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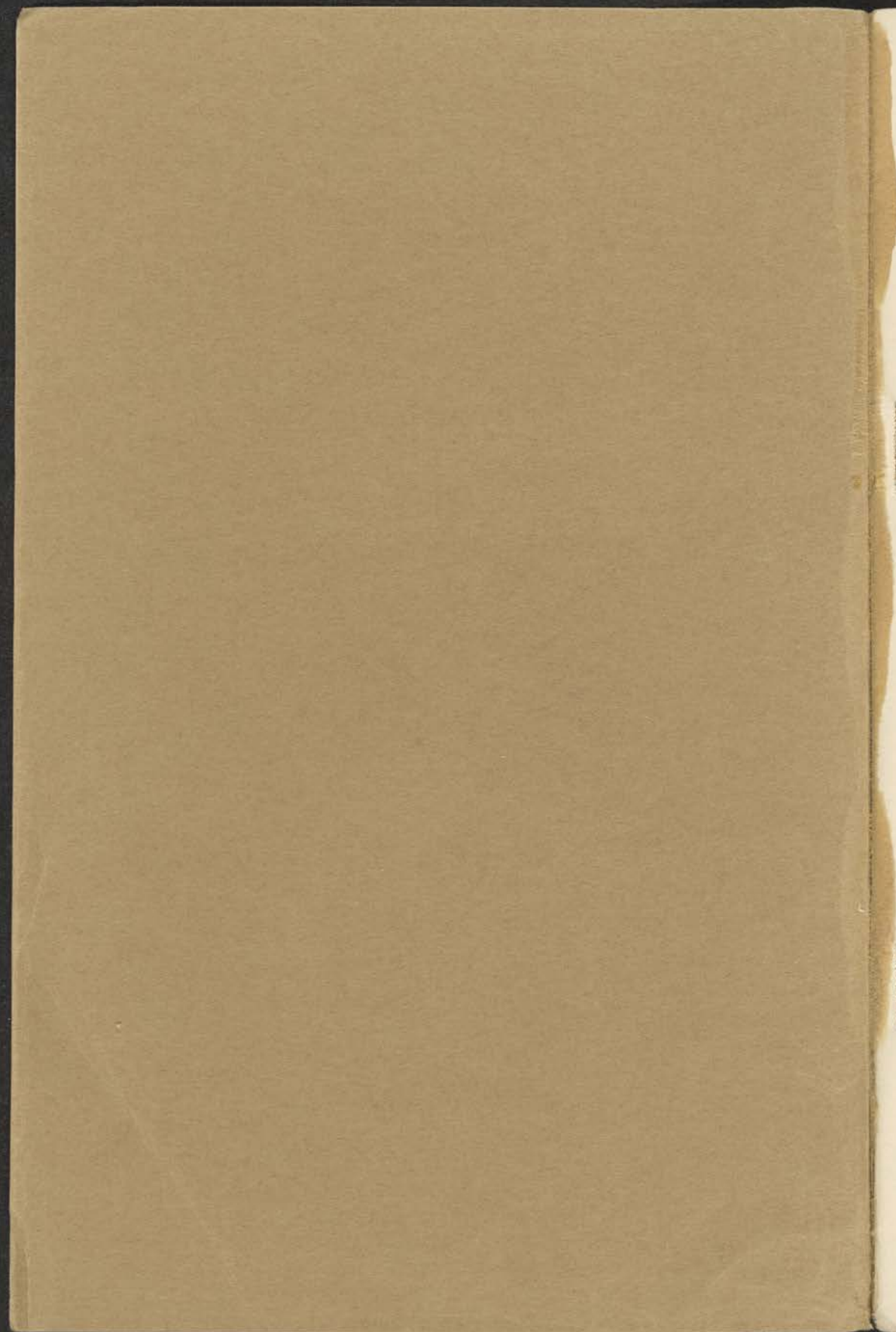
of the
United States Department of Labor

FISCAL YEAR 1960



UNITED STATES DEPARTMENT OF LABOR

James P. Mitchell, Secretary



UNITED STATES DEPARTMENT OF LABOR ANNUAL REPORT, 1960

Bureau Reports



UNITED STATES DEPARTMENT OF LABOR

James P. Mitchell, Secretary

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UNITED STATES DEPARTMENT OF LABOR ANNUAL REPORT, 1960

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REPORT OF THE SECRETARY OF LABOR

REPORT OF THE SECRETARY OF LABOR

In this, the Annual Report of the U.S. Department of Labor for fiscal 1960—appearing as it does at a time when the administration of that Department is changing hands—it seems advisable to preface the detailed reports that follow with a wider reaching statement of goals, both achieved and unachieved, that have occupied the Department in recent years, particularly as they relate to the organization and administration of the Department itself and to the legislative programs that derive from the mandate instructing us to “foster, promote and develop the welfare of the wage earners of the United States.”

The Department

It is elemental that the charge placed upon this agency by Congress and the goals set forth in the mandate cannot be realized unless the instrument for their attainment, the Department itself as an organization, is effective and respected. That status results only from quickly responsive programs, well administered. The programs of the Department have been subjected to constant and close scrutiny in recent years—by both the officials and special consultants. Based upon these findings, and with the aim of securing the most profitable recognition and stature from other Departments and agencies, from both labor and management, and from the general public, a lengthy series of substantial changes have been made in the administrative structure and techniques of the Department, some of which are:

- Assistant Secretaries of Labor were given line responsibility over bureaus to provide more immediate executive direction.
- The Departmental Policy Committee was created to coordinate policy and program development.
- The Departmental Operations Committee, composed of the chief officers, was created to marshal and coordinate all departmental resources for the execution of policy and program.
- The positions of Deputy Under Secretary and four Deputy Assistant Secretaries were created in the career civil service to assist officials appointed by the President and to insure continuity of Department operations.
- The Office of Legislative Liaison was created to coordinate and direct the legislative activities of the bureaus and offices.
- The Office of Research and Development was created to centralize such activities and provide clear direction.
- The Program Planning and Review Committee was created and placed under the direction of the Deputy Under Secretary to achieve maximum economy and efficiency in departmental policy and program operation.

- The executive inventory and development program was created for the orderly development of executive talent keyed to the future needs of the Department.

In addition to these administrative changes—and many others unlisted for the sake of space—there have been major changes in the structure of the Department:

- A new major bureau, the Bureau of Labor-Management Reports, with 22 field offices was established after the enactment of the Labor-Management Reporting and Disclosure Act of 1959. The many problems encountered incident to the establishment of this bureau and the working out of its functions presented to the employees of the Department a severe test, which they met with success and credit to themselves.
- A new Division of Welfare and Pension Reports in the Bureau of Labor Standards was created to administer the Welfare and Pension Plans Disclosure Act.
- Establishment of the Bureau of International Labor Affairs and the reorganization of the Department's international activities gave to the Department enlarged influence in developing American foreign labor policy.
- Expansion of the Bureau of Apprenticeship to Bureau of Apprenticeship and Training, with new emphasis on training by industry, both through apprenticeship and in skilled occupations not considered apprenticeable, was made in response to the developing manpower challenge of the 1960's.
- The administration of the Federal Employees' Compensation Act was decentralized to four field offices to expedite investigation, adjudication, and processing of claims; the decentralization is now two-thirds completed.

These changes are indicative of the creative administration by Department employees of their continuing responsibilities. They represent a segment of the large total of accomplishments that may be classified as "Achieved Goals."

There are, of course, a number of objectives that at the time of this report remain unattained. Many of these are only fully functional phases of programs now in development, such as resolving the staffing and organizational problems that still remain from the establishment of the Bureau of Labor-Management Reports and completing the decentralization of the administration of the Federal Employees' Compensation Act. On the administrative level, the program planning activities of the Program Planning and Review Committee and the activities of the Office of Research and Development need greater clarification and coordination. Higher and more intensive development of the newly stressed training activities of the Bureau of Apprenticeship and Training, with a larger program to convince the Congress, the trade union movement, and employers of the value of these services, seems mandated by the work force projections of the 1960's. Eventual transfer of the Division of Welfare and Pension Reports from LSB to BLMR would also seem logical. Attention to a fuller integration

of the field personnel of the Department in departmental programs, with a better grouping and greater consistency in regional boundaries, would also appear to be a desirable administrative objective.

Generally, the full stature and prestige that this Department is capable of achieving—and ought to achieve—is still before it. Because of the dedicated efforts of its personnel over the past 7 years, that goal is closer today than was thought possible.

Legislative Goals

In seeking from the Congress legislation to “foster, promote and develop the welfare of American wage earners,” the Department has recorded many of its most significant achievements—nor is it surprising in a rapidly changing economy and rapidly evolving society that a large share of the unachieved goals is also to be found in this area.

The Labor-Management Reporting and Disclosure Act of 1959 contains a number of provisions that carry into law legislative recommendations made by the Department in the course of recent years. Among the more important are those that:

- Provide for labor-management reporting and disclosure and furnish protections for the rights of individual members of unions, for management, for labor organizations, and for the public against corruption and abuse of trust and power.
- Repair the Federal-State jurisdictional problem (no man’s land) under the National Labor Relations Act.
- Close loopholes in the secondary boycott provisions of the NLRA.
- Make certain types of organizational and recognition picketing (“black-mail picketing”) unfair labor practices.
- Remove the bar against economic strikers voting in union representation elections.
- Allow certification by the NLRB, under certain circumstances, of unions in the building and construction industry as exclusive bargaining representatives without a prior election.

Many other provisions of the law contained departmental recommendations, first announced in December 1957 and presented to subsequent Congresses. In addition, the Welfare and Pension Plans Disclosure Act made a start toward meeting departmental recommendations to provide protection for the funds, totaling close to \$50 billion, now gathered into plan treasuries. This law, however, is extremely defective.

In other legislative areas, departmental recommendations have been accepted and become law, such as those that:

- Increase the minimum wage under the Fair Labor Standards Act and extend the protection to additional workers (P.L. 381, 84th Congress, extending the minimum wage to \$1 after an administration recommendation of 90 cents an hour).

- Include labor standards provisions for Government financed work in additional statutes, accomplished by several laws including those governing the Federal-Aid Highway Act of 1956 and the Federal Civil Defense Act.
- Provide temporary additional benefits during the 1958-59 period of recession to those who had exhausted their benefits under State laws.
- Provide a permanent unemployment insurance program for ex-servicemen.
- Provide an unemployment insurance program for Federal employees.
- Extend coverage of the Federal-State unemployment insurance system to employees of employers of four or more employees in 20 weeks.
- Improve the Longshoremen's and Harbor Workers' Compensation Act by increasing maximum and minimum weekly benefit limitations, and in other respects (P.L. 803, 84th Congress).
- Provide the Secretary of Labor with authority to establish and enforce safety standards respecting employment under the Longshoremen's and Harbor Workers' Compensation Act and to provide for the establishment of safety training programs for employers and employees covered by that act.

In discussing significant legislative achievements, some mention should be made of the progress—large by comparison with the past if still inadequate in many respects with regard to the needs of the future—made by the States in improving the welfare of their wage earners, even though the Department's role is one of encouragement and assistance only. It is true, however, that the States act more effectively, with greater spirit and vision, when the national administration in Washington makes it a matter of policy to leave in the hands of the States a burden of the responsibility for improving wages, hours, and working conditions. Gratifying results have been achieved in this area:

- Since 1953, all States have improved their *unemployment insurance laws*. With changes enacted in the 1960 legislative sessions, 48 States, with 93.3 percent of the covered workers, will have maximum basic weekly benefits of \$30 or more; 13 of these, with 16.6 percent of the covered workers, have a basic maximum of \$35 to \$40; and 17 States, with 48.9 percent of the covered workers, have a basic maximum of \$40 or over.
- Substantial progress has been made in *minimum wage legislation*. Thirty-five jurisdictions now have minimum wage laws. Since January 1953, five States have enacted such laws for the first time. In six more jurisdictions, which already had such legislation, new laws were adopted. Ten jurisdictions established statutory minimum rates, and six additional States raised the statutory minimum.
- Because of legislative action from 1953 to date, *workmen's compensation* weekly benefits of \$40 or more are now being paid in 31 jurisdictions, with 16 of these providing benefits of \$50 or more. The number of jurisdictions paying a maximum of less than \$30 has been reduced to one.
- The *safety of workers* has been improved. Since 1953, there has been an 11 percent reduction in the all-manufacturing injury rate. The injury

rate for manufacturing in America in 1959 stood at about 12 accidents per million man-hours worked.

- Since 1953, safety programs for State employees have been inaugurated in eight States which previously had no safety program for their employees. Since 1953, a total of 261 safety program training courses (covering some 8,000 students) have been conducted within the States.
- In a wide variety of ways, States have promoted the welfare of migrant workers. Of the 28 *State migratory farm labor committees* now in existence, 21 have been established since the President's Committee on Migratory Labor was created in August 1954. The principal areas of interest which have concerned both the Federal committee and the State committees include the securing of transportation, child labor, and crew leader registration codes, and extending workmen's compensation, minimum wage, and unemployment insurance laws to cover farm workers. In addition, effort is being given to promoting day care centers and providing proper medical care at the community level.

In conclusion, there has been great and significant progress in good labor legislation by State legislatures since 1953.

Law Enforcement

During the years of the Eisenhower administration, the Department of Labor has placed an emphasis on obtaining voluntary compliance with existing labor laws wherever possible. Nevertheless, it consistently applied to its own enforcement responsibilities a sense of duty and dedication born of a need not only to prevent the exploitation of American workers, but to protect the Nation's fair employers from unscrupulous competition as well.

As a product of this philosophy, the Department can present a record which, over the past 8 years, demonstrates achievements such as the following:

- Proceedings under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act have increased steadily, from 992 in fiscal 1953 to 1,417 in fiscal 1960. The latter figure represents the largest total in the history of these acts.
- As a result of the Department's compliance investigations, 826,506 employees received—during the 8 fiscal years since 1953—a total of \$73,931,094 in back wages.
- Under provisions of the Fair Labor Standards Act, the wage standards of workers in Puerto Rico, the Virgin Islands, and American Samoa have been raised and the economic development of these areas furthered.
- Under provisions of Davis-Bacon and related acts, 335 firms and individuals have been placed on the ineligible list as a result of violations, a record in striking contrast to only 4 such actions in the previous 17-year history of these acts. During the years of the Eisenhower administra-

tion, 5,971 Davis-Bacon cases were initiated, compared with only 476 from 1948 through 1952. Back wages totaling \$2,177,000 were won for 20,585 workers. Well over 226,000 wage determinations were made, as compared with 95,733 during the previous 8 fiscal years. The 1960 total of 40,740 determinations represented a new record high.

- Late in 1959, the Department undertook direction and enforcement of an important new labor law, the Labor-Management Reporting and Disclosure Act of 1959, a measure designed to protect the rights of individual union members and prevent racketeering and misuse of power in the labor-management relations field. Concurrent with the staffing of a new Bureau to administer the law, the Department handled an estimated 100,000 required reports, and opened some 3,000 complaint cases.

New Programs

During the years of the Eisenhower administration, the Department of Labor has undertaken a series of imaginative new programs aimed at improving the welfare of specific worker groups and insuring the best possible use of the Nation's work force. Three of the most important of these concern the general manpower field, farm labor, and the older worker. In addition, the Department has laid a new and stronger emphasis on cooperation between labor and management in industrial relations.

Continuing its broad, yet detailed examination of the size and nature of the American labor force, the Department has produced a major study outlining the Nation's manpower requirements for the 1960's. The study revealed an expected growth in employment opportunities which would produce some 87 million jobs by 1970, but pointed up the danger of a continuing lag in the Nation's number of skilled workers. The study concluded that the best possible use of America's Negro, handicapped, older, and women workers would be required.

More specific studies of various manpower problems have been initiated by the Department, and are continuing. One is a series of national studies of scientific and engineering manpower. Another is the development of a comprehensive survey of training in all industries, a program already tested in New Jersey and presently being applied on a national basis. Some 65 community surveys of local skill resources and requirements have now been made in 39 States, and 45 more are in progress.

The Department has initiated a vigorous program of promoting job opportunities for older workers, a worker group which has experienced seriously adverse effects from discriminatory hiring practices. Using facts developed through extensive research, educational programs have been designed and implemented to dispel unfounded beliefs about older workers as employees. Specialized employment counseling and job placement services have been provided through the State employment agencies, affiliated with the U.S. Employment Service. Fiscal year 1960 witnessed a record number of 1.2 million placements of workers 45 years of age and over.

Farm Labor

In the field of farm labor, the Department of Labor has focused attention on a segment of the American labor force whose economic welfare has long been badly neglected. New regulations restricted use of the U.S. Employment Service for recruiting farm laborers to those employers who offered not less than the prevailing wage in their area, who offered housing not injurious to the health and safety of the farm worker families, and who offered other recruiting incentives similar to incentives offered by those employers successful at recruiting farm workers. Employment opportunities for migrant workers have been stepped up through adoption of the annual worker plan, a program which also provides growers with a more readily available labor supply. Legislation has been introduced by the Department which would establish Federal regulation of migrant worker crew leaders. An extensive study has been completed which has determined the feasibility of applying the minimum wage concept to farm labor.

The Department also administers Public Law 78, the Mexican farm labor program, under which about 500,000 Mexican nationals (braceros) are imported into the United States each year to do seasonal farm work. Concern for the impact of this program on the employment opportunities, wages, and working conditions of domestic farm workers has led the Department to improve its certification process and its methods of making prevailing wage surveys. Partly as a result of these improvements, 120,000 fewer Mexican nationals were imported during 1960. Moreover, while in the United States, they were afforded greater protection through improved standards on housing, feeding, and transportation, together with a stronger compliance program. Although these improvements have helped both domestic and foreign farm laborers, much remains to be done. The Department's work in this area would be greatly facilitated if Congress would adopt several recommendations contained in a 1959 report by four consultants who, at my request, made an intensive study of Public Law 78.

Labor-Management Relations

The Labor Department has sought a new path to industrial peace through the recognition and acceptance of responsibility on the part of both labor and management. This has led to a continuing emphasis on the mutuality of interest between the two parties and a constant stress of the public's stake in the decisions, goals, and policies in the private sector of the economy.

This approach has stabilized industrial relations and bolstered public confidence in the ability of labor and management to resolve their own differences peacefully in the best traditions of cooperation and mutual understanding. Time lost because of strikes during the past 8 years was only half that of the previous 7. The American people indeed have cause to look to the future with assurances that labor-management relations, that critical proving ground of democracy in our dynamic industrial world, can be a steadying element in our society.

OFFICE OF THE SECRETARY

OFFICE OF THE ADMINISTRATIVE ASSISTANT SECRETARY

The Administrative Assistant Secretary serves as the principal assistant to the Secretary of Labor on all matters of departmental administration and management, directing and controlling the Department's financial affairs and organizational development. He is a member of the Secretary's Policy Committee and the Departmental Operations Committee, acts as the liaison officer with the Congress and Bureau of the Budget on all matters related to appropriations and to budget and management problems, and serves continuously in an advisory capacity to top staff and all bureau heads and their staffs on fiscal matters.

It is the responsibility of the Administrative Assistant Secretary to assure suitable budget preparation and administration of programs through effective management procedures, methods, and review and evaluation. Other general responsibilities include procurement services, communications, library services, control of space, property and records, and safety of working conditions for employees. Surveys, audits, and studies are made regularly to assure the most effective use of manpower and improved methods and equipment.

This has been a very active year for the entire Office of the Administrative Assistant Secretary. Certain organizational and procedural changes took place, and others are planned, in the interest of better operations. New major legislation had its effect in many ways. The variety of activities conducted by the Office during the year is reflected in the specific significant items which follow.

It became evident late in fiscal 1960 that unemployment insurance payments to ex-servicemen and Federal employees would be higher than estimated. Supplemental appropriations to meet this emergency were requested of the Congress. Before approval of the necessary supplementary funds could be effected, some States exhausted their funds for payment of such claims. Through special arrangement, advancement of funds to these States was possible so that payments to unemployed ex-servicemen and Federal employees were not delayed.

Preparatory to the submission of the Department's budget estimates for fiscal year 1962, a series of investigatory visits to all regional and branch offices was made to evaluate all phases of the Department's activities in the field. These investigations, made by top officials, provided the Administrative Assistant Secretary with first-hand information which will be useful and pertinent in the preparation and justification of budgetary presentations.

The Labor-Management Reporting and Disclosure Act was approved on September 14, 1959. Considerable staff time was provided during consideration

of this legislation in preparatory planning for the administration of the responsibilities to be assigned to the Department. The tight deadlines imposed by the legislation as passed required that handling of the reporting provision of the act be begun immediately. Management and administrative measures were instituted to meet these immediate needs. A staff experienced in enforcement administration could not be readily recruited. However, other bureaus in the Department and outside Government agencies cooperated in making staff available, and the organization was established and operations were started. Among experienced personnel on loan to the Bureau of Labor-Management Reports were 50 investigators furnished by the Civil Service Commission and 25 investigators from the Wage and Hour and Public Contracts Divisions. This staff was loaned on a reimbursable basis, adding work to payroll and accounting processes and control. The Congress quickly appropriated funds to implement the new activity and subsequently provided supplemental funds to support operation during the balance of the fiscal year. Gradually, the Department was able to release the borrowed personnel when permanent staff was recruited by the Office of Personnel.

The increased workload generated by the establishment of the Bureau of Labor-Management Reports taxed the entire staffs of various divisions in this Office. The Division of Procurement had the problems of securing capital items of equipment and of getting special concessions in the prompt printing of the many new forms required; it had to rearrange shuttle bus schedules and provide wider service between the Main Labor Building and the other buildings occupied by personnel of the Department. The Division of Office Services not only had the major task of arranging for vacating of space to be occupied by the new bureau, but also of relocating the old staff in other offices at the various buildings to which they were shifted. Through cooperation of General Services Administration, Public Buildings Service, office space was secured; much of it required alterations, rearrangement of partitions, new fixtures, and redecoration. Negotiating for space to establish new field offices in 25 cities also involved expanded services and need for additional space for other bureaus of the Department such as the Office of the Solicitor, which has responsibility for the legal aspect of the act.

The space shortage has been a major one for this Department, which has had to resort to using for offices the basement space in the Labor Building previously used by the General Services Administration for storage. Sections of three bureaus are now occupying this converted space.

New functions under this new legislation have brought a 62 percent increase in telephone communication changes, about a 14 percent increase in teletype messages, and a 19 percent increase in local and long distance telephone calls. Much overtime work on the part of employees of the divisions was involved; it was performed with unusual interest and effort.

Consolidation of management analysis and related functions has occurred through establishment of a Division of Management Analysis and Development in the Office of the Administrative Assistant Secretary, with a supervisory man-

agement analyst as head. Through meetings and consultations, this Division works closely with bureau personnel concerned with these functions and with an intradepartmental committee set up last year to provide better communication and exchange of ideas in the whole field of management analysis and development and utilization of manpower.

Some of the results currently achieved include a preliminary study of administrative functions now performed within bureau regional offices of the Department, with a view to the possibility of consolidating all administrative service resources at one point in each location. Pilot study in one major regional office is to be undertaken as a test of effectiveness.

Another study undertaken this year concerns the feasibility of centralizing at the departmental level all bureau payroll and accounting procedures through the use of more modern mechanized or electronic equipment for certain clerical phases. Through the addition to the staff of a management analyst specialized in automatic data processing, application studies preliminary to such change are to take place.

Review of the entire directives system of the Office of the Secretary has been initiated with a view to determining the need for modifying the current system of departmental level policy issuances, regulations, and related materials.

A management survey of the recruiting and processing of Mexican farm workers for employment in this country was made at the recruitment centers in Mexico and the five reception centers along the U.S. border. The workers are brought into the United States under Public Law 78, which provides for their contracting to agricultural employers in areas where domestic farm workers are not available. Recommendations of the survey group for immediate improvements in registration of workers on arrival, provisions in contracts for subsistence and concession, camp and safety conditions, and transportation facilities have been put into effect. Operational economies and improved service to agricultural workers and their employers are expected to result.

The proposed Employment Security Building to house the U.S. Employment Service for the District of Columbia and the District of Columbia Unemployment Compensation Board has proceeded on schedule. Architectural drawings and specifications have been prepared. It is estimated that the contract for construction will be awarded early in 1961 and that building can proceed immediately thereafter. The six-story building will be located on 6th St. between Pennsylvania Ave. and C St. NW.

Employee participation in the savings bond campaign was 55.3 percent. New pledges received numbered 403, increasing the present subscribers to 3,346—highest since World War II.

The Department received the President's Safety Award "honorable mention" citation for advancement of accident prevention among its employees in 1959. The Department of Labor Safety Committee has conducted an active campaign. Quarterly meetings were held. Safety caution flyers were distributed to all employees just before holidays and vacation periods. The committee made

periodical inspections for safety of offices; a suggested safety planning program was distributed to bureaus.

Greater responsibility and authority to bureaus in administration of the suggestion and performance award phases of the incentive awards program was accomplished through delegation of the approval and processing of awards.

As revised, the Department's procedures permit cash award approval by the bureaus in amounts up to \$500 for suggestions and up to \$300 for performance awards to individuals and \$500 to groups. Central administrative direction and review will continue at the departmental level.

The best record to date was achieved in that part of the program concerning employee recognition for superior performance. This substantial increase (90 percent over the fiscal year 1959) is attributable to such factors as the delegation of additional authority to the bureaus; the change in the Department's performance rating plan and the training of supervisors in writing performance requirements; and the unusual conditions which affected the Department's work during the past year, which created a climate favorable for the performance of special acts and services leading to award recognition.

These are some examples of outstanding suggestions:

In the Bureau of Employment Security, an employee's suggestion for streamlining a procedure used in recording work contract extension in the Mexican farm labor program resulted in first-year savings estimated at \$25,000.

In the Wage and Hour and Public Contracts Divisions, several employees suggested a driver safety awards program to promote safe driving by its staff of over 600 field investigators.

Two contributions under the Department's award program have been chosen by the Civil Service Commission for inclusion in its report on outstanding governmentwide incentive award results.

The Library provides services to the departmental staff, and also to the Federal Mediation and Conciliation Service, the President's Committee on Employment of the Physically Handicapped, the President's Committee on Migratory Labor, and the President's Committee on Government Contracts. Its extensive collection of economic and labor material is supplemented by valuable foreign material received through an exchange arrangement with foreign agencies and organizations.

In the last year, circulation of books and periodicals numbered 52,016; reference questions answered totaled 12,182. A total of 1,298 persons not connected with the Department or other government agencies used the Library facilities.

Records holdings as of June 30, 1960, totaled 79,271 cubic feet, an increase of 5,947 cubic feet over the previous year.

OFFICE OF INFORMATION, PUBLICATIONS, AND REPORTS

The chief function of this Office is to keep the public informed about the services of the Department on behalf of workers and their employers.

There are two aspects to this function. The first is to insure that the contents of publications prepared by bureaus are consistently in accordance with departmental policy, objectives, and procedures. Here the purpose is to have the Department recognized as an integrated organizational entity operating as a unit within the executive branch of the Government. The other aspect is to present the functions and services of the Department in such a way as to be of interest to the general public which it serves.

This latter aspect of the work of the Office involves the preparation and issuance of news releases; the preparation and display of exhibits; the compilation of publications having departmentwide significance; and the output of information to some 550 labor and some 3,000 local weekly and other newspapers.

Representatives of the Office participate in various conferences and conventions of labor unions and business and professional organizations, set up appropriate exhibits depicting the services of the Department, and explain ways in which the Department serves the public. Several hundred such conferences are attended every year.

Telephone, personal, and written inquiries of specific bureau interest addressed to the Department are answered directly by the bureaus concerned. More general inquiries, some 70,000 a year, are answered by the Office of Information.

A very substantial phase of the work of the Office is the preparation of exhibits, of which more than twice as many were completed this year as last year: 17 large exhibits, including 3 for international trade fairs, and 2,220 small portables, car cards, and posters. The recent introduction of silk-screen reproduction equipment has made this improvement possible. In addition some 50 publications were designed, 2 films in color were prepared, and 4 television spot films on employment of older workers and the importance of education were produced and received wide usage.

Immediately after the enactment of the Labor-Management Reporting and Disclosure Act of 1959, and before a bureau could be organized to administer those provisions of the act assigned to the Department of Labor, members of the Office of Information prepared, in collaboration with representatives of other bureaus in the Department, a series of 11 pamphlets describing the contents of the law. The pamphlets were printed in large quantities and were distributed

or made available to the thousands of labor unions, employers, and members of the general public interested in understanding the requirements of the act.

Early in the year, the Department published the "Farm Labor Fact Book," a major contribution in this area of labor force activity. The book was prepared by the Office of Information in collaboration with technicians in the bureaus directly concerned.

Work is at present well under way in preparing another major publication of the Department—a review and summary of State and Federal labor legislation. A second edition of "The American Workers' Fact Book" (some 30,000 of which have been sold by the Government Printing Office during the past 4 years) is now available at \$1.50 a copy.

OFFICE OF PERSONNEL ADMINISTRATION

One of the major concerns of this Office during the fiscal year 1960 was the staffing of the new Bureau of Labor-Management Reports. For this purpose, special task forces were formed with members drawn both from the Office of Personnel Administration and from the other bureaus of the Department to work on position classification and recruitment. One hundred fifty-four separate position descriptions were prepared covering all classified positions established as of the end of the fiscal year in the Bureau. Many of these descriptions cover a number of identical positions. From the more than 14,000 applicants, 423 were selected for permanent employment as of June 30, 1960.

Another major undertaking was the overhaul of the merit promotion program. This program had been installed on January 1, 1959. Operations under it were reviewed and analyzed, resulting in changes in coverage and many improvements in procedures. The entire program was broadened to a merit staffing plan.

With the aid of an interbureau advisory committee, the Office of Personnel Administration completed installation in this Department of the new Federal employees' health benefits program. As of the end of the fiscal year, 5,351 employees, of a total of 6,184 eligibles, were enrolled in the program; 833 registered not to enroll.

In the training area, the Department organized a program of training in good supervisory practice and strengthened its executive and career development program. This Office has maintained for several years an inventory of executive positions in the Department which identifies both long-range and immediate replacement possibilities. Thus, the Department was prepared to implement the Presidential directive of February 5, 1960, calling for an executive selection and development program. For this program, a system of forecasting replacement needs has been devised, statements of qualification requirements have been prepared for all positions covered by the program, and tentative development plans have been made by the Bureaus for the training and development of potential replacements for positions included in the program.

Employment in the Department at the close of the fiscal year is shown in the following table:

Number of employees on the rolls of the Department of Labor as of June 30, 1960

Bureau	Total	Full-time paid employees			Other		
		Total	D.C.	Field	Total	D.C.	Field
All Bureaus.....	7,096	6,633	3,562	3,071	463	176	287
Office of the Secretary.....	452	429	421	8	23	21	2
Office of the Solicitor.....	346	346	218	128	0	0	0
Bureau of Labor Standards.....	319	316	248	68	3	3	0
Wage and Hour and Public Contracts Divisions.....	1,299	1,294	245	1,049	5	2	3
Bureau of Labor Statistics.....	1,554	1,371	1,004	367	183	7	176
Bureau of Labor-Management Reports.....	613	479	295	184	134	132	2
Women's Bureau.....	68	64	63	1	4	4	0
Bureau of Apprenticeship and Training.....	508	507	98	409	1	0	1
Bureau of Employees' Compensation.....	501	499	227	272	2	1	1
Bureau of Employment Security.....	1,352	1,262	723	539	90	2	88
Bureau of Veterans' Reemployment Rights.....	84	66	20	46	18	4	14
President's Committee on Government Contracts ¹	27	24	19	5	3	3	0

¹ Not included in above totals.

OFFICE OF THE SOLICITOR

The chief legal officer of the Department is the Solicitor. He is the legal adviser to the Secretary, the Under Secretary, the Assistant Secretaries, the heads of bureaus, and other officers in the Department.

Responsibility rests with the Solicitor for all legal services performed for the Department, including those rendered in connection with hearings and legal proceedings arising under the statutes administered and enforced by the Department. These services also include the furnishing of legal advice and assistance on legislative matters.

The Solicitor additionally performs operating functions involved in the administration and enforcement of the Davis-Bacon Act and other statutes relating to the predetermination and payment of prevailing wages on Federal and federally financed and assisted construction projects. Pursuant to delegation of authority from the Secretary, the Solicitor also exercises final authority in the Department over tort claims arising out of the Department's activities.

The Office of the Solicitor is staffed by attorneys in Washington and in the field offices located throughout the United States and Puerto Rico. The Washington office is organized functionally into eight divisions.

Trial Litigation and Administrative Legal Services

This Division consists of the Branch of Trial Litigation and the Branch of Administrative Legal Services.

The Branch of Trial Litigation performs and coordinates performance of trial litigation functions in the Washington office, and supervises the trial litigation work of the Department's regional attorneys in the courts and before hearing examiners for the enforcement of the principal labor standards laws administered by the Department. In addition, it has responsibility for preparing, for submission to the Department of Justice, criminal cases under these laws and certain others affecting or involving the Department. Through the Department's regional attorneys, it provides necessary assistance to the U.S. Attorneys in the preparation and trial of such cases, supervising the participation of the regional attorneys in these cases.

A total of 1,365 civil and criminal cases under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act were filed during fiscal year 1960, as

compared with 1,306 the previous year. Of the 1,233 civil actions filed, 1,189 were commenced under sections 16(c) or 17 of the Fair Labor Standards Act or section 2 of the Public Contracts Act, and 44 represented other civil actions. Criminal actions were instituted in 132 cases.

Proceedings under these acts were completed in 1,261 cases during the fiscal year, an increase of 65 over the fiscal year 1959. A total of 1,120 injunctions were obtained, 969 by contest and 151 by consent; and 21 other civil actions were closed. Criminal proceedings under the Fair Labor Standards Act were completed in 120 cases. Convictions were obtained in 112 instances; there were 3 acquittals, and 5 cases were either dismissed or nolle prossed. In addition, Walsh-Healey administrative proceedings were instituted in 52 cases, and 50 cases were completed during the year.

Fines totaling \$150,119.82 were imposed by the courts in criminal cases; \$6,525 were assessed in contempt proceedings, of which \$4,420 represented fines of a compensatory nature.

Restitution of back wages was also obtained as follows: Criminal cases, \$230,723.56; civil cases, \$1,095,375.96; contempt, \$29,117.90, for a total of \$1,355,217.42. In addition, \$83,665.42 was recovered as liquidated damages in Walsh-Healey administrative or court proceedings during fiscal year 1960 for a grand total of \$1,438,882.84.

The Branch of Administrative Legal Services provides legal assistance in departmental administrative matters, actions, and proceedings, including the preparation of rules and regulations under the various statutes administered by the Department. The Branch is responsible for the conduct of proceedings and hearings relating to minimum wage orders for Puerto Rico, the Virgin Islands, and American Samoa under the Fair Labor Standards Act and for the determination of industry prevailing minimum wages under the Walsh-Healey Public Contracts Act. It participates in any actions for judicial review of these orders or determinations.

In fiscal year 1960, at the request of the various bureaus and offices of the Department, the Branch prepared and published 137 documents in the Federal Register, including 42 amendments to the Code of Federal Regulations. Among these documents were wage orders under the Fair Labor Standards Act for 8 industries, 22 wage classifications in Puerto Rico, and wage classifications in all industries in the Virgin Islands and American Samoa.

The Branch provided legal services during fiscal year 1960 leading to the issuance of prevailing minimum wage determinations under the Walsh-Healey Public Contracts Act for the evaporated milk industry and the tire and related products industry, and represented the Department in minimum wage hearings under that statute for eight other industries covering the manufacture of metal business furniture and storage equipment, industrial and refined basic chemicals, fabricated structural steel, paper and pulp, electronic component parts, office computing and accounting machines, paper and paperboard containers, and photographic and blueprinting equipment and supplies.

Supreme Court and Appellate Litigation

This Division is responsible for the conduct of the appellate litigation of the Department in actions under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act, and in other cases as required. Its functions include the preparation of briefs and the presentation of oral argument in the appellate courts.

During the fiscal year, 31 briefs were filed, 8 in the U.S. Supreme Court and 23 in the Federal courts of appeals. Twenty-seven were filed in cases instituted by or against the Secretary, and the remaining four on behalf of the Secretary as *amicus curiae* in suits brought by employees. Seventeen decisions were rendered, including three by the Supreme Court. The Department's position was upheld in 14 of the 17, including 2 of the 3 Supreme Court decisions.

In a case of major importance to the enforcement of the Fair Labor Standards Act, *Mitchell v. Robert DeMario Jewelry Co.*, 361 U.S. 288, the Supreme Court held that an employer who discharges an employee for filing a complaint with the Wage-Hour Division can be ordered by the district court to reimburse the discharged employee for pay losses resulting from the discriminatory discharge. The Supreme Court, overruling the Court of Appeals for the Fifth Circuit, agreed with the Department's contention that, although the statute does not expressly grant authority for such reimbursement orders, authority is implicit in the general grant of jurisdiction in section 17 to restrain violations of the act. The Court said that the statutory prohibition against discrimination was designed to make employees feel "free to approach officials with their grievances," and that this purpose can hardly be achieved if an employee may make "the attempt to secure his just deserts under the Act * * * only at the cost of irremediable entire loss of pay for an unpredictable period."

Following the *DeMario* decision, the Eighth Circuit in *Mitchell v. Goodyear Tire & Rubber Co.*, 278 F. 2d 562, held that even where there was a valid ground for discharge, if the immediate motivation was the employee's filing of a complaint with the Wage-Hour Division, the discharge was a violation of the act for which the employee should be reimbursed.

In another case, *Arnold v. Ben Kanowsky, Inc.*, 361 U.S. 388, the Supreme Court held that an employee of a retail interior decorating and custom furniture business was covered by the Fair Labor Standards Act, and did not come within the scope of the retail or service establishment exemption, where the employer also manufactured and sold parts to be incorporated in aircraft assemblies produced for interstate shipment. These sales, which totaled over 25 percent of the employer's annual sales, were held to be "for resale" rather than retail. The Court reaffirmed that the 1949 revision of the act did not represent a general broadening of the retail exemption and that the exemption is to be "narrowly construed." On the authority of this decision, the Court of Appeals for the First Circuit held in *Sucrs. de A. Mayol & Co. v. Mitchell*, 280 F. 2d 477, that sales of materials to building contractors (where not used for residential or farm construction) were not retail, but "for resale."

In *Mitchell v. H. B. Zachry Co.*, 362 U.S. 310, a majority of the Supreme Court held, with four Justices dissenting, that a construction company's employees engaged in constructing a new dam, to replace and greatly expand the water supply for a municipal water system, were not covered by the act, notwithstanding that over 40 percent of the system's water was furnished to industrial users, most of whom were engaged in producing goods for interstate commerce. The Court expressly rejected the reasoning of the court below (5th Cir.), which held the act inapplicable because the project was "new" construction, thus sustaining the Department's position that construction work is not excluded from the act merely because it is "new." However, the particular project involved in this case was held not covered on the ground that construction of the dam was a separate undertaking too remote from the operation of any production facilities producing goods for commerce.

Several decisions of the Courts of Appeals sustained the Department's position on other Fair Labor Standards Act coverage questions. In *Mitchell v. Emala & Associates, Inc.*, 274 F. 2d 781 (4th Cir.), the act was held to apply to employees engaged in hauling and leveling fill dirt for the construction of sections of interstate highways. A similar holding was made in *Mitchell v. Hooper Equipment Co.*, 279 F. 2d 893 (5th Cir.), with respect to employees engaged in mining rock used in materials sold to contractors for construction of interstate commerce facilities. In *Caserta v. Home Lines Agency, Inc.*, 265 F. 2d 281 (2d Cir.), a shipping clerk in the local office of a ticket agency for foreign steamship lines was held to be covered. And in *Sucrs. de A. Mayol & Co. v. Mitchell, supra*, warehouse employees who received, checked, and stored incoming goods were held to be covered, even though they did not assist in unloading.

In an adverse decision by a divided court, the First Circuit held, in *Mitchell v. Whitaker House Cooperative, Inc.*, 275 F. 2d 362, that an enterprise organized as a homeworkers' cooperative to deal in hand-knitted and crocheted articles was not the employer of the homeworker-members, who under the circumstances of the case were self-employed and therefore not subject to the act. The Supreme Court has agreed to review this decision.

The Division during fiscal 1960 continued successfully its efforts to stem the tendency of some of the district courts to deny injunctive relief even though finding violations. In *Mitchell v. Southwest Engineering Co., Inc.*, 271 F. 2d 427, and *Mitchell v. Blanchard*, 272 F. 2d 574, the Courts of Appeals for the Eighth and Fifth Circuits, respectively, reversed judgments of lower courts which had refused to enjoin employers from violating the act on the ground that the infractions had been committed in "good faith." Another decision, *Wright v. Carrigg*, 275 F. 2d 448 (4th Cir.), sustained the Department's position that the court has no discretion to deny, and must grant, reasonable attorney's fees to the employee's attorney in a successful employee action for recovery of unpaid wages.

A highly important question under the Walsh-Healey Public Contracts Act was decided by the Court of Appeals for the District of Columbia in *George, d.b.a Capitol Coal Sales v. Mitchell*, 282 F. 2d 486. The court upheld the deter-

mination of the Wage-Hour Administrator that several separate bids, submitted by the contractor in response to a single invitation, constitute a single contract in the total aggregate amount for the purpose of determining whether the \$10,000 jurisdictional amount prescribed in the Public Contracts Act is met, ruling that a dealer who is in fact a contracting principal "should not be permitted to evade the restrictions and covenants of the Walsh-Healey Act merely because of the number of sheets of paper on which he elects to submit his bids."

