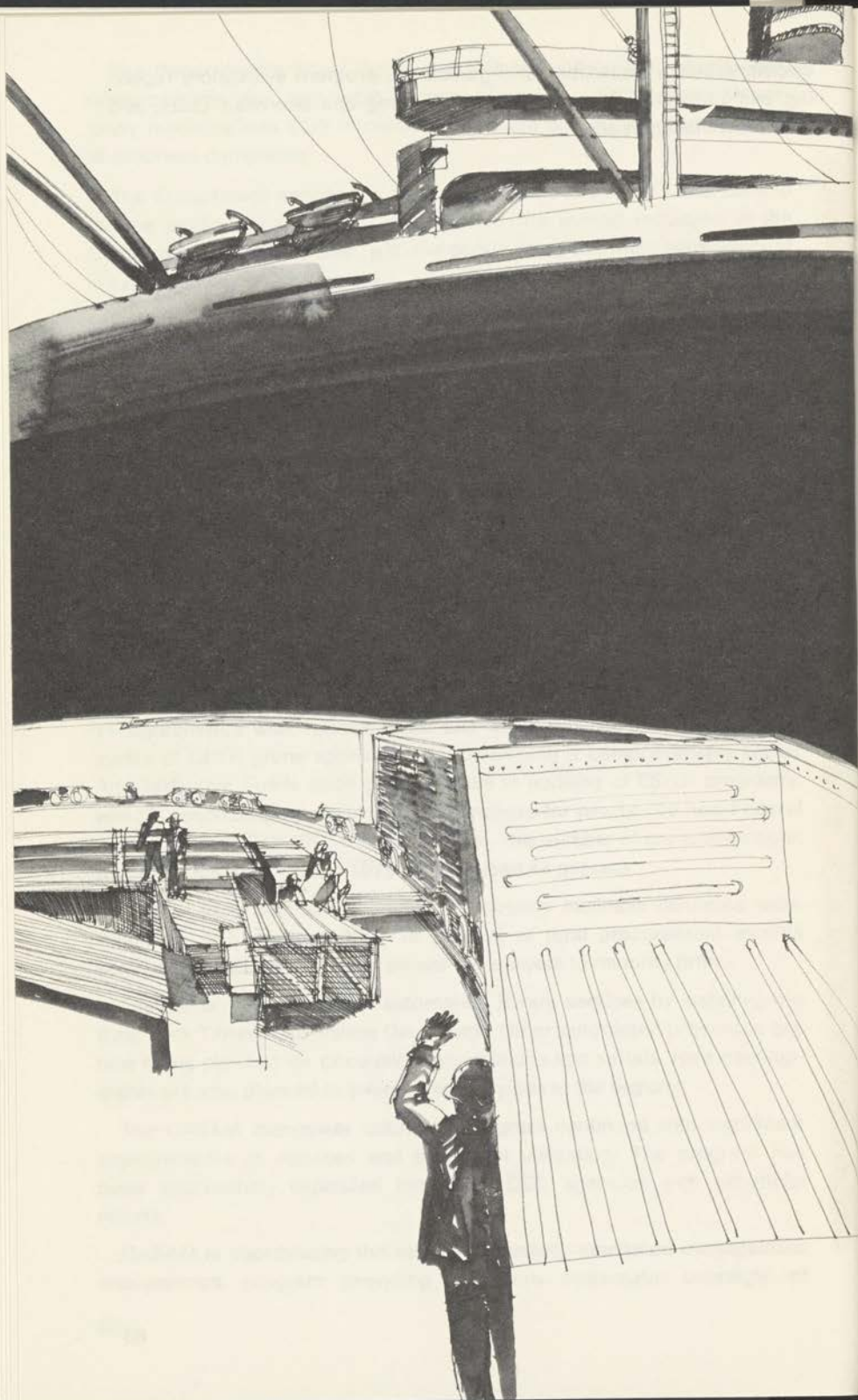
Several programs to aid small and minority business concerns were instituted, with approximately 18 percent of total procurement awards going to small businesses and almost 8½ percent to minority firms.

The Library moved toward automating library services by installing the New York Times Information Data Bank. Other automated processes are now being planned for circulation, acquisitions and serials. New developments are also planned to bring library services to the regions.

The OASAM manpower utilization program continued with significant improvements in services and personnel utilization. The program has been successfully expanded into other DOL agencies with beneficial results.

OASAM is coordinating the new Presidentially-mandated management improvement program providing for more systematic oversight of

decisionmaking, departmental organization, program evaluation, reporting and regulatory requirements, contracting and overhead costs, and personnel management.



International Labor

The expanded trade adjustment assistance program for workers adversely affected by increased imports became fully implemented during the 1976 fiscal year and approximately 157,000 workers were certified by the Department's Bureau of International Labor Affairs (ILAB) as eligible to apply for such assistance. The program, authorized under the Trade Act of 1974, took effect in early April 1975. The program aided workers employed primarily in the automobile, apparel, electrical, metal and shoe industries.

As required by the Trade Act, the Department also conducted 15 studies to determine the number of workers in certain industries petitioning the International Trade Commission for import relief who might be certified as eligible for adjustment assistance.

The Department holds membership on interagency committees having responsibility for developing all aspects of international trade policy, and during the year the most intensive work was related to the multilateral trade negotiations (MTN), aimed at liberalizing tariff and non-tariff barriers to world trade. Activity centered on proposals and procedures for reducing tariffs, an international code for a multilateral safeguard system, non-tariff barriers, codes on subsidies and standards, and bilateral consultations with developing countries regarding trade in tropical products.

The Department is also involved in developing trade policy toward developing countries and was represented on U.S. delegations to the Fourth UN Conference on Trade and Development in Nairobi and the ILO World Employment Conference in Geneva. The Generalized System of Preferences (GSP), granting duty free treatment to certain imported products from developing countries pursuant to the Trade Act of 1974, became effective in January 1976 and receives periodic interagency review in terms of product and country eligibility.

The Department participated in the negotiation of bilateral agreements with 29 nations under the Arrangement Regarding International Trade in Textiles (MFA) of the General Agreement on Tariffs and Trade. The purpose of these negotiations was to bring U.S. textile bilateral agreements into conformity with the provisions of the MFA, promote orderly development of world textile trade, and avoid disruption of the U.S. industry and its workers.

The Labor Advisory Committees for the MTN were active during the year. The Labor Policy Advisory Committee (LPAC) met five times, the six Labor Sector Advisory Committees (LSACs) or their subgroups held

18 sessions, and a meeting of the LPAC Steering Group was also held. These committees began reports advising the President's Special Trade Representative on the major negotiating issues in the MTN.

ILAB extended its research work in the area of analyzing the impact on employment of changes in trade policies, the impact of foreign direct investment by U.S.-based multinational corporations, and the estimation of displacement costs incurred by workers displaced because of trade. It completed an analysis of world trade in automobiles, an evaluation of trade adjustment assistance, and an evaluation of the significance of transfers of technology abroad by U.S. firms. Research began into the extent to which the U.S. consumer benefits from lower trade barriers, and an evaluation was begun of the interagency review of cases which involve transfers of U.S. technology to foreign countries.