General Interpretative Services

The Branch of Wage-Hour Interpretations of this Division furnishes advice and assistance in the interpretation of several of the statutes administered by the Department, particularly the Fair Labor Standards Act, the Walsh-Healey Public Contracts Act, and the Eight-Hour Laws. This function is carried out by rendering either written or oral opinions, upon request, to the public, other Government agencies, and bureaus and regional offices within the Department. These opinions express the position of the Department and are used as a basis for enforcement activities.

During the 1960 fiscal year, the Branch rendered approximately 6,200 oral and written opinions. It also reviewed an average of 100 opinions a month which were prepared elsewhere, particularly in regional offices, and took appropriate action to assure that they correctly reflected the official position of the Department.

The Branch of Veterans' Reemployment Rights Interpretations of the Division prepared 136 original opinions, reviewed 206 opinions rendered by regional attorneys, and analyzed and transmitted 177 cases to the Department of Justice for litigation. Thirteen trial briefs and documents were prepared for use in litigation. Approximately 600 notes on decisions were written in connection with the preparation of the "Legal Guide and Case Digest," a replacement and modernization of the former "Interpretative Bulletin and Legal Guide of 1948" and the "Case Digest Supplement." Other activities included almost 500 conferences with veterans, employers, union representatives, other agencies, and employees of the Bureau of Veterans' Reemployment Rights. Also, the Branch studied, reviewed, and made recommendations respecting proposed legislation in the veterans' reemployment rights field.

The Branch of Safety Standards and Benefit Plan Reports Interpretations renders interpretative legal advice and assistance in connection with the 1958 safety amendments to the Longshoremen's and Harbor Workers' Compensation Act, the Welfare and Pension Plans Disclosure Act, and the regulations promulgated under these acts. During fiscal 1960, the Branch prepared 356 interpretative letters and legal memoranda and rendered approximately 2,981 oral interpretations on legal questions and problems in connection with these statutes.

The Branch also assisted in the drafting of safety and health codes for the longshore and ship repair industries pursuant to the maritime safety amendments, as well as procedures for the application and granting of variations from safety and health regulations.

In connection with matters arising under section 5 of the Walsh-Healey Public Contracts Act, the Branch rendered legal assistance during the year to the Wage and Hour and Public Contracts Administrator in the preparation of seven decisions in cases which were appealed to him from decisions of hearing examiners. The Branch also rendered legal assistance to the Secretary in 42 cases in connection with the Secretary's function of determining whether action should be taken to relieve parties found to have violated the Walsh-Healey Act from the ineligible list provisions of the law.

Employees' Compensation

This Division is composed of two branches, the Branch of Appeals and Review and the Subrogation Branch. The Branch of Appeals and Review renders legal services to the Bureau of Employees' Compensation in the administration of the workmen's compensation program under the Federal Employees' Compensation Act and the Longshoremen's Act and extensions thereof; these acts cover civil officers and employees of the United States and the District of Columbia and private employees within the regulatory jurisdiction of the Federal Government. The Subrogation Branch directs the program for recovery from third parties of damages in cases of injury and death of civil employees injured while in the performance of duty and protected by the Federal Employees' Compensation Act, where such injury or death resulted from the negligence of a third party.

Through the Branch of Appeals and Review, the Solicitor's Office represents the Director of the Bureau when compensation awards are appealed to the Department of Labor's Employees' Compensation Appeals Board, a quasi-judicial body whose decisions are final and not subject to further review. In addition to legal advice furnished to the Bureau in the fiscal year through conferences and opinions, the Branch represented the Director in approximately 385 appealed cases in which the latter's decisions were reviewed by the Appeals Board. Hearings were held in 160 of these cases, with representation by this Branch and oral argument.

Workmen's compensation provisions applicable to private employment, with respect to which the Branch provides legal services to the Bureau, are contained in the Longshoremen's and Harbor Workers' Compensation Act, the Defense Base Act, section 4(c) of the Outer Continental Shelf Lands Act, and the District of Columbia Workmen's Compensation Act. Legal services are also provided in connection with the administration of the War Risk Hazards Compensation Act.

In addition, since 1959 three new groups of employees were brought within the coverage of the Longshoremen's Act or its extensions. Public Law 85-538 provided coverage for employees of post exchanges and other similar nonappropriated fund activities of the armed services, Public Law 85-477 provided coverage for persons employed under Mutual Security Act contracts, and Public Law 85-608 provided coverage for Red Cross workers and others similarly employed in

providing welfare services to the Armed Forces outside the continental United States.

Authority to adjudicate claims under the Longshoremen's Act and its extensions is vested by law in the deputy commissioners of the Bureau of Employees' Compensation, who are appointed by the Secretary of Labor to preside as hearing officers in the 13 compensation districts established to serve the United States. Other compensation districts serve, respectively, the claims arising outside the United States and the District of Columbia. The decisions of the deputy commissioners under these acts are subject to judicial review in the U.S. district courts. Among other kinds of assistance which the Branch furnishes to the Bureau is the defense of actions or awards of the deputy commissioners. During the 1960 fiscal year, 47 civil actions were filed in the U.S. district courts and 17 cases were appealed to the U.S. courts of appeals.

The Subrogation Branch supervises the prosecution of civil actions brought against third parties whose negligence causes the injury or death of Federal employees. These actions are for reimbursement of compensation paid by the Bureau of Employees' Compensation under the Federal Employees' Compensation Act. In fiscal 1960, the gross sum of \$2,857,983.13 was collected from third-party wrongdoers in a total of 1,166 cases. A net recovery of \$2,070,092.68 for the fiscal year was made available to the Federal Government, after deducting the expenses of litigation, to be applied as an offset to compensation payments made in these cases under the Federal Employees' Compensation Act.

Manpower and Employment Security

This Division consists of the Unemployment Insurance Branch and the Manpower and Employment Service Branch.

Through the Unemployment Insurance Branch, the Solicitor's Office renders legal services to the Department, principally the Bureau of Employment Security, and to other interested agencies, individuals, and groups on matters affecting the Federal-State system of unemployment compensation and the Federal unemployment compensation programs for Federal employees and ex-servicemen.

Several laws passed during the second session of the 86th Congress will affect the operations of this Branch. For example, the Congress repealed section 1505 of the Social Security Act so as to make eligibility for payment of unemployment compensation to separated Federal civilian employees receiving lump-sum payments for current and accrued annual leave depend on applicable State unemployment compensation laws. In addition, the Congress enacted title V of H.R. 12580, legislation designed among other things to make extensive changes in the employment security administrative financing provisions of title IX of the Social Security Act, to increase the tax imposed by the Federal Unemployment Tax Act and enlarge the area of its incidence, and to extend the Federal-State unemployment compensation system to Puerto Rico.

The Unemployment Insurance Branch also ascertains the continued conformity with Federal law of State unemployment compensation laws by reviewing and

commenting upon proposed and enacted legislation, regulations, decisions and, when requested by the Bureau of Employment Security, quasi-judicial administrative decisions of the several States with regard to unemployment compensation programs.

During fiscal 1960, possible nonconformity of some State unemployment compensation laws with the requirements of Federal law was disclosed. The State law provisions affected the eligibility of employers in the States for tax credits against the Federal unemployment tax and the eligibility of States for Federal funds granted for administrative expenditures, raising fundamental issues of far-reaching effect. This Branch during the year performed services in connection with the analysis of the provisions of Federal law involved and with the presentation of the questions to the Secretary for decision. In the resolution of one such question, a hearing was held pursuant to the Federal Unemployment Tax Act to afford a State an opportunity to present evidence and argument on the issue whether its unemployment compensation law was in conformity with Federal law. The Division, through the Unemployment Insurance Branch, represented the Bureau of Employment Security at such hearing.

The Branch, in addition, is often called upon for assistance to States and congressional committees in the evaluation of unemployment compensation programs and with regard to legislation. Of particular significance during fiscal 1960 was the assistance rendered to the Congress in connection with the unemployment insurance title of H.R. 12580 which was enacted.

Through the Manpower and Employment Service Branch, this Division also renders legal services to the Bureau of Employment Security and other officials of the Department concerning the administration of the Federal-State public employment service program and various other related programs. Funds for the maintenance of State public employment offices are granted to the States in accordance with the provisions of the Wagner-Peyser Act. Eligibility of a State for these funds is contingent upon its adherence to statutory conditions specified in the act and to regulations and policies of the Secretary.

During the fiscal year 1960, a significant accomplishment of this Branch was the preparation of regulations issued by the Department prescribing minimum referral standards for the State public employment offices in connection with the interstate recruitment of domestic agricultural workers.

The admission of certain aliens to the United States to perform labor is, under the Immigration and Nationality Act of 1952, conditioned upon the Secretary of Labor's determination of the unavailability of qualified workers, and of no adverse effect on conditions of employment in the United States. Of special note in this respect was the Secretary's certification during fiscal 1960 that the admission of any aliens to the United States for employment at an establishment during the progress of a strike would adversely affect the wages and working conditions of workers in the United States similarly employed.

The Manpower and Employment Service Branch also performs legal services in connection with the Mexican labor program. The improvement and extension of the Migrant Labor Agreement of 1951, as amended, required legal serv-

ices of this Branch during fiscal year 1960. A novel and significant feature of the Mexican labor program is the extension of the Mexican social security system to Mexican workers employed in the United States. The Manpower and Employment Service Branch has also been actively involved in the enforcement of the Migrant Labor Agreement and the Standard Work Contract governing the employment of Mexican workers. During fiscal 1960, \$212,430 in back wages was recovered for Mexican workers. Approximately \$64,131 has to date been paid to Mexican workers under the U.S. Government's guarantee of the fulfillment of their employers' contractual obligations. Approximately \$34,300 of this amount has been recovered by suit on indemnity agreements executed by employers with the Government. In addition, a member of the staff of this Branch, acting as designee of the Secretary of Labor, sat with the Minister-Counselor of the Mexican Embassy as an appellate tribunal on determinations made against employers and workers for violation of the Migrant Labor Agreement or Standard Work Contract, and rendered 59 appeal decisions during the past fiscal year.

Particularly troublesome problems arose during the fiscal year in the application of the Department's labor disputes referral regulation to the numerous agricultural labor disputes that spread throughout California. Under this regulation, the referral of applicants through the public employment offices to places involved in strikes or other labor disputes are in certain situations prohibited.

A determination by the Secretary under title V of the Agricultural Act of 1949, as amended, that he could not certify that the employment of Mexican nationals in cotton harvesting in a certain area of the United States at a wage rate of less than \$2.50 per hundredweight for picking cotton would not adversely affect the wages and working conditions of domestic agricultural workers similarly employed has culminated in litigation which is still active.

Wage Determinations

The Wage Determination Division is composed of two branches, the Branch of Wage Determinations and the Branch of Coordination and Enforcement.

The Branch of Wage Determinations predetermines the minimum wages to be paid to laborers and mechanics on construction subject to the Davis-Bacon Act and eight related prevailing wage statutes. These wage determinations reflect the prevailing wages paid in the city, town, village, or other civil subdivision of the State in which work is to be performed.

During the fiscal year 1960, this Branch issued 40,740 wage determinations. This is the largest number of determinations ever issued in a comparable period; it represents an increase of 3,565 decisions over the number issued during fiscal 1959. Of the 40,740 wage determinations, 4,807 were issued for initial construction of the interstate system under the Federal-Aid Highway Act of 1956, the largest number of such decisions issued in any year since enactment of this act.

Reorganization Plan No. 14 of 1950 places certain functions in the Secretary of Labor. The purpose of the plan is to achieve coordination of administration and consistency in the enforcement of the statutes covered by its provisions.

The functions of the Secretary under this plan are performed by the Branch of Coordination and Enforcement. It opened 1,116 enforcement cases during fiscal year 1960, and processed 974 cases to completion during the fiscal year. In those cases involving serious violations of the various statutes covered by Reorganization Plan No. 14 of 1950, ineligibility sanctions were imposed against 53 contracting firms and individuals responsible for such violations. As a result of this enforcement action, restitution totaling \$330,240.15 was secured for 3,642 laborers and mechanics. The number of workers who received restitution is greater than that shown for any previous fiscal year.

In order to promote consistency in the enforcement of the various statutes under Reorganization Plan No. 14, the Branch continued its series of "all agency" memoranda with respect to coverage problems and related matters. In addition, the Branch issued a large number of interpretations and opinions to contractors and employees advising them of their rights and responsibilities under these statutes.

In the operation of both branches, a total of 47,803 pieces of correspondence were issued, an increase of 17,754 over fiscal year 1959.

During fiscal year 1960, prevailing wage and overtime provisions were inserted in title VI of the National Housing Act (college housing). This insertion augmented the wage determination and coordination of enforcement responsibilities of the Division.

Legislation, General Legal Services, and Hearings

This Division is comprised of three branches: the Branch of Legislation and General Legal Services, Branch of the Hearings Examiners, and Branch of Special Services.

The Branch of Legislation and General Legal Services performs, among other things, the functions of the Department which relate to legislative matters. An important responsibility of this Branch is to assist the Secretary in formulating the Department's position on pending legislation, in preparing draft bills implementing the legislative program of the Department, and in preparing reports to the appropriate congressional committees expressing the Department's views on proposed legislation. During the 1960 fiscal year, a total of 491 legislative reports were prepared by this Branch.

In connection with the Department's legislative program for fiscal 1960, assistance was rendered to the Secretary and officials of the Department during the year with respect to the continuing legislative development of proposals previously submitted to the Congress. Included among these bills were proposals to extend the minimum wage protection of the Fair Labor Standards Act to additional groups of workers; to revise and bring up to date the long-since outmoded Eight-Hour Laws; to correct the deficiencies in the Welfare and Pension Plans Disclosure Act which the President pointed out when he signed the measure in 1958; to make clear that the secondary boycott provisions of the National

Labor Relations Act do not prevent certain concerted activity (not otherwise unlawful) at the site of a construction project against employers engaged together at the site as joint venturers or in the relationship of contractors and subcontractors; and to further equality of job opportunities under Government contracts. This Branch also assisted in drafting legislation which would establish criteria to identify areas of substantial and persistent unemployment and underemployment and authorizing various types of technical and economic assistance to such areas.

Among the legislative proposals drafted by the Branch which were enacted in substance by the second session of the 86th Congress were proposals:

1. Extending the coverage and improving the administration of the unemployment insurance system, accomplished in part by P.L. 86-778.
2. Clarifying the laws relating to veterans' reemployment rights by filling the gaps and resolving the inconsistencies that existed in certain areas, achieved in the most part by P.L. 86-632.
3. Providing increased and more realistic benefits under the Federal Employees' Compensation Act to Federal civilian employees and their dependents, achieved by P.L. 86-767.

The Branch of Legislation and General Legal Services also provides opinions, legal analyses, explanatory statements, and charts upon the request of congressional committees and for officials of the Department testifying before those committees with respect to legislation under consideration in the Congress. During fiscal 1960, approximately 2,700 of these statements and documents were prepared by this Branch.

Legal services of a general nature are also performed by this Branch for the Office of the Secretary and other offices and bureaus of the Department. During the fiscal year 1960, 646 analyses, memoranda, and orders were prepared. Letters totaling 716 were prepared for the Secretary's signature, and 2,165 were prepared for the Solicitor's signature. The Branch also furnishes a variety of services in connection with contractual matters of the Department, international labor affairs, and other functions performed by the Secretary and the Department.

The Branch of Hearing Examiners has the responsibility of holding administrative hearings under various statutes. During fiscal 1960, this Branch held 52 hearings under the Walsh-Healey Public Contracts Act and rendered 39 examiners' decisions involving violations of the act's health and safety standards, minimum wage and overtime requirements, or child labor provisions. Eleven hearings were held pursuant to other laws, eight of these involving the 1958 safety amendments to the Longshoremen's and Harbor Workers' Compensation Act. In addition, nine hearings were held in proceedings involving the determination of the prevailing minimum wages in particular industries pursuant to the provisions of the Walsh-Healey Act.

The Branch of Special Services of this Division provides legal assistance to the Employees' Compensation Appeals Board, with special regard to the adjudication of compensation cases which have been appealed to the Board. The Branch writes the opinions expressing Board decisions, furnishes legal advice

to the Board, and performs research assignments of a special nature which may be requested by the Board or the Solicitor. During the fiscal year, the Branch received 283 new cases, representing an increase of 26 percent over the number of cases received during the previous year. This increase was met by the writing of 279 decisions, 27 percent more than in fiscal 1959.

Division of Labor-Management Laws

Following the enactment of the Labor-Management Reporting and Disclosure Act of 1959, the Division of Labor-Management Laws was established in the Office of the Solicitor to perform, and to supervise the performance of, the legal functions imposed upon the Department by this new legislation. The Division consists of the Branch of Opinions and Procedures and the Branch of Enforcement.

The Branch of Opinions and Procedures renders legal advice and assistance to the Secretary, the Under Secretary, the Assistant Secretary for Labor-Management Relations, and the Bureau of Labor-Management Reports in the interpretation of the Labor-Management Reporting and Disclosure Act of 1959. The Branch also participates in the preparation and interpretation of the regulations and reporting forms which the act authorizes and directs the Secretary to issue.

The Branch was not fully operational until about December 1959. From the time the act became effective on September 14, 1959, until December, functions which now fall within the normal responsibilities of the Branch were performed by various attorneys in the Office of the Solicitor, acting either individually or in groups, pursuant to specific assignments. Several regulations were issued, particularly those relating to reports which were required to be filed within limited periods; interpretations were rendered to the public and the Bureau of Labor-Management Reports; and three interpretative bulletins, dealing with portions of the act which were of wide general interest from the outset and which presented difficult problems, were prepared, published in the Federal Register on December 12, 1959, and made available for general distribution.

As of June 30, 1960, approximately 800 written opinions had been rendered to the public in connection with specific problems of interpretation arising under the act. These were rendered to members of Congress, employers, employer associations, labor organizations and their members, attorneys, and private individuals. In addition, about 150 written legal memoranda were prepared for use within the Department. Some 125 written opinions prepared outside the Branch were reviewed by its staff. Apart from this, legal assistance was rendered in connection with the preparation of 15 regulations, 9 reporting forms and amendments, and 2 technical assistance aids.

Because of the newness of the act and the wide interest shown in it, attorneys from the Branch have participated extensively in several programs put on by organizations outside the Department to acquaint interested groups with a better understanding of the problems arising under the act. As a result of all of these activities, the Branch has also rendered many informal oral interpretations both

to the public and the Bureau of Labor-Management Reports. This has been done through personal conferences and telephone calls.

The Branch of Enforcement performs and coordinates all the Department's legal enforcement activities under the act. A major aspect of this work is the review of investigation reports of the Bureau of Labor-Management Reports together with the legal analyses of these reports by the regional attorneys, and the determination whether, on the basis of the evidence reflected in these reports and the legal considerations presented in the analyses, the institution of civil or criminal proceedings in the Federal courts appears justified. The Branch transmits to the appropriate divisions of the Department of Justice all cases warranting such action, with the necessary memoranda of law and draft pleadings, and supervises and directs the regional personnel of the Solicitor's Office who participate in the further preparation and presentation for trial of such cases.

Members of the staff of this Branch represent the Secretary of Labor in the proceedings before the Board of Parole of the Department of Justice on applications for certificates of exemption by persons subject to the prohibitions of section 504(a) of the act against the serving in certain union offices and positions of specified persons, including those convicted of enumerated crimes. In addition, the Branch has the function of analyzing and evaluating all issues presented and decisions of the courts in private actions brought under the act. While no administrative hearings contemplating such procedure have been conducted during the past year by the Secretary under the provisions of the act, it will be the function of this Branch to provide legal services in hearings when they are held.

As the statute was enacted during the past fiscal year, the enforcement activities did not extend over the entire year. Even after the act was approved by the President, these activities could not begin immediately since some of the provisions did not become effective until later. However, during the latter part of the fiscal year, enforcement activities increased continuously in volume. Expanded activity in fiscal 1961 is assured by the fact that, at the close of fiscal 1960, the Bureau of Labor-Management Reports had 944 alleged violations of the act under investigation.

The act provides for investigations by the Secretary of Labor and also provides that the Attorney General or his representative shall receive from the Secretary for appropriate action such evidence developed in the performance of his functions as may be found to warrant consideration for criminal prosecution. Under an agreement between the Departments of Justice and Labor pursuant to section 607 of the act, certain criminal offenses under the act are investigated by the Justice Department. During the past fiscal year, 75 cases in this category were referred to the Branch. In most of them, the Justice Department had concluded that the institution of a criminal prosecution was not warranted, and the Branch, after analyzing them, concurred in the determinations. In some of these cases, evidence of violations falling within the investigative areas reserved by the agreement to the Department of Labor was uncovered, and these were referred to the Bureau of Labor-Management Reports for investigation. One case resulted in the conviction of a union official for embezzlement of union funds

The Branch participated in three Parole Board proceedings during the fiscal year. In these cases, in addition to appearing at the hearings, the Branch reviewed the investigation reports of the Bureau of Labor-Management Reports and prepared briefs to be submitted to the Parole Board. Two of these cases were decided during the fiscal year.

With respect to private suits brought under the act, the Branch analyzed 23 court decisions and prepared summaries and digest notes for distribution to attorneys in the Washington and regional offices.

The Branch also reviewed for legal form and content 46 subpoenas which the Bureau of Labor-Management Reports proposed to issue in aid of its investigative authority.

In addition, the personnel of the Branch performed other miscellaneous legal services. These included preparing memoranda of law on pending enforcement cases and participating in numerous conferences relating to the administration and enforcement of the act, and similar activities, with Bureau of Labor-Management Reports and other departmental personnel, officials of the Department of Justice, the Bureau of the Budget, and private parties including attorneys, union officials, employee and trade association officials.

BUREAU OF APPRENTICESHIP AND TRAINING

The Bureau of Apprenticeship and Training is the agency of the Department of Labor responsible for working with employers and labor in the development of apprenticeship and training programs. It is a government agency which provides technical assistance and guidance to employers and labor in the development of apprenticeship and training programs.

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The Bureau of Apprenticeship and Training is a part of the Department of Labor, and is responsible for the supervision and control of the apprenticeship system in the United States. It is the only Federal agency which is concerned with the training of the young men and women of the country.

The Bureau is organized into three main divisions: the Division of Apprenticeship, the Division of Training, and the Division of Inspection. Each division is headed by a Chief, and each has a number of assistants and clerks.

The Bureau is also organized into a number of regional offices, which are located in various parts of the country. These offices are responsible for the supervision and control of the apprenticeship system in their respective regions.

The Bureau is also responsible for the collection and dissemination of information concerning the apprenticeship system. It publishes a number of reports and bulletins, and it maintains a number of statistical records.

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The Bureau of Apprenticeship and Training is the agency of the Department of Labor responsible for working with management and labor in the formulation of apprenticeship and on-the-job training. It is a promotion and service agency to encourage sound manpower practices in industry.

The activities of the Bureau during fiscal 1960 were carried on under a Director assisted by the Executive Director of Apprenticeship Service and the Executive Director of Technical Service. The first was concerned with the improvement and expansion of apprenticeship and the latter with other types of training and the development of the skills of Bureau employees.

The program of the Bureau of Apprenticeship and Training was conducted through 12 regional offices with representatives stationed in each of the 50 States. The Director had a combined staff, in Washington and the field, of 279 professional and 222 clerical employees.

The Bureau's resources were channeled through five major program areas. (See chart 1.) The first, national industry promotion, involved bringing national, State, and local units of industry together for the development of unified training efforts. Under this heading, a number of industry projects were under way. (See chart 2.) Other program areas concerned strengthening joint apprenticeship committees in the construction industry, community-level promotion, local industry promotion, and strengthening workers' technical knowledge.

BAT worked with 157,500 industrial establishments, 221 national associations, and 77 international unions. It participated in 50 national conventions promoting apprenticeship, four multistate and five State apprenticeship conferences, and assisted national committees in conducting six trade apprenticeship contests.

A total of 3,129 individual apprenticeship programs were reviewed. Registration actions totaled 1,925, involving new programs, changes in programs, and cancellations. A total of 8,369 certificates were issued, including certificates of completion of apprenticeship and certificates of meritorious service honoring individuals or groups.

Major improvements were made in 1,394 apprenticeship and training programs. New apprenticeship programs were listed at 1,143 and training programs in nonapprenticeable occupations at 982. The field staff made 114,200 visits among 40,834 accounts, as well as 6,092 public appearances. These included speeches, film showings, radio and television presentations, and related methods of getting the apprenticeship and training story across. Over 530 presentations of "Manpower—Challenge of the 1960's" were made in less than 4 months.

UTILIZATION OF RESOURCES IN THE 5 MAJOR PROGRAM AREAS

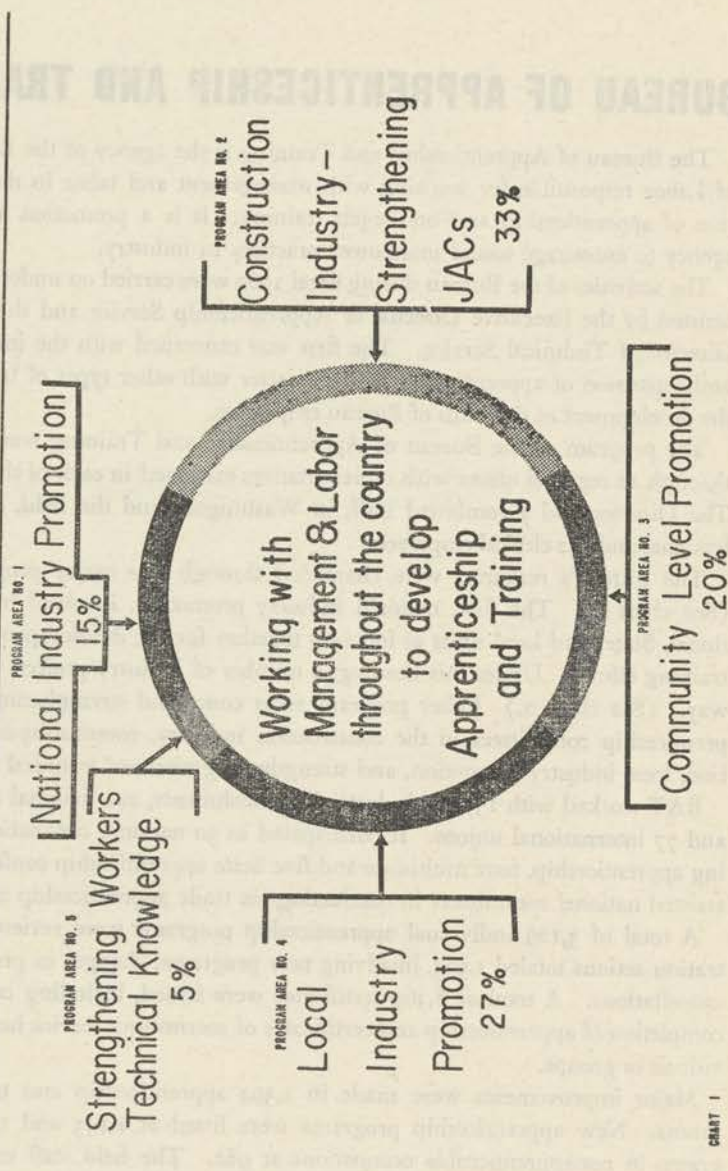


CHART 1

INDUSTRY PROJECTS

P H A S E S								
PROJECT	Exploratory	Selection	Obtain Support	Fact Finding	Publicizing Need	Planning Action	Performance	Evaluation
ELECTRICAL CONTRACTING	1957	1958	1958	1958	1960	1960	1960	1961
TOOL & DIE	1957	1958	1958	1958	1960	1960	1960	1961
AIRCRAFT MFG.	1958	1958	1958	1960	1960	1960	1960	1961
AUTO GLASS INSTALLATION	1960	1960	1960	FACTS WERE AVAILABLE	1960	1960	1960	1961
MASONRY CONTRACTING	1960	1960	1960	1960	1961	1961	1961	1962
COMPOSITOR JAC's	1960	1960	1960	1960	1961	1961	1961	1962
CARPENTERS JAC's	1960	1960	1960	1961	1961	1961	1961	1962
UTILITIES	1960	1960	1960	1960	1961	1961	1961	1961
ELECTRONIC MFG.	1960	1960	1960	1960				
OTHER INDUSTRIES UNDER STUDY-10	1960							

LEGEND

Phases completed

BRAT 2

Opportunities to observe training at all levels were provided to 176 foreign trainees from 25 countries. This was an increase of 19 percent over fiscal year 1959. A field representative served for 2 months as labor training representative at the U.S. exhibit at the International Trade Fair in Bombay, India.

Studies and Publications

Research studies were conducted in specific industries to determine training programs in operation, needs for training, and to recommend development of future training. Two were completed—"Apprenticeship and Training in the Contract Tool and Die Industry," T-150, November 1959; and "Apprenticeship and Training in the Aircraft Industry," June 1960.

Two additional studies were launched. The first consisted of a comprehensive inquiry in the masonry construction industry to compare the amount of available apprenticeship and journeyman training with the estimated amount needed to meet skill requirements. Information was submitted from 80 percent of 912 communities. The second study in construction carpentry covered labor markets in more than 1,000 communities. Each study was sponsored by major labor and management organizations involved in the trades.

Another study, "Manpower Requirements and Training Needs in Construction Occupations, 1960-70," resulted from the increase anticipated in building activity during the present decade and the importance of trained craftsmen in construction work. The summary indicated that present levels of apprenticeship training will provide about 10 percent of the additional journeymen needed in construction work by 1970.

Not enough is known of the actual amount of training sponsored in the Nation, especially short-term training for such groups as foremen, supervisors, sales staff, clerical and secretarial personnel, and new employees. A pilot project, "A Look at Industrial Training in Mercer County, New Jersey," was conducted, and a second study covered the remainder of New Jersey. During fiscal year 1961, a similar survey will be carried on, nationwide.

A joint investigation by BAT and the University of Pennsylvania into attitudes of workers and employers on employee development was considered. Answers would be obtained to such questions as employee demand for training, attitudes toward developing job skills and technical knowledge, and employer encouragement of worker participation by such motivating techniques as paying tuition costs and allowing training on company time.

Nine articles were researched, written, and placed in national publications, including *The American Machinist*, *American Vocational Journal*, *Journal of the American Society of Training Directors*, *Journal of the National Association of Intergroup Relations Officials*, *National Business Woman*, and *The American Child*.

Five new BAT publications were issued, bringing the total to 13. New publications were: "Careers in Apprenticeship," joint pamphlet with the Office of Education, Department of Health, Education, and Welfare; "Everybody's Talk-

ing About Trained Workers for the Future," joint pamphlet with the Women's Bureau of the Department of Labor; three folders developed in cooperation with the National Coordinating Committee of the Construction Industry and entitled "Mr. Contractor—Skill Is the Cornerstone of the Construction Industry," "Mr. Journeyman—Here's How You Can Invest in Job Security," and "Mr. Union Officer—Advanced Training for Journeymen Pays Dividends."

In addition, BAT provided 14 national apprenticeship and training standards, 6 of which were revised (for glaziers and glassworkers; stained glass; painting and decorating; cement, masonry, asphalt, and composition; carpentry; and the sheet metal industry).

It provided a new trade and industrial publication ("Apprenticeship Schedules for the Automotive Trades—No. 6") and three new research studies ("Manpower Requirements and Training Needs in Construction Occupations, 1960-70," "Apprenticeship and Training in the Contract Tool and Die Industry," and "A Look at Industrial Training in Mercer County, New Jersey"), bringing the total of such research studies to eight.

The Bureau also issued 18 reprints, 13 of which were from national publications, and, in addition, 7 individual reprints from the "Occupational Outlook Handbook" of the Department of Labor.

BAT exhibits were displayed on 10 occasions at State fairs and apprenticeship and training conferences and conventions.

BAT distributed 231,847 of its publications, an increase of 110,160 over fiscal year 1959.

Cooperation With Other Groups

A promotional and technical assistance program with management and labor was carried on in cooperation with State apprenticeship agencies. This resulted in establishing programs and improving existing programs in apprenticeable occupations, and included both apprenticeship and on-the-job training.

The close relationship with the States developed a better understanding of mutual aims and objectives in working toward the common goal—manpower development. It also meant a joint approach to industry that was more acceptable.

The Bureau collected, studied, and analyzed all available information regarding State apprenticeship agencies and their activities and maintained this material for staff use. BAT also served as a clearinghouse for information to the States and to the Federal Committee on Apprenticeship.

In addition, the Bureau:

- Prepared training outlines for the Atomic Energy Commission.

- Drafted a pamphlet to encourage training of dental laboratory prosthetic technicians for the Dental Laboratory Conference.

- Provided implementation of a clerical training program for the Department of Agriculture.

Made presentations on training older workers and on occupational safety through shop training for the Department of Health, Education, and Welfare.

Reviewed programs of apprenticeship for the Veterans' Administration.

Served as liaison with Selective Service in the deferment of apprentices.

Worked with the Army Ordnance Corps in drafting an apprenticeship program.

Cooperated with the National League for Nursing in developing a hospital employee training program for hospital members of the American Hospital Association.

Worked with Humble Oil Co. in developing a training program.

Prepared a paper for the Metal Trades Department, AFL-CIO, comparing the present apprenticeship program with that existing from 1934 to date.

Reviewed a manual for the National Joint Electrical Apprenticeship Committee for the Construction Industry.

Prepared a report on the status of apprentices in the machinist trade for the International Association of Machinists.

Prepared a manual on selection of apprentices for the National Joint Apprenticeship Committee for the Pipe Trades.

Other Activities

There were substantial increases in apprenticeship and training funds and in the employment of local apprenticeship and training directors or coordinators after passage of the Labor-Management Reporting and Disclosure Act of 1959. This law amended section 302 of the Labor Management Relations Act of 1947 and expressly authorized joint labor-management administration of funds for apprenticeship and training to which employers contributed.

Clarification of the legal status stimulated considerable action to improve apprenticeship and training programs by employment of supervisors and other needed staff. This was especially true in the construction industry, where in some instances 100 or more apprentices were employed by different contractors under a program supervised by a joint apprenticeship committee.

The electrical industry reported employment of 46 full-time local apprenticeship and training directors. The iron workers' trade alone developed 34 local apprenticeship and training funds. The Associated General Contractors of America, Inc., sent its membership suggested forms and an agreement clause for use in setting up a program for financing apprenticeship and training through employer contributions or joint contributions by contractors and labor unions.

Training Materials Centers

Training Materials Centers were established in St. Louis, Mo., and San Francisco, Calif. Centers are now operating in seven major cities. They are located in public libraries and include manuals, complete training programs, apprentice work schedules, trade theory, and tests, contributed by the Department of Defense and private industry.

Training in Prisons

Training in prisons was largely in the area of other-than apprenticeship or in preapprenticeship. The Bureau worked primarily with Federal prison institutions but will include State institutions as time permits.

The McNeil Island Prison, near Tacoma, Wash., worked out an arrangement with the Joint Apprenticeship Committee in the area for recognition of experience gained in prison as credit in apprenticeship programs. A similar arrangement was in effect with some Federal and State institutions in California. The Chillicothe (Ohio) Reformatory had a program under which the State Council certified experience and training received in that institution for credit in an apprenticeship.

BAT provided technical assistance to a large number of State and Federal prison institutions which included specimen schedules of processes for various trades. In addition to giving technical assistance to prison training staffs and aiding in obtaining recognition for preapprenticeship experience, the Bureau advised placement officers on job opportunities and working conditions in their areas.

Vocational Education

Working relationships with vocational education groups were strengthened through three meetings of the Joint American Vocational Association-Bureau of Apprenticeship and Training Committee. This regular contact resulted in mutual assistance in respective projects. In December 1959, the Secretary of Labor made the principal address at the AVA convention banquet. The Bureau Director appeared at the session on apprenticeship and met with the executive committee and discussed respective programs and problems.

Defense Mobilization

A mobilization specialist was appointed full time to work out a pilot program to demonstrate what contribution BAT, the Training Division of the Office of Emergency Manpower Administration, could make in event of a national emergency. A pilot program, developed in Allentown, Pa., will be extended to other cities, and a manual will be drafted in conjunction with it.

Three officials participated in Operation Alert 1960 at the Office of Civilian Defense Mobilization relocation site. During 1960, the function of utilization was separated from others carried on by BAT, and the Executive Director of Technical Service was assigned to head the Division of Utilization in the Office of Emergency Manpower Administration.

Employee Development

Continuing and increased efforts were devoted to the training of BAT employees to enable them to serve as consultants in promoting manpower develop-

ment. Results were evident in the increased confidence and ability of field representatives.

One or more training conferences were conducted in each region as well as at State and local levels. "Personalized Approach to Employee Development," "Staff Training Plan," and "Clerical Training Program" were prepared for BAT personnel.

BAT personnel attended a number of training sessions such as a manpower audit seminar, institutes of the American Society of Training Directors, the U.S. Department of Agriculture executive seminar, and a management improvement conference.

BUREAU OF EMPLOYEES' COMPENSATION

Under administration of the Federal Government's compensation program during 1945 the Bureau of Employees' Compensation has been able to make a study of employees in compensation control in the program. This represents the first of many steps toward the goal of the program. The Bureau of Employees' Compensation is administratively responsible for providing to each year that the

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THE BUREAU OF EMPLOYMENT AND LABOR RELATIONS
WASHINGTON, D. C.

REPORT ON THE INVESTIGATION OF THE
CAUSES OF THE INDUSTRIAL DISSENT
IN THE UNITED STATES

BY
JOHN L. LEWIS
DIRECTOR

BUREAU OF EMPLOYEES' COMPENSATION

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In the administration of the Federal workmen's compensation program during 1960, the Bureau of Employees' Compensation received 192,400 reports of injury to employees in employments covered by this program. This represents an increase of nearly 1,500 over the year before. The Bureau of Employees' Compensation is administratively responsible for ascertaining in each case that the injured employee receives immediate and adequate medical care, monetary benefits during disability, and rehabilitation and other services provided by law, and that if he dies as a result of the injury, his dependents receive appropriate monetary payments for their support.

The current upward trend in the aggregate number of injury cases reported by civilian Federal employees is of continuing concern. The 1960 experience is nearly 25 percent above the base period 1947-49. Corrected for increased exposure, the rate of disabling injuries is still 10 percent above that of 5 years ago. The overall frequency rate of injury for private employment subject to Federal workmen's compensation jurisdiction is not known. Although the gross number of injury cases reported during the past 5 years has decreased nearly 14 percent, this is not indicative of a corresponding reduction in the incident of injury in such employment, since the annual total is influenced by the volume of activity in the covered industry.

Payments made during 1960 directly from the Federal employees' compensation fund totaled nearly \$60 million for benefits to Federal beneficiaries. Employers paid \$17 million in compensation, exclusive of medical cost, in cases closed during the year; they provide for this type of payment through commercial insurance or through carefully supervised self-insurance. Over the past 5 years under the Federal Employees' Act, disability compensation has increased 25 percent, while expenditures for medical treatment and supplies have gone up 32 percent.

Nearly 3.5 million workers are presently provided protection in the event of a work injury under the provisions of the Federal workmen's compensation system. It is conservatively estimated that each year 1 of every 18 workers benefits from such coverage. All Federal workmen's compensation acts provide for compulsory coverage, comprehensive occupational disease benefits, unlimited medical care, rehabilitation services for the permanently handicapped, and lifetime awards for permanent total disabilities, as well as lifetime benefits for unremarried widows of fatally injured employees. At the close of the year, there were 27,220 cases being compensated, including 11,058 fatalities.

Federal Employee Work Injuries

The total of 105,065 work injuries reported during 1960 was up 3.5 percent from the year before. This is the largest number of new injuries reported in any year since 1946. The increases in 1960 occurred for the most part in three of the executive departments. The largest numerical increases occurred in the Commerce, Agriculture, and Post Office Departments. Much of the increase was in relatively minor injury cases.

Many employees continue to use their leave privilege to assure themselves of a full-salary rate during their period of disability. Over 20,000 of the 54,000 disabling cases closed during 1960 involved this kind of election. During the year, the Bureau paid compensation in 33,200 cases. Practically all of the nonfatal cases represented injured civilian Federal employees, and almost precisely half of the fatal cases originated from military reservist activities prior to January 1, 1957.

Of the \$59.9 million expended for direct benefits during the year, death compensation for dependents of fatally injured civilian Federal employees and military reservists accounted for 42 percent; disability compensation amounted to 40 percent; medical treatment and supplies, 15 percent; and the remaining amount was expended for enemy action, civilian war benefit, and other fringe act cases.

Research during the year shows that 1 out of 5 disabling injuries to civilian Federal employees requires hospitalization and that hospital confinement in such cases averages 11 to 15 days. Federal Government facilities were utilized in 47 percent of the hospitalized cases. Total expenditures from the Federal employees' compensation fund during 1960 for medical care amounted to \$8.7 million, 9.4 percent above that for the previous year.

Awards were made to 386 dependents in 164 fatal cases, and 1,832 schedule awards were granted to permanently injured Federal employees during the year. Current awards for total disability, whether temporary or permanent, are averaging \$288 per month. The current award in a fatal case with a widow and two children averages \$355 per month. Of the awards for permanent injury, 23 percent represented civilian employees of the Navy Department, 20 percent from the Army, 19 percent from the Air Force, and 15 percent from the Post Office Department. Leg and foot injuries accounted for 42 percent of the \$5.8 million total evaluation of the awards, excluding medical cost. The average evaluation per fatal case has increased from \$50,798 in 1959 to \$53,884 for 1960, or a total of at least \$8.8 million for the 164 fatal cases granted awards in 1960. Fully 40 percent of the incurred fatal case losses in recent years originate from accidents related to transportation.