In November 1975 the United States formally notified the ILO of its intent to withdraw as a member in 1977. A letter to the organization from the Secretary of State cited the increased politicization of the ILO and its drift from its technical responsibilities as reasons for the U.S. action. The letter was fully supported by the Departments of Labor, State, and Commerce, the AFL-CIO, and the U.S. Chamber of Commerce. The letter expressed the hope that the ILO would return to its original purposes and that the U.S. could thereby avoid withdrawal. That decision must be made by November 1977. A Cabinet-level committee chaired by the Secretary of Labor was established in November 1975 to assure regular high-level review of U.S. involvement with the ILO. Actively collaborating with the committee are the AFL-CIO and the U.S. Chamber of Commerce.

The Department participated in the management of the U.S. Foreign Service, with the Deputy Under Secretary for International Affairs serving on the Board of the Foreign Service.

The Department co-sponsored with the Department of State conferences in Tunis, Tunisia, and San Jose, Costa Rica, of U.S. Foreign Service labor officers and selected economic officers stationed in Europe, Africa, Latin America and the Caribbean.

In June 1976, representatives of the Labor and Treasury Departments signed a multi-year training and development agreement with the Saudi Arabian government. The Saudi-financed project, negotiated under the auspices of the U.S.-Saudi Arabia Joint Economic Commission, will provide a wide range of training advisory services and cooperation in planning and monitoring the construction and equipping of vocational training centers.

Through the Department of Labor International Technical Assistance Corps (DOLITAC), 46 technical cooperation projects were undertaken in 21 countries.

Technical and cultural exchange programs in the labor and employment and training fields were arranged for 1,134 visitors to the United States. These programs, in which many foreign trade union leaders and high-level government labor officials participated, were sponsored by the Agency for International Development, the State Department, the United Nations and other organizations.

The Department continued to carry out its responsibility for U.S. participation in the OECD Manpower and Social Affairs Committee. The Committee held its first Ministerial Meeting, attended by the U.S. Secretary of Labor, at which a new statement on an active manpower policy was issued. The Department also coordinated the work of the Committee's working parties dealing with industrial relations, social indicators, employment policy, education and working life, international industrial environment, social aspects of income transfer policy, and employment/unemployment statistics.

A series of traveling seminars and exhibits was presented in Brazil, Republic of China (Taiwan), Philippines, Poland, Romania and Yugoslavia.

Employees' Compensation Appeals Board

The Employees' Compensation Appeals Board (ECAB), which has authority to make final decisions on appeals from decisions of the Office of Workers' Compensation Programs in cases arising under the Federal Employees' Compensation Act involving work-connected injuries and diseases, continued its decision-making activities by closing 386 cases during the 1976 fiscal year.

The board began the fiscal year with 52 cases pending. During the year, 452 new appeals were docketed and 386 cases were closed, leaving 118 pending cases at the end of the year. The continuing increase in workload is evident from a comparison with previous years. In fiscal 1975, 305 appeals were filed and 296 closed; in fiscal 1974, 179 appeals were filed and 177 closed; in fiscal year 1973, 150 appeals were filed and 162 cases were closed.

Of the 118 pending cases, only one was ready for board decision. Five others had been decided; written opinions had been cleared by the board and were being processed. The balance were awaiting preliminary proceedings or pleadings: e.g., the filing of a memorandum by the Office of Workers' Compensation Programs to justify its determination or a reply by appellant pursuant to the Board's rules of procedure.

The average elapsed time between docketing an appeal and its disposition by the Board was 3.0 months in fiscal 1976, compared with 2.5 months in fiscal 1975, and 3.7 months in fiscal 1974. The increased elapsed time over 1975 resulted from increased average time required to obtain pleadings from the Office of Workers' Compensation Programs and from increased demands by appellants under the Freedom of Information Act.

The Employee Compensation Appeals Board (ECAB), which has authority to make final decisions on appeals from decisions of the Office of Workers' Compensation Programs in cases arising under the Federal Employees' Compensation Act, received 400 cases during the year. The cases were received from 157 appellants, 140 appeals were filed, and 103 cases were closed.

The Board began the fiscal year with 52 cases pending. During the year 400 new appeals were received and 103 cases were closed, leaving the Board with 52 cases at the end of the year. The outstanding increase in workload is shown from a comparison with previous years in fiscal 1970, 1971, and 1972. In fiscal year 1970, 140 appeals were filed and 103 cases were closed.

Of the 110 pending cases, only one was ready for final decision. The others had been decided, written opinions had been prepared for the Board and were being processed. The backlog was caused by a number of factors, including the fact that the Board is a tripartite body, with one member representing each of the three parties to the dispute. The Board's workload is a continuing problem for the Board.

The average elapsed time between receipt of an appeal and its decision by the Board was 4.0 months in fiscal 1970, compared with 2.5 months in fiscal 1971, and 3.5 months in fiscal 1972. The increase in workload from 1970 resulted from increased average time required to obtain pleadings from the Office of Workers' Compensation Programs and from increased demands by appellants upon the Board's resources.

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Benefits Review Board

During the 1976 fiscal year, including the transition quarter through September 30, 1976, 525 new appeals were docketed by the Benefits Review Board. Of these, 370 arose under the Longshoremen's Act and 155 under the Federal Coal Mine Health and Safety Act. In addition, 88 Longshoremen's Act appeals and 3 Federal Coal Mine Health and Safety Act appeals were carried over from the prior fiscal year. Decisions were issued in 288 Longshoremen's Act appeals and in 75 Federal Coal Mine Health and Safety Act appeals. At the end of the fiscal year, 170 Longshoremen's Act appeals and 83 Federal Coal Mine Health and Safety Act appeals were pending.

To date, Board decisions in 127 Longshoremen's Act cases, and in 12 Federal Coal Mine Health and Safety Act cases, have been appealed to the U.S. Circuit Courts. Decisions have been handed down in 55 Longshoremen's Act cases. There are 72 Longshoremen's Act appeals and 12 Federal Coal Mine Health and Safety Act appeals pending before the U.S. Circuit Courts.

The Board's decisions are published and are available to the public.

Information Activities

The Labor Department, through its public information activities, sought in many ways to improve communications between the Department and the people it serves during the 1976 fiscal year.

As high unemployment and inflation continued to impose hardships on the American workforce, the Department responded to a growing demand for timely statistics on wages, prices and employment, as well as information about federal laws and programs designed to assist workers and the unemployed.

In response to a Presidential directive to federal agencies to take steps to enhance their responsiveness to consumers, the Department developed and began carrying out a comprehensive Consumer Representation Plan. To assist in meeting the plan's objectives of increasing contacts with consumer groups and individuals and encouraging wider public participation in Department activities, a consumer-oriented information program was initiated.

As a result, the Department began issuing local and national news releases announcing all hearings, proposed regulations and other rulemaking activities to precede and supplement formal Federal Register notices.

It also began preparing and making available one-page consumer information leaflets describing in clear language how its many laws, programs and services affect consumers.

The nation's Bicentennial provided a year-long opportunity to promote greater public appreciation of the historic role of wage earners in the nation's two centuries of social and economic progress, while also highlighting the importance of Federal efforts to protect and improve the welfare of American workers.