Continued emphasis has been given to the medical care and rehabilitation of disabled beneficiaries. Medical specialists on the staff of the National Institutes of Health and other Federal agencies have been consulted on special medical problems. Similarly, the services of specialists in private practice have been used where expert medical opinions are required. In this area, special attention has been given to claims based on alleged effects of exposure to ionizing radiation and an increasing number of cases involving staphylococcus infections. With

the cooperation of placement officers in Federal agencies, the Bureau's rehabilitation staff has been successful in returning an increased number of permanently disabled employees to gainful employment. The use of private rehabilitation centers for the complete evaluation of the rehabilitation potential of disabled employees is being explored on a trial basis. This appears to offer certain advantages as a preliminary step to the development of a training program tailored to the needs of the disabled person in selected cases.

Evaluation of operations during the year indicates the significant administrative advantages that might be attained through complete decentralization of the Federal employees' compensation program. Of signal importance is the improvement recorded by the four pilot district offices in San Francisco, Chicago, Boston, and New York. A detailed study of a sample of nearly 6,000 case histories for the current year shows a 35 percent difference in favor of the decentralized plan relative to timeliness of claims adjudication. In the field offices there exists, moreover, an opportunity through more personalized contacts with employing establishments to improve this record by more timely submission of claims.

Private Employment Work Injuries

In 1960, for the third consecutive year, there was a decline in the total number of work injuries reported by employees of private industry subject to Federal workmen's compensation jurisdiction. However, the overall decline in 1960 was only 2.3 percent, and it was accompanied by a 3.2 percent increase in the number of injuries that proved disabling. Altogether 87,302 injury cases were reported, including 29,650 disabling injuries, at least 20 percent of which involved some degree of permanent disability.

The stevedoring industry reported 31,359 injuries, or 5.7 percent more than the year before. Disabling injuries increased somewhat more proportionately, rising 6.1 percent—from 10,464 cases in 1959 to 11,102 in 1960. There has been a significant drop each year for the past 3 years in the number of reported injuries to other harbor workers, principally ship repairmen. The 20,143 cases reported during 1960 show a drop of 16.3 percent from the 1959 total, while disabling injuries in this group dropped 12.7 percent. Preliminary evaluation of the compensation amount, exclusive of medical costs, indicates a total of \$12.5 million was paid in the 13,426 compensated cases disposed of during the year.

Private industry in the District of Columbia represents an important source of work injuries covered by Federal compensation jurisdiction. The 27,546 injuries reported in 1960 by employees of private enterprise in the District of Columbia constitute 32 percent of the cases received from all Federal compensation laws applicable to private employment. During the year, 5,210 compensated cases were disposed of, with a total evaluation of \$1.7 million, exclusive of medical cost. In the past 3 years, the number of disabling injuries reported has increased slightly more than 30 percent. Industrial injuries under other extensions of the Longshoremen's and Harbor Workers' Compensation Act increased 7.3 percent, due principally to activities involving civilian employees of Federal

nonappropriated fund instrumentalities of the Department of Defense which were brought under the Federal compensation law by the act of July 18, 1958.

Research Program

The International Association of Industrial Accident Boards and Commissions was furnished a special analytical study regarding Federal compensation benefits and rates since 1920. Similar but more current data were furnished the National Safety Council for publication in its annual release "Accident Rates." Wide distribution was made of 22 analytical studies regarding the incidence, severity, cost, and principal characteristics of work injuries arising under the Longshoremen's and Harbor Workers' Compensation Act. These studies reached stevedoring and ship repair operators, insurance groups, trade associations, labor unions, and professional safety organizations. The Bureau of Applied Social Research at Columbia University was provided selected data helpful in its project concerning the "post-injury-and-recovery" labor market experience of permanently injured employees. The Federal Safety Council was furnished all of the statistical calculations needed for the selection of recipients of the President's Safety Award. Altogether a total of 1,447 special informational requests requiring statistical or actuarial research were answered and 104 studies completed during the year.

TABLE 1.—Operations under the Federal Employees' Compensation Act,¹ July 1, 1955, to June 30, 1960

Item	Fiscal year					
	1956	1957	1958	1959	1960	
A. Injury cases reported:						
Nonfatal.....	83,599	91,507	96,978	97,336	101,140	104,690
Fatal.....	1,091	1,291	1,116	456	388	375
Total.....	84,690	92,798	98,094	97,792	101,528	105,065
Index.....	100	110	116	115	120	124
B. Employment coverage (average; excludes reservists).....						
Total.....	2,100,000	2,396,571	2,453,698	2,389,458	2,363,910	2,427,716
C. Casualty rates: ²						
Frequency per million man-hours.....	8.67	7.81	8.00	8.26	8.10	8.59
Severity per million man-hours.....	680	552	568	529	501	502
Cost per \$100 payroll.....	\$0.17	\$0.25	\$0.27	\$0.24	\$0.23	\$0.23
Cost per employee.....	\$4.63	\$10.93	\$12.00	\$11.38	\$11.73	\$12.14
D. Number of injury cases reported by establishment:						
Executive Office of the President.....	1,541	40	58	54	57	74
Department of State.....	2,283	309	343	306	338	306
Department of the Treasury.....	1,838	1,941	1,752	1,752	1,759	1,748
Department of the Army.....	17,065	13,553	12,852	12,151	11,845	11,242
Department of the Air Force.....	6,192	8,645	10,120	10,473	10,902	10,422
Department of the Navy.....	8,830	5,777	5,664	5,618	5,813	5,803
Department of Justice.....	437	571	944	1,017	852	1,041
Post Office Department.....	25,129	38,771	42,663	43,152	46,024	48,157
Department of the Interior.....	3,827	3,979	4,158	3,978	3,844	3,857
Department of Agriculture.....	4,031	4,821	5,326	5,468	5,924	6,534
Department of Commerce.....	1,206	1,536	1,812	1,865	1,760	2,836
Department of Labor.....	79	81	92	84	103	109
Department of Health, Education, and Welfare.....	590	856	1,096	1,182	1,209	1,293
General Services Administration.....	1,804	1,601	1,745	1,821	1,865	1,798
District of Columbia Government.....	716	810	735	816	820	1,002
Tennessee Valley Authority.....	982	1,224	1,173	1,224	1,098	1,107
Veterans' Administration.....	6,532	5,194	4,733	4,497	4,241	4,241
All other agencies.....	3,049	2,932	2,659	2,334	2,591	3,435
Total.....	84,690	92,798	98,094	97,792	101,528	105,065
E. Final disposition of injury cases:						
Minor injury cases.....	36,585	48,266	51,851	53,064	55,032	59,674
Disability 1-3 days.....	10,862	13,037	13,354	11,313	12,846	13,992
Covered by leave.....	18,924	21,091	20,699	19,775	20,463	20,663
Compensated, nonfatal.....	10,101	11,187	11,230	12,752	12,509	12,960
Compensated, fatal.....	498	297	359	382	328	288
No dependents, fatal.....	93	66	95	21	7	21

Disapproved.....	3,762	3,341	2,947	2,660	3,124	3,580
All other.....	2,082	3,080	2,903	2,957	2,404	2,112
Total.....	5,844	6,421	5,850	5,617	5,528	5,692
Index.....	100	100	100	100	100	100
F. Number of cases being compensated at the end of fiscal year:						
Nonfatal.....	4,939	8,428	9,060	10,022	10,305	9,982
Fatal.....	5,262	9,710	10,479	10,674	10,075	9,945
G. Number of cases in which fatal awards were made during year.....	755	667	802	577	245	164
Number of widows.....	545	568	733	514	211	133
Number of children.....	1,023	943	1,187	841	361	222
Number of parents.....	127	71	47	39	19	8
Number of brothers and sisters.....	301	12	12	9	7	3
Number of other dependents.....	12	1	1	2		
Total number of dependents.....	2,008	1,595	1,980	1,405	598	386
Average number of dependents per case.....	2.7	2.3	2.5	2.4	2.4	2.4
H. Three basic averages (excludes reservists): ¹						
Average evaluation per fatal case.....	\$11,210	\$43,660	\$50,617	\$45,222	\$50,798	\$53,884
Average evaluation per nonfatal disabling injury.....	\$158	\$489	\$491	\$478	\$408	\$481
Average days lost per nonfatal disabling injury.....	27	46	45	41	40	36
I. Disbursements:						
Disability compensation.....	\$5,354,032	\$19,270,835	\$21,039,183	\$23,092,928	\$24,008,245	\$24,106,302
Death compensation.....	4,001,944	(22,192,233)	(25,343,774)	(26,351,750)	(35,330,364)	(25,193,834)
Federal employees.....		7,741,754	8,379,225	8,309,793	8,606,312	8,590,216
Reservists.....		14,450,479	16,964,549	18,041,957	26,724,052	16,603,618
Medical treatment and supplies.....	2,603,390	6,583,440	7,071,615	7,686,346	7,952,370	8,701,771
Miscellaneous costs.....	108,489	231,009	297,782	384,856	387,821	378,771
Emergency action, Public Law 784 and 806.....	1,626,398	(1,600,887)	(1,611,671)	(1,392,829)	(896,942)	(762,186)
War Hazards Act, Public Law 784.....		139,057	126,552	125,814	100,699	120,071
War Claims Act, Public Law 806.....		1,461,830	1,485,119	1,267,015	796,243	642,115
Civilian war benefits.....		42,804	35,239	21,179	20,599	19,208
Emergency relief acts.....		610,957	676,323	618,830	596,214	550,960
Civil Air Patrol.....				57,901	53,417	59,534
Reserve Officers Training Corps.....					7,934	15,735
Maritime war risk.....						141,387
Total.....	14,305,210	50,630,739	56,092,413	59,589,635	69,253,906	59,929,688
J. Emergency relief cases still active:						
Nonfatal.....	411	190	179	177	160	153
Fatal.....	2,402	1,252	1,157	1,137	1,075	1,026

¹ Excludes emergency relief acts except where specifically indicated; includes re-servants of the Armed Forces except where specifically excluded.

² Frequency here refers to number of disabling injuries; severity refers to number of days disabled or charged. Cost includes incurred direct expenditures payable by the

Bureau of Employees' Compensation, the value of days leave of absence with pay during disability, and includes evaluated future cost in open cases that occurred in the years covered. Rates and averages in C and H are preliminary for 1960.

TABLE 2.—Operations under the Longshoremen's and Harbor Workers' Compensation Act, and extensions thereof, July 1, 1955, to June 30, 1960

Item	Average 1947, 1948, and 1949	Fiscal year				
		1956	1957	1958	1959	1960
A. Injury cases reported:						
Nonfatal.....	157,954	100,790	111,339	102,448	89,204	87,097
Fatal.....	280	171	205	185	188	205
Total.....	158,234	100,961	111,544	102,633	89,392	87,302
Index.....	100	64	70	65	56	55
B. Kinds of employees injured:						
Longshoremen.....	52,806	31,542	36,080	33,762	29,663	31,339
Harbor workers.....	61,496	38,213	43,746	37,314	24,069	20,143
Defense base workers.....	14,465	4,261	4,374	1,905	5,320	4,136
District of Columbia private employees.....	29,467	26,142	25,986	25,223	27,968	27,546
Outer Continental Shelf.....		803	1,358	1,429	1,332	1,264
Nonappropriated Fund.....					1,240	2,894
Total.....	158,234	100,961	111,544	102,633	89,392	87,302
C. Final disposition of injury cases:						
Number of cases closed:						
Longshoremen's and Harbor Workers' Compensation Act.....	116,857	71,553	79,212	74,954	57,929	55,350
District of Columbia Workmen's Compensation Act.....	30,033	26,892	26,359	26,300	27,885	27,885
Defense Base Act.....	14,639	4,782	5,118	5,118	5,208	4,676
Outer Continental Shelf Lands Act.....		747	1,220	1,461	1,257	1,328
Nonappropriated Fund Act.....					1,000	2,676
Total.....	161,549	103,974	111,363	107,923	94,300	91,915
Evaluation of cases closed (excluding medical):						
Longshoremen's and Harbor Workers' Compensation Act.....	\$7,143,222	\$8,018,233	\$8,730,437	\$10,752,695	\$13,404,955	\$12,545,354
District of Columbia Workmen's Compensation Act.....	867,512	1,216,943	1,475,985	1,618,305	1,683,545	1,713,960
Defense Base Act.....	680,141	353,724	337,062	339,021	339,021	2,033,381
Outer Continental Shelf Lands Act.....		38,022	139,188	195,131	1,429,779	692,472
Nonappropriated Fund Act.....					9,914	90,861
Total.....	8,640,875	9,626,922	11,232,702	13,405,132	16,793,302	16,956,238

D. Number of fatal awards made during the year:

Longshoremen and harbor workers.....	86	70	54	41	63
District of Columbia private employees.....	17	18	17	31	21
Defense base workers.....	18	15	8	4	2
Outer Continental Shelf Lands Act workers.....	2	3	1	5	0
Nonappropriated Fund Act.....				1	0
Total.....	123	106	80	82	86

E. Number of cases still active:

Longshoremen and harbor workers.....	12,195	15,163	13,968	15,152	16,161
District of Columbia workers.....	2,779	3,362	3,140	3,312	4,065
Defense base workers.....	1,317	1,336	1,323	1,624	1,301
Outer Continental Shelf Lands Act workers.....	145	327	377	384	426
Nonappropriated Fund Act workers.....				283	545
Total.....	16,436	20,187	18,818	20,715	22,498
Index.....	100	126	118	129	141

F. Kind of insurance coverage:

Insurance companies:					
Longshoremen's and Harbor Workers' Act.....	271	270	290	284	283
District of Columbia Act.....	82	133	141	142	147
Defense Base Act.....	46	72	84	93	96
Outer Continental Shelf Lands Act.....		81	89	97	98
Nonappropriated Fund Act.....				111	115
Self-insurers:					
Longshoremen's and Harbor Workers' Act.....	268	262	255	254	240
District of Columbia Act.....	71	67	64	64	63
Defense Base Act.....	19	18	15	14	9
Outer Continental Shelf Lands Act.....		9	9	10	6
Nonappropriated Fund Act.....					

¹ Preliminary.

TABLE 3.—*Appropriations and expenditures, fiscal years 1956-60*

Period covered	Salaries and expenses			Compensation benefits	
	Total funds available	Total expenditures, all acts, including estimated obligations	Net expenditures, Federal act, including estimated outstanding liabilities at end of the fiscal year	Total appropriations	Net expenditures
Year ending June 30:					
1956.....	\$2,612,700	\$2,612,334	\$1,467,891	\$50,630,739	\$50,630,739
1957.....	2,639,471	2,638,031	¹ 1,523,301	56,092,413	56,092,413
1958.....	¹ 3,222,114	¹ 3,219,927	¹ 1,931,270	59,589,635	59,589,635
1959.....	3,329,604	3,327,879	1,974,400	69,253,906	69,253,906
1960.....	3,362,700	3,359,884	2,007,132	59,930,539	59,930,539

¹ Revised.TABLE 4.—*Trust fund accounts for fiscal years 1956-60, Longshoremen's and Harbor Workers' Compensation Act*

Item	1956	1957	1958	1959	1960
Balance, July 1st.....	\$778,135.85	\$794,602.91	\$796,904.47	\$811,242.46	\$733,150.04
Receipts, fiscal year.....	31,548.60	33,484.65	33,890.90	27,095.80	27,929.24
Future proceeds from investments adjusted for prior year.....					
Unaccrued investment yield on redeemed securities.....				-8,400.00	-11,039.00
Total.....	809,684.45	828,087.56	830,795.37	829,938.26	750,040.28
Expenditures:					
Purchase premium.....					128.00
Purchase accrued interest.....	128.45	724.45			
Repayment to insurance carrier.....				1,000.00	
Compensation, section 8(f).....	3,105.51	4,167.91	3,833.39	4,057.20	4,057.20
Compensation, section 8(g).....	1,739.71	5,402.10	9,981.92	8,225.20	17,912.30
Prosthetic appliances.....	10,107.87	5,249.57	5,166.87	7,234.83	5,148.34
Transportation.....					
Reimbursement to salaries and expenses.....		18,500.00	570.73	76,270.99	31,077.17
Discount on purchase of investments.....		-2,860.94			
Total.....	15,081.54	31,183.09	19,552.91	96,788.22	58,323.01
Balance, June 30th.....	794,602.91	796,904.47	811,242.46	733,150.04	691,717.27

TABLE 5.—*Trust fund accounts for fiscal years 1956-60, District of Columbia Compensation Act*

Item	1956	1957	1958	1959	1960
Balance, July 1st.....	\$118,176.20	\$119,283.30	\$121,585.81	\$123,704.01	\$127,095.56
Receipts, fiscal year.....	3,923.70	7,002.40	4,952.40	5,907.60	7,625.24
Total.....	122,099.90	126,285.70	126,538.21	129,611.61	134,720.80
Expenditures:					
Compensation, section 18(b).....				677.71	577.72
Compensation, section 8(g).....					
Prosthetic appliances.....	2,688.15	4,698.66	2,834.20	1,838.34	4,948.78
Transportation.....					
Purchase accrued interest.....	128.45	53.73			
Discount on purchase of investments.....		-52.50			
Purchase premium.....					153.60
Total.....	2,816.60	4,699.89	2,834.20	2,516.05	5,680.10
Balance, June 30th.....	119,283.30	121,585.81	123,704.01	127,095.56	129,040.70

EMPLOYEES' COMPENSATION APPEALS BOARD

The Employees' Compensation Appeals Board has an important role to play in the compensation appeals process. It is the final authority on the merits of appeals filed by Federal employees who are dissatisfied with the Bureau of Employment Compensation under the Federal Employees' Compensation Act and its implementing regulations, and it is the source of compensation appeals.

The Board's jurisdiction is limited to appeals filed with the Board within the prescribed time limits. It does not have jurisdiction over appeals filed with the Board after the prescribed time limits have expired.

EMPLOYEES' COMPENSATION APPEALS BOARD

However, the Board has jurisdiction over appeals filed with the Board within the prescribed time limits. It does not have jurisdiction over appeals filed with the Board after the prescribed time limits have expired. The Board's jurisdiction is limited to appeals filed with the Board within the prescribed time limits. It does not have jurisdiction over appeals filed with the Board after the prescribed time limits have expired.

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Year	Appeals pending at year end
1957	215
1958	218
1959	211
1960	241
1961	251
1962	258
1963	258
1964	247
1965	247
1966	247
1967	247
1968	247
1969	247
1970	247

EMPLOYEES' COMPENSATION APPEALS BOARD

Case No.	Appellant's Name	Employer's Name	Amount of Award	Date of Award	Remarks
1	John Doe	ABC Company	\$1,000.00	1/1/50	Standard award for back pay.
2	Jane Smith	XYZ Corporation	\$500.00	2/1/50	Award for overtime pay.
3	Robert Johnson	DEF Industries	\$750.00	3/1/50	Award for vacation pay.
4	Mary White	GHI Enterprises	\$1,200.00	4/1/50	Award for severance pay.
5	William Brown	JKL Corporation	\$300.00	5/1/50	Award for unpaid wages.
6	Elizabeth Black	MNO Industries	\$600.00	6/1/50	Award for disability benefits.
7	Charles Green	PQR Enterprises	\$900.00	7/1/50	Award for retirement benefits.
8	Patricia Hall	STU Corporation	\$400.00	8/1/50	Award for health insurance.
9	Richard King	VWX Industries	\$1,100.00	9/1/50	Award for pension benefits.
10	Susan Lee	YZA Corporation	\$200.00	10/1/50	Award for travel expenses.

EMPLOYEES' COMPENSATION APPEALS BOARD

The Employees' Compensation Appeals Board has exclusive jurisdiction to hear and decide appeals filed by Federal employees from final decisions of the Bureau of Employees' Compensation under the Federal Employees' Compensation Act for injury or disease arising out of and in the course of employment.

The Board commenced the 1960 fiscal year with 135 pending cases. During the year, 368 new appeals were filed, as compared with 275 appeals in the previous fiscal year, a 34 percent additional workload. Despite the substantial increase, the Board was able to avoid the accumulation of a backlog. The Board disposed of 371 of the total 503 pending cases and thus ended the fiscal period with 132 pending cases. Of these 132 cases, only 59 were in posture for Board adjudication. However, of the 59 cases, 38 had been "decided" by the Board in executive session and were in the process of or awaiting preparation of the formal decision with opinion. The remaining 73 cases were in some preliminary stage of processing of the appeal in accordance with the rules and regulations governing appeals.

The large volume of cases closed by the Board resulted in reducing to 5.2 months the average time lapse from the date of filing an appeal to the date of closing; this compares with 7.2 months last year.

The expediting of appeals to a fair and just conclusion, without any sacrifice in the high standards of judicial review which the Board seeks to maintain, and the achievement of a current operating status are the measures of the Board's accomplishments.

The Board has reduced the number of pending appeals to its lowest figure since 1950:

<i>Fiscal year</i>	<i>Appeals pending at close</i>
1951.....	225
1952.....	366
1953.....	453
1954.....	341
1955.....	181
1956.....	170
1957.....	152
1958.....	140
1959.....	135
1960.....	132

BUREAU OF EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY

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Introduction

Economic security for most people is the assurance of a regular and adequate income. Making this possible for the American labor force is the major goal of the Federal-State employment security system.

The system includes 54 State employment security agencies linked with each other and with the Federal Government through the Department of Labor's Bureau of Employment Security. To the employers and employees who seek its services, the face of the employment security system is the local public employment office. There are over 1,800 of these, stretching from Florida to Hawaii. Both Federal and State laws govern the operations.

This system makes two major approaches to the goal of employment security. One is a Federal-State employment service which provides a nationwide employment exchange geared to finding jobs for workers, and workers for employers, in both nonfarm and agricultural establishments. The other is a system of unemployment insurance which provides income to wage earners who become involuntarily unemployed.

This factual statement on the basic functions of the employment security system is deceptively simple, however. It does not, for example, reveal the dynamics of the Federal-State partnership in which funds for administration are federally supplied while the actual operation is by the States. The Bureau is responsible for auditing State accounts, establishing budgetary standards, assuring a merit system of personnel selection, and offering technical advice and assistance to the States.

In the same sense, a bald statement that 16 million job openings were filled, which is the total for fiscal 1960, fails to reveal the unique problems involved in placement when a worker is over 40, or is physically or mentally handicapped, or new to the labor market. It doesn't tell about the special services to veterans, nor about the farm labor program concerned with the particular needs of the agricultural labor market. No simple statement of accomplishment ever explains the volume of work involved in processing unemployment insurance claims, interviewing, bookkeeping, striving for swift, regular payment.

In order to perform intelligently in all of these areas, the Bureau and the States study the labor market to discover the trends of employment and unemployment, the kind of skills that will find use, and where they will be needed. They delineate and seek to vitalize centers of chronic unemployment. Occupational research and information is essential to a sound employment security program.

In quite a different field, the employment security system, with its 25-year experience in manpower, works constantly on defense readiness and manpower mobilization. Also, realizing that many other countries have the same labor problems as the United States, the employment security system aids them by training personnel, providing technical assistance, and exchanging information.

The Bureau seeks to insure effective performance of its diversified and far-reaching operations by subjecting them to the continual scrutiny of the Federal Advisory Council, a statutory body composed of representatives of employers, employees, and the public. In addition, from time to time the Bureau calls in special consultants, as it did in fiscal 1960, to provide a fresh view of the system's activities. Consultants this year studied and presented a number of valuable recommendations on the future policy and program of the employment service.

A summary review of how the employment security system interpreted economic security in fiscal year 1960 shows that advances were made in all its programs.

Nonfarm placements rose 6.7 percent above fiscal year 1959, with over 6 million placements made by the public employment offices. Especially noteworthy was the 12.8 percent jump in placement of professional workers, attributable in part to improved techniques developed by the Bureau for assisting professional people seeking employment outside their own communities and to the expansion of the professional office network.

Living and working conditions for migrant farm labor improved through the Secretary's issuance of new regulations, through the legislative interest revealed in over 30 bills introduced into Congress, and through the efforts of local communities more aware than ever before of the needs of this group.

Fiscal year 1960 saw continuing interest in bettering the quality of employment security personnel. Forty-two State agency administrators and 17 Bureau directors participated in executive leadership conferences conducted by the Brookings Institution. As another example, over 600 employment service counselors were enrolled in outservice training courses at various universities throughout the country during the fiscal year.

In its continual exploration of the meaning of labor market facts, the employment security system moved forward by developing seasonally adjusted insured unemployment figures, which will allow deeper analysis of this data. During the steel strike, the Bureau issued seven semimonthly reports on the strike's impact. A new report on "Characteristics of the Unemployed" was introduced to throw more light on who are the unemployed. Skill surveys were completed in a number of areas of chronic unemployment which may provide the basis of attracting new industry for these regions.

In fiscal 1960, over \$2 billion was paid in unemployment insurance benefits, and, in a year of considerable unemployment in certain centers, the processes of payment reached a new peak of efficiency.

The detailed report in the following pages sheds light upon the meaning of employment security in fiscal 1960. To be understood, it should be viewed against the economic setting of the year's operations.

A Year of Economic Expansion

As fiscal year 1960 opened, the economy had reached a high point in its recovery from the 1957-58 recession. With the onset of the 4-month steel strike in mid-July 1959, however, economic activity fell off, with further declines occurring as the secondary effects of the strike gradually spread into related industries.

The resumption of steel production in November was followed by a vigorous economic recovery. For the first time in history, gross national product—the sum of the Nation's total output of goods and services—advanced to a seasonally adjusted annual rate of a half trillion dollars. This was in the third quarter of fiscal 1960. By mid-1960, the annual rate had already set a new record, increasing by \$17 billion or 3½ percent over the corresponding period a year earlier.

Personal income in June 1960 was also at an alltime high; the annual rate of \$406 billion (seasonally adjusted) was \$19 billion above the corresponding month of 1959. Farm income, responding to rising prices of farm products, increased from the third to the fourth quarter of fiscal 1960, and was slightly higher than in the like period of the previous year.

Industrial production ended the fiscal year on about the same level as it began, and by June 1960 was 109.3 percent of the 1957 average. Expenditures for new plant and equipment rose to a seasonally adjusted annual rate of \$37 billion in the second quarter of 1960 for a new record.

Construction expenditures dropped about 4 percent from an annual rate of \$57.8 billion at the start of the fiscal year to \$55.6 billion at the year's end. This decline mainly reflected reduced residential construction, which fell 15 percent to 1,334,000 units.

Increase in Both Employment and Unemployment

As fiscal year 1960 ended, the civilian labor force and total employment were at record levels. The civilian labor force, numbering 73.0 million in June 1960, was up by 1.4 million, and nonfarm employment equaled this unusually large increase, totaling 61.8 million workers at the year's end. Farm employment, however, was 400,000 lower than a year earlier. As a result of the sharp increase in the labor force compared with the more moderate increase in total employment, the 4.4 million unemployed workers at the end of the fiscal year exceeded the number a year earlier by 400,000.

The year began with unemployment falling sharply from the recession highs of the year before and approaching but still above prerecession levels. However, the prolonged nationwide steel strike, which began July 15 and ended November 7, 1959, involved 500,000 steelworkers and caused nearly 650,000 in other industries to be laid off. Secondary effects of the strike were mainly in the auto, machinery, railroad, coal, and metals industries.

With the return of steelworkers to their jobs in early November, employment picked up rapidly. Manufacturing employment (seasonally adjusted) rose about 400,000 from its low point in October to 16.4 million in December, but was still

about 150,000 lower than when the strike began. While some further gains were registered in January and February, employment in many durable goods industries, seasonally adjusted, tended to level off or slip back during the balance of the year. Primary metals and transportation equipment lost considerable ground during this period. Despite sharp reductions during the strike months, total manufacturing employment in fiscal year 1960 was above year-earlier levels through May 1960. In June, however, with further cutbacks in primary metals and transportation equipment, factory employment was about 100,000 lower than a year earlier and was nearly 500,000 lower than in June 1957. These losses were largely in the metals and transportation equipment sectors of durable goods industries. Employment in the manufacture of nondurable goods regained its prerecession level by May 1960.

The outstanding over-the-year gains in nonfactory employment occurred in government (315,000), virtually all State and local; trade (250,000); service (120,000); and in finance, insurance, and real estate (50,000). Employment in mining, construction, and public utilities showed little change between June 1959 and June 1960.

Unemployment rose to nearly 4.2 million (seasonally adjusted) in October, or 6.0 percent of the labor force, largely as a result of the strike. Declines in the following months, as the flow of steel to industry was resumed, brought seasonally adjusted unemployment down to 3.4 million in February. A contraseasonal rise, however, occurred in March because of heavy snows and rains which sharply curtailed outdoor work, and unemployment rose more sharply than usual in June when a record number of students and graduates entered the labor force looking for jobs.

At the end of fiscal year 1960, unemployment stood at 4.4 million, or 5.5 percent (seasonally adjusted) of the labor force. This compared with 3.5 million and a rate of 5.1 percent in June 1959, and with 3.3 million in June 1957, when the rate was 4.4 percent.

State insured unemployment, which averaged 1.3 million per week in July 1959, rose (on a seasonally adjusted basis) through November, largely because of the secondary effects of the steel strike. The average reached a seasonal high of 2.2 million in February, then dropped to 1.6 million by June, compared with 1.3 million in June of fiscal 1959.

Characteristics of the Unemployed

The characteristics of the unemployed at the year's end were similar in most respects to those of jobless workers a year earlier. Changes which did occur reflected the impact of the steel strike, the poststrike pickup in industries affected by steel shortages, weaknesses which developed subsequently in some hard goods industries, and an unprecedented number of students and graduates entering the labor market looking for jobs. In addition, there were shifting characteristics due to normal seasonal variations.

Unemployment among workers in most major industry divisions either showed little change or rose over the year. The only significant change was an increase of

more than 150,000 in the number of jobless in manufacturing industries, all in the durable goods sector; the unemployment rate for factory workers rose from 4.3 to 5.8 percent. The unemployment rates for the mining and construction industries, at a little over 8 percent (the highest among the industry divisions), and for service, at 4.8 percent, were not significantly different from those a year earlier.

Unemployment was up by about 100,000 over the year among operatives (who account for about 1 out of 5 of all unemployed workers) and among nonfarm laborers. These two groups had the highest unemployment rates as the year ended—7.4 and 10.7 percent, respectively. In March, the rate for nonfarm laborers had reached a high of 16.4 percent. The 6 percent rate for service workers in June 1960 was only slightly above that for all workers. Clerical workers and craftsmen had the lowest unemployment rates (3.9 percent each).

The number of workers unemployed 15 weeks or longer, which had reached a high of 1.2 million in March and April (about 30 percent of all the unemployed), dropped to 800,000 at the close of the year. This was about 100,000 lower than a year earlier, but was still 300,000 above the number in June 1957.

Unemployment was up over the year for workers in all age groups except women 25 years and older, whose unemployment rate edged down slightly to 4.2 percent. The highest rates in June 1960 were among workers 14 to 24 years of age—16 percent for women and 14 percent for men. On the other hand, the rate for men 25 and over at the end of the year was only 3.7 percent, well below the 5.6 percent (unadjusted) for all men and the 6.1 percent rate for all workers.

As in previous years, unemployment was lower among married workers. The unemployment rate for married men was 3.1 percent in June 1960; married women had a rate of 4.6 percent at the end of the year. This should be compared with the 14 percent rate for single men in June 1960, nearly five times as great as that for married men, and the 12.8 percent rate for single women, almost triple that for married women.

Nonwhite workers continued to be the group most severely affected by unemployment. About 1 out of 10 of these workers was jobless in June 1960, compared with 1 out of 20 white workers. Nonwhite workers are heavily concentrated in occupations with the highest unemployment rates—laborers, farm workers, and operatives. About one-fifth of all unemployed workers at the end of the year were nonwhite, about the same proportion as a year earlier.

Data on the characteristics of the insured unemployed, which became available in the latter half of the fiscal year, show that in June 1960, 40 percent of jobless workers were 45 years of age and older. Men accounted for 60 percent of the insured unemployed in June, compared with 68 percent in January.

Area Labor Market Trends

Labor market conditions showed a small net improvement in most of the country's major production and employment centers during fiscal year 1960. Employment increased over the year in roughly three-fourths of the 149 major areas regularly surveyed by the Bureau and affiliated State employment security

agencies. Gains generally were small to moderate in scale, and were centered primarily in nonmanufacturing industries. In the bulk of the major areas, rising employment was not accompanied by a proportionate decline in unemployment, however, as the labor force also increased.

Reflecting the continuing high levels of employment prevailing in most sections of the country at the end of fiscal year 1960, 112 areas—three-fourths of the country's major employment centers—were classified as areas of relatively low or moderate unemployment (groups B and C). This figure represents a small over-the-year improvement as compared with the total of 103 such areas in July 1959. There were only 60 areas in the list of moderate unemployment groups in July 1958 (near the bottom of the recent recession).

The number of major employment centers officially classified by the Bureau as "areas of substantial labor surplus" decreased during the year from 46 in July 1959 to 37 in July 1960. In July 1958, there were 89 areas—nearly 2½ times the present number—in substantial labor surplus groups. Such sizable centers as New York City, Philadelphia, Newark, N.J., and Louisville were among the areas transferred from substantial to moderate labor surplus classifications during the year. Only five very large areas—Detroit, Pittsburgh, Buffalo, Paterson, and Providence-Pawtucket—remained in substantial labor surplus categories as the fiscal year ended.

A complete listing of the year end (July 1960) area classifications showed the 149 areas grouped into the following labor supply categories:

	July 1960	July 1959
Group A (overall labor shortage).....	0	0
Group B (relatively low unemployment).....	19	23
Group C (moderate labor surplus).....	93	80
Group D (substantial labor surplus).....	28	33
Group E (substantial labor surplus).....	6	6
Group F (substantial labor surplus).....	3	7

In 21 of the 37 major areas with substantial labor surpluses and in 74 of the 116 smaller areas with substantial labor surplus, unemployment has been a relatively persistent problem over the past few years. The Bureau—in a new listing first released at the end of the fiscal year—has distinguished these labor markets from the old "substantial labor surplus" areas by naming them "areas of substantial and persistent labor surplus." These persistent areas are eligible for first preference in the placement of Federal Government contracts in accordance with the provisions of Defense Manpower Policy No. 4, Revised, which became effective shortly after the end of fiscal year 1960.

During the fiscal year, the Bureau provided active assistance in the operation of various Federal Government programs designed to alleviate heavy unemployment in areas of substantial labor surplus. Figures released by the Department of Defense on military procurement indicated that more than \$1.4 billion in contracts were placed in labor surplus areas during the first 9 months of the fiscal year. Approximately \$16 million of this total was awarded to firms in substantial labor surplus areas through special preference procedures authorized by Defense Manpower Policy No. 4.

Occupational Labor Market Trends

Many of the Nation's principal industrial centers continued to report shortages in certain professional, skilled, and clerical occupational categories during fiscal year 1960. The end of the steel strike brought an upsurge in demand, especially in skilled metalworking occupations, with the employment situation at the turn of the year reflecting the influence of marked advances in durable goods manufacturing. Demand in some chronically short occupational categories has since declined, however, as a result of spring and early summer cutbacks in various factory activities. Workers released from hard goods industries have added to the labor supply in a number of areas. Local labor supplies have also been augmented by an unprecedented number of high school and college graduates and students.

In line with these developments, job openings placed in interarea clearance by local public employment offices—a measure of local occupational shortages—declined by some 15 percent over the fiscal year to a total of 17,500 in July 1960. Shortages in all occupational groups except clerical and sales declined, particularly in the skilled, semiskilled, professional, and service categories.

Job vacancies in skilled occupations declined by more than one-fifth over the fiscal year, with fewer needs listed for machinists, welders, carpenters, electronics technicians, auto and other mechanics and repairmen. Vacancies in the semi-skilled group, where clearance needs in July 1960 approximated less than one-fourth the skilled total, dropped by more than 40 percent in textile, machine shop, and other occupations.

Declines in the key professional and managerial group, while relatively much smaller than in industrial occupations, were nevertheless significant. This category, with about 9,600 job vacancies in July 1960—more than half the clearance total—experienced a drop of over 500 openings during the fiscal year. Reduced needs were sharpest in the engineering category, with other sizable curtailments reported for draftsmen, social and welfare workers, social scientists and authors, and editors and reporters. Openings for aeronautical, electrical, civil, and mechanical engineers declined. However, demands for chemical engineers were nearly twice as large as in July 1959. More openings were also reported for industrial engineers. Also in contrast to the general trend, unfilled openings for both primary and secondary school teachers and for trained nurses increased significantly over the year.

Employment Service

Favorable economic conditions and the absence of major emergency manpower problems made fiscal year 1960 one of "normal" employment service operations. These conditions encouraged emphasis on excellence in operations rather than on total volume of activity.

Accordingly, the national office of the employment service stressed: (1) staff development, (2) employment service research, (3) management and utilization

of staff resources, (4) the development of technical tools, and (5) technical assistance to State employment services. The value of these efforts was apparent within the year, but will be evidenced to an even greater extent in the years ahead.

Placement Activities

Nonfarm placements for fiscal year 1960 were 6.7 percent higher than in the previous year and 16.2 percent above the recession year of 1958. Total placements were 6,082,753, with the following increases over 1959: Government, 25.9 percent; financial fields, 9.3 percent; services, 8.5 percent; wholesale and retail trades, 7.2 percent; and manufacturing, 4.7 percent. Forestry and fishing were 30.2 percent below the previous year, and placements in the construction industry dropped by 2.0 percent.

Considered in occupational divisions, placements increased in all nonfarm groups except the skilled labor category, which declined by 2.2 percent. While total placements increased 6.7 percent over the previous year, professional and managerial placements were up 12.8 percent, clerical and sales placements increased 10.8 percent, service placements by 8.7 percent, semiskilled by 6.0 percent, and unskilled and other placements by 4.1 percent.

Comparison of nonfarm placements, 1959 and 1960

	Fiscal year 1960	Fiscal year 1959	Percent change between 1959-60
<i>Industry division—nonagricultural placements:</i>			
Total	6,082,753	5,703,458	+6.7
Forestry and fishing	4,554	6,525	-30.2
Mining	24,886	24,561	+1.3
Construction	445,253	454,250	-2.0
Manufacturing	1,484,820	1,418,291	+4.7
Transportation, communication, and public utilities	249,013	246,681	+0.9
Wholesale and retail trade	1,331,570	1,241,937	+7.2
Finance	120,408	110,185	+9.3
Total service	2,173,742	2,003,363	+8.5
Domestic			
Government	246,351	195,670	+25.9
All other	2,156	1,995	+8.1
<i>Occupational division—nonagricultural placements:</i>			
Total	6,082,753	5,703,458	+6.7
Professional and managerial	165,766	146,922	+12.8
Clerical and sales	924,999	834,955	+10.8
Service	1,943,765	1,788,263	+8.7
Skilled	327,928	335,254	-2.2
Semiskilled	849,530	801,733	+6.0
Unskilled and other	1,870,765	1,796,301	+4.1

Increased activity was also evident in other employment service workloads during the year. New applications rose 2.5 percent to 9,598,604. Counseling interviews reached a new alltime volume of 1,785,541—3 percent above 1959. The number of individuals tested in connection with counseling and placement activities also reached a new peak of 1,755,317, or 9.1 percent above the previous year.

Services to Employers

Constantly shifting manpower requirements, which come with industrial growth and changing work processes, have a direct influence on the types of services local offices offer employers. The impact of this industrial change was emphasized during visits by employment service personnel to executives of over 70 multistate companies and 30 professional societies and trade associations. Programs and policies of the employment service were outlined. Following the visits, firm executives encouraged the use of employment service facilities by their branch plants and establishments. Also in consequence of the visits, organization heads published information about the employment service in their magazines, bulletins, and newsletters.

To help employers match the demands for new skills with the existing labor supply, the public employment offices throughout the country gave increased assistance to employers in analyzing their manpower needs and in resolving problems of selection, training, turnover, absenteeism, and staffing of new or expanding industrial establishments. State agencies gave assistance on such problems to firms ranging in size from 5 to over 50,000 employees. Among services offered were: job analysis to provide current information on job requirements; job analysis institutes to train personnel in industry; surveys to assist employers in planning their training and manpower needs; preparation of staffing patterns; studies of physical demands of jobs; job relationship studies to help employers in utilizing the skills of the work force; and use of employment service tests in selecting trainees and apprentices. To assist employers with training problems, the employment service worked closely with representatives of the Bureau of Apprenticeship and Training, unions, apprenticeship councils, and vocational schools.

A cooperative program was developed with the National Small Business Men's Association, an organization which "services the small business community in connection with problems involving the Federal Government." Working through the employment service, this organization found aid in recruiting local directors for its expanding sales organization.

Anticipating labor market developments, the Bureau made plans for research and demonstration projects to determine how the employment service can better assist employers and workers affected by automation, how to improve services to employers and workers in growing metropolitan areas, and how to identify the need for part-time workers.

A joint program was developed with the International Printing Pressmen and Assistants' Union of North America (AFL-CIO), with a membership of 114,000 in 765 locals, to effect better selection of apprentices through the use of employment service selection techniques and appropriate aptitude tests. An article entitled "Selecting Qualified Apprentices," prepared by the Bureau, was published in the May 1960 issue of the *American Pressman*, the union's official monthly publication. "The (Union) President's Letter," which appeared in the same issue of the magazine, supported the merits of the joint program and

directed attention to the article. In addition, the letter referred to the distribution by the union to its locals and to joint apprenticeship committees of a publication entitled "Better Selection of Apprentices Through Local Offices of State Employment Services," also prepared by the Bureau.

Meetings of representatives of the Bureau and of the Area Vocational Education Branch (U.S. Office of Education, Department of Health, Education, and Welfare) resulted in establishment of working relationships between the State employment security agencies and State vocational education departments, in connection with technician training programs under title VIII of the National Defense Education Act, Public Law 85-864. Cooperation was encouraged in (1) determining needs for training, (2) occupational analysis to enable training authorities to base course contents on actual job requirements, and (3) selecting applicants (aptitude testing will be used) and referring them to be trained.