As part of the Department's Bicentennial observance, a major book, *The American Worker*, was published shortly after the end of the fiscal year. The illustrated volume of essays by six leading labor historians traces the history of American working people from colonial times to the space age.

On Labor Day 1976, the Department, in cooperation with the National Endowment for the Arts, sponsored an original performance called "Something To Do: A Salute to the American Worker in Words and Music" at the Kennedy Center, Washington, D.C. The musical was written, produced and staged by leading entertainment professionals, including singer Pearl Bailey.

Also in marking the Bicentennial, the Department published a booklet of vignettes titled "Laboring for Independence—Workers in the Revolution," which tells of working men and women who made unique contributions to the struggle for American freedom.

During the year, news releases, articles, exhibits, publications and radio and television materials were major channels for reaching the public with information about the Department's activities and services.

For example, a new series of public service radio announcements was distributed to some 6,000 stations around the country. Some 100 portable exhibits were issued to the Department's area and regional offices. Both described basic rights of workers under federal wage and hour, equal employment opportunity and related laws enforced by the Employment Standards Administration.

The Department responded to hundreds of thousands of requests from groups and individuals for information and technical assistance under the Employee Retirement Income Security Act. Demand was particularly heavy for publications explaining requirements under this complex legislation, which sets Federal standards for private pension and welfare plans.

With continuing emphasis on achieving voluntary compliance with the job safety and health law through education and information, the Occupational Safety and Health Administration (OSHA) updated its key all-purpose publication, "All About OSHA."

Steps also were taken to consolidate administration of all OSHA activities having an impact on or involving public information, with the goal of strengthening the agency's educational efforts during the next year.

Special efforts were made to reach target population groups, including those facing unique labor market problems, with information about pertinent Department programs and assistance through news services tailored for media serving blacks, Hispanic Americans, women, labor organizations, and small-town residents.

Such agency periodicals as Job Safety and Health, Monthly Labor Review, Occupational Outlook Quarterly, and Worklife (formerly titled Manpower, but renamed during the year to reflect the Department's emphasis on eliminating sex references) provided special-interest audiences with more in-depth coverage of Department programs and activities.

Other information activities during the year included an active schedule of speaking engagements by top Department officials before labor, business, academic, professional and other groups to explain policies and programs.

Regional and agency information offices responded to numerous inquiries and publication requests and performed other appropriate tasks.

Throughout the fiscal year, the Department realized considerable cost savings in its information program, while also sharpening communications

with the American public, through use of its new graphics design system. Initiated last year and fully operational in 1976, this system assigns a consistent "visual identity" to all printed information materials. This served not only to increase efficiency and reduce expenditures in design and printing, but also established a Department design, symbol and format easily recognizable by the public.

The goal of all these activities in 1976 was to communicate effectively not only with the Department's many special constituencies, but also with the American public at large—each member of which is touched in some important way by the hundreds of laws, programs and services the Department administers.

Consumer Activities

During the 1976 fiscal year, the Department developed a Consumer Representation Plan and took steps to keep pace with the growing demand by American consumers for more information and greater responsiveness from government.

In response to a Presidential request to federal agencies, the Department increased its activities to improve public participation and to increase the flow of information to consumers—client groups such as unions, employers, other organizations and individual members of the public who are affected by or use Department programs, services or information.

To help administer the Department's obligation, Secretary Ustry appointed a Special Assistant to the Secretary for Consumer Affairs. Among other responsibilities, the special assistant was given the responsibility of establishing procedures and guidelines for implementing the Department's Consumer Representation Plan, monitoring the DOL Consumer Affairs Programs of the Department's agencies and making recommendations on consumer affairs activities to the Secretary.

The special assistant was also asked to serve as liaison with the White House Office of Consumer Affairs, client groups, individual consumers, consumer organizations, and private sector and Federal, State and local consumer units.

The Consumer Representation Plan, published in the *Federal Register*, outlines the Department's purposes and aims in its consumer program and describes each agency's proposed function in carrying it out.

The plan was structured to reflect the views of specialized client groups and the general consumer in the Department's decision-making processes. It is implemented in each agency through a staff consumer representative. The agency consumer representative adds expertise with regard to the agency's specific program as defined in the overall Department plan.

The combined efforts of all the agencies produced more than 35 consumer fact sheets during the fiscal year, written in easily understood language and describing various programs under federal laws available to consumers from the Labor Department. The fact sheets are updated periodically.

In addition to the agency consumer representatives, the Secretary designated ten regional representatives to coordinate, review and monitor Department consumer activities. This responsibility was given to the De-

partment's regional directors who personally reflect the Secretary's policy on consumer matters.

As consumer representatives in the field, the regional directors were instructed to help State and local client groups through correspondence and meetings. They also assisted in the Department's participation in three White House Regional Conferences on Consumer Representation.

These one-day conferences, held early in the fiscal year, were initiated by the Presidential request to 17 federal agencies to include public participation in formulating federal consumer programs.

To stimulate more consumer participation, a mailing list of general consumer organizations across the country has been established by the Department's national headquarters for use in mailing out consumer news releases and other consumer information materials.

As a result of this, consumer organizations will now receive news releases informing them of proposed rulemaking activities to be published in the Federal Register.

Part of the effort to become more responsive to consumer needs was a new Department policy to issue a news release to inform the public of each rulemaking proposal published in the Federal Register.

These and other Labor Department activities promise to accelerate participation in Department rulemaking by the many client groups in the nation which represent the interest of the American worker.

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Appropriations and Other Authorizations

	Fiscal Year 1976 TQ Positions	1976 Amounts	TQ Amounts
Training under Comprehensive Employment and Training Act	—	2,916,820,000	597,500,000
Training under Older Americans Act . . .	—	85,900,000	—
Federal Benefit Payments to Unemployed Federal Workers, ex-Servicemen, persons displaced under Trade Adjustment Act, and Special Benefits	—	410,000,000	95,000,000
Temporary Employment Assistance	—	2,825,000,000	—
Advances to the Unemployment Trust Fund and Other Funds	—	5,000,000,000	—
Administration of Unemployment Compensation and Employment Service Administration	—	1,496,700,000	283,150,000
Administration of Other Manpower Programs	3,589	98,967,000	24,948,000
Total Manpower Programs	3,589	12,833,387,000	1,000,598,000
Benefit Payments to injured Federal and Other Employees	—	298,100,000	80,800,000
Labor-Management Services Administration	1,448	45,885,000	11,543,000
Employment Standards Administration . .	3,091	87,632,000	22,621,000
Occupational Safety and Health Administration	2,494	117,181,000	29,400,000
Bureau of Labor Statistics	1,774	65,846,000	16,590,000
Departmental Management	2,548	39,217,000	8,674,000
Total Other Programs	11,355	653,861,000	169,628,000
Total Department of Labor Appropriations	14,944	13,487,248,000	1,170,226,000
Funds appropriated to other agencies' program administered by Department of Labor: Department of Health, Education and Welfare (Work Incentive Funds)	—	268,000,000	52,600,000
Agency for International Development . .	—	1,395,000	—
Federal Employees' Compensation Act Claims	—	250,763,000	62,000
Grand Total	14,944	14,007,406,000	1,222,888,000

Number of Employees on Labor Department Rolls

	Full-time Employees			Other		
	Total	District of Columbia	Field	Total	District of Columbia	Field
All Agencies	14,127	6,075	8,052	1,789	814	975
Employment and Training Administration	3,447 ¹	1,329	2,118	109	49	60
Labor-Management Services Administration	1,332	647	685	65	62	3
Employment Standards Administration	2,947 ²	854	2,093	283	140	143
Occupational Safety and Health Administration	2,291	464	1,827	141	64	77
Bureau of Labor Statistics	1,624	1,158	466	999	357	642
Office of the Secretary	405 ³	310	95	53	49	4
Office of the Solicitor	653	364	289	35	12	23
Bureau of International Labor Affairs	221	218	3	21	21	—
Office of the Assistant Secretary for Administration and Management	1,207	731	476	83	60	23

¹ Includes 7 employees in National Commission for Manpower Policy.