The role that the local offices of the State employment services can play in the recruitment of manpower was emphasized by continuing coordination with the Department of Defense and its three military services. Through visits to the field offices of the Air Materiel Command and the Army Ordnance Corps and in relations with the national offices of the military services, Bureau personnel stressed the assistance available through employment service offices to them and their contractors. As a result, many job vacancies under the jurisdiction of the military services were filled by local State employment offices during the year.

Services to the Professional Worker

Continuing emphasis on serving professional workers and employers of professional personnel has resulted in the steady growth of placements in this field. In fiscal year 1960, 165,766 professional and managerial job openings were filled, a 12.8 percent increase over the previous year. This should be compared with a 6.7 percent gain for all nonfarm placements.

Increasing attention has also been given by the employment service to the proper organization and techniques of local offices in serving professional people. In the majority of the larger cities today, the employment needs of professional, scientific, and technical people are handled by experienced staff, thoroughly familiar with job requirements and worker qualifications in these complex fields.

The Bureau has also moved ahead in developing improved techniques for assisting professional people seeking employment outside their own communities. The professional office network, established by the Bureau in October 1957, links local public employment offices which specialize in serving professional people. This network was expanded in 1960 to include 109 professional placement centers, located in 44 States and the District of Columbia. A number of large public agencies are among the organizations which use the professional office network for multistate recruitment to fill their personnel needs. For example, during fiscal 1960, the Department of Defense called on its facilities for the recruitment of hundreds of elementary and high school teachers and prin-

cipals to staff overseas schools for dependents of military personnel. Similarly, the Department of State used the network to assist in recruiting qualified professional personnel for 54 public international organizations.

The convention placement service was provided at the request of a number of professional societies in fiscal year 1960. This service, at the site of annual conventions, consists of actual registration of applicants, acceptance of employer orders, and the selection and referral of qualified workers to employers at the convention. As a result of the service, increased numbers of professional workers recognized the availability and efficiency of employment service facilities, and professional societies encouraged the use of the public employment service on a year-round basis.

Teachers are placed through regular channels of operation in most State employment services. However, 15 States have given this field special emphasis by establishing a separate teacher placement service.

Retired military personnel in increasing numbers are seeking a "second career" in the professions through the public employment service. Many States have developed specialized placement techniques for this highly trained group, including the circularization of résumés of outstanding applicants to prospective employers, adequate employment counseling, and close liaison with military separation centers.

One tool used in all these professional placement activities is the "Index of Professional Job Openings." Taken from State inventories, it is a biweekly compilation of shortages in professional occupations in each State, as reflected in the number of employers' orders which could not be filled locally and which were therefore extended to other areas. In a time of increasing worker mobility, the index continues to be important to employment interviewers in their referral of qualified professional applicants who wish relocation.

Serving Special Applicant Groups

Services to Older Workers

Efforts to provide direct assistance in job placement to 40-plus applicants and a nationwide campaign urging employers to modify upper age restrictions in hiring continued to be the approach of the employment service to the older worker problem.

Using the facts gathered in Labor Department studies showing the value of the middle-aged and older worker, local employment offices provided the following services to help such workers find suitable employment:

1. Intensive interviewing to identify acquired skills, knowledges, and abilities.
2. Aptitude testing to discover potential skills that might be developed through training.
3. Employment counseling to assist older workers in choosing a suitable field and to help in overcoming lack of confidence and other problems interfering with successful job search.

4. Referral to training facilities or to other community agencies for the acquisition of new or additional skills and for rehabilitation, health, and other needed services.

5. Assistance in presenting applicants' qualifications effectively to employers.

6. Persistent efforts to develop suitable job opportunities with employers.

7. Selective placement in jobs suited to abilities and physical capabilities.

These special placement activities resulted in a 9 percent increase above fiscal year 1959 rates for workers over 45—this in comparison to a 6 percent increase for placement of workers under 45.

Over 1,205,000 nonagricultural job placements were made of workers 45 years of age and older by State employment service offices. This represents a rise of 102,000 over the number of such placements in fiscal year 1959 and an increase of 186,000 over fiscal 1958.

A total of 121,000 applicants 45 years of age and over received intensive job counseling service, an increase of almost 5 percent over those counseled in fiscal year 1959, though the number filing applications for jobs was about the same in both years.

Recognizing the necessity for creating an atmosphere of acceptance of 40-plus people as workers, the Bureau continually participates in informational and educational activities. The Bureau and State agency personnel are continuously in touch with a wide range of national and local employer, labor, veteran, civic, and industry organizations in order to reach persons in business and industry who formulate hiring policy.

The older worker demonstration project, initiated late in fiscal year 1959 in Lansing, Mich., continued in fiscal year 1960. The purpose of the project is to show how the services of the public employment office, when combined with full use of available community resources, can effectively aid middle-aged and older workers to become suitable employees. Intensive interviewing, counseling, testing, individual job development, vocational training, and special publicity activities are some of the techniques used. During fiscal year 1960, there were definite indications of progress in developing a community atmosphere more favorable to acceptance of older workers on the basis of their abilities regardless of age; in elimination of age restrictions on job orders; and in placement of older workers by local offices. The project will conclude in fiscal year 1961.

Earning opportunities forums for mature workers were conducted by the Bureau and the State employment security agencies, working closely with the Women's Bureau of the Department of Labor. Originated by the Women's Bureau to stimulate women to avail themselves of community training, counseling, and placement resources, the forums were extended during the year to include both men and women.

The Bureau staff worked with personnel of other Federal departments in planning for the White House Conference on Aging to be held in January 1961. To gather material for the event, the Bureau prepared a comprehensive guide for use by State employment security agencies in developing up-to-date information

on the older worker problem in various localities, the resources available to resolve the problem, and the progress being made toward this end.

The State agencies and their local offices are also working closely with State and local committees on aging, both in supplying them data and aiding in the conferences on aging being held in preparation for the White House Conference.

Services to Youth

Nearly all the 1,800 local public employment offices provide vocational counseling and job placement to youth. The principal youth groups requiring services are high school graduates seeking their first full-time jobs, school dropouts, and students needing summer or after-school jobs.

In serving high school graduates in fiscal year 1960, the employment service worked with 9,500 high schools, both public and parochial, or about 45 percent of all secondary schools with senior classes. Counseling interviews were held with some 325,000 high school graduates entering the labor market, or 30 percent of all seniors in the schools served. The Bureau's General Aptitude Test Battery (GATB) was administered to about 310,000 seniors, and local offices made approximately 150,000 placements of graduating seniors.

Placements of dropouts were made through specific arrangements with schools in 35 States. The Bureau will continue to emphasize the needs of this group for special counseling and placement service; it has made recommendations for definite agreements for the schools to refer such young people to a designated counselor in the employment service.

In Philadelphia, the Pennsylvania State employment service reported on a 2-year study of their services to a group of hard-to-place school dropouts. Three hundred and seventy-six placements were made for a selected group of 782 dropouts, most of whom had social, mental, physical, and emotional problems. The Bureau initiated similar study projects for regular school dropouts in Pawtucket, R.I., and Wilmington, Del.

Job placement for rural youth is a constant concern of the Bureau. Though many young people must leave rural areas to seek jobs, the formal programs of cooperation between the local offices and the schools, which would facilitate this movement, are usually in the larger communities. To solve this difficulty, the Bureau is urging State agencies to extend large-city employment office services to provide for the orderly transfer of rural youth to urban jobs, and generally to provide more counseling and job placement for these young people. A 2-year project along these lines has been completed by the Iowa employment security agency; and a new rural youth project has been started to extend services of the Shreveport, La., local office to more outlying schools.

The Bureau continued to cooperate with other government agencies having youth programs and worked closely with the Extension Service of the Department of Agriculture, the Office of Education, and other agencies through its active participation on committees such as the Interdepartmental Committee on Children and Youth, subcommittees on transition from school to work, and on juvenile delinquency. The Bureau has been taking an active role in inter-

preparing the employment needs of youth to national youth-serving organizations such as the National Committee on Youth Employment and various State committees on social welfare.

Over 30 staff members from the public employment service participated in work groups at the White House Conference on Children and Youth, held in March 1960. Many recommendations which bear on the extension and improvement of the employment service's youth work came from the conference.

Services to Minority Groups

Information from the publication "Manpower Challenge of the 1960s" showing the underutilization of Negro workers was presented by the Bureau's minority groups consultant before the faculty and student bodies of 12 nonwhite colleges, two conventions, and one conference. This publication was also distributed to the National Urban League and all of its local affiliates, a conference of counselors of nonwhite colleges, and the National Convention of the Negro American Labor Council, AFL-CIO.

The New York employment security agency announced the appointment of a senior employment consultant to work full time as liaison officer with the State Commission Against Discrimination to promote equal employment opportunities for all persons seeking work through the New York State employment service. Eight State employment services and the District of Columbia now have designated minority group representatives on the staff.

Continued assistance has been given to the President's Committee on Government Contracts in promoting equal job opportunities through the review of complaints alleging discrimination by State employment service offices in the referral of job applicants.

Services to the Handicapped

The Bureau and State employment service agencies continued to stress assistance in obtaining equal employment opportunities for the physically handicapped and mentally or emotionally restored jobseekers. Encouraging employers to hire handicapped workers on the basis of their ability and informing them about effective methods of inducting such workers into suitable jobs received increased emphasis.

In fiscal year 1960, a total of 433,000 handicapped workers applied for placement assistance at public employment offices, slightly less than for fiscal year 1959. However, local public employment offices filled approximately 293,000 nonfarm jobs with such workers during the year, an increase of 4.7 percent over the previous year. Among the handicapped placed were 6,504 referrals from State vocational rehabilitation agencies.

A total of 160,000 handicapped workers, or 37 percent of all new handicapped applicants, received counseling to assist them in making suitable occupational choices or in adjusting to jobs for which they possessed basic qualifications.

The Bureau continued to work with national health organizations representing particular disability groups. For example, a revised edition of the Bureau's interviewing guide on pulmonary tuberculosis was published early in the fiscal

year. This guide, prepared in cooperation with the Rehabilitation Division of the National Tuberculosis Association, presents the latest developments in the treatment and rehabilitation of tuberculous persons. It is in use as an aid to counselors and placement staff in all public employment offices and in many other agencies which serve those who formerly suffered from tuberculosis. Bureau staff consulted, also, with staff of the National Epilepsy League on revising the interviewing guide on epilepsy, and a new edition will be published. The Bureau participated in the National Conference on Work Classification Units sponsored by the Rehabilitation Committee of the American Heart Association. The work of such units promises to make a valuable contribution to the employment of cardinals.

Another cooperative effort by the Bureau and State employment security agencies was active participation in the programs of both the President's Committee on Employment of the Physically Handicapped and the Governors' and local committees associated with it. These committees work to broaden the acceptance of handicapped workers in all fields.

Aptitude and Proficiency Testing

The usefulness of General Aptitude Test Batteries (GATB) and of the proficiency tests continued to be proved, both nationally and internationally, during fiscal year 1960.

An example of professional recognition received by the tests is the considerable space devoted to them in the revised edition of "Essentials of Psychological Testing," a widely used college textbook. The author, Dr. Lee J. Cronbach of the University of Illinois, states, "The GATB is designed with an efficiency that has never been exceeded."

In a practical demonstration of the effectiveness of testing, a manufacturer collected followup data on the USES aptitude test battery for power sewing machine operators. During an 8-month period, the company hired 60 sewing machine operators. Thirty were test-selected with the use of USES tests; the other 30 were not. Both groups were comparable in age and education, and hiring specifications were the same. Data based on quality and quantity of work revealed that 90 percent of the test-selected group proved successful while only 45 percent of the non-test-selected group achieved competence. The company now requires that all trainees be test-selected before referral.

Two new studies were undertaken during the year in connection with the longitudinal maturation study which was started in 1958 for the purpose of developing General Aptitude Test Battery norms for lower-grade high school students. One study is concerned with the effect of practice upon GATB retest scores of fully matured individuals, when the intervals between initial testing and retesting are 1, 2, and 3 years. These intervals are the same as those between the initial testing and retesting of the 11th, 10th, and 9th graders in the longitudinal maturation study.

Test research on older workers was also continued. Preliminary results of an age curve study showed that the relationship between age and average aptitude

scores is not the same for all aptitudes of the GATB. The research verified that intelligence and verbal, numerical, and other aptitudes show little or no decrease with age, while finger and manual dexterity, for example, show marked decline, particularly after 40.

Work progressed during the year on new typing and stenographic proficiency tests. The development of a statistical typing test was completed. Results of a study based on a sample of 575 typists from 7 States showed that the use of manually operated typewriters is unwarranted for testing applicants for job openings requiring proficiency on an electric typewriter. In view of this finding, separate norms will be developed for operators of electric typewriters.

Unions, employers, and other organizations exhibited increasing interest in USES tests. During the year, 775 multistate employers with 1,022 branch plants were served with test-selected applicants for entry jobs. Interstate test studies were undertaken at the request of multistate employers, for the purpose of developing aptitude test batteries for occupations not yet covered by USES tests. Glaziers Union Local No. 1204, Milwaukee and Oshkosh, Wis., asked that an aptitude test battery be developed for the occupation of glazier. Another union, the International Printing Pressmen and Assistants' Union of America, endorsed the use of aptitude tests in the screening of apprentices. The chairman of the Committee on Technical Affairs of the American College of Radiology requested an aptitude test battery for X-ray technician, and X-ray technician school directors were enthusiastic about the value of the tests in screening applicants for training.

The list of foreign users of the General Aptitude Test Battery included 250 individuals in 55 countries engaged in research on the battery to adapt it for use in their own countries. The French edition of the GATB was made available for international use by purchase from a commercial publisher in Neuchatel, Switzerland.

The president of the International Association of Applied Psychology and the editor of its Journal requested an article to provide European readers with an understanding of the kind of test development work which the USES is doing. General Aptitude Test Battery tests and descriptive materials were exhibited at the African Conference on Vocational Testing held in Brazzaville, French Equatorial Africa.

Employment Counseling Services

More than a million jobseekers—1,042,000, or 34,000 more than in fiscal year 1959—were counseled during the year. They received a total of 1,786,000 interviews, almost 52,000 more than in the previous year. The Bureau's Aptitude Test Battery was administered to a total of 553,000 counselees, an increase of 42,000.

At the same time, continued emphasis was given to further improvement of the quality of counseling services through improved selection of counselors, wide use of outservice training in colleges and universities to supplement inservice training, improved supervision, experimental use of full-time counselors in the place of part-time counselors in small towns and rural areas, and the use of advanced methods and techniques in counseling.

Forty-six States have taken steps toward adoption of the Bureau's program for improved selection and development of counselors, which was launched during fiscal year 1959. This involves adopting higher standards in selecting counseling personnel and participating in university training courses for counselors. Over 600 employment service counselors were enrolled in outservice training courses at various universities throughout the country during fiscal year 1960. In the 2 years since the outservice training program was initiated, over 1,400 counselors have attended courses at approximately 100 colleges and universities.

A pilot experiment with an area counselor plan has been continuing in 12 States. Under the plan, a full-time counselor is assigned to serve two or three smaller offices on a scheduled basis in place of part-time counselors who have other pressing duties. The object is to provide the same level of counseling service to applicants in small offices as in the larger offices staffed with full-time counselors. After the experiences of these States are evaluated, guidelines will be issued nationally for extension of the plan to other areas.

Experiments were begun during the past year in (1) applying counseling techniques on a wide scale in areas of high unemployment or underemployment, to help determine skills and potentials of jobseekers in the area as an aid in attracting new industries, and (2) applying the proposed new functional occupational classification system in counseling.

Another project of fiscal year 1960 was the beginning of an extensive revision and updating of the Bureau's manual on employment counseling and of the inservice counselor training unit. A work committee, comprised of representatives of various State employment security agencies and the Bureau, met and developed guidelines for these revisions. Particular emphasis is being given to job adjustment counseling, the use of group techniques, integrated appraisal techniques, and basic forms and records.

Two new training units on counseling were developed by the Bureau in fiscal year 1960. One dealt with the responsibility of local office interviewing staff in counseling and the other with the direction of counseling service by managers and other line supervisors. The Bureau also provided revised instructions on the recognition of counseling need.

Community Employment Program

The community employment program, operating through affiliated State agencies, outlines actions by which the employment services can assist communities in creating new jobs and fostering economic growth. The special skills, efforts, and resources of the employment service are used in cooperation with other State and local development groups striving for employment development. Employment service local offices all over the country have rendered valuable assistance to community employment development organizations in their endeavors to attract new industry (including trade and tourism), expand existing industry, or otherwise improve the economic base of the area.

According to the most recent review of State employment security agency participation in community employment programs, over 900 local offices had pro-

vided assistance to over 1,850 development groups, with local office personnel being either members of or regular consultants to 850 different groups. Services provided to employment development groups included current labor supply and demand information; specific or general data on skills of the work force for particular inquiries or overall promotional brochures; assistance in planning, setting up, or selecting trainees for vocational training programs; suggestions on organizing and conducting various phases of employment development campaigns; and recruiting for and staffing of new plants.

Mounting concern about the problem of localized unemployment in areas of substantial and persistent labor surplus resulted in the formation by the President of the Interdepartmental Committee to Coordinate Federal Urban Area Assistance Programs. Its purpose is to focus established governmental activities and resources, including technical assistance and loan and procurement funds, on these problem areas to the maximum possible extent. Bureau staff participated actively with this committee, visiting a number of labor surplus areas to review local development programs and to explain the kinds of Federal assistance that can strengthen local efforts.

Areas especially in need of employment services, including employment development assistance, are the rural low-income areas which are characterized by subsistence farms and high underemployment. The employment service continued to seek ways in which to increase the effectiveness of its services to rural people faced by lack of local nonagricultural jobs and remoteness from urban employment centers.

Local operations were largely completed on the four pilot projects of the experimental rural area program which had been initiated the previous year to explore the problems of (1) providing basic employment services to rural low-income areas, and (2) assisting such areas to develop programs of economic self-improvement. The pilot projects were run in one area each in Arkansas, Kentucky, Tennessee, and Wisconsin. A sample household survey was conducted to develop data on population, labor force, and income.

Temporary local offices registered, tested, and interviewed unemployed and underemployed area residents to determine their current skills and occupational potential. Following the inventory of jobseekers, individuals were counseled and referred to job openings as circumstances permitted. State and local groups were helped to prepare economic base studies of their areas, which included the manpower data developed by the employment service.

At the close of the fiscal year 1960, a work committee of State employment security agency participants in the program met in Washington to evaluate the immediate results of the pilot projects. The direct applicant services of counseling and local and clearance placement, although not emphasized in operations, were found by the work committee to be badly needed. The State agency personnel reported that their community employment development services had sparked great enthusiasm for local economic expansion. Manpower potential information developed through the projects had proved useful both in analysis of the capabilities of the work force and promotion of the area for industrial development. Two

of the areas had already attracted new plants. The work committee concluded that experience gained during fiscal year 1960 has laid the groundwork for providing more effective employment services in rural low-income areas in the future.

Farm Labor Service

The dual responsibility of the Bureau's Farm Labor Service is to the farm employer and the farm worker. The Service seeks to assure, insofar as possible, that growers will have access through the public employment service to adequate and qualified labor throughout the productive season, and that all farm labor will have full work opportunities.

Established farm placement services operate in the State employment security agencies and aid in balancing demand and supply of the farm labor force by recruiting and placing farm workers. They also study and seek to solve specific problems arising from the complex needs of agricultural labor demands.

The scope of the Service's work includes placing year-round farm workers, recruiting seasonal workers, making determinations of farm labor requirements and channeling farm workers to areas of threatened labor shortage, providing applicable wage determinations, and guiding growers in observing the provisions of Mexican and other foreign farm labor agreements. It also encourages farm-jobs-for-youth programs, implements the amended recruitment regulations of the Secretary in regard to domestic migratory labor, and directs grain- and cotton-harvesting equipment and operators to areas of need through its established interstate facilities.

To understand the placement problems of the Service, one must recognize the changing nature of the farm labor force. Total farm population has dropped to a new low, now less than 12 percent of the population of the United States. Larger but fewer farms have emerged. The long-term downtrend in farm employment has continued during fiscal 1960.

Not only is farm labor dwindling but the increasing specialization of farms, the mechanization of some functions of crop production, and the purchase of more and more farm production materials from off-farm sources have tended to concentrate labor requirements into shorter peak seasons each year. "Agribusiness" (i.e., food processing and packaging, and the manufacture of mechanical planters, harvesters, chemical cultivators, pesticides, and fertilizers) has caused displacement and/or draining of workers from the actual farm labor force. All of these factors have called for a new gauge to determine demand and availability of supply. New appraisals are used in planning the direction of migrant labor toward locations and where and when it is most needed.

Besides these new problems of a dislocated and diminishing labor force, the vagaries of nature often harass farm placement activities. A late, cold, or suddenly premature season may cause severe displacements in labor demand or supply. Workers arrive, find harvests late, and leave; when the harvest is ready there is no one to bring it in. A freeze late in the growing season may ruin

crops and strand hundreds of migrant workers, as happened in Florida early this year. The State employment agency there went into emergency action to locate other jobs and temporary welfare relief for the workers. The cold, wet, late growing season which followed the unexpected freeze throughout most of the United States disrupted normal labor supply, and State employment agencies encountered many additional problems and crises in having labor crews on hand when needed.

Other developments of fiscal 1960 underlined emergent trends in farm labor. According to figures of the Department of Labor and the Bureau of the Census, the total monthly farm employment in fiscal year 1960 averaged 5,653,000, compared with the previous year's 5,881,000. The decrease was among farm operators and unpaid members of their families. Hired farm worker employment remained fairly stable both this year and last, at 1,711,000.

Employment of seasonal workers fluctuated from 309,000 in March to a peak of 1,482,000 in September in 267 agricultural areas reporting to the Bureau. An increase of more than 100,000 this year in peak seasonal employment mainly reflected the larger cotton harvest and its higher yield per acre. The end of the cotton acreage reserve program, and the newly authorized optional increases in cotton allotments, put 3.2 million additional acres into production in fiscal year 1960.

Technological advances in the form of better seed, preemergent herbicides, flame cultivation for weed control, and mechanization of planting, cultivating, and harvesting processes continued to alter patterns of labor use. The impact on the labor force of the mechanical harvesting of snapbeans, cotton, tree fruit, peas, and potatoes has been reported in many areas. The use of vegetable harvest equipment that combines harvesting and field packing and the development of a cotton combine that picks, strips, gins, cleans, and compresses cotton into 500-pound bales as it moves down the field are significant.

Program Emphasis

Public hearings were held in September following the issuance of the U.S. Attorney General's opinion upholding the right of the Secretary to issue regulations concerning migrant labor under the Wagner-Peyser Act, and after the publication of the proposed amendments to the regulations in the Federal Register.

The testimony of more than 30 organizations and 70 individuals was analyzed. On November 20, 1959, the amended regulations were published in final form in the Federal Register with notice that they would be effective in 30 days.

The Secretary's release of November 20, 1959, on amending title 20 of the Wagner-Peyser Act of 1933, as amended, chapter V, part 602, 20 CFR, stated: "The purpose of these amendments is to make certain, before interstate recruitment of domestic agricultural workers by the United States Employment Service, that the wages, housing and facilities, provisions for transportation, and other terms and conditions of employment accord to prevailing standards of employment."

Training meetings instituted in the various State employment agencies prepared staffs for implementation of the new regulations. New "Employment Security Manual" instructions were provided with the regulations, and continuing emphasis is being placed on their observance.

A separate and important facet of program emphasis concerned the need to improve the selection of workers for referral.

Advisory Committees

Private and official groups representing the interests of farm employers and farm workers are concentrated in a number of advisory committees. Meetings on farm problems were held throughout the year by the Farm Committee of the Interstate Conference of Employment Security Agencies; the Special Farm Labor Committee and its subcommittees on domestic farm labor and Mexican labor; the Labor Advisory Committee, whose members are from organized labor; and the four-State Work Committee of the Rural Development Committee.

The Secretary of Labor appointed in 1959 four consultants from outside the Government to advise him on problems arising out of Public Law 78. The consultants recommended that although the law should be extended on a temporary basis, it should provide for increased authority to prevent adverse effect on wages and working conditions of domestic farm workers.

Further recommendations were that the law should (1) confine the use of Mexican workers to necessary crops during temporary labor shortages, and to unskilled nonmachine jobs; (2) authorize the Secretary of Labor to take such action as would reduce reliance on Mexican labor and increase primary responsibility of farm employers for recruitment of domestic farm workers; (3) direct the establishment of specific criteria for judging "adverse effect"; and (4) authorize the Secretary to establish wages for Mexican workers at no less than the prevailing domestic farm rate in the area.

Recruitment of Local Labor

Agricultural placements during fiscal year 1960 totaled 9,747,116. More than 800,000 of these were of year-round and seasonal workers with special skills, many of whom live on the farm where they work. They were recruited, in a number of instances, through "farm employment days."

Well-publicized farm employment days provide an occasion for farm employers and workers to meet and negotiate work agreements. During calendar year 1959, 79 local offices had 1,169 farm employment days which gave employers and workers, and frequently their wives, an opportunity for joint employment interviews.

A method of recruitment used in areas where labor demands are too limited to support a permanent farm placement office is through volunteer farm placement representatives, men generally well known in their small communities who serve without remuneration. They work under the direction of the public

employment officer serving the area, and effectively aid employers and farm workers to meet for job negotiations. In 26 States, more than 3,000 volunteer farm placement representatives made a total of 100,900 placements in fiscal year 1960.

The "day haul" program was instituted to transport workers daily from population centers to farming areas. The "established day haul" (one where workers are assigned to employers for daily work for a definite period) in calendar year 1959 drew peak day employment of 154,000 workers from 1,329 towns. "Supervised day haul" (one where work crews are allocated to employers on a daily basis for transporting to the fields) provided a peak day employment of 170,158 from 820 towns.

Recruitment of youth for farm jobs under special programs totaled about 19,000 during the year. Primarily employed during vacation, these youngsters went on day hauls or lived in camps or on approved farms.

Domestic Migrant Farm Labor

When there are not enough local workers in a community, many farm employers depend on migrant workers either from within the State or from other States.

Job orders involving more workers than are available within the State are placed in interstate clearance, a service which recruits needed workers in other States. When this is done, the annual worker plan (AWP) generally comes into use. The plan is designed to make possible the placement of migrant crews, families, and individual workers in a series of jobs, or otherwise develop a continuity of employment. It is operated through local, State, and regional farm labor offices which cooperate in making up work schedules and job itineraries in their individual work areas. After they provide this information according to crop and season to other States and regions, dates of labor demand and labor availability are reconciled and a transfer or referral of adequate labor is supplied to the growers, which at the same time affords more continuous employment to migrants.

Early in the season, itineraries are made in Florida to schedule workers in a series of jobs as far away as New York State and New England. Workers are scheduled in Texas to labor in almost continuous cultivating and harvesting jobs through the Midwest and the Great Lakes States. Texas, Arizona, and New Mexico also prepare work schedules for farm labor going up through the Pacific Northwest.

In 1959, the AWP served a total of 167,500 persons from 34 States; about 68,000 came from Florida, and some 56,000 came from Texas. The total number of interstate migrant work crews and family groups was 6,852. The number of farm work openings filled through interstate clearance procedures in 1959, including both annual worker plan and individual placements, was 183,500. In August 1959, domestic migrant workers, including interstate, intrastate, and Puerto Rican, reached an employment peak of 313,000 in areas reporting to the Bureau.

<i>Annual worker plan employment</i>	<i>1958</i>	<i>1959</i>
Number of work groups (crews and families).....	6, 833	6, 852
Number of individuals.....	162, 600	167, 500
Number of adults over 16 years old.....	134, 400	142, 200
Work schedules issued.....	7, 492	7, 669

Information stations where migrant workers may obtain current crop and job information are located on frequently traveled routes in several States. Migrants stopping at these stations for information often provide in turn details that may be the basis for establishment of additional stations on the routes they have just traveled.

Little Creek, Va., the oldest information station, operates 24 hours a day during the period of northbound migration. It is the gateway from the Carolinas and points south, the quickest means of access to the intensely agricultural Delaware-Maryland-Virginia area, and on north. More than 20,000 northbound migrants during the fiscal year were provided service at the Little Creek station. Sikeston, Mo., Hope, Ark., and Binghamton, N.Y., are other interstate stations that serve hundreds of migrant workers, and there are many other State-operated, seasonal information facilities.

Farm labor bulletins sent to national headquarters, local offices, information stations, volunteer representatives, and press, radio, and TV stations keep those concerned informed of current crop and labor conditions. In 1959, 38 States issued 1,364 bulletins and distributed 751,538 copies.

Additional sources of domestic labor for whom specific and special arrangements are made include Puerto Ricans who come under contract to the continental United States and American Indians recruited from the reservations.

In fiscal year 1959, the Puerto Rican department of labor sent 11,838 workers under contract to Atlantic Seaboard and Great Lakes States for agricultural work; this does not include a significant number who made their own separate work arrangements and migrated to the mainland. In addition, an appreciable number of Puerto Rican workers came from New York City and other metropolitan areas to the Boston market garden area, to Pennsylvania, to the Connecticut shade tobacco fields, and to the Great Lakes States.

Farm placement services were rendered to 40,570 American Indians from 17 States, not including the Indians who applied individually to local employment offices.

The value of the program of referring harvesting machine operators, their crews, and equipment is shown by the fact that in 1959 about 8,000 farmers had their grain and cotton harvested by equipment directed to them through the State employment agencies' special program activities.

Improved Conditions for Farm Labor

The Department, congressional committees, and the press maintained a steady focus during fiscal year 1960 on the conditions under which farm labor lives and works.

The Secretary released an exhaustive study on the effects of applying a minimum wage to agricultural workers, saying that a minimum wage for hired farm workers "is both feasible and desirable." He said such a minimum "would apply to a relatively small percentage of farm employers, all of them large, who hire a substantial portion of the hired farm help in the United States, and would not apply to the small family farmer."

The President's Committee on Migratory Labor, chaired by the Secretary of Labor, sent a subcommittee report to the Cabinet for approval and clearance. It covered problems and situations to be considered in meeting emergencies or disasters involving migrant farm workers, and is to be used as a basis for coordinating local, State, and Federal resources in a program to meet such emergencies.

The Bureau made a nationwide survey of crew leader practices to provide background data for the Department's recommendation to a congressional committee for a national crew leader registration law. The survey provided useful information on transportation and employment arrangements and methods of wage payment.

The U.S. Senate Committee on Labor and Public Welfare, through its subcommittee on migrant labor, held hearings throughout the various States and heard both professional testimony and statements from migrant workers on their living and working conditions, as preparation for drafting legislation to correct abuses.

Other signs of efforts toward improving conditions for migrant labor appeared in fiscal year 1960. More than 30 bills affecting the farm labor program were introduced in Congress. Special emphasis was placed on housing inspections resulting in the closing of some of the offending units by State or local authorities. Newly amended Interstate Commerce Commission regulations to govern the safety of motor carriers for migrant workers became effective September 1, 1959. The survey begun in four States to determine the feasibility of bringing the farm worker under the unemployment insurance program was continued.

Working on the State level, some employment agencies have convinced appropriate departments (e.g., health, welfare, sanitation) of the necessity for proper housing and sanitation if an adequate labor supply for the work area is to be insured. Committees on migrant labor, usually formed by or with the endorsement of the Governor or the State legislature, have been established in 28 States and are active in efforts to raise living and working standards for farm labor. During this past fiscal year, new committees were formed in Nebraska, Massachusetts, and Indiana.

Reports to the Bureau reflect more and greater community interest in the migrant worker and his need for community, health, educational, welfare, and religious services. Church and civic groups are alert to these needs and are active in alleviating poor conditions.

Foreign Farm Workers

States which normally use a substantial number of foreign workers to supplement their domestic work force increased their acreage and production in

cotton, sugar, beets, and pickles in calendar year 1959. Thus, foreign worker employment exceeded that of the preceding year. Mexican workers entering under contract according to Public Law 78 form the greatest part of the foreign worker farm force. Specific arrangements also provide for bringing in Canadians, British West Indians, Bahamians, and a few Japanese and Filipino workers.

Only when a State employment agency certifies that domestic labor is not available for specific seasonal farm jobs is it possible for growers to obtain foreign workers. Before supplying these workers, the agency is responsible for determining that employment of foreign workers in the area will not depress the wages and working conditions of domestic labor.

Under the Bureau's system of assignment of foreign worker quotas, 431 ceilings, including amendments, were established in fiscal year 1960, in 119 agricultural reporting areas in 37 States. Although most ceilings are issued for Mexican workers, Canadians, numbering 8,500 during their period of peak employment, worked mostly in the Maine potato harvest, and, as is customary, about 2,000 United States workers went, reciprocally, to Canada to work in their tobacco harvest, which takes place after the U.S. crop has been harvested. Some 11,000 British West Indians worked in various crops in 14 East Coast and Great Lakes States and as far south as Texas. About 1,400 Japanese and Filipinos harvested California fruit and vegetable crops.

More foreign workers were employed in seasonal farm jobs in September than at any other time in fiscal 1960—308,000 men. Texas and California, which employed the largest number of seasonal domestic farm workers, also were the greatest employers of foreign workers.

A new contract this year for British West Indian workers brought housing, employment guarantee, and transportation arrangements nearer into alignment with the current contract for Mexican workers. A similar contract with Bahamian workers is now under negotiation.

Mexican Nationals

By international agreement with Mexico, and under authorization of U.S. Public Law 78, there were 427,353 Mexican nationals contracted for farm work during the fiscal year. They worked in 26 States for approximately 51,000 individual employers for an average employment period per worker of 3.4 months. During this period, 68,401 workers were recontracted, 226,139 contracts were extended, and 420,026 workers were returned to Mexico. The largest number of these workers employed at any one time was during September, when 295,000 were engaged in farm work.

Negotiations with Mexico to extend the Migrant Labor Agreement of 1951, as amended, to June 30, 1961, were consummated, and the resulting agreement became effective December 1, 1959. Under the new agreement, employers are required to obtain, at the workers' expense, nonoccupational insurance for their Mexican employees. The employees also receive the protection of a new Mexican social security plan. These insurance provisions became effective January 31, 1960.

The new agreement has also increased the scope of the Secretary's authority to take unilateral action against employers for certain types of violations of the agreement.

The State Department was asked in February to advise the Mexican Government that orders for workers predesignated by name would not be accepted. Discontinuance of this procedure for "specials" as they were called was to be as of July 1, 1960, and the State and local employment offices were instructed to so advise employers.

On January 1, 1960, contracting fees charged employers were reduced from \$12 to \$10, and recontracting fees were reduced from \$6 to \$5.

Reception Centers and Migratory Stations.—The year brought a number of improvements in centers and stations. Arrangements were made with General Services Administration and plans were approved for remodeling to include kitchen and dining facilities at Hidalgo and El Centro reception centers. Plans also provide for modern cooking, refrigeration, and serving equipment at Hidalgo. Quarters for U.S. Public Health Service personnel at El Paso reception center were expanded. The Mexican Government will construct two new and modern migratory stations with kitchen and dining facilities, one near Monterrey, the other near Empalme.

Assessment Program.—Public Law 78, 82d Congress, requires that employers who fail to return Mexican contract workers to reception centers from which originally contracted shall be assessed the cost of transporting them from the area of employment to that center. During the year, 956 assessments for workers who had abandoned their contracts, totaling \$59,597 and covering 30,658 "skips," were processed against employers. Of this number, 584 accounts in the amount of \$38,158 were collected before the close of the year.

Audit Report.—The report of the audit of five reception centers for the year ending December 31, 1959, which involved more than \$5,651,000, showed that all fees were properly collected and promptly deposited. "Skip" assessments were properly levied, accounted for, and collected. The propriety of other accounts and records was verified and reconciled.

Wage Determination Activities.—Under the provisions of the agreement with Mexico, Mexican workers employed under contract for farm work in the United States are to be paid prevailing wage rates as determined by the Secretary of Labor. This Migrant Labor Agreement specifies that the wage rate paid must not be less than the prevailing rate paid to domestic workers, for similar work, in the respective crop and area. Wage determinations are based on sample surveys or employers in specific activities in localities where Mexican workers are employed, and are made by State employment security agencies under the technical supervision of the Bureau.

In fiscal year 1960, 1,556 wage determinations involving 1,698 separate rates were made by the Secretary, on the basis of prevailing wage surveys by State employment security agencies.

The Bureau has been concerned about problems arising out of conditions where Mexican workers predominate in the work force for particular crop activities and areas; and also about situations where domestic workers employed by farmers who use Mexican nationals are paid less than domestic workers on farms where no Mexican workers are employed. New procedures were developed to deal with such problems and to insure that wages and working conditions of domestic workers are not being adversely affected because of employment of Mexican workers.

Eleven cases arose during the year wherein the Secretary of Labor could not certify that the employment of Mexican workers, at wage rates offered or paid, would not adversely affect the wages and working conditions of domestic agricultural workers similarly employed. In these cases determinations of the wage level required to prevent adverse effect were made.

Progress was made during fiscal year 1960 in extending the prevailing wage program to six States in which British West Indian and Bahamian workers are employed. State employment security agencies made 10 findings of prevailing wages which give to agricultural workers in these areas the same protection as that given in States using Mexican workers.

Housing, Food Service, and Transportation Developments

Deficiencies were disclosed by a majority of the 9,113 housing inspections made during fiscal 1960.

A special housing inspection program was conducted in the Lower Rio Grande Valley, where the first citrus crop in several years had created a demand for Mexican workers during the winter months. More than 3,500 workers were removed from 250 housing facilities because heating and sanitation did not meet the requirements of the international agreement. Continued emphasis on employer responsibility in the matter of housing facilities in the area has subsequently given impetus to a significant building and reconstruction program there. A drive in Southern California also led to considerable rebuilding of older housing to make suitable facilities for workers.

Two surveys to determine the cost of food service for Mexican workers were made during the year by a committee representing California growers and the Department of Labor. Representative food service costs figures were agreed upon. Negotiations on how to make the proper charge to workers were consummated with the Subcommittee on Mexican Labor. Instructions implementing the agreement were distributed by the Bureau, in June. Under the new procedures, employers are required to maintain a cost and menu file, and to submit periodic financial reports to the Bureau, through its regional offices. Overcharges for meals must be refunded in cash, or in free meals to the workers.

Instructions on short-haul transportation (from the labor camp to work area) were issued and became effective in February 1960. Some of the requirements are that drivers must be over 18 and possess a chauffeur's license; that grab irons, permissible under the original instructions, must be inside the vehicle; and that no "flammables" should be transported.

Complaint Investigations

Foreign Labor Service representatives conducted 5,291 investigations of complaints involving various provisions of the Migrant Labor Agreement, and the Standard Work Contract under this agreement. Violations were found in 2,587, or 49 percent, of the cases investigated. Collections as a result of investigations involving wage violations were \$86,578. Periodic inspections of employers' payroll records, as opposed to investigations of specific complaints, resulted in the payment of an additional \$125,852 to workers. Altogether, a total of \$212,430 was paid in wage adjustments by employers to Mexican workers, as a result of wage investigation and payroll inspections.

Sixty-eight employers were declared ineligible to use Mexican workers because of violation of the agreement and contract.

Litigation and Settlement of Claims

As the guarantor of a Mexican worker's contract wages, the United States was obliged to pay \$3,920 this past year. A collection of \$7,187 from employers was applied to the outstanding balance under the guarantee; \$232 was written off as bad debts; 30 cases involving \$20,890 are pending litigation.

At the close of the fiscal year, three cases involving a total of \$1,660 were awaiting action. Through the U.S. Department of Agriculture's State offices of stabilization and conservation, an additional \$735 was collected as setoff amounts, due from employers under the Mexican labor program.

Veterans Employment Service

Nearly one-half of all men in the civilian labor force in fiscal year 1960 were veterans.

Existing Federal law provides for an effective job counseling and employment service for these men, most of whom are in the prime age groups. In each State, the veterans employment representative (a Federal employee) is attached to the staff of the public employment service in order to execute the policies determined by the Secretary of Labor and the Chief of the Veterans Employment Service under Federal law.

Employment Service Activities

For the second consecutive year, the number of work applications filed by veterans dropped sharply, decreasing nearly 180,000 (10 percent) to a 7-year low of approximately 1.6 million. This reduction was in sharp contrast to a rise of 6 percent in the number of applications filed by male nonveterans, reflecting the relatively favorable job situations for veterans. Nonagricultural placement of veterans made by local employment offices showed a small decrease, moving down about 4 percent to 1.2 million.

The effectiveness of special policies for veterans is reflected in the fact that veterans received 36.2 percent of all male placements in the employment service in fiscal year 1960 while they represented 27.6 percent of the available applicants.

Selected employment service activities for veterans, fiscal years 1959 and 1960

	1960	1959	Percent change 1959-60
New applications:			
Men.....	5,805,000	5,745,800	+1.0
Veterans.....	1,600,900	1,779,900	-10.1
Percent veterans of men.....	27.6	31.0	
Nonagricultural placements:			
Men.....	3,427,700	3,245,500	+5.6
Veterans.....	1,241,200	1,291,900	-3.9
Percent veterans of men.....	36.2	39.8	

Work applications for disabled veterans showed a smaller increase than those of all veterans, moving down only 2.7 percent from the previous year. The number of placements increased 3 percent over the prior year. During fiscal year 1960, disabled veterans received 49.7 percent of all male handicapped placements while they represented 38 percent of the available applicants.