² Includes 39 employees in District of Columbia Workmen's Compensation.

³ Includes Working Capital Fund Employment.

Characteristics of Participants in Comprehensive Employment and Training Act, Title I, Title II, and Title VI Projects, Fiscal Year 1976

(Figures through June 30, 1976)

	Title I	Title II	Title VI
U.S. total: Number	1,731,500	255,700	495,200
Percent	100.0	100.0	100.0
Male	54.1	63.8	65.1
Female	45.9	36.2	34.9
Age: Under 22	56.7	21.9	22.0
22-44	36.5	64.0	64.1
45-54	4.0	9.0	8.7
55 and over	2.8	5.1	5.2
Education: 8 grades or less	11.9	8.0	8.1
9-11	42.9	17.9	17.7
12 and over	45.2	74.1	74.2
On public assistance: AFDC	15.2	6.2	5.8
Other	10.9	8.9	6.9
Economically disadvantaged	75.7	46.5	44.1
Ethnic group: White	55.3	61.4	68.2
Black	37.1	26.5	23.0
American Indian	1.4	1.3	1.8
Other ¹	6.2	10.8	7.0
Spanish American	14.0	12.4	9.9
Limited English-speaking ability	5.1	4.3	3.5
Migrants or seasonal farmworker	2.1	0.8	0.9
Veteran: Recently separated ²	2.2	4.0	4.7
Special ³	3.6	10.1	8.7
Other	4.5	11.4	12.0
Disabled	0.4	0.4	0.5
Handicapped	4.0	2.7	2.9
Full-time student	30.8	2.4	2.1
Offender	5.1	2.9	2.9
Labor force status: Underemployed	4.7	6.7	6.1
Unemployed	69.9	77.0	81.6
Other	25.4	16.3	12.3
Receiving Unemployment Insurance	6.4	13.1	14.2

¹ A large portion in this group reflect the nonclassification in Puerto Rico by ethnic categories.

² Enrolled within 4 years of discharge.

³ Served in Indochina or Korean theater of operations between August 1964 and May 1975.

Comprehensive Employment and Training Act Activity for Fiscal Year 1976

(Figures through June 30, 1976)

	Total	Title I	Title II	Title VI
Total enrollment	2,482,400	1,731,500	255,700	495,200
New enrollment, fiscal 1976	1,737,600	1,249,800	116,000	371,800
Cumulative enrollment by selected program activity ¹	2,337,400	1,587,900	249,600	499,900
Classroom training	522,400	514,700	1,400	6,300
On-the-job training	146,100	144,700	400	1,000
Public service employment	722,300	63,700	239,100	419,500
Work experience	837,500	756,300	8,200	73,000
Other activity	109,100	108,500	500	100
Current enrollment, as of June 30, 1976	805,700	505,300	94,500	205,900
Current enrollment by selected program activity ¹	748,300	451,000	93,900	203,400
Classroom training	160,000	159,500	200	300
On-the-job training	43,900	43,500	100	300
Public service employment	289,900	22,700	91,500	175,700
Work experience	215,200	186,300	1,900	27,000
Other activity	39,300	39,000	200	100
Total terminations	1,676,700	1,226,200	161,200	289,300
Direct placements	116,500	111,700	1,100	3,700
Indirect placements	260,600	198,200	18,100	44,300
Self-placements	108,500	70,500	8,500	29,500
Other positive terminations	647,700	453,300	94,400	100,000
Nonpositive terminations	543,400	392,500	39,100	111,800

¹ Totals include individuals who may be enrolled in more than one activity.

Selected Employment Service Activities, U.S. Totals for 1966-76 and by State for Fiscal Year 1976

(Figures through June 30, 1976)

Fiscal Year and State	New applications ¹	Total counseling interviews	Test administered	Placements	
				In nonagricultural industries	In agricultural industries
1966	10,625,700	2,285,316	2,594,175	6,586,827	4,305,207
1967	10,773,823	2,399,120	2,277,114	6,142,153	4,112,938
1968	10,693,230	2,599,022	2,099,955	5,759,923	4,572,501
1969	9,962,834	2,503,928	1,783,298	5,524,269	4,864,495
1970	9,957,060	2,522,963	1,489,561	4,603,597	4,550,348
1971	9,740,415	2,388,563	1,198,423	3,596,832	3,263,541
1972	9,370,000	2,471,000	1,558,000	3,610,000	2,715,000
1973 ²	11,485,026	2,564,935	1,611,500	4,516,703	2,104,931
1974	11,905,444	2,021,731	1,345,169	4,913,391	1,758,096
1975	12,348,586	1,643,521	1,676,826	4,273,911	1,497,591
1976	12,226,482	1,562,155	1,034,239	4,640,500	593,931
Alabama	255,883	31,796	39,840	100,085	2,480
Alaska	42,662	1,891	1,366	25,503	184
Arizona	213,213	11,914	9,195	72,946	4,809
Arkansas	190,103	17,280	14,658	116,012	4,937
California	1,194,140	91,656	21,831	439,831	91,461
Colorado	199,153	31,346	15,797	66,092	8,884
Connecticut	186,028	17,535	5,785	32,605	2,564
Delaware	32,208	4,720	1,265	8,428	3,278
District of Columbia	83,088	14,277	4,144	40,191	55
Florida	414,385	50,935	26,058	153,810	20,240
Georgia	269,699	49,837	18,012	106,945	936
Hawaii	73,299	5,379	2,183	23,913	911
Idaho	81,496	8,962	10,185	41,608	6,661
Illinois	456,189	49,412	18,668	131,059	2,515
Indiana	337,896	26,407	26,534	94,998	1,105
Iowa	159,918	8,770	21,680	101,005	4,694
Kansas	110,425	20,511	7,273	52,591	7,979
Kentucky	210,268	43,524	31,680	65,012	1,596
Louisiana	227,256	20,076	28,874	95,998	6,946
Maine	49,889	18,096	2,398	23,889	865
Maryland	170,463	15,985	7,977	34,296	4,274
Massachusetts	306,733	41,242	9,857	100,627	15,006
Michigan	576,716	46,426	22,615	94,128	7,301
Minnesota	215,938	34,150	26,360	82,389	10,811
Mississippi	177,085	77,768	42,641	93,573	1,646
Missouri	335,857	33,502	60,592	127,572	1,952
Montana	76,616	39,591	13,053	39,211	6,727
Nebraska	89,512	11,468	6,251	51,938	4,140
Nevada	80,996	8,459	7,194	29,737	1,503
New Hampshire	52,915	5,019	1,780	15,552	696
New Jersey	298,863	38,231	10,253	96,200	6,166
New Mexico	129,794	16,781	5,971	51,643	2,060
New York	451,147	119,057	49,919	352,411	24,316
North Carolina	348,771	51,205	47,330	102,344	119,927
North Dakota	49,389	9,895	10,483	40,713	5,702
Ohio	530,766	22,722	43,546	121,048	11,680
Oklahoma	245,636	33,228	33,103	129,289	20,364
Oregon	184,679	39,942	12,643	73,001	29,550
Pennsylvania	508,944	63,449	35,852	174,499	3,377
Puerto Rico	204,038	16,750	4,669	46,145	13,597
Rhode Island	55,251	11,782	1,557	18,722	301
South Carolina	143,476	30,697	25,425	59,851	21,476

Selected Employment Service Activities, U.S. Totals for 1966-76 and by State for Fiscal Year 1976—(continued)

(Figures through June 30, 1976)

Fiscal Year and State	New applications ¹	Total counseling interviews	Test administered	Placements	
				In nonagricultural industries	In agricultural industries
South Dakota	46,327	16,173	11,503	42,706	4,147
Tennessee	230,004	14,038	22,284	78,914	2,560
Texas	817,215	83,023	106,742	414,500	34,375
Utah	102,778	32,210	28,247	59,860	3,832
Vermont	37,132	4,920	1,758	11,539	883
Virginia	295,313	32,249	38,355	80,247	4,207
Washington	272,456	15,702	11,374	88,612	52,387
West Virginia	119,962	7,479	10,358	40,302	2,449
Wisconsin	250,612	57,258	13,309	73,526	1,952
Wyoming	33,900	7,430	3,812	22,884	1,467

NOTE: Data reflect transactions.

¹ Reflects individuals.

² Excludes Washington State.

Benefit Data Under State Unemployment Insurance Programs, U.S. Totals for 1967-76 and by State for Fiscal Year 1976

(Figures through June 30, 1976)

Fiscal year and State	Initial claims ¹	Average weekly insured unemployment		Total number of beneficiaries ³	Average weekly wage in covered employment	Average weekly benefit amount		Average duration (in weeks) of all beneficiaries		Actual for exhaustees	Claimant exhaustion benefits	
		Number	Percent of covered employment ²			Amount	Percent of average weekly (total) wages	Potential	Actual		Number	Percent of all beneficiaries ⁴
1967	11,523,660	1,141,662	2.4	4,489,988	\$117.10	\$41.05	35.1	24.2	11.1	20.9	778,616	18.8
1968	10,959,972	1,158,716	2.4	4,335,810	122.62	42.10	34.3	24.5	11.7	21.1	893,686	19.3
1969	10,032,520	1,062,109	2.1	3,977,852	130.01	45.22	34.8	24.3	11.4	21.3	806,403	19.2
1970	12,701,116	1,376,748	2.6	5,091,935	137.27	48.23	35.1	24.6	11.3	21.6	933,323	22.1
1971	15,691,866	2,124,865	4.0	6,875,515	144.90	52.30	36.1	24.5	14.1	22.5	1,797,061	28.0
1972	14,800,165	2,029,185	3.8	6,117,016	149.04	55.36	37.1	24.4	14.5	22.8	1,975,349	30.2
1973	12,698,893	1,680,479	3.0	5,389,411	158.39	58.23	36.8	24.4	13.7	22.6	1,601,394	28.1
1974	14,784,734	1,879,239	3.0	6,222,500	168.67	61.46	36.4	24.3	13.2	22.3	1,600,224	30.0
1975	24,651,329	3,425,068	5.2	11,088,671	182.40	67.72	37.1	24.3	13.6	22.1	2,950,016	38.1
1976	20,603,817*	3,317,817	5.0	8,675,265*	188.96*	73.61*	39.0*	24.1*	16.5*	22.8*	4,063,988*	36.4*
Alabama	298,516	45,392	5.0	144,059	165.27	65.84	39.8	22.8	13.2	21.0	58,712	30.4
Alaska	64,126	8,502	8.2	35,088	405.89	79.74	19.6	27.7	14.9	27.4	5,760	21.6
Arizona	182,282	32,295	5.3	70,053	177.69	72.13	40.6	24.1	16.8	22.4	43,489	45.5
Arkansas	200,831	29,356	5.6	76,069	149.23	61.55	41.2	22.0	14.7	21.0	34,903	30.9
California	2,583,935	377,603	5.8	1,108,266	202.58	68.87	34.0	23.6	15.9	23.0	473,627	37.4
Colorado	163,416	22,871	3.0	63,254	184.77	83.18	45.0	21.1	12.2	19.9	31,988	59.4
Connecticut	488,709	75,755	6.4	252,657*	198.06*	76.41*	38.6*	26.0*	16.5*	25.9*	92,860*	36.7*
Delaware	58,866	8,596	4.1	25,489*	203.77*	76.83*	37.7*	24.8	17.1*	24.9	12,726	37.0
District of Columbia	51,657	13,541	3.8	33,488	212.98	95.90	45.0	30.6	21.7	28.3	17,309	48.1
Florida	586,166	114,356	4.4	263,510	171.38	63.27	36.9	20.7	15.8	20.1	167,071	51.5
Georgia	428,229	58,140	4.1	205,897	171.10	65.34	38.2	18.7	12.5	17.9	118,233	37.2
Hawaii	70,047	16,620	5.3	43,681	180.60	81.85	45.3	26.0	17.9	26.0	17,805	42.5
Idaho	83,052	10,666	4.9	34,054	165.24	68.09	41.2	25.9	11.1	16.6	10,590	28.8
Illinois	981,888	206,814	5.4	163,946	165.24	89.51	42.5	25.9	17.7	23.9	232,572	40.5
Indiana	476,265	53,671	3.3	166,414	193.07	63.63	33.0	20.1	14.5	18.7*	97,322	34.4
Iowa	27,927	27,927	3.4	24,217	174.02	82.94	47.7	29.5	15.5	23.1	35,939	38.0
Kansas	108,535	17,875	2.9	15,583	168.99	66.59	39.4	22.6	13.7	21.6	23,470	33.1
Kentucky	266,864	40,077	4.7	118,396	169.29	66.00	39.0	22.8	14.3	21.8	49,484	30.8
Louisiana	201,101	40,010	3.9	99,795	177.09	64.86	36.6	24.6	16.0	22.8	41,385	34.5
Maine	174,474	18,831	6.7	68,849	151.84	59.90	39.4	20.0	11.5	17.7	25,843	30.0