Selected employment service activities for disabled veterans, fiscal years 1959 and 1960

	1960	1959	Percent change 1959-60
New applications:			
Men.....	336,200	341,200	-1.5
Veterans.....	127,900	131,500	-2.7
Percent veterans of handicapped men.....	38.0	38.5	
Nonagricultural placements:			
Men.....	231,900	221,800	+4.6
Veterans.....	115,300	111,900	+3.0
Percent veterans of handicapped men.....	49.7	50.5	

Program Development and Evaluation

Considerable emphasis was directed during the fiscal year toward improving services provided veterans at the local office level. Evaluations were conducted in approximately 1,200 local employment offices by State veterans employment representatives (VER's) to determine the effectiveness of the services being rendered. Several States held training conferences for their personnel on services to veterans.

The national office of the Veterans Employment Service has continued to work on program planning procedures. For the past 3 years, State VER's have been preparing written plans of action. Last year, for the first time, each VER was required to submit his plan to the national office for review. The reports show that through program planning the VER has been able to identify his problem areas more readily and concentrate his efforts on matters that need the most attention.

A representative of the national office visited every State except Alaska last year. Findings on these visits, together with information obtained from the monthly activity reports submitted by each representative, provide full information on the program.

Staff Training

The highlight of the year in the training area was the 20th National Conference of State Veterans Employment Representatives held in Denver, Colo. Conference-type work shops provided a forum for discussion of all major program activities. Also, the conference included a panel on employment assistance to the older veteran, and ways to cope with this problem were discussed. A number of prominent speakers, both within and out of government, addressed the conference.

In January, three VER's and three new assistants were given a 1-week induction training course at the Bureau. Prior to this, each new VER was visited and given an operational program to follow until formal training. During regular field visits, national office representatives gave the new men on-the-job training.

One member of the national office staff attended a 2-week management course by the Brookings Institution for employment security personnel.

Liaison and Public Relations Activities

The VES continued its work with the Interagency Committee on Vocational Rehabilitation. Guidelines were sent to all State agencies urging them to establish, on the local level, committees for vocational rehabilitation.

A study of veterans' preference provisions in State government employment was made and published by the Bureau in cooperation with the Veterans Service staff of the Civil Service Commission.

VES representatives attended all of the major national veterans' organizations meetings, often participating in special conferences and supplying information on employment services for veterans. State VER's performed the same activities with State veterans' organizations.

A special script and slides were developed on the Department of Labor's manpower story for presentation to veterans, veterans' organizations, and other appropriate groups.

In cooperation with the President's Committee on Employment of the Physically Handicapped, car cards and pocket calendars were distributed to promote the placement of disabled veterans.

State VER's participated in numerous promotional programs such as older worker conferences, National Employ the Physically Handicapped Week, and award programs. All of these proved beneficial in improving job opportunities for veterans and in encouraging the use of the State employment service offices.

Unemployment Insurance

The Federal-State unemployment insurance system provides insured workers with partial compensation for wages lost during periods of involuntary unemployment. It also acts as an important economic stabilizer in the maintenance of income and purchasing power. About 44.8 million workers in commerce,

industry, and government, including the Armed Forces, are covered under the Federal and State laws.¹

In fiscal year 1960, 6.4 million insured workers drew one or more unemployment insurance benefit checks. They received \$2.5 billion for 80.8 million weeks of unemployment.

Fiscal year 1960 challenged the unemployment insurance program in several ways. Though recovery from the 1958 recession continued and unemployment was not as acute a problem as it had been in the previous 2 years, it remained above prerecession levels. The number of claimants who exhausted their benefit rights was also high as compared with prerecession levels. Exhaustions during fiscal 1960 were 1.56 million, which was more than 40 percent higher than the 1.09 million exhaustions during fiscal 1957, the last prerecession year. This increase is more significant because duration of benefits has recently risen through legislation and more weeks of compensation were generally available to unemployed workers during the last fiscal year than before.

Two events caused temporary increases in insured unemployment. First, the secondary effects of the steel strike which began on July 15 increased the number of claims from steel-using industries during the first half of the fiscal year, particularly in October and November. Secondly, severe March snowstorms in many parts of the Nation caused interruptions of industrial and construction activities and forced claims upward in the second half of the fiscal year.

A persistent problem was the continuation, even during periods of relatively widespread prosperity, of local pockets of high unemployment. Since they make for higher levels of long-term unemployment, these areas have aroused continued concern over the adequacy of the duration provisions of some State laws. Technological changes contributing to the geographical spottiness in the economy also made special demands on the program.

Program Research and Planning

To meet the demands of a dynamic economy, emphasis was placed on the need for strengthening unemployment insurance and for flexibility in the program. The Bureau cooperated with the States in research planning, and representative States were encouraged to undertake study projects.

One of these projects dealt with the 1.9 million agricultural workers who have been excluded from unemployment insurance protection largely because the feasibility of covering them could not be determined from available data. To evaluate the possibility of unemployment insurance for these workers, the Bureau prepared a detailed methodology and work materials for a series of studies. The studies are designed to develop information on the employment, unemployment, and earnings patterns of farm workers, and the employment and payroll patterns of farm employers. Involving field interviews of a representative

¹ In addition, about 0.9 million railroad workers are covered under an unemployment insurance program administered by the Railroad Retirement Board.

sample of farm employers and their workers, these studies are being made, with the technical assistance of the Bureau, by agencies in four representative States. In addition to their unemployment insurance purpose, the study results will provide valuable information, not presently available from other sources, on employment and unemployment among farm workers.

Another subject of research planning is evaluation of tests of "insured status"—tests of entitlement to benefits of claimants who have worked in covered employment. Though it is generally agreed that benefits should be payable only to claimants who are bona fide members of the active labor force, there is less accord on the appropriateness of existing or of proposed tests. One difficulty in approaching this problem is that the States have little knowledge of the numbers or characteristics of the workers who have been included or excluded from benefits as a result of amendments to the eligibility provisions of the laws. Knowledge of the work experience of individuals over a period of several years is needed to enable the States to establish their tests of insured status on an informed basis. In an attempt to aid State agencies to collect the needed data, a method of compiling and analyzing State quarterly wage record data over a 3-year period has been developed. A study guide describing this method has been provided to State agencies.

Basic Program Improvements

Although most of the calendar 1959 State legislative changes in coverage and benefit provisions were enacted in fiscal 1959, many went into effect during fiscal 1960. These include increases in the maximum weekly benefit in 9 States and in duration in 10 States, effective on or after July 1, 1959. Five States provided for extending the duration of benefits whenever unemployment in the State reached a specified level. Provisions for automatic adjustment of the maximum weekly benefit amount in accord with changes in average wages went into effect in two more States, making a total of six States with these provisions. However, in one of these six States the provision will not be effective until fiscal 1961. Two States extended coverage to include firms employing one worker and one State extended coverage to firms employing three workers, effective January 1, 1960. Previously excluded types of employment were added to coverage in three additional States, effective July 1959. It is estimated that 0.2 million workers were brought under protection as a result of these changes in coverage.

Legislation enacted by the States during fiscal 1960 was limited by the fact that many State legislatures do not meet in even-numbered years. However, several important improvements were made. Between July 1, 1959, and June 30, 1960, 10 States increased the maximum weekly benefit amount by \$3 to \$5.

Maximum duration increases in the basic program were enacted in four States. One State shifted from a uniform duration of 20 weeks for all eligible claimants to a variable duration of one-fourth of base-period earnings, with a minimum of 9 weeks and a maximum of 26 weeks. Three other States with variable duration

formulas raised the maximum potential durations of benefits from 26 to 30 weeks, 26 to 39 weeks, and 18 to 20 weeks, respectively. One more State enacted an extended duration provision, making six States in all with such "standby" duration provisions.

In addition to changes resulting from new State legislation, the operation of the flexible maximum weekly benefit amount provisions of six State laws produced increases in their maximum. In these laws, the maximum weekly benefit amount is periodically computed and set as a specified percent of the statewide average weekly wage. Because of increased wage levels, two such States raised the maximum weekly amount by \$1 on January 1, 1960, to \$41 and \$43; and on July 1, 1960, three States increased the maximum amount by \$2 and one State by \$3 to maximums ranging from \$38 to \$49.

State maximum basic weekly amounts as of July 1960 ranged from \$26 to \$55. In 17 States with nearly half of the Nation's covered workers, the maximum is now \$40 or more. More than one-fourth of the covered workers are in the seven States with maximums of at least \$45. These conditions are seen in the following tabulation. (In States which include allowances for dependents, the "basic" weekly benefit is the benefit for a claimant with no dependents, as defined by law.)

Maximum basic weekly benefit amount (July 1960)	Number of States	Percent of covered workers (calendar year 1959)	
		Percent	Cumulative percent
\$50 and over (\$50-55).....	2	21.8	21.8
\$45-49.....	5	4.7	26.5
\$40-44.....	10	22.4	48.9
\$35-39.....	13	16.6	65.5
\$30-34.....	18	27.8	93.3
\$25-29 (here \$26-29).....	3	6.7	100.0
Total.....	51	100.0	

About 26 percent of the workers are in the nine States whose basic maximums are at least 50 percent of the statewide average weekly wages, as shown in the following table. The basic maximums range from 61 percent down to 28 percent of average weekly wages.

Maximum basic weekly benefit amount (July 1960) as a percent of calendar 1959 average weekly wages	Number of States	Percent of covered workers (calendar year 1959)	
		Percent	Cumulative percent
60 and over (here 60-61).....	1	0.3	0.3
55-59.....	1	.2	.5
50-54.....	7	25.3	25.8
45-49.....	11	22.0	47.8
40-44.....	17	22.3	70.1
35-39.....	8	12.9	83.0
30-34.....	5	12.5	95.5
Under 30 (here 28-29).....	1	4.5	100.0
Total.....	51	100.0	

Under the formulas in most of the State laws, a worker will be compensated at one-half of his weekly wage loss if this amount is not above the maximum dollar rate given in the law. However, these specific maximums often fail to keep pace with increases in wages. Since in 26 States over half of all claimants were receiving the maximum weekly benefit amount, it can be assumed that many of them earned more than double that amount when they were working. Thus it is probable that in these States benefits for many claimants are less than half their full-time weekly wages.

Maximum duration of benefits, as shown in the following table, now ranges from 20 weeks in two States to 39 weeks in one State. Forty-two States, with 87 percent of the covered workers, have a maximum potential duration of 26 weeks or more.

In considering the duration of benefits in the 39 States which have variable duration, it should be remembered that the maximum duration for many claimants may be a great deal lower than the stated maximum. For instance, in one State, duration for a worker drawing the minimum weekly benefit amount is 6 weeks, in another it is 8 weeks, in two more, 9 weeks, and in 10 States it is 10 weeks. At other weekly benefit levels, duration may be even further below the maximum for the State.

Maximum duration in weeks	Number of States	Percent of covered workers (calendar year 1959)	
		Percent	Cumulative percent
Uniform duration:			
30.....	1	7.4	7.4
26.....	7	17.7	25.1
24.....	2	1.0	26.1
22.....	2	1.9	28.0
Variable duration:			
39.....	1	0.9	0.9
36.....	1	.4	1.3
34.....	1	2.2	3.5
32.....	1	.8	4.3
30.....	3	5.7	10.0
28.....	1	1.4	11.4
26.....	26	52.0	63.4
24.....	2	4.6	68.0
22.....	1	1.0	69.0
20.....	2	3.0	72.0
Total.....	51	100.0	-----

Veterans, Ex-Servicemen, Federal Civilian Employees

During fiscal year 1960, three groups of claimants—veterans, ex-servicemen, and former Federal civilian employees—were paid from Federal funds rather than from the proceeds of State taxes.

The Federal program covering veterans, which began in October 1952, terminated in January 1960. Although envisioned as temporary from the outset, this program for veterans of the Korean conflict (defined as active military service between June 27, 1950, and January 31, 1955) continued for about 7 years.

During this period, more than 1.3 million individual veterans were paid some \$454.2 million in benefits.

In fiscal year 1960, some 8,300 individual veterans were paid \$4.5 million in benefits. No benefits were payable for any week commencing after January 31, 1960.

A permanent program covering ex-servicemen was enacted in August 1958 by an amendment to title XV of the Social Security Act. This program provided, beginning in October 1958, that military personnel would be entitled to unemployment benefits upon separation from active service in the Armed Forces. During fiscal year 1960, more than 186,000 individual ex-servicemen were paid \$76.8 million in benefits.

Under the two programs, for Korean veterans and ex-servicemen, a total of \$81.3 million in benefits was paid.

Title XV of the Social Security Act, enacted in August 1954, also established a permanent program of unemployment insurance for Federal civilian workers, beginning in January 1955. In fiscal year 1960, about 157,000 initial claims were filed by workers whose only recent employment had been with the Federal Government. Some \$53.2 million in benefits was paid to Federal civilian workers for an estimated 1.6 million weeks of unemployment.

A development in coverage of Federal employees was the approval by the President on April 22, 1960, of an act to repeal section 1505 of title XV, dealing with the treatment of terminal leave payments for Government workers. Previously, Federal law allocated a lump-sum terminal leave payment to the period immediately following separation from Government employment. Unemployment insurance benefits based on such employment were not payable during this period. By Public Law 86-442, the terminal leave payments of Federal employees are treated in accordance with the unemployment insurance laws of the State to which their wages are assigned. Thus, Federal civilian workers are treated in exactly the same manner as people in private industry who receive similar leave payments upon separation from employment.

Financing Benefits

In spite of the fact that aggregate State tax collections increased in every month of fiscal 1960 over corresponding months of the previous year, the sum of the 51 State reserve funds on June 30, 1960, was slightly below the level at the end of fiscal 1959. The explanation is that benefit payments in fiscal 1960 remained at relatively high levels. For the last third of fiscal 1960, benefit payments were substantially higher than in the latter part of 1959. Benefit payments for the year totaled \$2.4 billion, while revenues, including taxes collected from employers and interest earned on the reserve in the trust fund, came to \$2.3 billion.

The net effect of financial transactions during the year (benefit payments, collections, interest, and loan transactions) was that State reserve funds declined from \$6.71 billion on June 30, 1959, to \$6.69 billion on June 30, 1960. Twenty-eight States ended the fiscal year with higher balances than they had at the

end of the previous fiscal year, but in 21 of these the increases amounted to less than 7 percent. Of the 23 States which ended the year with lower reserves, the decreases ranged from 0.6 to 22.7 percent, with 20 States having decreases of less than 10 percent.

The purpose of reserves is to reduce dependence on current tax income during periods of high benefit costs and in particular to avoid the need for excessive and untimely tax increases. During periods of heavy unemployment, a substantial decline in reserves can be expected; during the periods of relatively low unemployment, reserves are accumulated to meet the large benefit outlays of recession years. The severe drain on funds during the recent recession revealed inadequacies of the tax policies of some States, whose tax structures had not been geared to potential liability, i.e., the level of benefits that they might expect to have over a period of years.

Concern for strengthening financing was evident in many legislative changes during the 1959 sessions. The modifications affecting benefit financing included revisions in the overall tax structures to increase tax rates and increases in the maximum and/or minimum rates. The result is that the national average tax rate for calendar 1960 is estimated to be 1.9 percent of taxable payrolls, compared with 1.7 percent in the preceding year. Most of the States will share in the increase, with 18 States now providing rates above 2.7 percent. Sixteen of these have a maximum rate of 3.9 percent or higher, and 5 States have met 4.2 or 4.5 percent as the maximum rate. (A minimum rate of zero prevails in 15 States.)

In addition, with the increase to \$3,600 of the taxable wages base in California effective January 1, 1960, there are now six States that have raised the limit of taxable wages above the first \$3,000 of a worker's annual earnings with an employer. Included is Alaska, which beginning in 1960 increased its tax base from \$4,200 to \$7,200.

A Federal loan fund is maintained to give States a resource whenever their reserves fall to a low level. The Federal fund is accumulated according to provisions of the Administrative Financing Act of 1954. Whenever the annual Federal unemployment tax revenues exceed the administrative expenditures of the employment security program during a year, the excess is used first to establish and maintain a \$200 million fund in the Federal unemployment account. Once the cash balance in the loan fund reaches \$200 million, all additional excess Federal tax collections are returned to the States for use in financing benefits, and under certain circumstances may be appropriated by State legislatures for administrative expenditures not financed by Federal grants for that purpose, as provided by the Social Security Act.

On June 30, 1959, the cash balance in the Federal loan fund was \$1.4 million. During this fiscal year, only Alaska borrowed from the loan fund (\$500,000 on January 4, 1960). Pennsylvania was given an additional sum (\$1,504,000 on April 29, 1960) as part of the original loan it had requested in fiscal 1959; the full amount of the original loan was not available at the time of the request. As a result of interest earnings on the total assets of the loan fund, the cash balance in the loan fund on June 30, 1960, increased to \$5.4 million. This does not in-

clude the \$2.5 million in excess Federal taxes collected during fiscal year 1960, which has been credited to the loan fund as of July 1, 1960.

Two States, Alaska and Pennsylvania, were still eligible for loans at the end of fiscal 1960. Outstanding loans to States totaled \$219,709,000: Alaska, \$8,765,000; Michigan, \$113,000,000; and Pennsylvania, \$97,944,000.

States engaged during the year in considerable research bearing on financial policy and financing. In addition to financing studies for approximating future benefit costs, they also made studies to explore the cost of a variety of legislative changes that may be considered. The importance of unemployment insurance financing to the States is indicated by the fact that fully three-fifths of them reported research activity in this area at the end of the fiscal year.

Current Problems in Administration

The best record in the history of the program was achieved during the year in the promptness of benefit payments. In the October-December quarter, for instance, 88 percent of first payments were issued within 14 days after the first week of compensable unemployment, and only 1 percent of all claimants had to wait more than 6 weeks.

The basic claimstaking procedures were subjected to a searching reexamination and discussion in a series of Bureau-sponsored conferences during the year. In these conferences, attention was given to the kinds of interviews held in the various stages of the claimant's unemployment. A great deal of experimentation has been done, for example, in the development and use of visual aids in instructing claimants about the terms on which benefits are payable under the law, and on the individual's responsibilities as a claimant. For these purposes, many States have been developing flip charts, slides with or without recorded lectures, and moving pictures for use before benefits are paid.

Benefit Operations

The trend toward decentralization of benefit operations continued with the adoption by Massachusetts of a new system of local office payment. This makes a total of seven States in which, when the claimant testifies to a week of unemployment, payments are made on the spot instead of being requisitioned from a central office.

Considerations of administrative costs are involved in all questions of methods and procedures. More often than not, the development of new procedures is prompted by the need to find economical ways to do the job. In 1950, the Bureau established time allowances which are used in the budgeting process for most of the unemployment insurance operations.

Representing the time necessary for an individual to perform one unit of workload, these time allowances may now be outdated because of new developments in administration since they were established. With this possibility in view, the Bureau initiated a series of time and cost studies in State agencies looking toward either the validation or the revision of the time allowances.

In order to provide better service to claimants and employers at a lower unit cost, several State agencies have installed high-speed punchcards and electronic data-processing systems. The study and preliminary planning for such installations takes from 18 to 24 months. Several studies completed during fiscal 1960 will result in installation of additional systems in the coming year. Many more States are at various stages of study which may ultimately result in additional installations.

Contributions Collection

Throughout their existence and especially in recent years, the State agencies have done an excellent job in the collection of contributions. A factor in this outstanding performance is the increasing emphasis that has been placed on field audits, a systematic examination and verification of a subject employer's books and records by the employment security agencies. More field audits were performed in 1960 than in any previous fiscal year. Through the discovery of additional taxable wages, these field audits usually result in additional revenue for the employment security program. However, that is not their sole purpose; a properly functioning program contributes to good agency-employer relations through the dissemination of information about the overall employment security program, and speeds the payment of benefits when due.

Several field surveys were conducted by Bureau personnel in the interest of continual improvement of contribution (tax) processing functions in the State employment security agencies. Toward the same end, four of a continuing series of tax conferences were sponsored by the Bureau during the fiscal year, with 18 State agencies participating. The conferences provided an opportunity for the exchange of valuable information pertinent to the effective administration of the tax program.

Adjudicative Processes

A major concern of the State agencies and the Bureau has been improvement of administrative processes for the adjudication of benefit rights, both at the initial determination and administrative levels. One area to which such efforts were directed in fiscal year 1960 was the nonmonetary determination function. Before a person can receive benefits, his eligibility for them must be reviewed. This is a nonmonetary determination quite apart from the determination of whether his earnings and length of employment entitle him to any benefits. Such questions must be answered as: Was he separated from work for disqualifying reasons? Is he available for work? Has he refused suitable work without good cause?

Millions of claims are subjected every year to the nonmonetary determination process. For example, in 1959 over 4,700,000 claimant nonmonetary determinations and redeterminations were made. Current Bureau activities for improving performance in this vital area include (1) a nationwide evaluation of nonmonetary factfinding reports and determinations, and (2) assistance to State agencies in developing methods for recruiting and selecting more competent personnel.

A nationwide evaluation of nonmonetary determinations, begun during the fiscal year, involved a review both by State agencies and Bureau technicians of from 6,000 to 10,000 cases. The joint Bureau-State review of the same cases will yield current information concerning inadequacies in determination performance. Equally important, it will serve to establish goals toward which all State agencies may strive, and to identify procedural weaknesses which stand in the way of adequate performance.

In another area of adjudication, a number of States showed increased interest in a program to gather and report wage data for use in determining prevailing wages. Such data are essential to the administration of the prevailing wage standard included in each State law, as required by section 3304(a)(5)(B) of the Internal Revenue Code of 1954. Three States started prevailing wage projects during the year. Bureau staff worked directly with personnel of four States in the plans for such work and provided materials and information to a number of other States.

The volume of contested and appealed claims continued at levels close to those of the preceding year. In the quarter ending September 30, 55,310 benefit appeals were received, as compared with 65,445 in the similar quarter of the previous year, but in general these represented more appeals than had been anticipated. At the end of December 1959, more appeals (33,466) were pending than at the same time the previous year (26,665).

The Bureau continued to work with State agencies in the survey of appeals procedures and in studies of the personnel time devoted to each part of the appeals operations. Bureau staff worked directly with six States in this area and provided information to assist other States in studying problems of appeals management.

Training activities in appeals were accelerated in a number of areas. At the request of State agencies, Bureau staff conducted week-long training sessions for appeals hearing officers, both in the field and in Washington, D.C. These were attended by 15 people from 5 States and 2 regional offices. The Bureau also cooperated in a new type of training activity which was developed in one State through an arrangement between the State agency and a local law school. Appeals personnel and other agency staff engaged in claims adjudication from three States attended two sessions of a 3-week course in administrative adjudication presented by the school.

Through publication of decisions in the "Benefit Series Service" and monthly articles on benefit appeals decisions in "Labor Market and Employment Security," the Bureau continued to highlight significant developments in interpretation of the disqualification and eligibility provisions.

The year saw a continuation of the growing controversy among agencies, administrative appeals tribunals, and courts concerning application of the agency theory of collective bargaining in the determination of unemployment benefit rights. Under this theory, the worker who becomes unemployed as a result of some provision of a collective bargaining contract which covers his job (such

as a provision for paid vacations, for "bumping" rights in case of layoffs, or for mandatory retirement) is judged voluntarily unemployed because he consented in advance, through the union as his agent, to his own unemployment. States which follow this theory generally disqualify such workers from benefits for voluntarily leaving their jobs without good cause.

Because of the rapid extension of fringe benefits in collective bargaining agreements, the adoption of the "agency" theory is affecting the benefit rights of an increasing number of claimants. Although the theory has had varied applications, the question most recently at issue is whether a worker retired under a mandatory retirement provision arrived at in collective bargaining should be disqualified.

Occupational Research and Information

A rapidly increasing labor force, changing industrial demands, and technological advances bring sweeping occupational shifts. The employment service must foresee job requirements in order to make workers and employers aware of them. Occupational research and labor market analysis are the tools of prediction for this essential work.

Information on Job Opportunities

Area skill surveys and occupational guides are two major types of research conducted by the States. State agency preparation of local job opportunities information, a program initiated in 1956, has expanded considerably. During the past fiscal year, 23 area skill surveys were completed and 7 new States entered the program. By mid-1960, 39 States had completed a total of 66 area skill surveys with about 45 additional studies under way or planned.

These studies, providing analyses of current and future labor demand and supply, by occupation, for specific labor market areas, are used for employment counseling and job development, economic planning and community industrial development, and for guiding educators and employers in evaluating occupational requirements and planning necessary training courses. Additional use for skill surveys has grown out of the provision in the National Defense Education Act authorizing funds for training selected individuals in certain technical fields necessary for the country's security. Training needs in technician occupations are a part of surveys made by the State employment security agencies and provided to the Office of Education and State vocational education departments.

Skill surveys also serve as a tool for manpower planning in labor surplus areas, where they are designed to aid economic development and attract new industry. The first in a new series of such area surveys, planned ultimately to cover the entire State of West Virginia, has been completed. Focusing initially upon areas experiencing heaviest unemployment, these studies aim to provide (1) a study of occupational characteristics of the employed and unemployed, (2) information needed for planning training and counseling programs based on occupa-

tional shortages, and (3) data on unemployed workers to determine their potential for training and retraining.

With the rapid development of job opportunities information, program emphasis, originally on promoting adequate community sponsorship, will be focused increasingly on the implementation of area survey findings by State agencies completing these studies. To this end, State agencies are being requested to furnish more complete information on the utilization of skill survey findings. Data provided will enable the Bureau to appraise the effectiveness of the program and to assist State agencies through the exchange of successful methods.

State agencies are also preparing local occupational guides to be used for employment counseling and labor market information purposes. The guides give information about job duties, current and future employment opportunities, training and experience needed, job entry channels, wages and working conditions. A total of 31 States are participating in this phase of the program.

Testing the New Occupational Classification Structure

Testing of the proposed new occupational classification structure to replace the "Dictionary of Occupational Titles" codes was continued in fiscal year 1960 as a cooperative project of the Bureau and the Maryland, New York, and Pennsylvania agencies. The structure for the test is a three-part, nine-digit code. One three-digit part classifies what workers do and reflects worker traits; a second classifies what gets done—broadly technologies; and a third deals with materials, products, subject matter, and services. After a design for the test was developed, local offices of various sizes were selected to try out the structure under different operating conditions. Frederick, Md., was chosen as typical of a small-office operation; Schenectady and Binghamton, N.Y., and Allentown, Pa., as medium-sized offices; and Pittsburgh, Pa., as representative of a large metropolitan operation.

Basically, the test plan called for converting the test office application and order files from "Dictionary of Occupational Titles" codes to those of the proposed classification system, and putting the system in operation for a minimum period of 6 months. The test procedures were designed to reveal the effectiveness of the structure in application and order taking, counseling, and selection.

The proposed system was installed in Frederick in August 1959, in Schenectady in October, Binghamton in December, Pittsburgh in February 1960, and Allentown in June 1960. The New York agency completed its testing in Schenectady and Binghamton in June and submitted an evaluation of the system in those test sites. While this evaluation indicated certain problems in the use of the proposed structure for placement purposes, the findings helped the Bureau in deciding upon the basic classification structure for the next edition of the "Dictionary of Occupational Titles" and upon the course of current and future tests. Negotiations are currently under way for the New York agency to test the use of the structure in counseling only in one office yet to be designated. The continuing tests in the other offices cover its use in both placement and counseling activities.

Field Centers and Program Development

A new occupational analysis field center was established in Milwaukee, Wis., at the end of fiscal year 1960. This brings the total number of field centers to eight, including California, the District of Columbia, Michigan, Missouri, New Jersey, North Carolina, Washington, and Wisconsin. In addition, eight special-project State agencies are participating in the occupational analysis program in order to insure the widest possible geographical sampling of job information.

A total of 43 occupational analysts, representing 10 field centers and special projects in State agencies, were given training in Washington during 5 sessions of 1 to 3 weeks' duration. Approximately 150 analysts have received training through such sessions during the past year and a half.

Emphasis had been placed on the development of organization and staff to accomplish the program objective of current information about occupations in the economy. This will facilitate developing a revised edition of the "Dictionary of Occupational Titles" (D.O.T.) for which technical work is scheduled for completion at the end of fiscal year 1962. Now that the centers are fairly well organized, emphasis is shifting to verifying the maximum number of jobs in the various industries. Some of the more significant industry studies completed or nearing completion include iron and steel, garment, boot and shoe, aircraft manufacturing, air transportation, construction, electrical equipment, chemicals, education, and ship and boat building. Work in the field centers and special-project State agencies showed a continual improvement in quantity and quality during the fiscal year. Field analysts completed a total of 12,296 observation/interviews of individual jobs. From these interviews, 7,561 verification schedules were prepared, which represent 2,640 new definitions and verifications of 4,921 currently published D.O.T. definitions. To date, 5,637 different jobs now in the D.O.T. have been verified and 2,972 definitions prepared for new jobs not currently covered.

The verification process consists essentially of analyzing each job through the observation/interview method, and preparing a schedule which includes a new or revised definition, a complete rating of the worker traits involved, and other pertinent information such as educational and experience qualifications.

Investigation of possible improvements in the new edition of the D.O.T., to make it easier to use and to improve the technique for keeping it up to date, was completed. Part of the investigation included a survey of comments from 20 State agencies and Bureau personnel. It has now been decided that job definitions included in the forthcoming edition of the D.O.T. will be arranged in alphabetical order, and that a second volume will contain the classification structure. The structure (for use in placement activities) will be a modification of the one presently in use. It will, however, use findings from functional occupational classification research conducted in the recent past. Like the present edition, the new D.O.T. classification structure will have most of the same major groups and divisions, the traditional three-digit group concept, and numerical codes for jobs. The new edition seeks to eliminate such distinctions as "skilled," "semi-

skilled," "unskilled," and "semiprofessional," while still retaining the concept of differences in complexity among jobs. Another goal is to produce a structure that will require a minimum of retraining for people who will use the new D.O.T. in local offices.

Descriptive Occupational Information

Contacts by the Bureau with the Atomic Energy Commission led to information about jobs in the field of atomic energy from the Commission's prime contractors, and resulted in approximately 30 occupational definitions.

A number of drafts for a new booklet on research and development technicians were distributed for comments and suggestions to technical institutes, union officials, and industrial establishments. This brochure will cover technician jobs in 85 establishments, having a total employment of approximately 365,400 workers, and a range of 19 different products and services. A final editorial review of the material is in process, before forwarding copy to the Government Printing Office for publication.

Also completed was a special study of interviewing functions below the first line of supervision in the employment security system. This study was designed to develop materials that would facilitate such personnel functions as the selection, training, and classification of people employed in local offices. Detailed descriptions of the methods used to carry out interviewing assignments in the claims examining, claimstaking, reception, registration, counseling, placement, clearance, and employer and public relations functions were completed. Companion data relative to the skills, knowledges, and abilities required for successful performance of these functions were also provided. The project involved both State agency and Bureau personnel.

Development and Use of Labor Market Facts

Daily transactions in 1,800 local State employment service offices provide up-to-date information on changing conditions of employment and unemployment. Collection and analysis of this information, through systematic reports by the State agencies, furnish a wide range of labor market facts. Analyzed and published by the State agencies and the Bureau, these facts enter into the plans, policies, and manpower operations of the Department of Labor, of other Government agencies, and of many private organizations and persons.

Informing the Public

Reports on Unemployment

The Bureau recognizes the continuing need for obtaining and reporting the maximum amount of information on employment and unemployment. Following are the previously established reports which were continued during the year,

reports on special studies which were issued, and a new regular report, designed to meet longstanding needs for fuller information on the unemployed:

"Area Labor Market Trends" is a bimonthly bulletin prepared and published by the Bureau, classifying 149 major areas and between 107 and 143 smaller centers according to relative adequacy of labor supply. Overall national analyses, tracing the impact of employment and unemployment developments upon different areas and summarizing area employer hiring intentions, were included in each issue. The six issues in fiscal 1960 focused largely on the effects of the nationwide steel strike in 1959 and on the poststrike upsurge in employment in steel and steel-using industries in the early months of 1960. The reports placed increased emphasis on the labor demand and supply situation in various occupational fields, and noted that the demand for many kinds of professional, technical, and skilled workers exceeded the available supply. In contrast, unskilled and semiskilled workers faced growing job uncertainty.

"Chronic Labor Surplus Areas—Experience and Outlook" was a special study by BES of the factors responsible for continuing unemployment in certain areas. The study compared both long-time and recent employment and unemployment experience of the chronic labor surplus areas with trends in other labor surplus areas and the country as a whole. It also summarized developments in industries which have contributed to the unemployment problems in the chronic areas—coal mining, textiles, autos, steel, and machinery.

"Persistent Unemployment—Problems and Programs" was a special report prepared on the extent and character of persistent unemployment, both from the standpoint of groups of workers with long-term unemployment and the individual labor market areas with chronically high unemployment. The report analyzed some of the major characteristics of persistently unemployed workers in terms of industry, occupational and skill classification, age, sex, race, and educational qualifications.

"The Insured Unemployed—Personal and Economic Characteristics" is a monthly publication which provides information on the major characteristics of the insured unemployed, such as age, sex, occupation, industry attachment, and duration of unemployment. It is the only report available which presents such details on the unemployed on a State-by-State basis. The data are collected each month by the State agencies through sample surveys of workers filing continued claims for benefits. The publication initiated with data covering January 1960 supersedes the article on characteristics of the unemployed which had been published monthly in the Labor Market and Employment Security.

The Bureau participated in the preparation of "Employment Situation" each month and the "Monthly Report on the Labor Force," both issued by the Department of Labor.

"Unemployment Insurance Claims" is a weekly report prepared by the Bureau. This release contains national and State data on changes in levels of new and insured unemployment, by type of program, together with summary information on economic and other factors affecting levels and trends. An attachment each month provides figures on total insured unemployment in each of 145 major labor

market areas. During the steel strike this publication was expanded to include information about workers affected by secondary layoffs resulting from the dispute.

Information on Engineers, Scientists, and Technical Workers

The Bureau continued its preparation of the bimonthly report on "Current Labor Market Conditions in Engineering, Scientific, and Technical Occupations" to meet the needs of the employment service, the National Science Foundation, and other interested groups. Providing information on the demand-supply situation in key professional and technical occupations, these studies are based on field reports from 30 major labor market areas; statistics on job openings placed in interarea clearance by public employment offices throughout the country; and information obtained from various government agencies, professional societies, and other sources.

Industry Manpower Surveys

Considerable information on industry manpower developments was furnished for employment service operations and to various government agencies and the public during fiscal 1960.

With the 116-day steel dispute markedly affecting national labor market trends in the first half of the year, 7 special semimonthly reports—based on data provided by State employment security agencies—were issued by the Bureau covering the direct and indirect industrial impact of the strike in 31 major steel-producing and steel-consuming centers. These helped to answer numerous questions received by the Bureau about the effects of the strike on various industries and localities. Other industry inquiries dealt with changing manpower needs, influence of these changes on labor market conditions, and related questions.

In another area, interest in defense problems led to a complete resurvey of manpower developments affecting the production of missiles, missile components, and aircraft. Continuous decline in the aircraft industry and new demands in missiles production are resulting in occupational mismatching and individual plant and area problems.

Other industry manpower surveys included newspapers and commercial printing, blast furnaces, steel works, and rolling mills. These studies reviewed employment trends and outlook, labor shortages, recruitment problems, hours, earnings, and turnover, as reported by major establishments to local offices of State employment security agencies.

General Publications

The Bureau continued to issue two monthly technical publications. The Employment Security Review is primarily a medium for exchange of experience among the States with respect to developments in operating methods and procedures. The other, the Labor Market and Employment Security, provides a variety of economic and administrative data and analysis which is of operating

value to personnel in the employment security system and of interest to the general public. A monthly statistical supplement to the latter publication was also issued.

During the active agricultural season, the Bureau released a monthly periodical, *Farm Labor Market Developments*, which described the farm labor market situation in 271 major agricultural areas, as indicated by semimonthly reports submitted by the State agencies. The Bureau's "Annual Report of Foreign Workers, 1959," which covered foreign worker employment in agriculture, was issued in February 1960.

The Bureau issued its quarterly report, by industry and State, on "Employment and Wages" of workers covered under the State and UCFE programs. The issue for the first quarter of 1959 presented, for the first time, distribution and analyses of employment and wages by size of reporting unit.

Improved Information for Economic Analysis

Information published by the Bureau and the State employment security agencies on the number and geographic distribution of people filing for unemployment insurance benefits (the insured unemployed) is used extensively. To improve these data, the Bureau instituted during fiscal 1960 a reporting program to collect information on personal and economic characteristics (such as age, sex, occupation, industry of attachment, and duration of current spell of insured unemployment), from a sample of persons filing for benefits in each local office during one week of each month (that week including the 12th of the month). The sample provides data on a State basis as well as national totals. Similar information, but on a national basis only, is collected for claimants receiving their final benefit payment.

Procedures were introduced to adjust for the effects on the trend and level of the weekly insured unemployment data resulting from the rescheduling of claimants to another week because of holidays. These adjustments made possible more meaningful analyses of the trend in insured unemployment in holiday periods.

Also during the fiscal year, seasonally adjusted insured unemployment rates were developed, using seasonal factors derived from the Bureau of Labor Statistics' revised method for obtaining such factors on electronic computers. The rates are now published monthly in the *Labor Market and Employment Security*.

In addition to those already available for nonfarm and major occupational group placements, seasonal factors were also computed for placements by industry. This addition allows deeper analysis of trends in placements and of the effectiveness of placement services.

For the first quarter of each year, tabulations of the reports of monthly employment and quarterly wages of workers covered by the State unemployment insurance program and the unemployment compensation for Federal employees program by size-of-establishment classification will now be available. Tabulations for the first quarter 1959 are complete and will be of value for program studies,

economic analysis, and improvement in current employment and labor turnover statistics.

In the analysis of farm statistics, provisions were made for improving the reports on prevailing wages of domestic farm workers where foreign workers are employed. Also, an effort will be made to obtain more information on trends in mechanization of farms.

To provide the State employment security agencies with tools to develop and analyze economic and operating data, the Bureau of Employment Security has instituted a series on "Employment Security Research Methods." This series will include handbooks and guides on methods appropriate to various employment security research activities. During the fiscal year, the following handbooks were available.

The "Handbook on Estimating Unemployment" provides background on the development of unemployment estimating methodology and a technique for estimating unemployment in major and small labor market areas and for the State as a whole. The current publication brings up to date the 1950 edition, "Techniques for Estimating Unemployment," and incorporates the experience gained since then. The materials developed by the uniform methods outlined in the Handbook are the only estimates of total unemployment by States and areas available on a current basis.

The "Handbook on Defining Labor Market Areas" was prepared to assist the State employment security agencies in properly determining the boundaries of labor market areas. It provides the criteria to be used in defining labor market areas and methodologies for conducting surveys to obtain data on worker commuting patterns needed for this purpose. In the analysis of local labor market conditions, meaningful evaluation of labor demand and supply and related labor market conditions is impossible unless geographic boundaries of areas covered are correctly delineated. The worker commuting data are also used by the Bureau of the Budget in defining the boundaries of the Standard Metropolitan Statistical Areas for all Federal agencies compiling statistical data for general purposes.

A "Handbook on Estimating Population of Labor Market Areas" is based on methodology developed by the Bureau of the Census for estimating total population. It outlines procedures for estimating (1) total population, and (2) population 14 years of age and over by county, labor market area, or State subdivisions, such as cities or towns.

A "Handbook on Estimating Area Employment of Self-Employed, Unpaid Family, and Private Household Workers—Nonagricultural Total" was prepared to assist the State employment security agencies in developing such information by State and area. The approximate number of workers in this group is needed in labor market analysis for estimating total labor force and unemployment rates by area, and potential labor reserve. In individual labor market areas, the self-employed, unpaid family, and private household workers may comprise from 10 to 20 percent of the nonagricultural data. The only other source for estimating these workers by State and area is the Decennial Census of Population.

Assisting State Agencies

Guidance and technical assistance to the State employment security agencies in their research and statistics work continued to be an important Bureau activity in 1960.

Conferences and Training Programs

Research and statistics personnel from all but six States participated in regional reports and analysis training conferences during the year. Covering the technical aspects of the research and statistics functions, these conferences fostered discussion on such topics as unemployment insurance research, validation of local office activity reports, developments in the farm labor market information program, occupational labor market information research, and studies to ascertain the extent to which employers and jobseekers are served by public employment offices.

Two of the conferences were combined with training meetings that introduced the recently published "Handbook for Estimating Unemployment" to State personnel who will use it in their labor market information work. Three separate training meetings were held specifically to train State personnel in the use of the Handbook and these meetings will continue until all States have been included.

Other training conferences held during the year included the annual training meeting for new key State reports and analysis personnel, a meeting of the labor market analysts working in the Bureau regional offices, a meeting of Bureau and State agency personnel designed to improve their knowledge and use of data-processing equipment (including the more advanced electronic systems), and the Joint Allied Social Science Association meeting. The State personnel attending the latter meeting prepared summaries of selected sessions, and these were later reproduced by the Bureau and distributed to all State agencies.

Exchanging Research Information

In order to keep the State agencies acquainted with the extent and scope of employment security research being conducted by all of the State agencies, the bureau published two issues of the "Employment Security Research Exchange." Each issue was based on semiannual reports submitted by the State agencies on research projects completed, in progress, or definitely planned. These issues of the Research Exchange covered the 12 months from October 1, 1958, to September 30, 1959.

Through the "Research Transmittal Series," of which 9 were prepared during the year, 74 end products of the research of 39 State agencies were distributed systematically to all the affiliated State agencies.

Special Activities

Management Improvement

To promote the kind of efficient administration through which employment security objectives can be achieved, the Bureau continuously cooperates with the

State agencies in improvement of management. The goal of this program is development and maintenance of sound organization and the application of up-to-date management techniques.