Maryland	306,459	50,735	4.4	129,798	39,975	172.76	73.48	42.5	26.0	16.0	26.0	45,887	27.3
Massachusetts	604,940	129,893	6.6	279,862	102,395	184.59	75.28	40.8	26.3	19.0	25.9	144,268	40.0
Michigan	1,354,054	188,212	6.8	475,956	141,597	219.04	91.89	42.0	22.5	15.5	16.4	240,368	35.3
Minnesota	248,090	54,033	3.9	155,138	44,936	183.64	76.48	41.6	23.1	15.1	21.3	81,476	46.3
Mississippi	130,185	21,145	3.9	52,751	15,105	147.35	48.82	33.1	22.7	14.9	22.2	23,680	26.2
Missouri	545,720	66,052	4.6	182,141	51,529	172.44	72.44	39.8	20.8	14.7	19.8	92,286	38.7
Montana	67,215	9,776	5.6	26,568	7,656	183.94	62.78	38.3	22.2	15.0	21.4	11,110	37.6
Nebraska	82,431	13,677	3.1	12,034	12,034	160.54	67.46	42.0	22.1	15.0	19.2	21,152	39.2
Nevada	112,628	12,276	5.7	39,146	10,920	186.61	71.79	38.5	22.8	14.5	21.4	17,875	40.7
New Hampshire	82,905	12,137	4.8	39,631	9,706	160.75	64.21	39.9	26.0	12.7	25.9	8,225	12.2
New Jersey	787,924	151,515	6.7	401,178	141,992	206.63	76.86	37.2	24.1	18.4	21.9	220,547	46.3
New Mexico	67,229	12,224	4.9	26,093	9,266	161.43	57.73	35.8	29.1	18.5	27.1	11,172	35.0
New York	2,060,947	342,512	5.9	699,882	304,015	215.00	73.55	34.2	26.0	22.6	26.0	378,117	42.8
North Carolina	672,785	68,174	4.1	271,222	62,624	157.80	62.32	39.5	23.2	12.0	21.1	101,139	22.5
North Dakota	4,887	4,887	3.4	14,022	3,762	158.20	66.73	42.2	23.4	14.0	22.3	3,796	27.0
Ohio	138,291	27,189	3.7	333,397	113,104	197.39	81.33	41.2	25.6	17.6	25.5	165,667	30.5
Oklahoma	152,299	47,872	3.8	69,650	21,213	171.78	58.62	34.1	21.0	15.8	20.1	37,136	45.7
Oregon	349,963	249,977	6.3	126,008	36,326	186.40	67.30	36.1	25.4	15.0	25.1	41,923	28.1
Pennsylvania	1,600,604	271,515	6.6	619,480	221,727	193.00	85.29	44.2	30.0	18.6	30.0	222,823	30.9
Puerto Rico	271,515	69,940	13.4	126,769	41,353	119.50	41.60	34.8	20.0	17.0	20.6	95,436	68.7
Rhode Island	166,314	22,720	7.3	59,060	20,104	159.77	70.95	44.4	22.1	17.7	20.6	33,163	42.3
South Carolina	257,847	36,980	4.7	118,195	30,243	153.63	62.33	40.6	23.2	13.3	21.9	50,597	22.2
South Dakota	23,323	3,971	2.6	11,921	2,969	142.33	62.83	44.1	22.1	13.0	18.4	3,902	27.8
Tennessee	319,933	61,205	4.9	153,885	44,322	164.07	59.90	36.5	22.7	15.0	22.8	74,883	31.5
Texas	444,007	69,104	1.9	198,703	53,250	176.92	54.46	30.4	21.5	13.9	18.7	101,220	39.8
Utah	75,620	14,480	4.3	40,173	11,519	168.77	72.22	42.8	24.5	14.9	21.7	15,450	32.7
Vermont	51,011	9,380	7.2	21,512	7,442	158.47	67.76	42.8	26.0	18.0	26.0	9,009	36.1
Virginia	237,246	32,921	2.4	106,497	28,769	168.86	67.25	39.8	22.5	14.0	21.6	47,458	26.2
Virgin Islands	487	—	—	—	—	—	—	—	—	—	—	—	—
Washington	558,183	79,547	8.1	176,856	56,429	203.30	73.69	36.2	25.1	16.6	22.6	79,273	40.2
West Virginia	139,412	22,308	4.9	71,732	18,935	189.68	59.35	31.3	26.0	12.5	24.5	19,073	23.0
Wisconsin	427,110	73,087	4.6	160,198	52,413	183.43	81.43	44.4	23.7	17.0	25.2	72,051	32.5
Wyoming	14,367	2,199	2.1	10,218	1,993	185.91	68.55	36.9	18.9	10.1	15.9	2,738	29.1

¹ Excludes transitional claims.
² Based on average covered employment during the preceding fiscal year.
³ Represents claimants receiving first payment in benefit year.
⁴ Based on first payments for 12-month period ended December 31.
⁵ Includes claims filed by interstate claimants in the Virgin Islands.
⁶ Preliminary.
⁷ Represents 12-month period ended December 31, 1975; weekly data for fiscal year are not available.
⁸ Includes data under the program for Puerto Rican sugarcane workers.

Unemployment Compensation for Federal Employees,¹ U.S. Totals for 1967-76 and by State for Fiscal Year 1976

(Figures through June 30, 1976)

Fiscal year and State	Federal employment ²	Initial claims ³	Average weekly insured unemployment	Average weekly number of beneficiaries	Total number of beneficiaries ⁴	Total benefits paid ⁵	Average weekly benefit amount UCFE only ⁶	Average actual duration (in weeks)
1967	2,874,067	112,819	19,175	17,948	62,587	\$ 39,273,354	\$41.08	14.9
1968	2,893,604	125,028	22,266	20,891	70,806	47,272,866	42.27	15.3
1969	2,943,708	116,495	20,709	19,658	64,204	47,006,153	44.95	15.9
1970	2,921,787	137,596	23,589	29,447	76,306	57,105,781	47.06	15.1
1971	2,856,188	163,150	33,425	32,688	96,355	99,572,777	50.37	17.7
1972	2,873,457	160,489	33,693	32,501	95,264	119,908,121	54.23	17.9
1973	2,857,113	173,015	35,857	34,137	96,480	117,891,192	58.95	18.4
1974	2,865,365	186,715	41,469	39,434	111,187	147,692,365	64.57	18.4
1975	2,894,450	191,595	42,204	40,609	114,018	203,333,181 ^a	67.72	18.6
1976	2,900,215 ⁷	221,850	47,492	45,665 ^a	133,662 ^a	302,045,301	72.81 ^a	17.8 ^a
Alabama	61,610	5,951	822	757	3,347	4,371,352	74.70	11.8
Alaska	18,265	3,315	553	823	2,353	4,854,202	76.23	18.2
Arizona	34,904	3,870	748	546	2,118	3,420,718	78.69	13.4
Arkansas	19,763	1,285	417	319	1,107	1,723,052	71.51	15.0
California	322,674	27,482	6,988	6,476	19,310	44,150,908	72.34	17.4
Colorado	49,501	2,161	394	227	1,057	1,843,033	78.06	11.2
Connecticut	21,790	1,982	486	302 ^a	779 ^a	2,628,931	78.34 ^a	20.1 ^a
Delaware	5,745	531	73	66	208	514,601	65.37	16.5
District of Columbia	219,065	4,815	769	2,206	4,934	16,905,563	93.80	23.3
Florida	86,774	6,410	997	676	2,342	3,162,828	67.01	15.0
Georgia	79,255	5,884	1,341	1,230	3,799	9,255,443	74.80	16.8
Hawaii	30,852	2,330	738	866	2,230	7,286,955	84.87	20.2
Idaho	10,847	2,063	350	345	1,512	1,865,524	74.45	11.9
Illinois	108,292	7,455	1,886	2,019	5,545	10,923,335	76.79	18.9
Indiana	41,956	2,561	453	306	978	1,695,084	57.72	16.3
Iowa	19,824	992	139	139	447	863,370	83.02	16.1
Kansas	25,720	1,119	304	261	872	1,208,373	69.64	15.5
Kentucky	39,967	4,345	788	719	2,345	3,749,228	81.88	15.9
Louisiana	32,182	3,040	917	562	1,587	3,753,517	71.41	18.4
Maine	9,693	124	161	161	527	724,239	57.04	15.9
Maryland	128,302	5,191	1,020	1,000	2,440	5,168,553	70.71	21.3