State Management Surveys

Management surveys conducted by the Bureau at the request of State agencies are an important part of the program for administrative improvement. Encompassing a review of organizational structures and all management processes, these surveys have benefited State agencies by pointing to more effective practices and by encouraging the agencies to maintain their own management improvement programs on a continuing basis. Many recommendations stemming from these surveys are adopted immediately, and most of the remainder are eventually installed. The Bureau follows up with technical advice in implementing survey recommendations. Three State agencies were surveyed in fiscal 1960, and followup assistance was furnished to two agencies.

When the management analysts find examples of especially effective techniques, they pass them on to other States. Another helpful secondary effect of the surveys is that they enhance working relationships between the Bureau and regional office and the agency surveyed.

Staff Development and Training

Forty-two State agency administrators and 17 Bureau officials of the director level participated in three conferences on executive leadership and management conducted by the Brookings Institution. State officials urged extension of this program to their top staff members.

In the Bureau, inservice training continued to be an important activity for both new and experienced personnel. Eighteen senior staff meetings, featuring lectures by authorities in government and industry, provided valuable training in management and employment security for top staff.

The Bureau prepared career development plans for all of its personnel in grades GS-14 and GS-15, in line with the President's objective of training staff to fill anticipated vacancies in the career management positions.

The Bureau has a number of techniques for aiding State agencies in staff development and training. For example, this year it conducted a bi-regional conference on staff development in which nine State agency administrators and their training supervisors participated. In another type of program, the Bureau initiated outservice training programs for local employment office managers and their immediate supervisors in leading universities of seven States. Four of these were part of the Bureau's experiment in four universities to develop guidelines for management training programs which may be useful to all State employment security agencies. Outservice training was also given to counseling personnel in 24 States and to unemployment insurance personnel in 6 States.

Continuing its regular training work in fiscal year 1960, the Bureau began revision of a number of training units for State agency use.

Personnel Management in State Agencies

Technical assistance on a continuing basis was provided to regional and State offices by the Bureau on such matters as the amendment of agency classification and compensation plans, and the organization and conduct of personnel functions. In addition, a training conference was held in Washington for selected personnel officials.

Other activities included (1) an analysis of the existing Federal merit system standards to determine their continued effectiveness in the State agency programs, (2) prompting State acceptance of higher standards for personnel selection and development, and (3) work on a proposed brochure which will describe career opportunities in technical and professional work in employment security.

Criteria were developed under which a State agency may establish a retirement plan for its employees in the absence of general retirement coverage for the State's personnel. Two State agencies completed work for the adoption of such plans.

Fiscal Management in State Agencies

A new budgetary management improvement program for State agencies marked fiscal year 1960. The plan includes (1) advance seasonal planning for program requirements within the limits of funds available and to be made available, (2) monthly analyses by State agencies of their accomplishments in relation to the planned program, and (3) quarterly reviews by Bureau representatives of operations under the plan with the top staff of the State agencies.

To assist the State agencies in effecting the new program, the Bureau has suggested that, as a minimum, plans be based on: a review of expected economic and labor market conditions; agency program plans expressed in terms of workloads to be performed; time factors per unit of workload; and man-years and amounts allocated for various expenditure categories. Also, the Bureau recommended that workload and man-year data be realistically distributed both functionally and by organizational units on a seasonal basis, preferably monthly, as a point of reference for periodic analysis and control of operations by State agency officials. Finally, the program includes a quarterly detailed review by regional office staff of each State's experience against its budget plan, especially noting the status of granted funds in relation to the agency's current staffing, expenditures, and changes either in the State's economy or in procedures affecting staffing.

Technical assistance to the Bureau's regional office staffs and to the State agencies was provided through correspondence and a sample kit for developing and analyzing an operating budget. In addition, visits were made to six regional offices and five State agencies to explain the objectives of the program and to outline the responsibilities of the regional offices and the State agencies in maintaining effective budgetary management programs.

Audits, usually covering more than one fiscal year, were made of administrative expenditures in 34 States. In each State, the audit included a summary review and reconciliation of the books, records, and financial reports with respect to employer contributions and benefit payments. Designed especially for disclos-

ing weaknesses in internal control and fiscal management, the fiscal survey reports led to recommendations for improving accounting operations and for providing management with accurate up-to-date information on the financial condition of the agency. Visits were made to State agencies to provide technical assistance in carrying out the recommendations.

Audit was made of the five reception centers on the Mexican border in connection with the receipt of funds from the use of Mexican labor.

Administrative Financing Operations

The balance in the Federal Unemployment Account as of June 30, 1960, was \$7,921,306.98. The increase of \$6,522,952.99 over the previous year-end balance represents a total of \$5,972,328.66 in earned interest, an excess of \$2,553,205.05 in tax collections over total employment security expenditures, and a return of \$1,419.28 from the Bureau, minus additional advances on loans of \$1,504,000 to Pennsylvania and \$500,000 to Alaska. Unless the Federal Unemployment Account balance is \$200,000,000 or more at the close of the year, no funds are transferred to the State accounts in the unemployment trust fund; this was the situation in fiscal year 1960.

Four additional States appropriated funds during fiscal year 1960 for administration of their employment security agencies out of the excess tax collections previously credited to their accounts in the unemployment trust fund. Fourteen States increased the amounts appropriated in prior years. This raised the number of States which have appropriated funds from this source to 31. These funds were primarily for the purchase of land and construction of buildings.

Defense Readiness and Manpower Mobilization

How the Nation's manpower should be handled in an emergency is the question answered by the National Manpower Plan, which places in the Department of Labor and its affiliated State employment security agencies the primary responsibility for defense and civilian manpower programs. The National Manpower Plan was issued in the fall of 1959 by the Office of Civil and Defense Mobilization (OCDM) as Annex 30 to its National Plan for Civil Defense and Defense Mobilization; it describes the duties of Federal, State, and local governments for mobilizing manpower under varying degrees of national emergencies. Overall responsibility to the Department of Labor for planning in the field must follow from Presidential delegation of authority, and an Executive order to that end was awaiting the President's signature at the end of the year.

Thus, emphasis on improving the readiness of the employment security system to manage the Nation's manpower in an emergency centered around the introduction of the National Manpower Plan. The introduction was highlighted by a series of eight regional conferences, sponsored by OCDM, in Boston, Washington, D.C., Atlanta, Chicago, Little Rock, Denver, San Francisco, and Seattle. Participating were representatives of State employment security agencies and civil defense organizations, and of the Federal and State governmental agencies which

have responsibility for supporting the employment security system in emergency civilian manpower programs. This broad representation was necessary because one objective of these conferences was better understanding, by all concerned agencies of government, of individual and mutual responsibility in emergency management of manpower.

To this end, State civil defense and employment security officials were urged to hold similar State followup meetings, in which the active participation of local officials was encouraged. By the end of the year, 29 States had had such meetings.

Assistance to States

One of the principal purposes of the regional manpower conferences was to achieve consistency between State employment security defense readiness plans and the newly introduced National Manpower Plan. It was desired, too, that other recent developments in civil defense planning, as well as in the specific elements of manpower mobilization planning, be included in State thinking about defense.

In general, these State defense readiness plans are included in the "manpower annexes" of overall "State operational survival plans," developed under the sponsorship and guidance of OCDM. To assist the State employment security and State civil defense agencies in bringing about improvement of these plans, the Bureau and the OCDM jointly issued new guidelines for the preparation of manpower annexes. These guidelines cover all measures necessary for adaptation of employment security programs and operations in an emergency, including the drastic methods which will be necessary to recruit, distribute, and effectively utilize the Nation's manpower in the event of nuclear attack.

In fiscal year 1960, for the first time, funds specifically for defense and mobilization preparedness measures were available to State employment security agencies. The funds, which were included in the "delegate-agency" appropriation for 1960 to the OCDM, enabled each State employment security agency to set up a small full-time defense and mobilization unit to perform the task of improving defense readiness plans. The Bureau issued a suggested job description for the position of State mobilization coordinator, and such a position was established at a substantially responsible level in most of the States.

Full-time representatives were designated in eight of the Bureau's regional offices (the offices of the eight regional directors who have responsibility for liaison with corresponding OCDM regional offices), to assist the States in defense readiness planning.

Labor-Management Committees

The provisions of the National Manpower Plan call for consultation in the application of emergency manpower measures with representatives of labor and of management. This consultation is to be accomplished through formally established labor-management manpower committees at regional and local levels.

The regional committees, chaired by the Bureau's regional directors, have been active on a standby basis since the Korean emergency. With the expiration on

December 31, 1959, of the terms of the members of the Bureau's 11 regional committees, the committees were reconstituted on an 8-region basis, consistent with the Department's plans for coordinating its regional defense readiness activities with the structure of the OCDM.

Although local area labor-management committees are not kept active under present labor market conditions, methods for their establishment in an emergency received the Bureau's attention during the year. Current procedures in the appointment of such committees require clearances and communications ranging from local to national levels. To facilitate appointments in crisis periods when communications might be interrupted, the Bureau developed a plan for placing on the operating level the authority to choose such committees in emergencies. At the end of the year, the plan awaited ratification by the National Labor-Management Policy Committee, which provides consultation on emergency manpower planning to the Secretary of Labor and the Director of OCDM.

Cooperation With Other Federal Agencies

During the first half of the year, regional directors and national office representatives of the Bureau spoke at training meetings for selective service reservists, a series which carried over from the previous 6-month period. These presentations highlighted areas of mutual interest to the Selective Service System and the public employment service.

In a series of conferences throughout the year, representatives of the Bureau and the U.S. Civil Service Commission participated in further discussions of how to staff the Federal Government in emergencies. A statement was issued describing the relationships between the Commission, which is the representative of the Federal Government as an employer, and the emergency manpower authorities in the formation of manpower policies. Agreement was also reached on a description of proposed cooperation between public employment offices and field establishments of Federal Government agencies, under the type of limited war circumstances in which these agencies would be authorized to do their own recruiting.

In addition, understandings were completed with the Department of Health, Education, and Welfare, the Maritime Administration, the Civil Service Commission, the Selective Service System, and the National Science Foundation. Principles governing the relationship of these agencies to the Department of Labor in the management of civilian manpower in an emergency were the substance of these understandings. At the end of the year, negotiations continued with the Railroad Retirement Board on a similar statement.

In California, the Bureau of Employment Security and the Women's Bureau are cooperating with OCDM's regional office and the California employment security agency in a pilot study of civil defense skills of women not in the labor force.

Test Exercises

The final phases of Operation Alert 1959 took place at the regional level in July 1959, and at the national level in August 1959. In regional offices, this man-

power operation established an interagency task force of representatives of each Federal agency having manpower responsibilities. These task forces evaluated total demands for manpower in relation to total supply and recommended appropriate action.

The national phase of operation alert consisted of seminars reviewing the findings and recommendations at the regional level and discussing such matters as improving interagency relationships, strengthening capability to measure manpower resources against requirements, and developing greater operational capability at State and local levels.

Operation Alert 1960, which took place simultaneously at national, regional, State, and local levels on May 3-5, concentrated on operational readiness. The exercise assumed conditions of D-day through D+2 after an attack of major proportions. Exercise plans also called for an evaluation of manpower resources against requirements as of this assumed 2-day postattack period, and a determination of appropriate program measures to meet the situation. This latter aspect of the exercise was not considered fruitful, in view of the unsettled situation so soon after an attack. On the other hand, the exercise was noteworthy for the extent to which local public employment offices participated. In previous years, local office activity was limited largely to those offices in probable target areas. This year, local offices in all communities were called upon to participate, with the type of their activity related to the nature of their communities. Offices in target areas simulated evacuation; those in reception areas simulated postattack operations, including estimates and transmittal of estimates of surviving labor force. In communities less likely to be affected directly, local offices limited their activity to the preparation and submittal of labor force data.

Critical Occupations and Essential Activities

The Interagency Advisory Committee on Essential Activities and Critical Occupations (chaired by the BES and composed of representatives of the Departments of Agriculture, Commerce, Defense, Interior, and Labor, and the Selective Service System) continued to receive, study, and make recommendations on oral and written petitions for amendments to the Lists of Currently Essential Activities and Critical Occupations. These lists were developed and are kept current by the Committee for use by the Selective Service System and the Department of Defense in connection with requests for occupational draft deferment, critical skills enlistment program, and early discharge from military services.

The Department of Labor Technical Committee on Critical Occupations (chaired by the Bureau) continued to make industry-by-industry studies for approval by the Interagency Advisory Committee to insure that the Department of Labor List of Critical Occupations for Screening the Ready Reserve (Standby List) adequately reflects our changing technology and the Government's mobilization and reserve forces programs. During this fiscal year, the Technical Committee analyzed occupations in the production of ships and boats, containers (for

shipping and packaging) made of pulp, paper, and board, and in printing and publishing to make sure that occupations important to the industry, which meet the criteria, are included on the Standby List of Critical Occupations. This list and the Standby List of Essential Activities would serve as guides for the equitable distribution of needed manpower between the military services and the civilian economy during a period of mobilization.

Federal Advisory Council

Three major subjects—the role of the employment service, problems of persistent unemployment, and unemployment benefit financing—received the concentrated attention of the Federal Advisory Council during the year. After preliminary discussion at the council's meeting in November 1959, committees were appointed to give intensive study to these areas. The committee reports were considered and recommendations made at the March 1960 meeting.

Role of the Employment Service

The Committee on Employment Service presented a partial report to the council in which the recommendations were still tentative. It was recognized that certain groups such as older workers, youth, the handicapped, and minority groups require specialized service. The report suggested that the employment service can provide effectively for these workers—without creating an image of the public employment service as being primarily for the disadvantaged—by emphasizing the qualifications of jobseekers.

The committee underlined the position that the principal objective of the employment service should be to provide an effective placement service to workers and employers. It was the belief of the majority of the committee, however, that the variety of tasks given to the employment service (such as labor market research, cooperation with schools, and furthering maximum use of the labor force) do not detract from its purpose, but rather strengthen the ability of the employment service to perform successfully as a labor exchange.

Concern was expressed that during times of heavy unemployment the local office's employment service functions have been subordinated, in too many cases, to the taking of unemployment insurance claims. It was recommended that the practice of hiring temporary personnel to take claims at such times should be adopted in all States. The report further recommended that, while coordination of unemployment insurance and employment service should continue, separate local office facilities should be provided for employment service and unemployment insurance personnel wherever this is practicable.

In other interpretations of the employment service role: The committee considered it a proper function for the service to cooperate with non-fee-charging private employment agencies; the belief was expressed that too many employment offices put disproportionate emphasis on serving the employer and that

more attention should be given to the needs of applicants; the council stated that the continuance of segregated employment offices was inconsistent with both Federal policy and the policy of placements made on the basis of qualifications. It recognized, however, that this latter problem is complex and proposed to give it further study. While acknowledging that the employment service should serve both employed and unemployed workers, the report realized that promoting service to already employed workers can create problems and suggested some experimentation with different methods of serving them. Finally, the report recommended that the Bureau call the attention of university economists to research on problems with which the employment service is dealing.

The employment service committee of the council will continue its work, particularly in the area of counseling and employer and community services.

Persistent Unemployment

At its November meeting, the council adopted a resolution which indicated the priority that should be given to certain measures for dealing with the problem of persistent unemployment and appointed a committee to give these measures further study. The committee presented a report, which was adopted with some modifications at the March meeting.

The report recommended that preference be given to revitalizing chronic labor surplus areas rather than to relocation of workers. In reviewing proposals for Federal assistance to area economic development, the report said that stress should be placed on government and private cooperation with significant local participation encouraged. Also, assistance should be available for distressed areas which have not yet deteriorated to the point of being classified chronic labor surplus areas. The committee suggested that training programs should be realistically geared to the labor market needs of the community and that area skill surveys are a valuable guide to this end. Such surveys require close cooperation between the employment security agencies and vocational schools. To increase further the availability of properly trained workers, the report recommended that unemployment insurance laws should be interpreted (or amended where necessary) so as to avoid the disqualification of claimants for benefits solely because they are undergoing approved training. Finally, it was suggested that consideration be given to the establishment of training allowances for trainees who exhaust unemployment benefits or who are not covered by unemployment insurance.

The report reviewed the lack of effective public assistance for employable unemployed in many States and stated that this lack was a source of pressure on the unemployment insurance system to include, to some extent, areas it should not cover. An area that should be covered by an intermediate program may exist between unemployment insurance and public assistance. The report suggested that the Bureau study this possible need and develop alternative plans.

The committee will continue studying other measures to deal with persistent unemployment, including the relocation of workers where other measures fail.

Benefit Financing

The council considered a staff report calling attention to the decline in reserves in many State unemployment funds and the possibility that in another recession as many as a dozen State funds might fall to the point where the States would be eligible for a Federal advance. Though there was considerable disagreement both about the extent of the problem and the extent to which the States would meet their financial needs through legislation, the council reached agreement at its November meeting on a statement which recognized that unemployment funds in several States had been declining and urged the Secretary to continue his study of the financial condition of the State funds to determine what moves should be made to assure the continued solvency of the system.

Another step by the council was the appointment of a committee to study and report on the question. This committee was able to agree on several principles; namely, (1) that expenditures in an emergency period may exceed income and therefore reserves will be reduced, but that in the long run there should be a balance between income and expenditures, with adequate reserves for emergencies; (2) the Federal loan fund should be used only for unforeseen emergencies; and (3) each State should accumulate reserves in good times to meet at least the financial needs that experience in previous recessions indicates might be necessary in a similar recession. The committee, however, was in disagreement as to the seriousness of the problem and whether any Federal legislation was necessary to deal with it. After discussion of the divergent reports, the council agreed on a resolution incorporating the three principles given above. The council also expressed the belief that the Federal Government has a responsibility to see that these principles are observed. The implementation of this responsibility might take the form, among other possibilities, of Federal solvency requirements, or of setting eligibility and repayment conditions for loans that would require a State to have a tax yield adequate to meet its future requirements. The council recognized that solvency criteria or conditions for borrowing should neither prejudice the maintenance of benefit levels nor obstruct needed increases.

International Labor Activities

Through fiscal year 1960, the Bureau continued to give technical consultative assistance to governments and international agencies, and to give training in employment security programs to officials from other countries, International Labor Organization (ILO) fellowship holders, International Cooperation Administration (ICA) participants, U.S. Department of State recipients of leader grants, and international exchange visitors.

New Assignments in International Activities

At the request of ICA, a former Bureau staff member, serving currently with the California Department of Employment, started a 3 months' assignment in Mexico to give consultative assistance on "high level manpower."

A Bureau staff member, at the request of the Ford Foundation, conducted a manpower survey in Uganda.

The employment service representative in the Kansas City BES regional office gave technical assistance to the United States Operations Mission (USOM) in Lima, Peru and the Cooperative Employment Service of Peru in conducting manpower surveys.

A BES field representative was asked by the ICA to spend 3 months in Iran on a high level manpower mission.

Continued Assignments in Foreign Service

The Bureau's Chief of International Activities continued to serve as alternate Department of Labor member of the Interdepartmental Committee for Reciprocity Information and the Interdepartmental Trade Agreements Committee. Representatives from these two committees and from the Department of Labor use studies made by the Bureau as bases for recommendations at the Geneva meetings in connection with the continuous negotiations under the General Agreement on Tariffs and Trade (GATT). In this same field, studies were also made of Tariff Commission reports and legislative bills for use by the Secretary of Labor in making recommendations in regard to tariffs and trade to the Bureau of the Budget and to Congress.

Leaves of absence from regional offices were continued for a United States Employment Service and a Farm Placement representative; the first is serving in an advisory capacity to the Government of Guatemala, the second as a member of the ICA Agricultural Mission in Indonesia.

At the request of the ICA, the former Chief of the Bureau's State Audits Division continued his assignment with the USOM in Iran as fiscal adviser to the government there.

A BES labor market program specialist continued his technical assistance as ILO Specialist in Bangkok, conducting manpower surveys for the Government of Thailand.

The chief of the Bureau Program and Legislative Division returned from the ILO in Geneva where he served as Social Insurance Adviser for 2 years. The Bureau's chief of the Actuarial and Finance Division took his place in Geneva.

The Bureau's International Activities Chief and the Assistant International Labor Specialist served as Labor Department observer and alternate observer to the State Department Selection Board reviewing classifications of certain State Department Foreign Service personnel (labor attachés).

Training Foreign Teams and Individuals

The primary training given by the Bureau constituted approximately 97-man months during the fiscal year for 28 participants.

In addition, secondary training supplementing that by other agencies and bu-

reaus, was given to 784 participants from the International Labor Affairs Board in the Department of Labor, from other bureaus, from ICA, the Department of State, the United Nations, the ILO, the Department of Defense, and from foreign governments, as well as to about 76 casual visitors.

The Bureau continued to serve, at the request of the ILO, ILAB, and ICA, in the recruitment for overseas assignments. Five members of the Ministry of Labor Employment Service in Greece received training from BES and affiliated State employment security agencies.

Under an ICA grant the Assistant Commissioner of Labor in charge of the employment service in Ghana received 5 months' training from the Bureau and State employment security agencies. Four members of the Indonesian employment service, two from the central office of the employment service and two from regional offices received labor market training.

A participant from Egypt studying under an ILO fellowship was trained in the BES employment service testing program for 6 months. The public employment service in Puerto Rico trained two members of the employment service in El Salvador.

Three members of the employment service staff in Peru were instructed in different phases of employment security. One was prepared for job analysis, one for counseling, and the third (the codirector of the service) for employment service administration and supervision.

Training under an ICA grant, in employment service program and operations, was also given to the director of the employment service in Iran and two officials from Pakistan; the two were the assistant manager of the employment service local office in Lahore and the manager of the local office at Multan.

Other International Activities

During the fiscal year, the Bureau wrote a number of reports and articles on subjects of international interest:

A draft position paper was prepared for the U.S. delegation to the 44th session of the International Labor Conference, Geneva, June, 1960, on the subject "Contribution of the ILO to the Raising of Incomes and Living Conditions in Rural Communities with Particular Reference to the Countries in Process of Development."

A position paper on "International Migration of Labor in the Construction Industry" was prepared for use of the U.S. delegation attending the ILO's Building, Civil Engineering, and Public Works Committee meeting in Geneva, Switzerland, October 29-30, 1959.

In response to a request from the ILO in Geneva, a report showing "Consultation and Cooperation between Public Authorities and Employers' and Workers' Organization" with special reference to employment security and manpower advisory councils was prepared.

Comments on the "Employment Service" and "Manpower" handbooks for consultants to missions in rapidly developing countries were analyzed. These comments were received from the experts giving technical assistance on manpower and public employment services.

A special issue of the Employment Security Review was issued on "Human Resource Planning: Aid to Free World Development."

An article was prepared in the Veterans Employment Service on "Employment Services for Veterans in Other Countries."

APPENDIX TABLE 1.—Selected employment service activities, U.S. totals for fiscal years 1956-60, by State for fiscal year 1960

Year and State	New applications ¹	Total counseling interviews	Individuals tested	Placements	
				Nonagricultural	Agricultural
1955-56	8,083,024	1,444,669	1,314,134	6,173,684	9,248,459
1956-57	8,546,028	1,507,825	1,448,607	5,957,490	9,002,052
1957-58	10,412,879	1,542,846	1,349,924	5,235,910	8,709,763
1958-59	9,368,746	1,734,170	1,609,536	5,703,458	9,615,163
1959-60	9,598,604	1,785,541	1,760,754	6,082,753	9,747,116
Alabama	133,210	14,628	28,357	93,039	68,093
Alaska	18,298	2,993	5,302	9,916	263
Arizona	111,957	17,904	20,729	81,990	631,771
Arkansas	139,468	28,000	29,687	78,729	237,708
California	1,105,707	179,446	177,475	502,563	1,087,729
Colorado	116,199	21,445	24,977	108,767	124,556
Connecticut	180,121	19,751	17,147	95,917	12,607
Delaware	15,218	4,420	3,603	8,571	9,622
District of Columbia	64,929	24,719	14,701	54,025	41
Florida	217,905	26,464	40,094	218,608	186,610
Georgia	161,994	25,518	36,811	125,156	161,267
Guam	799	0	39	498	0
Hawaii	27,059	5,778	5,062	13,862	3,102
Idaho	55,519	10,431	10,275	46,643	146,485
Illinois	424,107	78,479	65,447	235,090	138,547
Indiana	227,730	25,790	40,442	87,695	72,369
Iowa	100,861	21,068	35,651	91,695	32,016
Kansas	96,649	18,288	14,496	89,034	26,525
Kentucky	138,985	29,895	42,605	55,531	135,300
Louisiana	129,272	17,278	18,438	76,845	326,628
Maine	41,961	13,345	11,348	23,322	25,856
Maryland	150,660	27,186	21,017	59,341	92,445
Massachusetts	208,084	47,238	30,177	171,108	56,560
Michigan	493,909	85,888	106,840	158,843	188,296
Minnesota	173,048	19,186	49,451	108,649	61,350
Mississippi	127,224	26,050	30,506	96,307	1,727,793
Missouri	215,514	37,959	47,315	93,444	315,556
Montana	55,961	8,392	9,998	34,052	38,129
Nebraska	58,392	11,362	16,394	65,755	37,896
Nevada	29,740	4,497	6,857	28,762	8,241
New Hampshire	33,293	8,847	6,843	19,875	2,305
New Jersey	275,842	32,929	25,796	138,815	193,456
New Mexico	58,084	6,626	7,720	45,324	22,368
New York	940,739	180,525	84,006	854,799	113,581
North Carolina	231,322	43,617	59,268	170,920	571,592
North Dakota	28,988	5,346	8,888	27,176	17,924
Ohio	554,942	136,192	109,231	239,458	202,506
Oklahoma	107,002	24,645	32,625	136,239	89,654
Oregon	116,864	24,888	18,687	70,957	331,315
Pennsylvania	515,351	154,024	80,830	262,372	248,813
Puerto Rico	145,265	23,152	24,200	47,101	9,016
Rhode Island	56,992	9,820	8,067	24,629	183
South Carolina	94,009	9,986	23,366	83,162	127,373
South Dakota	26,896	4,025	5,205	27,929	9,493
Tennessee	128,843	26,802	55,113	112,821	872,198
Texas	617,536	102,139	108,896	523,878	513,758
Utah	49,896	17,570	18,754	42,239	27,559
Vermont	18,025	2,149	2,788	11,767	2,649
Virginia	125,398	35,977	26,836	84,147	109,761
Virgin Islands	3,286	679	676	3,203	41
Washington	160,500	29,957	33,929	82,881	247,917
West Virginia	75,221	16,541	9,750	24,060	15,316
Wisconsin	193,868	32,693	46,104	118,262	62,922
Wyoming	19,962	3,014	1,935	16,982	12,055

¹ The number of applications taken should not be interpreted as a measure of the total number of new job applicants at employment service offices since there are some types of applicants for whom written applications are not taken.

APPENDIX TABLE 2.—Significant provisions in State unemployment insurance laws, September 8, 1960

State	Size of firm		Minimum benefits				Maximum benefits			
	Minimum number of work-ers	Minimum period of time ¹	Weekly amount ²	Annual amount ³	Minimum qual-ifying wages		Weekly amount ²	Annual amount ³	Minimum qualifying wages	
					High quarter	Base period			High quarter	Base period
A. High-quarter formula										
Alabama.....	4	20 weeks.....	\$6	\$70.00	\$112.01	\$210.00	\$28	\$560.00	\$715.01	\$1,678.50
Arizona.....	3	do.....	10	100.00	75.00	300.00	35	910.00	850.01	2,727.01
Arkansas.....	1	10 days.....	10	100.00	75.00	300.00	30	780.00	780.00	2,250.01
California.....	1	Not specified ¹	10	*280.00	150.00	600.00	55	*1,480.00	1,500.00	2,858.01
Colorado.....	4	20 weeks.....	14	210.00	105.00	420.00	43	1,397.50	910.11	2,795.00
Connecticut.....	3	13 weeks.....	10-14	*120.00-188.00	75.00	300.00	45-67	*1,170.00-1,742.00	1,157.00	3,480.00
Delaware.....	1	20 weeks.....	7	77.00	52.50	210.00	30	1,040.00	987.63	3,584.49
District of Columbia.....	1	At any time.....	8-9	92.00-104.00	130.00	276.00	*30	*2,780.00	697.01	2,337.01
Florida.....	4	20 weeks ¹	10	100.00	290.00	400.00	33	858.00	832.13	3,296.52
Georgia.....	4	20 weeks.....	8	175.00	288.00	400.00	35	910.00	850.00	3,570.01
Hawaii.....	1	At any time.....	5	130.00	37.50	150.00	45	1,170.00	1,100.01	1,330.00
Idaho.....	1	Not specified ¹	15	*150.00	200.00	472.00	40	*1,040.00	1,014.01	3,640.00
Illinois.....	4	20 weeks.....	10	*260.00	175.00	700.00	32-50	*832.00-1,300.00	4,680.26	2,625.00
Indiana.....	4	do.....	10	62.00	75.00	250.00	36	896.00	3,936.00	3,744.00
Iowa.....	4	do.....	10	100.00	200.00	300.00	30-44	*780.00-1,144.00	4,590.01	2,340.00
Kansas.....	4	do.....	10	100.00	75.00	300.00	41	1,066.00	1,000.01	3,195.01
Kentucky.....	4	do ¹	11	165.00	250.00	343.75	37	962.00	912.51	2,884.51
Louisiana.....	4	do.....	12	120.00	75.00	300.00	35	880.00	680.01	2,447.51
Maryland.....	1	At any time.....	10-12	260.00-312.00	192.01	690.00	35-43	910.00-1,118.00	816.01	1,260.00
Massachusetts.....	1	13 weeks.....	10-16	234.00-378.00	162.50	650.00	40-50	1,200.00-1,200.00	1,120.00	3,330.56
Mississippi.....	4	20 weeks.....	8	96.00	130.01	288.00	30	780.00	754.01	2,337.01
Missouri.....	4	do.....	3	78.00	63.75	255.00	33	858.00	800.01	2,574.00
Montana.....	1	do ¹	10	220.00	170.00	255.00	32	704.00	710.00	2,626.50
Nebraska.....	4	do.....	12	132.00	200.00	400.00	34	884.00	750.01	2,922.01
Nevada.....	1	Not specified ¹	8-12	80.00-120.00	60.00	240.00	37.50-57.50	975.00-1,495.00	3,925.01	1,796.67
New Mexico.....	1	do ¹	10	180.00	156.00	300.00	36	1,080.00	884.01	1,248.00
North Dakota.....	4	20 weeks.....	10	240.00	97.50	390.00	32	768.00	806.01	1,740.00
Ohio.....	3	At any time.....	10-15	240.00-360.00	60.00	240.00	42-53	1,092.00-1,378.00	1,091.00	1,092.00
Oklahoma.....	4	20 weeks.....	10	100.00	200.00	300.00	32	1,248.00	*935.26	3,741.01
Pennsylvania.....	1	Not specified ¹	15	233.00	175.00	700.00	40	1,040.00	1,027.00	3,120.00
South Carolina.....	1	At any time.....	10	300.00	120.00	320.00	40	1,200.00	988.00	1,825.00
South Dakota.....	4	20 weeks.....	8	80.00	120.00	240.00	26	792.00	1,713.01	3,100.00
Tennessee.....	4	do ¹	12	192.00	250.00	600.00	33	792.00	775.00	3,100.00
Texas.....	4	do.....	6-7	*112.50	182.00	320.00	32	672.00	806.01	1,920.00
Utah.....	4	do.....	6	*113.00	182.00	320.00	32	672.00	806.01	1,920.00
Vermont.....	1	Not specified ¹	10	100.00	100.00	400.00	28	704.00	702.01	2,684.01
Virginia.....	3	20 weeks.....	10	*260.00	200.00	300.00	38	*988.00	1,096.00	3,517.80
Wyoming.....	1	do.....	10	80.00	75.00	300.00	32	840.00	1,140.00	2,496.01
	1	Not specified ¹	10-13	120.00-156.00	250.00	375.00	47-53	1,222.00-1,378.00	775.01	3,916.67

B. Annual-wage formula									
	1	At any time	2 10-15	\$150.00-\$225.00	\$500.00	3 \$45-\$70	\$1,170.00-\$1,820.00		\$4,000.00
Alaska.....	4	20 weeks	7	152.00	300.00	33	858.00	---	2,900.00
Maine.....	1	do 1	12	216.00	520.00	38	988.00	---	3,000.00
Minnesota.....	4	do	10	280.00	500.00	38	988.00	---	3,000.00
New Hampshire.....	4	do	11	*286.00	500.00	32	*832.00	---	3,000.00
North Carolina.....	1	At any time	17	267.00	800.00	42	1,260.00	---	3,925.00
Washington.....	4	20 weeks	10	240.00	500.00	30	720.00	---	3,000.00
West Virginia.....	4	20 weeks	10	240.00	500.00	30	720.00	---	3,000.00

C. Average weekly wage formula									
Size of firm				Minimum benefits			Maximum benefits		
Min- imum num- ber of work- ers	Minimum period of time 1	Weekly amount 2	Annual amount 2	Minimum qual- ifying employment and wages 3	Weekly amount 2	Annual amount 2	Minimum qualifying employment and wages 3	Weekly amount 2	Annual amount 2
				Weeks of employ- ment	Base period wages		Weeks of employ- ment	Base period wages	
Michigan.....	4	20 weeks	\$10-12	\$95.00-114.00	14	\$210.14	39	\$2,944.89	\$780.00-1,430.00
New Jersey.....	4	do	10	130.00	17	255.00	35	1,925.35	910.00
New York.....	1	Not specified 1	10	280.00	20	\$300.00	20	\$1,980.00	1,300.00
Rhode Island.....	1	At any time	10-13	120.00-156.00	20	400.00	42	2,940.42	936.00-1,248.00
Wisconsin.....	4	20 weeks 1	11	137.50	18	288.00	45	4,320.45	1,666.00

*In North Carolina, annual amount is increased by 8 times the weekly benefit amount when unemployment in the State reaches specified levels; indicated increase in other States is 50 percent.

1 States without a specified period of time have a small quarterly or annual payroll requirement. In Minnesota, 4 or more outside of cities of 10,000 population. Other States noted have alternative provision.

2 When two amounts are given, higher includes dependents' allowances. Higher figure for minimum weekly amount includes allowance for one dependent; in Michigan, for 1 dependent child or 2 dependents other than a child. Dependents' allowances limited in Alaska to intrastate claimants and in Illinois and Iowa to claimants with high-quarter wages in excess of those required for maximum basic weekly benefit amount. In the District of Columbia, same maximum with or without dependents' allowances. Maximum augmented payment in Massachusetts not shown; it may not exceed average weekly wage.

3 To obtain maximum dependents' allowance, high-quarter wages of over \$950 are required (Nevada). Amount shown is one-fourth of base-period wages, because eligibility for maximum annual benefits requires more than 4 times high-quarter wages needed for maximum weekly benefit (Indiana and Oklahoma).

4 Qualifying requirements apply to basic benefits only. For claimant with maximum dependents, high-quarter wages of \$1,274.26 and base-period wages of \$2,975 are required in Illinois; high-quarter wages of \$1,072.51 and base-period wages of \$3,554.11 in Iowa; wages of \$4,212.50 in 39 weeks in Michigan.

5 And 20 weeks of employment (Ohio and Oregon); 19 weeks (Utah).

6 Qualifying wages shown yield benefits shown; Alternative qualifying wage of \$250 in 1 quarter would yield \$125 in another quarter would yield weekly benefit of \$10 and annual benefits of \$94.

7 Amounts are based on lowest and highest average weekly wage in schedule and qualifying weeks shown.

8 Or 16 weeks in preceding 52 weeks and 40 weeks in preceding 104 weeks at average weekly wage of \$15 or more.

APPENDIX TABLE 3.—*Claims, beneficiaries, amount and duration of benefits under State programs, U.S. totals for fiscal years 1953-60, by State for fiscal year 1960*

[Data for fiscal years 1955-59 include activities under the program of unemployment compensation for Federal employees and represent an unduplicated count for both programs]

Year and State	New claims filed		Number of beneficiaries ³	Weeks compensated for all types of unemployment ⁴	Average weekly payment, total unemployment	Average actual duration of benefits		Claimants exhausting benefits	
	Total ¹	Insured claimants ²				All beneficiaries	Exhaustees	Number	Percent of all beneficiaries ⁵
1952-53.....	6,176,970	4,957,083	3,988,776	40,850,791	\$23.32	10.2	19.3	784,516	18.8
1953-54.....	9,228,416	7,553,713	6,152,625	67,505,573	24.45	11.0	19.1	1,178,460	22.4
1954-55.....	8,011,125	6,473,610	5,405,252	73,516,903	25.05	11.0	20.6	1,773,748	29.3
1955-56.....	7,045,280	5,556,629	4,457,710	51,805,215	26.33	11.6	619.9	1,023,751	23.0
1956-57.....	7,511,029	5,064,003	5,012,919	58,117,279	27.53	11.6	20.1	1,094,146	22.0
1957-58.....	11,298,540	9,170,732	7,802,338	100,175,637	30.08	12.8	620.9	1,768,743	25.7
1958-59.....	9,001,602	7,061,581	6,044,804	93,105,779	30.33	15.4	622.1	2,436,510	34.7
1959-60.....	7,924,619	7,347,575	6,154,226	76,729,214	31.68	12.5	621.3	1,478,819	23.1
Alabama.....	154,322	110,094	86,724	1,110,835	22.91	12.8	17.7	37,809	43.5
Alaska.....	14,697	10,780	9,117	161,538	36.64	17.7	24.6	2,756	28.7
Arizona.....	58,874	35,384	29,074	300,466	30.89	10.3	18.9	5,485	18.9
Arkansas.....	91,355	56,920	46,210	510,008	21.84	11.0	17.5	13,033	28.3
California.....	917,191	730,839	611,995	7,594,090	37.42	12.3	22.3	112,983	20.9
Colorado.....	49,639	38,411	27,976	349,417	36.91	12.5	20.6	6,148	19.7
Connecticut.....	188,727	148,356	109,434	1,370,763	34.75	12.5	19.7	31,383	33.1
Delaware.....	23,922	22,178	18,907	210,334	33.26	11.1	18.1	4,403	20.1
District of Columbia.....	29,686	20,644	16,091	200,682	26.00	12.5	18.7	5,593	22.8
Florida.....	207,078	115,347	98,374	977,489	23.98	9.9	18.2	38,101	40.8
Georgia.....	172,975	128,309	98,432	1,145,648	31.23	11.7	18.6	32,780	34.7
Hawaii.....	19,796	16,870	13,418	144,647	21.23	11.1	24.8	4,550	4.7
Idaho.....	30,693	22,723	15,569	217,750	31.80	11.1	16.4	4,357	26.0
Illinois.....	439,574	355,740	308,934	3,573,753	33.13	11.6	18.5	70,478	20.3
Indiana.....	227,013	202,170	155,183	1,472,269	30.15	8.9	13.5	50,063	33.3
Iowa.....	61,698	54,869	40,964	443,200	23.32	10.8	14.8	9,944	27.3
Kansas.....	67,138	55,927	52,065	583,106	33.80	11.3	19.1	11,778	24.1
Kentucky.....	149,732	95,924	83,305	1,075,214	28.10	12.9	21.2	24,432	30.7
Louisiana.....	140,112	95,265	67,811	1,157,868	30.19	17.5	23.2	28,675	43.5
Maine.....	60,565	53,581	46,007	571,669	21.18	12.4	23.2	8,873	19.1
Maryland.....	170,782	128,730	117,800	1,636,286	30.26	14.1	26.0	31,030	26.9
Massachusetts.....	319,473	268,608	248,727	3,142,143	34.54	12.6	19.6	64,488	22.5
Michigan.....	943,698	482,800	385,685	3,819,842	36.11	9.9	17.6	78,773	21.8
Minnesota.....	114,853	84,040	64,404	1,195,602	28.57	14.2	22.2	20,619	23.1
Mississippi.....	83,576	53,019	45,148	549,649	23.71	12.2	20.1	12,267	27.5

Missouri.....	231,222	163,771	135,490	1,403,773	28,17	10.4	19.2	24,041	19.0
Montana.....	38,151	35,084	32,363	428,369	27,59	13.2	22.0	8,354	26.2
Nebraska.....	29,195	25,552	21,688	232,752	29,69	10.7	16.2	4,851	24.4
Nevada.....	21,920	15,945	13,728	154,062	37,59	11.2	19.3	3,197	23.7
New Hampshire.....	35,822	30,799	23,285	240,062	25,88	10.3	25.9	2,851	12.9
New Jersey.....	385,329	337,141	293,140	3,954,055	32,41	13.5	21.1	85,931	30.0
New Mexico.....	31,850	24,446	19,954	250,609	28,73	12.6	21.7	3,516	18.8
New York.....	1,184,912	1,006,385	861,113	11,803,304	35,05	13.7	26.0	149,654	17.4
North Carolina.....	215,225	165,885	155,190	1,630,624	20,20	10.5	25.0	28,939	19.1
North Dakota.....	16,640	12,364	11,714	1,633,701	28,58	14.0	21.4	2,118	19.0
Ohio.....	451,884	382,361	312,266	3,585,492	38,47	11.5	24.9	43,546	16.2
Oklahoma.....	94,095	51,204	45,100	620,864	25,71	13.8	19.8	14,772	32.3
Oregon.....	748,597	618,348	535,716	681,577	34,87	10.9	20.7	9,859	16.7
Pennsylvania.....	70,321	59,335	45,034	545,690	29,54	15.6	30.0	128,198	24.7
Rhode Island.....	90,360	58,397	43,267	484,475	21,91	12.1	16.7	10,810	24.4
South Carolina.....	11,476	8,536	7,520	80,199	29,21	11.2	16.0	14,110	33.6
South Dakota.....	180,933	136,550	99,631	1,413,833	28,95	10.7	14.2	2,262	31.4
Tennessee.....	308,011	217,703	190,419	2,214,850	22,21	14.2	20.7	33,191	34.6
Texas.....	31,571	26,940	21,380	237,130	24,20	11.6	16.7	71,198	38.1
Utah.....	15,500	12,332	9,930	131,259	33,01	13.2	18.6	4,764	22.9
Vermont.....	112,117	90,017	72,326	690,632	23,01	9.7	26.0	1,763	18.8
Virginia.....	168,162	136,430	122,565	1,661,802	31,82	13.6	13.5	31,318	43.5
Washington.....	113,143	83,898	70,689	1,116,419	22,59	14.0	24.2	24,630	20.2
West Virginia.....	§ 148,231	§ 123,949	§ 110,845	1,026,845	35,79	9.3	23.4	25,040	30.1
Wisconsin.....	12,549	10,022	8,077	101,499	38,90	12.6	(*) 18.2	§ 36,178	§ 34.9
Wyoming.....								1,819	23.0

* To reflect more nearly different individuals who filed claims during fiscal year, data include intrastate new claims and transitional claims, 1935-36.