Massachusetts	57,834	6,885	1,634	1,690	4,864	18,017,551	79,58	18.1
Michigan	56,128	7,011	1,098	1,214	3,689	9,846,548	80.57	17.1
Minnesota	30,477	1,809	426	441	1,727	2,779,624	77.47	13.3
Mississippi	25,330	1,966	392	341	992	1,313,834	53.87	17.9
Missouri	68,706	7,258	1,177	1,037	3,091	5,912,255	65.30	17.4
Montana	13,361	2,300	483	406	1,443	1,369,352	70.52	14.6
Nebraska	17,129	874	268	229	730	1,263,812	68.64	16.3
Nevada	9,306	1,334	187	181	582	4,549,422	76.89	16.2
New Hampshire	13,262	499	42	56	236	235,426	58.51	12.4
New Jersey	73,272	6,184	1,422	1,100	2,882	11,002,772	82.54	19.8
New Mexico	28,307	2,411	579	504	1,487	2,303,752	64.14	17.6
New York	171,993	16,157	3,131	3,062	6,425	19,225,529	68.48	24.8
North Carolina	47,095	2,916	525	497	1,751	2,976,468	69.61	14.8
North Dakota	10,057	720	188	158	546	784,115	68.13	15.1
Ohio	94,061	4,814	985	1,079	2,884	6,624,992	70.90	19.5
Oklahoma	51,059	4,737	1,615	1,457	3,336	11,435,017	75.00	22.7
Oregon	26,980	4,758	840	744	2,497	3,482,130	62.61	15.5
Pennsylvania	134,721	11,357	2,876	2,887	6,462	16,820,105	70.03	23.2
Puerto Rico	10,148	1,642	377	329	1,042	1,651,613	47.72	16.4
Rhode Island	9,930	1,302	388	375	902	5,189,449	83.97	21.6
South Carolina	35,120	1,999	449	360	1,073	1,996,443	67.00	17.5
South Dakota	11,037	1,045	182	145	540	713,468	67.16	14.0
Tennessee	57,110	8,787	1,283	1,408	5,671	7,023,844	63.71	12.9
Texas	161,554	9,387	2,578	2,117	6,664	12,481,951	57.27	16.5
Utah	36,910	3,682	998	793	2,688	4,450,553	71.94	15.3
Vermont	4,278	437	89	75	214	487,801	71.94	18.1
Virginia	149,361	3,294	561	609	2,120	2,959,582	70.15	14.9
Virgin Islands	502	14	5	7	12	43,963	99.67	29.4
Washington	60,795	9,918	1,663	1,717	5,062	11,079,653	75.58	17.6
West Virginia	15,228	842	199	129	386	554,351	47.73	17.4
Wisconsin	26,469	1,600	426	402	1,163	2,355,817	78.85	18.0
Wyoming	6,688	340	61	112	664	445,300	72.90	8.8

¹ Excludes data on persons claiming benefits under Federal and State UI (unemployment insurance) programs.

² Data for fiscal year 1976 represent average for 12 months ended December 31, 1975; fiscal year 1976 data are not available.

³ Excludes joint State-UCFE (unemployment compensation for Federal employees) claims.

⁴ Excludes joint State-UCFE payments.

⁵ Includes the Federal portion of joint State-UCFE payments.

⁶ Includes payments for partial unemployment. Excludes joint State-UCFE payments.

⁷ Includes 19,026 employees not distributed by State.

⁸ Preliminary.

Unemployment Compensation for Ex-Servicemen, ¹ U.S. Totals for 1967-76 and by State for Fiscal Year 1976

(Figures through June 30, 1976)

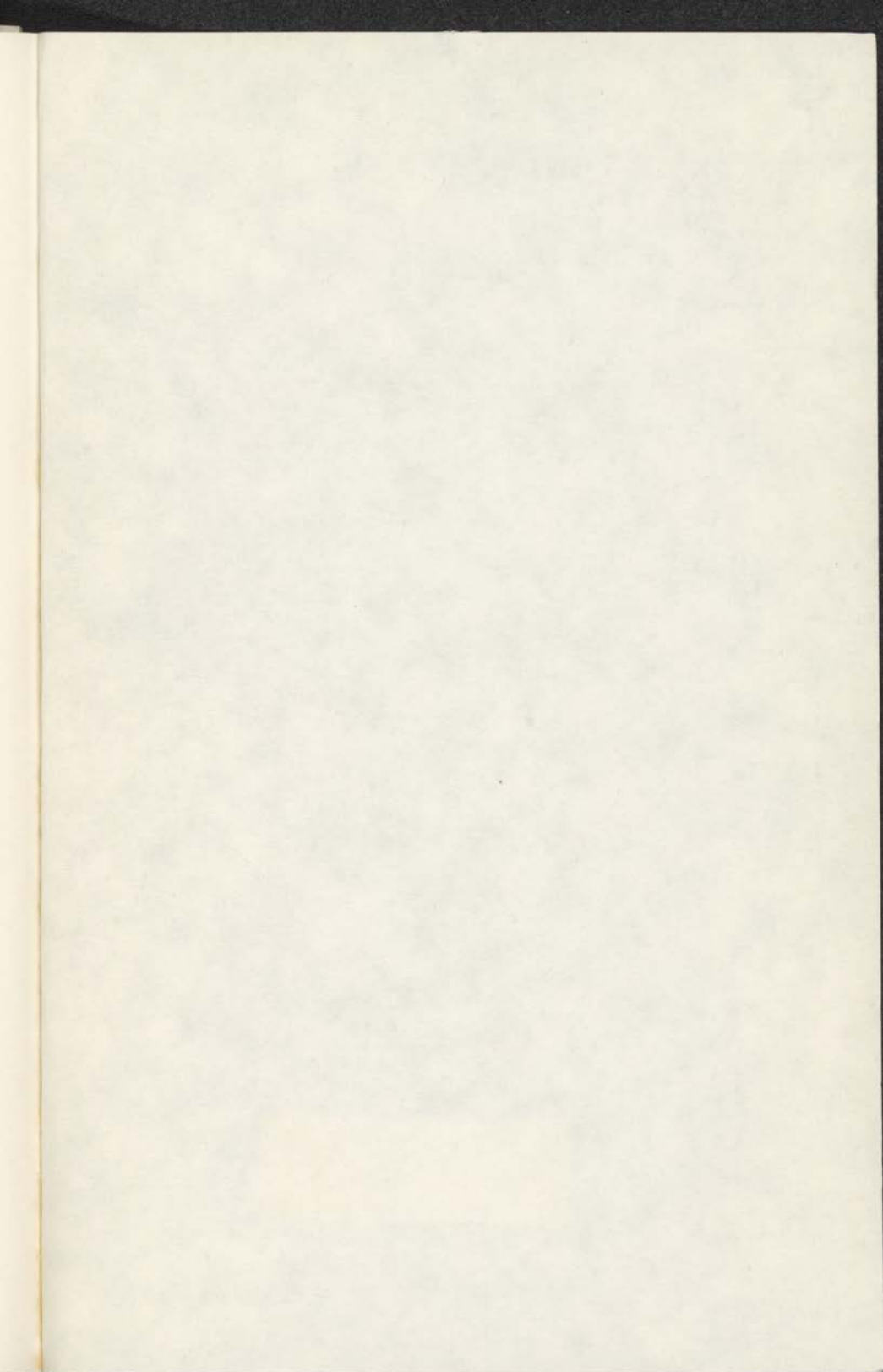
Fiscal year and State	Initial claims	Average weekly insured unemployment	Average weekly number of beneficiaries	Total number of beneficiaries	Total benefits paid	Average weekly benefit amounts ²	Average duration (in weeks)
1967	184,470	19,672	17,823	99,785	\$ 38,586,993	\$41.26	9.3
1968	257,852	28,860	26,110	148,219	58,478,694	42.68	9.2
1969	308,718	34,094	31,546	176,545	78,233,208	47.35	9.3
1970	437,257	52,133	48,600	260,051	125,820,292	49.49	9.7
1971	614,771	106,329	103,505	406,002	309,869,337	51.91	13.3
1972	624,986	120,799	116,080	423,238	393,752,642	56.70	14.4
1973	393,259	75,836	73,471	246,597	260,077,337	61.49	15.5
1974	341,806	63,830	57,461	219,372	206,132,180	65.67	13.6
1975	395,086	82,149	82,888	272,999	360,511,266	70.33	15.8
1976	413,563	103,857	103,583 ³	300,088 ³	621,806,819	77.16 ³	18.0 ³
Alabama	8,070	1,960	1,825	5,002	10,944,133	77.73	19.0
Alaska	1,942	191	476	1,409	3,267,434	95.40	17.6
Arizona	6,617	1,665	1,344	4,048	8,082,871	79.42	17.3
Arkansas	4,587	1,168	1,193	3,492	6,950,793	77.75	17.8
California	55,699	15,213	15,539	51,165	90,211,488	73.48	15.8
Colorado	6,503	1,375	1,001	3,551	5,370,130	85.64	14.7
Connecticut	4,589	1,287	1,214 ³	3,520 ³	8,915,106	78.62 ³	17.9 ³
Delaware	940	278	293	852	1,762,620	78.90	17.9
District of Columbia	1,687	230	533	1,316	3,234,785	88.84	21.0
Florida	17,682	4,077	4,111	11,978	20,734,133	75.12	17.8
Georgia	9,600	3,145	3,158	8,472	20,996,846	78.41	19.4
Hawaii	2,568	757	861	2,365	5,735,108	87.89	18.9
Idaho	2,933	405	506	1,979	2,676,086	79.18	13.3
Illinois	11,755	2,083	3,323	10,064	16,906,651	78.92	17.2
Indiana	8,933	1,799	1,513	5,008	7,822,496	63.19	15.7
Iowa	6,251	1,306	1,361	4,374	9,154,097	93.60	16.2
Kansas	4,609	1,804	914	3,131	4,353,735	76.71	15.2
Kentucky	5,468	1,743	1,662	4,387	9,587,401	75.04	19.7

Louisiana	9,770	2,431	2,304	6,325	12,957,291	78.32	18.9
Maine	2,347	472	598	1,966	3,178,210	71.68	15.8
Maryland	7,090	1,421	1,419	4,313	6,869,821	75.47	17.1
Massachusetts	7,425	2,215	2,521	5,939	18,298,085	81.32	22.1
Michigan	17,180	4,647	4,790	11,874	38,296,187	87.37	21.0
Minnesota	6,993	1,886	2,001	4,647	12,543,551	80.52	17.2
Mississippi	3,188	637	418	1,356	1,852,458	59.12	16.0
Missouri	11,400	2,752	2,584	6,787	16,633,526	79.75	19.8
Montana	2,307	449	406	1,449	1,949,719	72.08	14.6
Nebraska	2,190	328	291	987	1,529,529	75.53	15.3
Nevada	2,190	379	398	1,353	2,551,599	78.56	15.3
New Hampshire	1,413	230	348	1,405	1,695,931	82.72	12.9
New Jersey	8,911	2,789	2,811	7,044	22,721,883	88.12	20.8
New Mexico	3,328	914	837	2,274	3,822,962	69.38	19.1
New York	21,179	5,984	5,887	13,428	40,034,736	75.03	22.8
North Carolina	9,794	1,777	2,055	7,031	11,894,335	79.52	15.2
North Dakota	1,585	320	285	1,136	1,324,363	74.91	13.0
Ohio	20,178	5,094	5,044	13,596	31,977,689	80.18	19.3
Oklahoma	6,669	1,743	1,613	4,588	8,716,174	75.53	18.3
Oregon	7,307	1,666	1,420	4,622	8,493,337	81.72	16.0
Pennsylvania	16,068	5,518	5,899	14,637	35,335,213	80.78	21.0
Puerto Rico	3,460	916	870	2,387	4,518,423	51.74	18.9
Rhode Island	1,889	535	552	1,404	4,551,042	86.70	20.4
South Carolina	6,994	1,650	1,704	4,966	10,001,509	81.23	17.8
South Dakota	1,876	275	234	931	1,052,687	71.54	13.1
Tennessee	8,407	2,262	2,579	6,539	15,512,892	72.79	20.5
Texas	24,431	4,804	4,261	14,697	20,397,877	62.01	15.1
Utah	2,554	667	513	1,598	2,405,572	76.81	16.7
Vermont	907	243	234	650	1,429,248	74.71	18.7
Virginia	7,847	1,697	1,569	5,432	7,399,948	76.40	15.0
Virgin Islands	39	12	26	44	95,056	73.55	30.5
Washington	16,297	3,487	3,246	8,894	19,525,941	76.42	19.0
West Virginia	3,704	918	756	2,349	4,100,195	70.72	16.7
Wisconsin	6,533	2,160	2,222	5,538	11,192,603	75.30	20.9
Wyoming	430	93	63	394	241,314	71.02	8.3

¹ Except for total benefits paid, data shown exclude claims and payments made jointly with other unemployment insurance programs. All columns relate to persons claiming benefits solely on the basis of military service.

² Includes payments for partial unemployment.

³ Preliminary.



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