† Represent new claims with sufficient wage credits.

‡ Represent claimants receiving first payment in benefit year.

§ Total, part total, and partial unemployment.

¶ Based on first payments for 12-month period ending March 31.

* Excludes Wisconsin; comparable data not available.

† Includes claims filed by interstate claimants in Puerto Rico (10,455) and the Virgin Islands (6).

‡ Since Wisconsin has no provision for a benefit year, a new claim is the first claim filed during the first spell of unemployment in a calendar year.

§ Data are on a "per employer" basis and are not strictly comparable to those for other States.

APPENDIX TABLE 4.—*Subject employers, covered employment, and selected unemployment insurance financial data under State programs, U.S. totals for fiscal years 1953-60, by State for fiscal year 1960*¹

Year and State	Subject employers as of June 30	Covered employment as of June 30	State collections		Interest on State accounts in trust fund (000)	Benefits paid ⁴		State reserves for benefits, June 30, 1960 ⁵	
			Amount ² (000)	Average em- ployer rate ³ (Percent)		Amount (000)	Percent of taxable wages ⁴	Amount (000)	Percent of taxable wages ⁴
1952-53.....	1,551,177	37,081,119	\$1,367,806	1.45	\$188,587	\$912,808	0.9	\$8,577,745	8.6
1953-54.....	1,580,679	35,402,182	1,246,230	1.30	208,841	1,588,946	1.6	8,442,080	8.6
1954-55.....	1,618,301	36,842,558	1,142,000	1.12	186,874	1,739,373	1.8	8,011,358	8.2
1955-56.....	1,894,098	30,527,320	1,328,722	1.18	186,907	1,282,452	1.2	8,243,325	7.6
1956-57.....	2,045,776	40,347,190	1,537,127	1.32	211,967	1,604,471	1.4	8,514,006	7.7
1957-58.....	2,084,549	38,030,074	1,300,397	1.31	219,651	2,875,492	2.5	7,417,380	6.6
1958-59.....	2,151,603	40,601,100	1,673,286	1.32	179,133	2,760,236	2.4	6,708,819	5.9
1959-60.....	2,276,073	40,801,068	2,164,757	1.71	182,213	2,356,113	2.0	6,691,003	5.8
Alabama.....	20,997	537,677	17,362	1.02	1,690	25,043	1.8	57,345	4.1
Alaska.....	4,143	26,777	3,327	2.70	0	5,831	3.8	1,531	1.0
Arizona.....	15,439	227,901	8,149	1.26	1,673	6,146	1.4	61,455	9.1
Arkansas.....	32,940	270,655	8,842	1.29	1,068	10,731	1.7	36,888	5.7
California.....	305,149	3,893,423	298,217	2.04	23,766	283,968	2.4	839,893	7.1
Colorado.....	15,463	343,108	5,501	1.45	1,862	12,568	1.3	64,823	6.8
Connecticut.....	31,901	769,008	42,766	1.85	4,712	46,106	2.1	169,513	7.9
Delaware.....	8,808	121,956	9,677	1.82	226	6,703	1.7	9,551	2.4
District of Columbia.....	18,168	261,895	5,756	1.82	1,637	5,131	1.8	60,879	9.5
Florida.....	44,329	940,384	35,967	1.49	2,730	24,942	1.0	105,107	4.3
Georgia.....	27,953	739,115	27,084	1.38	3,963	26,586	1.4	144,100	7.5
Hawaii.....	9,571	141,691	4,464	1.06	674	4,073	1.1	24,693	6.7
Idaho.....	14,192	117,812	5,103	1.49	817	7,490	2.4	28,238	9.0
Illinois.....	87,448	2,686,093	121,051	1.06	8,820	114,900	1.4	333,728	4.2
Indiana.....	33,387	1,099,597	42,968	1.32	4,738	42,426	1.3	170,216	5.3
Iowa.....	22,327	449,571	9,811	1.83	3,207	12,382	2.0	114,301	9.2
Kansas.....	17,755	352,885	10,605	1.06	2,173	19,352	1.0	72,916	7.4
Kentucky.....	21,947	490,177	29,297	2.35	2,878	29,172	2.4	102,453	8.3
Louisiana.....	25,239	567,247	20,217	1.16	3,639	34,861	2.3	125,040	8.2
Maine.....	8,655	189,032	8,560	1.58	875	11,991	2.3	28,819	5.5
Maryland.....	60,205	698,216	44,372	2.15	1,794	48,533	2.6	64,109	3.4
Massachusetts.....	104,410	1,541,545	78,435	1.81	6,844	98,970	2.4	226,854	5.5
Michigan.....	56,784	1,827,405	154,185	2.53	2,830	135,611	2.5	222,258	4.1
Minnesota.....	40,792	702,573	22,123	1.21	2,043	3,440	1.8	66,727	3.6
Mississippi.....	12,579	273,454	13,319	2.01	896	12,680	1.9	31,691	4.8
Missouri.....	35,279	965,633	30,003	1.09	5,726	36,920	1.7	202,031	7.5
Montana.....	16,620	103,341	4,106	1.27	787	11,821	3.4	24,124	7.6
Nebraska.....	11,855	226,748	6,754	1.13	1,073	6,742	1.1	38,280	6.3
Nevada.....	6,772	74,739	6,013	2.15	464	5,046	2.1	16,805	5.8
New Hampshire.....	6,730	152,429	6,785	1.60	631	5,844	1.5	23,309	5.8

New Jersey.....	60,931	1,553,727	109,894	2.00	9,335	123,666	2.7	332,282	7.3
New Mexico.....	16,234	150,683	5,996	1.28	1,207	7,046	1.5	42,844	9.1
New York.....	406,144	5,042,513	317,063	1.69	28,128	387,765	2.7	991,533	8.8
North Carolina.....	32,780	909,954	37,627	1.61	4,389	31,967	1.4	179,734	7.9
North Dakota.....	5,828	66,863	3,122	1.44	207	4,659	2.5	6,165	3.2
Ohio.....	97,132	2,474,575	107,558	1.39	10,714	142,137	2.0	363,690	5.0
Oklahoma.....	18,291	375,901	11,171	.98	1,112	15,455	1.5	38,045	3.7
Oregon.....	27,468	386,799	34,338	2.65	981	23,010	1.8	88,254	3.1
Pennsylvania.....	200,236	3,032,400	240,738	2.70	2,112	237,386	2.8	181,985	2.2
Rhode Island.....	21,028	243,747	19,071	2.70	773	14,496	2.1	30,014	4.3
South Carolina.....	13,807	427,860	11,765	1.06	2,035	10,340	1.0	75,152	7.2
South Dakota.....	5,566	71,512	1,970	1.05	416	2,243	1.2	14,593	7.6
Tennessee.....	22,502	659,914	29,737	1.72	2,061	30,347	1.8	72,886	4.3
Texas.....	73,877	1,800,485	40,681	.75	7,118	52,697	1.1	251,535	5.2
Utah.....	17,421	176,638	6,793	1.25	1,037	7,921	1.6	36,967	7.6
Vermont.....	4,211	70,966	2,585	1.25	894	3,375	1.7	13,658	6.9
Virginia.....	27,698	714,158	23,365	1.30	2,423	15,098	.8	86,448	4.7
Washington.....	58,913	603,428	50,512	2.70	5,673	52,100	2.8	200,261	10.8
West Virginia.....	12,747	337,053	22,701	2.00	916	24,412	2.5	34,253	3.5
Wisconsin.....	32,982	914,238	31,759	1.07	6,129	36,012	1.5	217,517	8.8
Wyoming.....	9,406	64,638	2,568	1.25	364	3,859	2.0	12,259	6.5

¹ Data reported by State agencies, except interest, which is credited and reported by the U.S. Treasury.

² Data represent contributions, penalties, and interest from employers, and contributions from employees in three States. Adjusted for refunds and for dishonored contribution checks.

³ Data represent calendar years 1952 to 1959 preceding the fiscal year specified.

⁴ Adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁵ Taxable wages are the aggregate wages which are subject to State unemployment insurance taxes. Each covered employer is subject to taxes only on the "base" wages paid each covered employee during the calendar year. "Base" wages are limited to the first \$3,000 in all States except six. A \$3,600 taxable wage base became effective in Nevada on January 1, 1954; in Delaware on January 1, 1955; in Rhode Island on

January 1, 1956; and in California on January 1, 1960. In Alaska, the wage base was increased to \$3,000 effective January 1, 1955; to \$4,200 effective January 1, 1957; and to \$7,200 effective January 1, 1960. In Oregon, the wage base was increased to \$3,000 effective January 1, 1956, and to \$3,800 effective January 1, 1960, if the fund reserve ratio is under 6 percent as determined on August 31 of the preceding year.

⁶ Data represent sum of balance at end of fiscal year in State clearing and benefit payment accounts and in State accounts in the Unemployment Trust Fund in the U.S. Treasury.

⁷ Represents preliminary data as of December 1959; includes private industry and State and local government employees.

⁸ The reserve ratios and benefit ratios for fiscal year 1960 are estimated on the basis of taxable wages for 12 months ending on December 31, 1959.

APPENDIX TABLE 5.—Selected data on unemployment compensation for Federal employees, U.S. totals for January-June 1955 and fiscal years 1956-60, by State for fiscal year 1960

Year and State	Federal employment as of December ¹	Initial claims ²	Average weekly insured unemployment	Average weekly number of beneficiaries ³	First payments in benefit years ⁴	Amount of benefits paid ⁵	Average weekly benefit amount, UCFE only ⁶
January-June 1955	2,361,700	98,822	26,826	27,017	59,122	\$16,051,094	\$26.42
1955-56	2,414,800	140,414	21,311	22,166	75,679	30,280,092	27.85
1956-57	2,421,209	135,051	18,088	18,780	64,484	26,055,746	28.75
1957-58	2,601,335	203,105	33,023	34,500	113,803	52,437,181	30.97
1958-59	2,603,938	155,748	33,516	33,328	109,927	55,140,282	31.21
1959-60	2,543,091	157,175	32,068	30,431	93,519	53,216,499	32.71
Alabama	65,042	3,488	576	461	1,616	571,528	24.02
Alaska	16,022	1,337	367	487	1,307	942,640	35.58
Arizona	21,693	1,985	276	264	1,050	446,748	31.90
Arkansas	15,203	2,298	594	446	1,332	602,013	25.54
California	257,033	16,093	3,841	3,495	11,265	7,725,091	40.19
Colorado	39,024	1,483	259	284	854	555,953	36.95
Connecticut	14,872	945	215	209	692	417,128	37.07
Delaware	4,701	217	39	30	116	56,475	35.30
District of Columbia	206,051	3,941	996	1,106	3,418	1,705,921	29.26
Florida	56,632	3,783	619	423	1,767	662,918	29.73
Georgia	64,261	3,167	661	580	1,904	830,310	27.13
Hawaii	26,550	1,100	216	226	811	434,923	35.86
Idaho	7,216	1,361	244	243	1,017	472,328	36.62
Illinois	109,225	5,141	1,023	1,110	3,462	1,902,899	32.30
Indiana	34,086	2,186	424	395	1,555	654,928	31.17
Iowa	21,179	595	86	86	331	122,088	34.44
Kansas	27,062	1,466	299	306	1,061	550,582	33.92
Kentucky	33,830	2,373	667	640	1,721	1,022,902	30.41
Louisiana	26,327	3,151	870	765	1,691	1,306,870	32.39
Maine	9,384	873	150	132	478	181,472	24.79
Maryland	72,115	3,288	610	589	1,644	1,052,160	33.84
Massachusetts	62,921	3,090	674	742	2,003	1,401,472	35.21
Michigan	46,066	2,537	341	329	1,184	555,264	32.27
Minnesota	32,238	1,543	407	404	1,187	653,780	29.22
Mississippi	18,869	2,635	422	390	1,250	534,759	25.91
Missouri	59,490	1,863	350	374	1,226	565,026	28.13
Montana	8,852	1,402	256	287	987	452,391	28.38
Nebraska	19,059	546	113	132	469	210,206	30.16
Nevada	6,531	664	89	105	369	222,359	39.39
New Hampshire	12,758	362	63	64	206	106,594	30.06
New Jersey	70,002	3,828	872	727	2,112	1,286,621	33.80
New Mexico	25,245	1,546	258	232	797	384,296	30.99
New York	229,374	20,842	3,596	3,249	8,781	6,550,923	38.22
North Carolina	37,576	3,225	615	565	1,715	709,350	23.51
North Dakota	7,693	443	83	72	263	99,941	26.08
Ohio	92,699	3,868	991	1,094	3,993	2,330,750	37.22
Oklahoma	46,555	1,376	468	447	1,158	646,225	27.34
Oregon	21,460	2,268	353	336	1,443	618,464	34.99
Pennsylvania	161,496	8,020	2,132	1,962	4,238	3,252,393	31.25
Puerto Rico	9,228	899	212	187	530	245,297	24.70
Rhode Island	13,375	690	182	186	481	336,181	34.50
South Carolina	26,767	1,552	205	170	624	209,198	23.30
South Dakota	10,491	545	88	102	430	155,212	28.89
Tennessee	40,352	6,084	1,270	1,285	3,502	1,801,533	26.68
Texas	125,528	7,952	1,623	1,652	5,158	2,248,899	25.83
Utah	28,973	1,548	300	288	1,063	506,534	33.50
Vermont	4,085	203	38	33	106	51,871	29.59
Virginia	85,551	2,880	483	439	1,762	633,811	26.42
Virgin Islands	812	218	5	4	49	3,820	16.53
Washington	51,728	11,103	2,024	1,750	5,300	3,318,139	35.38
West Virginia	12,322	812	156	127	386	133,046	19.68
Wisconsin	28,600	1,910	340	307	1,302	536,410	33.37
Wyoming	5,558	450	88	110	353	237,227	40.53

¹ Excludes temporary Christmas assistants of the Post Office Department prior to 1957. Includes these workers 1957-59.

² Beginning with fiscal year 1959, data exclude joint State-UCFE claims.

³ Prior to November 1958 includes all UCFE beneficiaries. Data from November 1958 exclude UCFE beneficiaries filing jointly under State programs.

⁴ Beginning with July 1959, excludes joint UI-UCFE payments.

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

⁶ Includes payments for partial unemployment. Beginning with July 1959, excludes joint UI-UCFE payments.

⁷ Includes 13,229 employees not distributed by State.

APPENDIX TABLE 6.—Selected data on unemployment compensation for veterans program,¹ U.S. totals for fiscal years 1954-60, by State for fiscal year 1960

Year and State	Estimated number of eligible veterans in civilian life as of June 30 ²	New claims	First payments	Amount of benefits paid ³	Claimants exhausting benefits
Oct. 1952-June 1953.....	1,963,000	170,285	113,664	\$24,590,888	3,963
1953-54.....	2,897,000	348,373	252,639	74,497,924	33,535
1954-55.....	4,015,000	368,999	282,750	106,916,550	78,348
1955-56.....	4,682,000	272,111	204,529	70,096,109	50,263
1956-57.....	5,105,000	199,900	159,893	55,113,326	40,774
1957-58.....	5,353,000	236,070	197,289	74,292,118	53,284
1958-59.....	5,438,000	89,742	92,742	44,200,830	49,063
1959-60.....	5,477	7,332	4,810	4,496,713	4,585
Alabama.....	113	237	226	138,947	193
Alaska.....	4	11	5	4,974	8
Arizona.....	37	127	142	37,142	30
Arkansas.....	53	119	151	64,070	70
California.....	465	731	677	312,953	329
Colorado.....	51	59	125	28,034	35
Connecticut.....	79	105	165	49,393	63
Delaware.....	12	8	12	3,299	4
District of Columbia.....	28	68	51	28,680	40
Florida.....	144	334	380	120,618	106
Georgia.....	115	147	148	92,520	136
Hawaii.....	22	88	81	29,297	4
Idaho.....	21	43	45	17,098	10
Illinois.....	273	188	226	91,940	144
Indiana.....	139	88	90	61,512	94
Iowa.....	89	126	59	22,197	18
Kansas.....	67	60	80	29,746	33
Kentucky.....	103	147	211	151,420	236
Louisiana.....	86	218	32	124,617	153
Maine.....	36	58	69	36,705	50
Maryland.....	88	98	90	55,632	89
Massachusetts.....	168	175	208	102,337	108
Michigan.....	229	235	328	214,340	374
Minnesota.....	105	175	207	96,015	101
Mississippi.....	59	104	152	76,426	94
Missouri.....	144	109	491	79,353	93
Montana.....	21	32	74	14,615	0
Nebraska.....	50	12	20	9,053	8
Nevada.....	8	8	12	5,232	5
New Hampshire.....	24	22	16	7,267	4
New Jersey.....	178	138	122	92,481	114
New Mexico.....	24	44	50	24,674	23
New York.....	464	411	508	274,366	205
North Carolina.....	140	180	202	130,800	154
North Dakota.....	23	34	27	12,631	17
Ohio.....	271	173	225	152,173	256
Oklahoma.....	83	133	119	70,061	72
Oregon.....	54	79	73	40,320	34
Pennsylvania.....	373	653	805	482,445	691
Puerto Rico.....	29	80	100	146,912	441
Rhode Island.....	28	31	31	30,235	31
South Carolina.....	72	96	82	57,859	111
South Dakota.....	24	25	22	10,194	31
Tennessee.....	113	262	258	196,171	266
Texas.....	271	407	383	241,538	298
Utah.....	30	33	51	15,302	14
Vermont.....	15	22	25	10,174	16
Virginia.....	127	86	94	66,267	108
Virgin Islands.....	29	3	0	2,404	0
Washington.....	86	256	289	111,930	105
West Virginia.....	79	129	161	147,348	216
Wisconsin.....	121	121	108	71,384	46
Wyoming.....	10	4	2	3,612	4

¹ As provided in title IV of the Veterans' Readjustment Assistance Act of 1952. This program expired on January 31, 1960.

² From statistical summary issued by the Veterans' Administration.

³ Adjusted for voided benefit checks and overpayments; includes payments supplementing benefits paid under State unemployment insurance laws. Fiscal year totals include supplemental payments to veterans less than \$26 a week under the railroad unemployment insurance program.

⁴ Includes data for July 1959 through March 1960; activity after January 31 relates to claims filed prior to the expiration date.

APPENDIX TABLE 7.—Disqualifications under State programs, by issue, fiscal years 1953-60, and by State for fiscal year 1960

[Data for fiscal years 1955-59 include activities under the program of unemployment compensation for Federal employees and represent an unduplicated count for both programs]

Year and State	Total dis-qualifications ¹	Voluntary quits		Misconduct		Not able or not available		Refusal of suitable work	
		Number	Per 1,000 new spells of in-employment ²	Number	Per 1,000 new spells of in-employment ²	Number	Per 1,000 claimant contacts ³	Number	Per 1,000 claimant contacts ³
1952-53.....	1,133,528	354,014	37.7	108,983	11.6	474,937	8.6	94,395	8.6
1953-54.....	1,447,793	485,844	35.0	172,646	12.5	557,890	7.0	80,974	1.7
1954-55.....	1,570,408	439,165	34.1	181,534	14.1	667,343	7.7	86,565	1.0
1955-56.....	1,988,478	393,652	36.2	136,699	12.6	604,326	8.3	81,808	1.2
1956-57.....	1,431,624	418,168	36.6	146,465	12.8	623,023	8.3	72,771	1.0
1957-58.....	1,821,331	542,353	31.0	200,874	11.5	773,949	6.3	63,421	.5
1958-59.....	1,843,837	518,516	35.5	192,693	13.2	810,833	7.2	77,269	.7
1959-60.....	1,815,096	506,864	35.5	182,465	12.8	805,302	8.3	78,476	.8
Alabama.....	16,594	9,854	58.5	2,874	17.1	3,438	2.4	365	.3
Alaska.....	2,881	536	25.3	1,155	7.3	1,348	6.8	61	.3
Arizona.....	9,887	4,504	67.0	1,376	20.5	3,507	8.5	224	.5
Arkansas.....	11,252	4,838	50.9	1,638	17.2	3,003	4.6	355	.5
California.....	105,628	66,363	45.6	21,248	14.6	65,937	6.9	10,234	1.1
Colorado.....	11,611	7,597	115.4	1,777	27.0	65,662	1.4	499	1.1
Connecticut.....	27,411	8,770	33.4	2,318	8.8	12,774	6.8	1,633	.9
Delaware.....	3,366	1,126	28.9	725	18.6	676	2.4	252	.9
District of Columbia.....	7,619	1,806	58.7	1,575	51.2	3,316	13.9	230	1.0
Florida.....	19,168	6,440	31.4	3,465	16.9	7,914	5.9	739	.6
Georgia.....	34,605	20,378	112.0	8,302	45.6	4,373	3.1	1,044	.7
Hawaii.....	5,129	1,494	67.5	586	26.5	2,613	13.6	182	.9
Idaho.....	3,604	1,171	32.2	278	7.6	1,493	5.7	409	1.6
Illinois.....	129,188	13,628	21.9	9,702	15.6	74,378	15.7	4,248	.9
Indiana.....	21,428	7,364	21.1	2,935	8.4	6,444	3.1	836	.4
Iowa.....	5,601	3,793	52.5	1,164	16.1	527	.9	92	.2
Kansas.....	11,234	2,462	25.1	1,132	11.6	6,870	9.6	421	.6
Kentucky.....	11,912	4,976	36.6	2,521	18.6	3,858	4.4	557	.6
Louisiana.....	16,228	7,225	42.8	3,686	21.8	2,854	2.2	856	.7
Maine.....	12,953	4,860	58.3	648	7.8	4,352	6.0	1,945	2.7
Maryland.....	35,715	11,893	48.8	7,453	30.6	8,924	4.5	4,547	.6
Massachusetts.....	45,122	18,458	28.8	5,573	8.7	13,973	3.3	2,407	.3
Michigan.....	101,905	30,526	34.1	7,754	8.7	43,276	8.6	2,413	.5
Minnesota.....	27,176	10,361	64.7	3,218	20.1	8,272	6.0	1,190	.9
Mississippi.....	12,852	5,167	54.0	1,723	18.0	4,460	6.0	691	.9

Missouri.....	23,192	13,393	37.8	5,012	14.3	3,604	1.7	596	3
Montana.....	7,330	3,249	53.9	719	11.9	2,087	4.2	619	1.3
Nebraska.....	4,506	1,510	41.1	924	23.1	1,716	8.3	16	1.6
Nevada.....	4,364	1,231	37.3	858	23.9	1,732	8.7	308	1.5
New Hampshire.....	5,518	2,773	56.7	673	13.6	1,218	8.7	384	1.2
New Jersey.....	61,189	2,886	13.4	6,064	9.4	38,534	8.6	1,028	7
New Mexico.....	3,631	2,417	50.0	1,194	24.7	1,813	3.8	207	1.0
New York.....	400,279	32,906	21.2	4,497	1.8	235,048	16.2	15,405	5
North Carolina.....	23,572	13,488	47.0	5,012	13.2	4,018	2.0	992	3
North Dakota.....	3,273	18,446	23.2	95	4.9	2,065	9.6	63	3
Ohio.....	74,026	18,638	25.7	15,743	21.7	27,537	5.4	2,546	5
Oklahoma.....	19,120	9,867	108.8	1,975	21.8	5,726	7.9	608	8
Oregon.....	19,239	4,376	29.3	1,207	8.1	12,680	13.1	375	6
Pennsylvania.....	152,525	24,135	17.1	9,351	6.6	88,292	8.2	10,619	1.0
Rhode Island.....	11,438	4,164	34.1	992	8.1	5,071	7.1	775	1.1
South Carolina.....	23,376	12,987	138.6	5,069	54.1	4,633	6.8	397	6
South Dakota.....	1,610	898	71.6	207	16.5	331	3.1	17	2
Tennessee.....	21,760	8,364	48.1	4,433	25.2	2,288	2.0	429	4
Texas.....	74,592	38,951	114.6	13,437	45.4	18,097	6.6	2,107	8
Utah.....	5,001	1,310	25.7	341	6.7	1,762	5.1	351	1.0
Vermont.....	2,492	1,646	71.7	238	10.4	372	2.2	156	9
Virginia.....	16,196	5,025	40.1	2,787	22.2	8,087	12.2	297	4
Washington.....	34,749	5,346	16.5	1,381	4.3	24,392	11.4	1,104	5
West Virginia.....	11,161	5,803	44.2	1,755	13.4	1,805	2.2	292	4
Wisconsin.....	25,542	7,242	36.2	2,472	12.4	2,520	1.8	1,513	1.1
Wyoming.....	1,325	418	25.0	153	9.1	632	6.5	42	3

¹ In addition to the four issues shown, includes miscellaneous disqualification which do not apply in all States but excludes labor-dispute disqualifications. The largest excluded item is failure to meet reporting requirements, which totaled 182,202 disqualifications in 1960

² Based on new intrastate claims, less transitional claims, multiplied by the percent eligible on monetary determinations, plus initial intrastate claims received as liable State, plus additional intrastate claims.

³ Based on new spells of insured unemployment, plus intrastate continued claims received as liable State.

APPENDIX TABLE 8.—*Selected data on unemployment compensation for ex-service-men,¹ U.S. totals for October 1958–June 1960, by State for fiscal year 1960*

Year and State	Initial claims	Average weekly insured unemployment	Average weekly number of beneficiaries	First payments	Total amount paid	Average weekly benefit amount
Oct. 1958–June 1959.....	249,231	55,479	50,409	160,224	\$52,953,457	\$29.35
1959–1960.....	321,737	49,927	47,255	186,513	76,845,421	30.38
Alabama.....	6,386	1,133	1,010	3,809	1,449,004	27.97
Alaska.....	480	89	80	274	145,773	33.29
Arizona.....	2,823	283	293	1,447	479,736	30.85
Arkansas.....	3,678	620	534	2,323	766,519	27.15
California.....	30,761	4,266	3,896	18,896	6,940,029	32.09
Colorado.....	2,544	350	328	1,374	601,590	34.62
Connecticut.....	3,191	372	362	2,006	605,978	31.05
Delaware.....	795	92	78	370	127,954	31.14
District of Columbia.....	1,759	226	218	880	338,696	29.50
Florida.....	7,472	733	658	3,611	1,042,131	30.01
Georgia.....	5,361	826	764	3,018	1,168,237	28.96
Hawaii.....	1,488	182	167	826	289,023	32.29
Idaho.....	2,049	243	225	1,091	377,242	31.65
Illinois.....	11,692	1,454	1,528	6,639	2,516,432	31.10
Indiana.....	6,327	995	879	3,931	1,423,427	30.45
Iowa.....	2,881	283	285	1,530	451,591	29.90
Kansas.....	3,531	430	394	1,953	660,659	31.58
Kentucky.....	5,298	1,375	1,304	4,037	2,072,291	30.24
Louisiana.....	4,960	1,050	1,022	3,013	1,842,076	34.13
Maine.....	2,656	333	328	1,646	549,891	30.85
Maryland.....	6,039	752	760	2,946	1,280,054	31.91
Massachusetts.....	7,531	1,048	1,030	4,111	1,754,139	31.76
Michigan.....	18,200	3,016	2,866	10,487	4,276,755	28.42
Minnesota.....	6,320	1,218	1,245	4,505	2,394,192	34.69
Mississippi.....	3,509	493	441	1,697	654,494	28.05
Missouri.....	6,214	914	1,028	4,331	1,627,692	29.65
Montana.....	1,368	242	267	1,082	451,433	30.49
Nebraska.....	923	143	152	764	254,790	31.82
Nevada.....	834	64	64	369	115,733	33.78
New Hampshire.....	1,136	116	113	597	207,726	33.32
New Jersey.....	8,795	1,316	1,240	5,075	2,210,056	34.05
New Mexico.....	2,186	291	266	1,058	420,913	29.60
New York.....	25,985	3,474	3,098	13,044	5,102,765	31.24
North Carolina.....	6,383	1,041	1,061	4,199	1,650,251	29.14
North Dakota.....	1,407	277	239	945	377,587	29.36
Ohio.....	15,998	2,864	2,446	8,765	4,346,478	30.44
Oklahoma.....	3,220	736	708	2,659	1,065,874	28.50
Oregon.....	5,061	495	480	2,745	779,717	30.92
Pennsylvania.....	29,854	6,253	5,867	17,698	9,568,709	30.75
Puerto Rico.....	2,642	779	711	1,913	1,103,528	29.00
Rhode Island.....	1,935	259	253	1,084	397,670	29.98
South Carolina.....	3,431	462	445	1,783	595,051	25.30
South Dakota.....	1,018	131	146	702	232,553	30.19
Tennessee.....	7,428	1,594	1,598	4,823	2,244,372	26.73
Texas.....	13,808	1,869	2,009	8,456	2,862,259	27.02
Utah.....	1,764	216	200	1,007	321,734	30.52
Vermont.....	805	109	99	446	150,490	28.64
Virginia.....	4,085	586	548	2,560	816,963	27.36
Virgin Islands.....	39	3	2	16	3,229	28.81
Washington.....	14,136	1,549	1,425	6,451	2,602,428	34.06
West Virginia.....	6,673	1,411	1,288	3,923	1,808,707	26.41
Wisconsin.....	6,345	814	744	3,301	1,207,523	31.00
Wyoming.....	533	59	63	297	111,277	33.40

¹ Program became effective October 27, 1958; except for total amount paid, data shown exclude claims and payments made jointly with other unemployment insurance programs.

BUREAU OF INTERNATIONAL LABOR AFFAIRS

The Bureau of International Labor Affairs is the principal office of the Department of Labor for the study and promotion of the interests of labor in international relations and cooperation. The Bureau is organized into three main divisions: (1) International Labor Affairs, (2) International Labor Organizations, and (3) International Labor Statistics. The Bureau is also responsible for the collection and dissemination of information on labor conditions in foreign countries.

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International Labor Organizations

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BUREAU OF INTERNATIONAL LABOR AFFAIRS

In a general order issued on December 31, 1959, the Secretary created the new Bureau of International Labor Affairs (ILAB) to be responsible for all of the Department of Labor's international activities and responsibilities. The new Bureau supplanted the Office of International Labor Affairs, which since 1947 had been a unit in the Office of the Secretary responsible for coordinating the Department's work in the international field.

The creation of the new Bureau was recognition of the increased importance of the Department's international work. New problems thrust upon the United States by the Communist economic and political offensive and by the "revolution of rising expectations" being waged in the newly developing countries have increased the importance of the Department's work in contributing to U.S. foreign policy formulation and in administering programs to assist in achieving U.S. foreign policy objectives.

The new Bureau is headed by the Assistant Secretary for International Affairs, who is responsible for policy guidance, coordination, and direction of the Department's activities in international affairs. The work of the Bureau is divided among three offices as described below.

Office of International Organizations Affairs

This Office directs the activities of the Department of Labor with respect to U.S. participation in the International Labor Organization, United Nations, and other international organization activities and programs. The Office supervises programing for foreign labor visitors coming to this country under various exchange-of-persons programs sponsored by other agencies, and coordinates these and other technical assistance and exchange-of-persons activities carried on by the various bureaus in appropriate subject matter fields. The Office has primary responsibility for the Labor Department's work in the foreign economic policy field, particularly with respect to the reciprocal trade program. It conducts primary research with respect to international trade union organizations.

International Labor Organization

Real progress was made during the past year in strengthening U.S. participation in the International Labor Organization. Substantial success was realized in continuing efforts to shift the emphasis in the ILO away from its traditional standards-setting activities to the more vital job of providing useful technical assistance in the area of labor and social affairs to developing countries. The United

States has gained a new leadership role in the ILO, as evidenced by the election of an American, for the second time in history, as Chairman of the ILO Governing Body. George C. Lodge, Assistant Secretary of Labor for International Affairs, was elected to that position in June 1960. Because of the representation of governments, employers, and workers from 96 member countries in the ILO, it is a vital forum for the achievement of U.S. foreign policy objectives. U.S. influence and effectiveness in this body has been greatly enhanced during the past year.

Foreign Economic Policy

The Department contributes, through representation on delegations and participation in the interdepartmental formulation of U.S. Government positions, to U.S. representation in United Nations agencies dealing with economic matters, particularly the Economic and Social Council and its commissions, on labor issues; participates in the administration of the reciprocal trade program, through membership on the Interdepartmental Committee on Trade Agreements, the Committee for Reciprocity Information, and through representation on U.S. delegations to international conferences of the countries participating in the General Agreement on Tariffs and Trade. Also it provides staff work for the Department's representative on the Cabinet-level Trade Policy Committee and the Council on Foreign Economic Policy.

Initiated during the year was consideration of measures to deal with international trade problems arising out of labor standards abroad. The Department has assured adequate representation of labor on the U.S. GATT delegations. A milestone was reached when, for the first time, the GATT formally recognized the relevance of the labor standards issue in a decision adopted in May 1960 at the 16th GATT Session.

Technical Cooperation and Exchange-of-Persons Programs

The Office coordinates the participation of the Department's bureaus and offices in programs of technical cooperation and exchange of persons, and serves as focal point for maintaining relationships with other agencies, particularly the State Department and the International Cooperation Administration; it provides general supervision over these activities within the Department. The Office is responsible for administering directly the programing of foreign nationals in the field of labor-management relations and in the general labor and manpower field for participants who come to the United States under the sponsorship of the International Cooperation Administration and the Department of State. It maintains and develops contacts with key representatives of trade unions and industry for the purpose of meeting with visitors and offering them an opportunity to observe and study trade union and industry administration and labor-management relations in the United States.

During the year, the Department arranged programs in the United States for about 1,000 foreign visitors who came to this country under governmental ex-

change programs. It has helped improve U.S. activities in the technical assistance programs administered by the U.S. Government in underdeveloped areas of the world. Many Labor Department experts have been employed by both the ILO and the International Cooperation Administration for overseas technical assistance activities.

International Trade Union Organizations

The Office conducts research activities in the field of international trade union developments. It does this by collecting, analyzing, and disseminating data on international and foreign labor organizations; preparing functional studies in the international labor field, including monographs on international trade secretariats and other organizations in less-developed countries established to meet specific needs of the workers; compiling and processing biographic material on foreign trade union leaders for whom data is not elsewhere available in U.S. Government agencies; and maintaining liaison on these subjects with other U.S. Government agencies, American trade unionists, and representatives of the international trade union movement.

During fiscal year 1960, a revised edition of the "Directory of Labor Organizations, Europe" was published in two volumes. Two monographs on international trade secretariats (the Public Services International and the Miners' International Federation) and revised editions of the "Directory of Labor Organizations, Western Hemisphere" and the "Directory of International Trade Secretariats" were readied for publication.

Office of Country Program Affairs

This Office is responsible for developing and implementing country labor and manpower programs designed to assist in attaining U.S. foreign policy objectives abroad. It is responsible for participation by the Labor Department and the trade union movement in the U.S. exhibits at international trade fairs abroad. It provides a focal point for determining, implementing, and evaluating labor aspects of U.S. policy and operations in each particular foreign country. It is responsible for devising Labor Department policies and programs in regard to labor and manpower in the various countries in each geographical area and, to the maximum extent, assures their incorporation in U.S. foreign policy. It provides representation for the Department of Labor on interagency committees and working groups which formulate U.S. foreign policy objectives and programs.

For the first time during the past year: (a) the Department's area specialists have become important participants in interagency groups formulating foreign policy; (b) the Council of Foreign Economic Policy has given major attention to a specific and comprehensive Department of Labor plan for strengthening non-Communist unions abroad; (c) the Congress stressed the importance of strengthening and expanding labor participation in international trade fairs and overseas labor missions; (d) the Congress clearly stated the objectives of "strengthening

of free democratic trade unions to raise standards of living through improved management-labor relations" in legislation to develop the President's new \$600 million program in Latin America.

Office of International Personnel and Management

This Office is generally responsible for carrying out the Department of Labor's responsibilities for the overall management of the Foreign Service as provided in the Foreign Service Act of 1946; management of the Foreign Service labor attaché program; recruitment of qualified Americans for employment in overseas labor positions with the Foreign Service, ILO, U.N., and other international organizations and Federal agencies; the servicing of overseas labor officers; the internal management of the Bureau of International Labor Affairs; and, on a department-wide basis, for guidance and consultation in fiscal areas in connection with international programs.

Nine additional full-time labor positions were added during the year to the complements of U.S. embassies or consulates abroad. In cooperation with the Foreign Service Institute, new programs were developed to train career Foreign Service officers to do labor reporting in overseas posts where no labor attachés are provided. There are now 62 labor attachés and 120 part-time labor reporting officers in the U.S. Foreign Service.

BUREAU OF LABOR-MANAGEMENT REPORTS

The Department of Labor, the United States Office of Labor-Management Cooperation, and the United States Office of Labor-Management Cooperation are pleased to announce the publication of this report. The report is a valuable source of information for labor and management alike, and is a valuable source of information for labor and management alike.

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BUREAU OF LABOR-MANAGEMENT REPORTS

Report of the Bureau of Labor-Management Cooperation

Regarding and Concerning

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BUREAU OF LABOR-MANAGEMENT REPORTS

On September 14, 1959, the President signed into law the Labor-Management Reporting and Disclosure Act. This labor legislation sought to "eliminate or prevent improper practices on the part of labor organizations, employers, labor relations consultants, and their officers and representatives."

The law provides for protection of the rights of members of labor organizations; requires the periodic filing of reports concerning certain financial transactions and administrative practices of labor organizations, their officers and employees, and employers and labor consultants; requires the filing of reports concerning the administration of trusteeships by labor organizations; provides standards and procedures with respect to the election and removal of officers of labor organizations; establishes safeguards for labor organizations; and makes certain amendments to the National Labor Relations Act (Taft-Hartley).

The Secretary of Labor was given major responsibility for administration of the law. To assist him in this task he established a Bureau of Labor-Management Reports within the Department of Labor.

Reporting and Disclosure

The Labor-Management Reporting and Disclosure Act relies heavily upon the principles of reporting and disclosure to eliminate abuses in the labor-management field. It assumes that democracy in the labor movement is strengthened when union members have detailed essential information about their union and are the real owners of its funds and property and are entitled to a full accounting of all transactions involving money and property. Additionally, it intends to prevent improper conduct in the labor-management field—and make it unprofitable—by requiring employers, union officers, labor relations consultants, and others to report certain arrangements, transactions, and interests.

Reporting Forms

To carry out these objectives certain reports are required by the act:

Labor Organization Information Reports

Section 201(a) of the 1959 act requires each labor organization subject to its provisions to adopt a constitution and bylaws and to file these documents and a report describing the union's structure and procedures with the Secretary of Labor.

To carry out this purpose the Secretary prescribed the Labor Organization Information Report Form LM-1.

Regulations prescribing the form LM-1 were approved on November 9, 1959, and published in the Federal Register on November 13. Upon receipt of the reporting forms from the Public Printer in mid-November, bulk distribution was made to most of the national or international labor organizations. They undertook to distribute the forms to their constituent organizations. Other organizations furnished mailing lists or mailing labels. The extent to which the labor movement cooperated in facilitating compliance with the act is demonstrated by the fact that 40,000 labor organization information reports were received by December 14, the reporting deadline, only 30 days after the forms became available. The inflow of completed LM-1 reports continued, and by June 30, 1959, a total of 52,278 had been received.

Labor Organization Financial Reports

Drafting of the financial reports began when the statute was enacted. By the end of September, the Department's staff had prepared the first preliminary draft of the detailed financial report (as contrasted with the later-developed simplified report) which became identified as form LM-2.

In developing these forms, Departmental representatives conferred with trade union representatives and others directly affected by the law.

The LM-3 financial report (for smaller labor organizations) requires essentially the same information as does the LM-2 but in considerably less detail. Under the criteria established, the short form may be used by any labor organization if (1) its gross annual receipts during the reporting year are less than \$20,000; (2) it is free of trusteeship; and (3) because of its size it cannot furnish a detailed report without adding substantially to operating expenses or to the burdens of officers holding other regular jobs. It appears that about three-fourths of the labor organizations subject to the reporting provisions of the act are relieved by the use of this simplified report from the task of filing a detailed financial report, but it is estimated that these unions account for less than one-quarter of the total receipts in all reports filed. The law provides that the Secretary of Labor under some conditions may revoke a union's privilege of reporting on the short form.

On December 16, 1959, the Secretary of Labor published in the Federal Register a "Notice of Proposed Rule Making" which outlined the Department's tentatively proposed financial report forms. A 15-day period was allowed for submission of comments by interested parties. A number of such comments were received. After review of these comments, the regulations outlining the final version of the financial reports were published in the Federal Register on January 20, 1960. Late in January copies of the printed forms were distributed directly to all labor organizations which had filed an LM-1 report and to the headquarters of national and international unions.

Employer Reports

The act also requires reports from employers. However, unlike the reporting requirements for labor organizations, not every employer subject to the act is required to file a report with the Bureau. Section 203(a) of the act requires

reports only from those employers who make certain financial transactions or arrangements with unions, officers or representatives of unions, or labor relations consultants, independent contractors, or other persons and organizations. The act requires every employer who in any fiscal year engages in such transactions or arrangements to file a detailed report with the Bureau in a form prescribed by the Secretary of Labor. As authorized, the Secretary promulgated regulations prescribing this report form.

On February 5, 1960, the Secretary's proposed regulations prescribing a proposed report form was published in the Federal Register, and a number of interested groups and persons filed comments. Most of the comments received at that time had been advanced in earlier meetings with management representatives and consequently had been considered in drafting the proposed regulations and form. For the first time, however, questions were formally raised concerning the constitutionality of the employer reporting requirements and the effect that the proposed report form would have upon certain long established practices of management and labor. After careful study of all the comments, the various problems involved in the employer reporting requirements were resolved, and on May 14 the final regulations were published in the Federal Register prescribing the report form adopted by the Secretary.

Other Reports

The Bureau is giving serious consideration to the issuance of additional report forms to facilitate compliance with the other reporting requirements of the act. For example, section 203(b) of the act requires reports from labor relations consultants and other persons who enter into certain agreements or arrangements with employers; reports are required at the time such agreements are entered into as well as annually for any year during which payments were made pursuant to such agreements or arrangements. Such reports have, to date, been filed in letter form in accordance with regulations promulgated by the Secretary. Only 56 such reports had been filed by June 30, 1960. Bureau personnel have been developing drafts of proposed report forms to be used by consultants in filing future reports.

Reports are also required of officers and employees of labor organizations who have certain financial or business interests or transactions with employers. While such reports have also been filed in letter form, the Secretary is considering the feasibility of prescribing a report form for those officers and employees required to report. A total of 118 reports from union offices and employees had been filed by June 30.

Section 301(a) of the act requires trusteeship reports from labor organizations. The submission of trusteeship reports is discussed later in this report.

Disclosure of Reports

Almost as soon as the act was passed, reports began to come into the Bureau. Trusteeship reports were due 30 days after passage of the act, and several hundred were received in letter form. Labor relations consultant reports were

required 30 days after entering into an agreement or arrangement. Reports by employers, union officers, and employees, and financial reports by unions, were also received. The labor organization information report (form LM-1) was due on or before December 14, 1959. Early in December the Bureau's mail brought thousands of such reports daily.

The act provides that the contents of the reports filed with the Secretary under titles II and III of the act shall be made available for inspection and examination and that copies be furnished upon request.

In February 1960, after the staff had completed the initial task of docketing almost 50,000 union information reports received in the preceding 45 days, a Public Document Room was formally established in the main building of the Department of Labor to provide facilities for meeting requests for examination and inspection of reports.

Through June 30, at least 2,265 reports were examined by approximately 240 visitors to the Public Document Room.

It is evident that the disclosure objectives of the act will be achieved in the greatest measure by the utilization of the mail-order services of the Public Document Room. Any person may request and receive photo copies of reports on file upon payment of nominal charges for the reproduction service. Thus, the reports are available to rank-and-file union members, employers, and others in every part of the country. The Bureau is presently preparing for publication a roster of all reporting unions.

Through June 1960, more than 950 reports have been disclosed on a mail-order basis. Union officials and members are the largest users of this service with employers a close second.

Research and Statistics

The act not only provides that reports shall be made public but also that the Secretary of Labor may use the information and data for statistical and research purposes and compile and publish such studies, analyses, reports, and surveys based thereon as he may deem appropriate. The reporting requirements of the act provide more comprehensive data on union organizations than has heretofore been available at any source, and the depository provides an excellent opportunity for research into various details of union and union-management practices and problems.

The Bureau is now preparing a program of research which will place emphasis on making data available to outside research organizations to perform major parts of the research for which appropriated funds could not be expected in any reasonable time span.

The Bureau itself has not undertaken any penetrating analysis of the data available from the reports. Tables 2 to 7, presented herein, contain preliminary statistics derived from the union information reports received up to June 30, 1960. In summary form they show the distribution of labor unions by geographical location and contain certain other data which could be assembled by machine tabulation without engaging in any extensive research and analysis.

Trusteeships

In the Labor-Management Reporting and Disclosure Act, the Congress for the first time established statutory controls over trusteeships. These controls were among the first of the provisions of the law to become effective. There are limits on the purposes for which trusteeships may be created. They are subject to special reporting requirements, and there are restrictions on permissible activities during the administration of a trusteeship. Additionally, the statute requires the Secretary of Labor to submit a report to the Congress at the end of 3 years.

Section 302 of the act provides that trusteeships shall be established and administered by a labor organization over a subordinate body only in accordance with the constitution and bylaws of the organization which has assumed the trusteeship and only for these purposes:

1. To correct corruption or financial malpractice;
2. To assure the performance of collective bargaining agreements or other duties of a bargaining representative;
3. To restore democratic procedure; or
4. Otherwise to carry out the legitimate objects of the union.

Section 303 of the act makes it unlawful (1) to count the votes of delegates of a trustee organization in any convention or election of officers unless the delegates have been chosen by a secret ballot in which all members in good standing were eligible to vote, or (2) to transfer from the subordinate organization to the parent organization any funds, except normal per capita taxes and assessments. However, upon the bona fide dissolution of the trustee organization, the assets may be distributed in accordance with its constitution and bylaws.

The reporting requirements are closely tied to the sections of the law dealing with reasons for imposing trusteeships and the elimination of abuses. They also reflect a legislative intent to have trusteeships terminated as soon as their purposes have been accomplished. Within 30 days after imposition of the trusteeship, a report must be filed by the parent organization giving the name and address of the subordinate organization, the date of establishing the trusteeship, a detailed statement of the reasons for its establishment, and a statement of the nature and extent of participation by the members of the subordinate organization in the selection of delegates to represent such organization in regular or special conventions or other policy-determining bodies, and in the election of officers of the labor organization which has assumed trusteeship over such subordinate organization. With the initial report a full and complete account of the financial condition of the subordinate organization as of the time the trusteeship was assumed over it is also required. Every 6 months thereafter, so long as the trusteeship continues, a report must be filed giving a detailed statement of the reasons for continuing the trusteeship and describing for the 6-month period the extent of participation of the members in the selection of delegates to conventions and other policy-determining bodies and in the election of officers. During

the continuance of a trusteeship, the parent organization must file on behalf of the subordinate organization the annual financial report required of all labor organizations.

The first regulations issued by the Department of Labor under the act related to the filing of trusteeship reports. They were adopted on September 24, 1959, and became effective upon publication in the Federal Register on September 29. No forms for filing the initial and semiannual reports were prescribed. Unions which had established trusteeships over any subordinate bodies on or before September 14, the effective date of the act, were required to file an initial report with the BLMR not later than October 14, 1959, and periodic reports at 6-month intervals during the life of the trusteeship, in addition to the annual financial report to be filed within 90 days after the end of each fiscal year.

Initial trusteeship reports totaled 592 through June 30, 1960. Of these, only 72 were reported as established since the effective date of the act. During the same period, 285 were reported as terminated.

A preliminary study of the first 500 trusteeship reports received showed that over 30 percent of the trusteeships were imposed to close out the affairs of locals which were going out of existence because of lack of members, the employer's plant was closing, or because the local could not handle its affairs without assistance for other reasons. Another 23 percent were reportedly imposed because of dual unionism, internal dissension, or threats of secession. Slightly under 10 percent were imposed because of financial malpractices. Other reasons given in the reports were widely assorted, including violation of the union's constitutional procedures, failure to observe democratic practices, and the request of officers or members.

Many of the complaints received by the Bureau concerned trusteeships established by international unions. Several of those trusteeships were terminated during the course of the investigation of the complaints. Some related to matters which occurred prior to the effective date of the act and investigation disclosed no basis for initiating legal action to terminate the trusteeship. Others are still under investigation.

Elections of Union Officers

In political theory it is axiomatic that free elections are a cornerstone of democracy. Since one of the major goals of the Labor-Management Reporting and Disclosure Act of 1959 is to insure democratic unions, the provisions which concern free and democratic elections are crucial to fulfilling one of the main purposes of the act.

Title IV concerns directly all labor organizations covered by the act. Probably in the neighborhood of half a million union officers will be periodically elected under conditions which it mandates. Many union constitutions have been and will be modified or amplified to conform with it. Several provisions of the "Bill of Rights" in title I of the act also pertain to elections, but the Bureau's major official concern is with title IV.

Interpretations of Title IV Provisions

Although title IV is explicit in most respects, the Secretary found it necessary to issue on December 12, 1959, an Interpretative Bulletin concerning the election provisions. This was published in the Code of Federal Regulations, Title 29, Chapter IV, Subchapter B, Part 452. It indicated the construction of the law which will guide the Secretary in performing his duties. In its handling of correspondence and complaints, the Bureau also has had to deal with various matters which are not explicit in the law. The more important advisories thus developed are summarized below.

Reasonable Notice for Nominations

The Bulletin detailed requirements for reasonable notice of nominations. A labor organization must give reasonable notice of the offices to be filled by election, the time for submitting nominations, the place for submitting nominations, and the proper form for submitting nominations.

Notice must be reasonably planned so that all members in good standing have enough time to nominate candidates of their choice for office. A union has a choice of alternative methods of notification. A notice may be mailed to each member in good standing within a reasonable time before nominations are held, or it may be published in the union newspaper, if it is reasonably calculated to reach all members in good standing and actually provides reasonable opportunity for nominations to be made. Unions may use other means of giving notice in accordance with the constitution and bylaws of the union if they are reasonably timed to reach all members and actually provide reasonable opportunity for nominations to be made.

The act does not prohibit the use of a single notice of both nominations and elections. Such joint notice must be given in sufficient time to permit reasonable opportunity for members to nominate candidates and must also meet the 15-day requirement for the election notice.

Nominations and elections may not be held at the same local union meeting. While the Bureau does not require an election notice to name the candidates, it considers that balloting for local union officials at the same meeting at which they are nominated would not provide sufficient opportunity to campaign and otherwise to insure a fair election in accordance with statutory requirements.

Eligibility Rules for Candidates

A labor organization may have in its constitution and bylaws reasonable rules which defer the eligibility of a certain class or certain classes of members to run for or be elected to union office. Such rules may apply, for instance, to apprentices for a certain reasonable period of time or to members who have transferred into the local union for a reasonable period after their transfer.

One test of "reasonableness" is that the qualifications do not result in all but a handful of the union's members being disqualified for office. Prescribing minimum time periods of previous membership *may* in many cases be reasonable.

Prescribing geographic, craft, shift, or similar requirements where the position is representative of a unit defined on one of these bases is normally reasonable. But, these rules would undoubtedly be found to be unreasonable if their effect was to disqualify most members, or if they were imposed only in special cases with the object of disqualifying specific persons.

Meaning of "Member in Good Standing"

"Member in good standing" includes any person who has fulfilled the requirements for membership in such organization, and who neither has voluntarily withdrawn from membership nor has been expelled or suspended from membership after appropriate proceeding consistent with lawful provisions of the constitution and bylaws of such organization.

Eligibility to Vote

A labor organization may prescribe reasonable rules and regulations with respect to voting eligibility. For example, a period of prior membership may be required; or apprentices may not be allowed to vote until they complete their apprenticeships.

Although reasonable rules may defer the right to vote, a union may not create special classes of nonvoting members. Thus, while temporary deferment of the right to vote may in some cases be reasonable, the creation of permanent or quasi-permanent classes of nonvoting members would normally violate the law.

Mailing Election Notices

While the act specifically requires that an election notice be mailed, it does not prescribe the physical form of the notice. It must, however, include a specification of the time and place of the election and of the offices to be filled, and it must be in such physical form as to be reasonably calculated to inform the members of the impending election. Whether publication of the notice in a union newspaper would meet the requirements of the act would depend first on whether the particular issue of the newspaper was in fact mailed to the last known address of each union member. It would furthermore depend on whether the notice was published in such form that the union could be assured that it would come to the attention of the members. For example, a notice of an election published in the newspaper in a section generally devoted to classified advertisements which was indistinguishable at a glance from other items in that section would hardly be reasonably calculated to inform the members.

Union Options

The labor organization may prescribe additional notice requirements so long as they are not contrary to the requirements of the act. For instance, every member may be sent a ballot on which to vote (general referendum). The election may be held at a meeting called for that specific reason. If the election is among the members in good standing who attend a meeting that is held for the purpose of election, it may be the majority of those persons present who may elect the officers. Alternatively, if no candidate received a majority, a runoff

may be held. Other methods may be provided so long as these procedures are in accordance with the organization's constitution and bylaws, and so long as members are permitted to support candidates of their choice. Unions also may hold elections more often than the law specifies.

Uncontested Elections

A question arose as to whether a secret ballot was required where an election was uncontested. Section 401(b) of the act reads: "Every local labor organization shall elect its officers * * * by secret ballot. * * *" It was argued that since the result of an uncontested election was a foregone conclusion a secret ballot would be useless, in cases where write-in votes are prohibited. The statute is so explicit in its requirement for a secret ballot, however, that there was no basis in the language of the law or its legislative history for an exception. Accordingly, a ruling to that effect was included in the Interpretative Bulletin. Paragraph 452.6(b) stated that an election required to be held by a local organization under title IV must be by secret ballot even though it is uncontested. Similarly, if a required election of officers of a national, international union, or intermediate body is conducted by secret ballot among the members in good standing, a secret ballot is necessary even though the election be uncontested.

Effective Dates

Many unions had transitional problems on which they sought the Bureau's advice. Several unions asked how soon elections would have to be held where officers were already serving terms longer than those prescribed by the new law. There is nothing in the law or its legislative history to indicate that the Congress intended elections to be held immediately in such cases. The Bureau advised those who inquired that incumbents could complete their terms as long as the unexpired portion of the term after September 14, 1959, did not exceed the maximum periods governing the frequency of elections. In one local union, for example, the officers were elected to terms of 5 years in an election held in June 1957, and the Bureau was asked if the provisions of the law allow these officers to serve their full terms, since the act requires elections every 3 years for local union officers. The constitution and bylaws of this local may be amended by vote of the membership. The Bureau advised that the officers may serve their full term in this case. The act provides that elections be held within 3 years after the date of the last election, or 3 years after the date the election provisions of the act become effective for this union. Three years from the last election would be June 1, 1960. Three years from the effective date of the act with respect to the election provisions would be December 14, 1962, since the members can change the constitution and bylaws. Thus, the later date governs. Since the term of officers in question would end in June 1962, they could serve their full term. Officers elected in this local union in 1962, however, must be limited to 3-year terms.

Where a local union officer had served less than 2 years of a 5-year term upon the effective date of the act, however, he would need to stand for an election before December 14, 1962. If, for example, a local officer was elected to a

5-year term on July 1, 1959, he could not lawfully serve the full 5 years which would not expire until July 1, 1964. In this case an election would have to be held within 3 years from December 14, 1959.

Delegates to Conventions

It appears that most national unions and intermediate bodies elect their officers by vote of conventions or other delegate bodies, rather than by vote of the members. Several important questions arose regarding elections of delegates. The Bureau has advised that, although delegates who elect officers must themselves be elected by secret ballot, the law does not necessarily require a special election of delegates. If the officers of a local union are empowered by the constitution and bylaws to serve as convention delegates at the time they are elected to office, the provisions of the statute will be satisfied.

Safeguards for Ballots

The statutory requirement for adequate safeguards to insure a fair election means, among other things, that care must be exercised in handling the ballots. In the investigation of a complaint concerning an election held by mail in February 1960 for officers of the Independent Petroleum Workers Union of Bayway, N.J., the Bureau found that ballots were: Printed in substantial excess of those required for the election; removed from the printer's packages before the time necessary for mailing; returned to the union's post office lock-box which was freely accessible to anyone possessing the correct combination to the lock and anyone purporting to be authorized to open the box; and taken from the box by representatives of the winning candidates before the arrival of the observers for the losing candidates and prior to the agreed time for collection of the ballots. On the basis of the investigation by the Bureau, the Secretary of Labor instituted a civil action in the U.S. district court at Newark to have the election set aside.

Safeguards for Union Funds

While the reporting and disclosure process helps to protect union funds, title V of the statute contains several more direct safeguards for this purpose.

Fiduciary Responsibilities

Section 501 of the act provides, in part, that officers and key personnel of a labor organization must hold its money and property solely for the benefit of the organization and its members; manage, invest, and disburse funds and property only as authorized by the union's constitution and bylaws; refrain from holding financial or personal interests which conflict with those of their organization; and account to their organization for any profits received from transacting union business. A union member may sue in court to enforce the proper handling of union assets.

Section 501 also specifically makes it a Federal offense for union officers or employees to embezzle or steal union assets. By arrangement with the Depart-

ment of Justice, the BLMR refers all such cases under the act to the Federal Bureau of Investigation.

Loans and Payment of Fines

Another section of the act prohibits a labor organization from making loans, directly or indirectly, to any of its officers or employees resulting in total indebtedness on the part of such officer or employee of more than \$2,000. It also prohibits a union or employer from paying the fine of any union officer or employee convicted of willful violation of the act.

Bonding

The bonding requirements of the act presented some of the most substantial problems of interpretation for the Bureau in the early months. Section 502 of the statute provides that all union officers, agents, shop stewards, and other representatives and employees who handle union funds must be bonded for the faithful discharge of duties unless the union property and annual income are less than \$5,000. Persons serving in similar capacities in trusts in which a union is interested are subject to the same requirement. The amount of the bond must be at least 10 percent of the funds handled by the person and his predecessor in the preceding fiscal year, with a maximum bond of \$500,000. The bonds, which shall be individual or schedule in form, must be written by a corporate surety company which holds a grant of authority from the Secretary of the Treasury as an acceptable surety on Federal bonds. Placement of a bond through an agent or broker in which a labor organization or its representatives have an interest is forbidden.

The importance, difficulty, and urgency of the problems under this section were caused by the following factors:

- Bonding had one of the strongest immediate impacts on labor organizations. There was widespread apprehension that the new law would result in significantly increased, and in some cases prohibitive, costs for bonding as well as extensive changes in bonding practices. Furthermore, since the bonding provisions became operative at the beginning of a labor organization's fiscal year, the majority of labor organizations were, by December 1959, directly faced with the responsibility of taking positive steps to comply, at risk of criminal prosecution for willful violation, with bonding requirements which were not understood.
- The general language of the statute did not provide sufficiently specific guides for labor organizations to determine how the section applied to their individual situations. Particular difficulty was encountered with the meaning of the phrase "handles funds or other property" as applied to the various duties of governing bodies of labor organizations and trusts. Extensive inquiry was also made as to the method for determining the amount of the bond and as to what form of bond was permissible.
- The surety companies hesitated to issue bonds until the bonding provisions could be clarified, particularly with reference to the scope of protection intended

to be afforded by the requirement that the bond cover an individual "for the faithful discharge of his duties." They were also concerned with the question of what form of bond was permissible within the meaning of the words "such bonds shall be individual or schedule in form."

- The nature and number of interpretative problems involved made it impossible to offer immediate individual solutions to questions on section 502. Although many facets of the section were susceptible to differing interpretations, neither the act nor its legislative history supplied specific guidance or direction. For terms like "faithful discharge," where legal meaning was sought there was a paucity of case precedents on the subject. Still other questions such as the permissible form of the bond, the extent to which the section applied to personnel of trusts, the application of the conflict-of-interest provisions, and the method and manner of dealing with violations required careful consideration in light of legislative intent and purpose.

Labor Department officials conferred with representatives of labor, surety companies, and trust managers regarding bonding costs and practices. Intensive legal research into questions of legal meaning and legislative history was undertaken. On the basis of these studies, the Secretary on December 12, 1959, issued an Interpretative Bulletin (Title 29 CFR, Chapter IV, Part 453) setting forth the position he intended to take and constructions of law he would use to guide him in applying the act.

The general policy position of the Interpretative Bulletin is keynoted in paragraph 453.8 thereof.

Thus, while it is clear that section 503(a) should be considered as representing the minimum requirements which Congress deemed necessary in order to insure the reasonable protection of the funds and other property of labor organizations and trusts within the coverage of the section, it is equally clear from the legislative history and the language used that Congress was aware of cost considerations and did not intend to require unreasonable, unnecessary, or duplicative bonding.

The basic objective of section 502(a) is to provide reasonable protection of funds or other property rather than to insure against every conceivable possibility of loss.

Bureau Organization and Finances

The Bureau of Labor-Management Reports was established by the Secretary of Labor on September 24, 1959, to perform the functions vested in him by the Labor-Management Reporting and Disclosure Act of 1959. The Bureau is headed by a Commissioner, appointed within the civil service by the Secretary of Labor.

Organization of the Bureau follows conventional lines and essentially is on a functional basis. Investigative, informational, and technical assistance activities are largely decentralized and are performed from area offices in 22 principal cities in the continental United States. In Alaska and Hawaii, the Bureau utilizes the

offices of the Wage and Hour and Public Contracts Divisions pending establishment of Bureau offices.

An appropriation of \$3,025,000 was available to the Bureau for fiscal year 1960. The Bureau was allocated and has obligated about 90 percent of the appropriated funds. A similar portion of the 1961 appropriation estimate of \$5,500,000 will be allocated to the Bureau. Plans for 1961 call for early completion of staffing of the Bureau within the limit of funds available and vigorous pursuit of all programs of the Bureau, with particular emphasis on those aspects calculated to produce widespread understanding and acceptance of the law and a maximum of voluntary compliance.

Technical Assistance

In the evolution of the Bureau, the need developed for a concentrated program to assist organizations and persons who had acquired reporting or other obligations under the law. The Technical Assistance Division was established to intensify efforts to obtain compliance by education.

This Division inaugurated its program in December 1959, with the development of "how to do it" pamphlets on financial reporting by trade unions.

To further the objective of voluntary compliance with the act, the Bureau has emphasized its readiness to assist those covered by the act. A special effort has been made by the Division of Technical Assistance to see that unions with education departments and universities with worker education and industrial relations programs are aware of the availability of Bureau materials which might be useful in their various training programs.

The Technical Assistance Division has directed its attention to the needs of local unions, by far the largest group affected by the reporting and other provisions of the law. It has encouraged those union officials needing help to visit the BLMR area offices or to write to the national office.

The staff of the Division of Technical Assistance is available to participate in union or university programs which train union members in reportmaking and other provisions of the law affecting internal union functioning. Upon invitations from a variety of unions and educational institutions, there has been participation by Bureau representatives in their activities.

Compliance and Enforcement

The Labor-Management Reporting and Disclosure Act vests in the Secretary of Labor broad powers to make investigations which he considers necessary to determine whether any person has violated or is about to violate any provision of the act. Excluded from this statutory jurisdiction are the provisions of section 505 and all of title VII which amend the Labor Management Relations Act, 1947. All of title I except section 104 is also excluded from his statutory jurisdiction. The Bureau conducts investigative activity for the Secretary. In the first few months after passage of the act, the Bureau received by mail, telephone, and personal visit hundreds of complaints. All of these required preliminary

investigation to determine whether the complaints alleged violations falling within the scope of the Secretary's enforcement responsibility.

The compliance and enforcement portion of the field program was formally activated January 4, 1960, with the opening of area offices in 22 principal metropolitan cities in the United States. Initially, these offices were staffed with one compliance officer whose purpose was to receive and service complaints of alleged violations of the act and to answer inquiries about the act directed to that office. By the end of February, an average of four compliance officers were assigned to each of these offices, and staff responsibilities had been established. At that time, complaints of alleged violations were being received by the BLMR at the rate of 200 a month, a volume far in excess of that anticipated following enactment of the law.

Compliance officers in the field perform two major functions: One is furnishing assistance to labor unions, employers, and others unfamiliar with the requirements of the law and advising them in the preparation of required reports. The other is to investigate alleged violations.

An Office of Compliance and Enforcement was established in the Bureau in Washington immediately after the effective date of the legislation. To review, coordinate, and control field investigative activities within the scope of uniform legal, procedural, and interpretative principles, this office is charged with these principal functions: (1) the development of uniform internal operating procedures and professional operating standards, (2) the supervision of area office investigations, and (3) the conduct of investigations which are multi-area in scope.

Under authority of section 607 of the act, the Secretary of Labor on February 16, 1960, delegated to the U.S. Attorney General the responsibility for the investigation of certain criminal violations of the act. The violations affected by this agreement were:

1. Section 501(c) (embezzlement of union funds) of title V.
2. That part of section 503(b) of title V which refers to a payment of a labor official's or employee's fine by an employer.
3. Section 504 (prohibition against certain persons from holding office) of title V.
4. Section 505 (containing an amendment to section 302, Labor Management Relations Act of 1947, as amended) of title V.
5. Section 602 (extortionate picketing) of title VI.
6. Section 610 (deprivation of rights by force and violence) of title VI.

This delegation was made to avoid duplication of effort and in recognition of the fact that the Department of Justice, in its Federal Bureau of Investigation, had a trained corps of investigators which could handle complaints under these sections of the act more expeditiously than BLMR during its organizational stages.

Accordingly, complaints of violations falling within the delegated areas are immediately transmitted to the Department of Justice for investigation. There is continuous consultation between the two Departments to assure coordination of the programs.

The BLMR investigates all civil violations of the act and all criminal allegations arising from the reporting provisions of the act, union trusteeships, bonding of all persons handling funds or property of labor organizations or of trusts in which labor organizations are interested, making of loans by labor organizations to officers and employees of the labor organizations, and the payment of court-imposed fines by a labor union for a union official or employee. It also conducts investigations for presentation by the Office of the Solicitor of Labor of the issues involving the grant of an exemption by the Federal Parole Board for individuals convicted of certain crimes who seek relief from the provision of section 504 of the act barring them from holding office in labor organizations or from serving as labor relations consultants or in similar capacities.

In the absence of substantial evidence that a violation of the law has been willfully committed, the Bureau strives to obtain compliance without instituting legal proceedings. Where technical violations have been found, evidence of willfulness has been lacking in most cases and the offending parties have corrected their practices or supplied the deficiencies in their reports when derelictions were called to their attention. As an example, violations of section 104 of the act were alleged; this section requires the furnishing of copies of collective bargaining agreements to all affected by that agreement. When this was brought to the attention of union officials, complete compliance with the law was obtained.

Title II of the act, which requires reports from labor unions and also requires union officers and employees, employers, labor relations consultants, and others to report certain specified transactions for public disclosure, involved substantial investigative activity of BLMR. Many small unions which did not file reports were contacted, and they immediately complied. Failure to file such reports had apparently resulted from lack of knowledge of the act, unfamiliarity with the reporting requirements, or inability to furnish the requested information because of lack of legal or accounting advice. Full cooperation of these local unions has been obtained, and most of the necessary reports filed. Notices have been mailed to over 900 individuals and organizations believed to be engaged as labor relations consultants, calling to their attention the requirements of the law. A similar program was instituted with respect to employers known to have utilized the services of labor relations consultants before the law was enacted.

Title III investigations involving trusteeships resulted in several cases in the release of these trusteeships to the autonomy of local leadership after it became known that complaints had been filed with BLMR. Also, the Bureau completed several investigations of trusteeships which had been imposed after the enactment of the law, but in every such case it was determined that the parent organization had imposed the trusteeship in accordance with the requirements of the act. In no instance prior to June 30, 1960, was it necessary for the Secretary of Labor to invoke the act to declare the imposition of a trusteeship unlawful; however, a number of cases involving trusteeships were still under investigation at the close of the fiscal year.

Title IV violations involving elections were alleged in many complaints to BLMR. The majority of the complaints were prematurely filed, in that the

internal administrative proceedings of the union had not been followed by the complainants as required by the act. It is the policy of the act to avoid premature involvement in election matters. Bureau action will be initiated only upon a written complaint from a union member after an election has been completed and after his remedies within the union have been exhausted. Experience gained thus far indicates that most of the complaints filed with BLMR area offices prior to an election are not refiled after the election. The Bureau has received numerous requests to furnish observers at the polls during elections; however, the act gives to the Bureau no such authority, and therefore such requests have been denied.

Title V violations are primarily within the scope of the agreement with the Department of Justice, except when concerning bonding, loans by unions to officers and employees, payment of fines by union officers, and applications for exemption under section 504.

There were three applications for exemption under section 504 filed with the Board of Parole, U.S. Department of Justice. The BLMR investigates the information set forth in the application, and makes such other background investigation as may be necessary, the results of which are presented by the Solicitor's Office at an administrative hearing before the Board of Parole. The Board of Parole has acted on three applications. In two instances the petitioner was granted an exemption certificate; in the third case the petition for the certificate was denied. In the latter decision the Parole Board reversed the hearing examiner who had recommended the granting of a certificate. In doing so, the Parole Board emphasized the difference between "rehabilitation" from a penological point of view which is sufficient to grant parole to an imprisoned person and the standards required by the LMRDA for the grant of a certificate of exemption under section 504. It said that parole may be granted if there is a reasonable probability that a prisoner will live and remain at liberty without violating the laws and if, in the opinion of the Parole Board, such release is not incompatible with the welfare of society. But it stated that a certificate of exemption under section 504 is to be granted only if the applicant adheres to the "highest standards of responsibility and ethical conduct."

Title VI violations center principally under section 609 involving prohibition of disciplinary action by labor organizations.

Complaints received under this section generally involve a restraint of rights guaranteed to union members under title I of the act. The Secretary has no enforcement authority under section 609. Therefore, after a preliminary investigation of complaints under this section, the complainant is usually advised of the provisions of the law and the rights guaranteed to him, including the right to bring a private action in a Federal district court.

Statistics relating to investigations are presented in tables 8 through 10. These show investigations opened, by the types of alleged violations, subjects investigated, and the source of the allegations. All the statistics include investigations delegated to the Department of Justice pursuant to an agreement between the Secretary of Labor and the Attorney General.

The 52,278 labor organization reports represent substantial compliance with section 201(a) of the act. Every national or international union known by the Department of Labor to be subject to the law has filed an LM-1 form, but it is likely that there are still several hundred locals or other small labor organizations which have not submitted such reports. To facilitate the compliance program, the Bureau is compiling a roster of all labor organizations which have filed reports. It will list all the unions by location. It will be published and distributed widely to aid the Bureau's staff and others in locating labor organizations which have not filed reports and in checking on their reasons for not doing so.

Early in 1960, compliance officers throughout the country compiled a list of labor relations consultants whose names appear in classified telephone directories and other sources. Approximately a thousand letters were sent to such persons, calling their attention to the filing requirements of section 203(b) of the act. While it is likely that the overwhelming majority of such consultants do not engage in the type of activities which must be reported under the law, the Bureau believes that there are probably some who have a reporting obligation but have failed to file.

Cross-checks are constantly being made of employer reports, consultant reports, and union officer and employee reports. Wherever a consultant's report identifies an employer with whom he has entered into an arrangement to perform certain services, the employer is put on notice of the reporting requirements. Wherever an employer's report identifies a consultant with whom he has entered into an arrangement to perform certain services, the consultant is also put on notice.

The task of locating employers and consultants who should file but have failed to do so will be much more difficult than the task of locating noncomplying unions. To obtain full compliance with section 203 of the act, the Bureau must have the assistance of organized labor, employees, and others who may be in a position to identify employers and their middlemen or agents who engage in activities on which reports are required by the law.

A more detailed account of the Bureau of Labor-Management Reports may be found in the publication "Report on Fiscal Year 1960," issued by the Bureau in September 1960.

TABLE 1.—*Reports filed for disclosure: Number of reports, by kind, received through June 30, 1960, in fulfillment of the requirements of the Labor-Management Reporting and Disclosure Act of 1959*

Kind of report	Number of reports
Labor organization information reports:	
Labor organization information reports, form LM-1	52,278
Amendments to labor organization information reports, form LM-1A	6,214
Labor organization financial reports, total	39,080
Detailed financial reports, form LM-2	10,957
Short financial reports, form LM-3	26,891
Interim financial reports, forms R-1(F) or RA-1	1,232
Trusteeship reports:	
Initial reports	592
Semiannual reports	178
Terminal reports	285
Labor relations consultant reports	56
Employer reports	70
Union officer and employee reports	118

¹ Labor organizations having fiscal years ending in September 14, 1959–December 15, 1959, were permitted to submit information on these forms which have previously been prescribed by the Secretary of Labor pursuant to sections 9 (f) and (g) of the National Labor Relations Act.

TABLE 2.—*Reporting labor organizations, by type and location, June 30, 1960*

Division of State	Total number of labor organizations	Type of labor organization		
		Local unions	National unions	Other types
Total, United States and outlying areas	52,278	48,647	269	3,362
United States ¹	52,078	48,452	268	3,358
New England	3,727	3,487	13	227
Maine	321	298	0	23
New Hampshire	242	232	0	10
Vermont	197	180	1	16
Massachusetts	1,833	1,697	9	127
Rhode Island	339	325	3	11
Connecticut	795	755	0	40
Middle Atlantic	10,603	10,004	86	513
New York	3,768	3,513	50	205
New Jersey	1,904	1,783	14	107
Pennsylvania	4,931	4,708	22	201
East North Central	13,562	12,728	74	760
Ohio	3,921	3,693	18	210
Indiana	2,014	1,894	8	112
Illinois	3,829	3,550	29	250
Michigan	2,182	2,068	11	103
Wisconsin	1,616	1,523	8	85
West North Central	4,992	4,554	15	423
Minnesota	1,104	994	2	108
Iowa	935	856	4	75
Missouri	1,560	1,428	8	124
North Dakota	178	162	0	16
South Dakota	137	126	0	11
Nebraska	375	344	0	31
Kansas	703	644	1	58
South Atlantic	5,472	5,054	46	372
Delaware	97	92	1	4
Maryland	567	529	1	37
District of Columbia	266	206	39	21
Virginia	848	790	3	55
West Virginia	1,212	1,175	1	36
North Carolina	559	514	0	45
South Carolina	278	253	0	25
Georgia	763	694	1	68
Florida	882	801	0	81

TABLE 2.—Reporting labor organizations, by type and location, June 30, 1960—
Continued

Division of State	Total number of labor organizations	Type of labor organization		
		Local unions	National unions	Other types
United States—Continued				
East South Central.....	3,136	2,950	4	182
Kentucky.....	991	943	1	47
Tennessee.....	960	897	2	61
Alabama.....	820	776	1	43
Mississippi.....	365	334	0	31
West South Central.....	3,403	3,141	7	255
Arkansas.....	420	387	1	32
Louisiana.....	686	625	2	59
Oklahoma.....	485	458	0	27
Texas.....	1,812	1,671	4	137
Mountain.....	2,379	2,166	3	210
Montana.....	506	460	0	46
Idaho.....	209	190	0	19
Wyoming.....	207	189	0	18
Colorado.....	515	470	3	42
New Mexico.....	217	195	0	22
Arizona.....	280	256	0	24
Utah.....	309	280	0	29
Nevada.....	136	126	0	10
Pacific.....	4,635	4,213	17	405
Washington.....	1,131	1,031	1	99
Oregon.....	713	643	1	69
California.....	2,791	2,539	15	237
Alaska and Hawaii.....	169	155	3	11
Alaska.....	115	105	1	9
Hawaii.....	54	50	2	2
Outlying areas.....	200	195	1	4
Canal Zone.....	11	10	0	1
Puerto Rico.....	187	183	1	3
Other.....	2	2	0	0

¹ Includes only data for the 50 States and the District of Columbia.

TABLE 3.—Reporting labor organizations other than local unions and national unions, by type and location, June 30, 1960

Division and State	Total number of labor organizations other than local and national union	Type of labor organization			
		Intermediate bodies		Local organizations other than local unions	Other types
		Organizations composed of local unions of the same national union	Organizations composed of local unions of different national unions		
Total, United States and outlying areas.....	3,362	2,095	555	701	11
United States ¹	3,358	2,092	554	701	11
New England.....	227	183	30	13	1
Maine.....	23	19	2	2	0
New Hampshire.....	10	8	2	0	0
Vermont.....	16	12	1	3	0
Massachusetts.....	127	105	14	7	1
Rhode Island.....	11	8	2	1	0
Connecticut.....	40	31	9	0	0

TABLE 3.—Reporting labor organizations other than local unions and national unions, by type and location, June 30, 1960—Continued

Division and State	Total number of labor organizations other than local and national union	Type of labor organization			
		Intermediate bodies		Local organizations other than local unions	Other types
		Organizations composed of local unions of the same national union	Organizations composed of local unions of different national unions		
United States—Continued					
Middle Atlantic.....	513	356	71	84	2
New York.....	205	153	24	28	0
New Jersey.....	107	72	21	13	1
Pennsylvania.....	201	131	26	43	1
East North Central.....	760	469	135	154	2
Ohio.....	210	125	33	52	0
Indiana.....	112	61	25	26	0
Illinois.....	250	168	37	43	2
Michigan.....	103	62	23	18	0
Wisconsin.....	85	53	17	15	0
West North Central.....	423	260	55	106	2
Minnesota.....	108	70	14	23	1
Iowa.....	75	39	13	23	0
Missouri.....	124	88	12	24	0
North Dakota.....	16	7	4	5	0
South Dakota.....	11	7	1	3	0
Nebraska.....	31	17	1	12	1
Kansas.....	58	32	10	16	0
South Atlantic.....	372	217	62	90	3
Delaware.....	4	3	1	0	0
Maryland.....	37	24	5	7	1
District of Columbia.....	21	15	2	2	2
Virginia.....	55	33	6	16	0
West Virginia.....	36	22	8	6	0
North Carolina.....	45	30	6	9	0
South Carolina.....	25	12	7	6	0
Georgia.....	68	32	10	26	0
Florida.....	81	46	17	18	0
East South Central.....	182	95	31	56	0
Kentucky.....	47	28	7	12	0
Tennessee.....	61	37	10	14	0
Alabama.....	43	18	8	17	0
Mississippi.....	31	12	6	13	0
West South Central.....	255	141	46	68	0
Arkansas.....	32	21	2	9	0
Louisiana.....	59	30	18	11	0
Oklahoma.....	27	14	3	10	0
Texas.....	137	76	23	38	0
Mountain.....	210	109	42	59	0
Montana.....	46	22	11	13	0
Idaho.....	19	9	5	5	0
Wyoming.....	18	8	3	7	0
Colorado.....	42	30	4	8	0
New Mexico.....	22	7	6	9	0
Arizona.....	24	12	5	7	0
Utah.....	29	16	4	9	0
Nevada.....	10	5	4	1	0
Pacific.....	405	257	79	68	1
Washington.....	99	49	26	24	0
Oregon.....	69	44	12	13	0
California.....	237	164	41	31	1
Alaska and Hawaii.....	11	5	3	3	0
Alaska.....	9	4	2	3	0
Hawaii.....	2	1	1	0	0
Outlying areas.....	4	3	1	0	0
Canal Zone.....	1	0	1	0	0
Puerto Rico.....	3	3	0	0	0

¹ Includes only data for the 50 States and the District of Columbia.

TABLE 4.—*Dues: Distribution of reporting local unions, by the amount of dues, June 30, 1960*

Amount of dues (per month)	Number of local unions with a—	
	Prevailing fee ¹	Maximum fee
Total.....	39,650	8,997
No dues required.....	847	—
Less than \$1.....	891	1,266
\$1.00 to \$1.99.....	1,940	2,019
\$2.00 to \$2.99.....	4,277	1,715
\$3.00 to \$3.99.....	11,004	1,941
\$4.00 to \$4.99.....	9,157	972
\$5.00 to \$5.99.....	5,705	335
\$6.00 to \$9.99.....	2,647	483
\$10.00 to \$24.99.....	444	63
\$25.00 to \$35.00.....	5	4
Amount not determinable ²	2,185	201
Amount not reported.....	648	—

¹ Local unions which reported a prevailing figure for dues and a range of dues were tabulated only by the prevailing figure for dues.

² Amount of dues has not been established or is based upon some variable, such as earnings, and no average or prevailing amount was reported.

TABLE 5.—*Initiation fees: Distribution of reporting local unions, by the amount of the initiation fee, June 30, 1960*

Amount of initiation fee	Number of local unions with a—	
	Prevailing fee ¹	Maximum fee
Total.....	38,823	9,824
No initiation fee required.....	1,905	—
Less than \$1.....	179	14
\$1.....	1,291	152
\$1.01 to \$1.99.....	68	101
\$2.....	1,956	285
\$2.01 to \$2.99.....	185	66
\$3 to \$3.99.....	1,365	435
\$4 to \$4.99.....	388	84
\$5.....	9,625	1,464
\$5.01 to \$9.99.....	1,858	408
\$10.....	5,372	1,974
\$10.01 to \$14.99.....	381	716
\$15.....	1,861	870
\$15.01 to \$24.99.....	939	657
\$25.....	2,047	802
\$25.01 to \$49.99.....	808	495
\$50.....	2,048	451
\$50.01 to \$99.99.....	1,319	298
\$100.....	1,340	158
\$100.01 to \$149.99.....	593	75
\$150.....	610	37
\$150.01 to \$199.99.....	164	14
\$200.00.....	472	9
\$200.01 to \$249.99.....	86	7
\$250.00.....	177	14
\$250.01 to \$500.00.....	325	58
\$500.01 to \$1,400.00.....	17	11
Amount not determinable ²	442	169
Amount not reported.....	402	—

¹ Local unions which reported both a prevailing fee and a range of fees were tabulated only by prevailing fee.

² Amount of fee has not been established or is based upon some variable, such as earnings, and no average or prevailing fee was reported.

TABLE 6.—*Transfer fees: Distribution of reporting local unions, by the amount of transfer fee, June 30, 1960*

Amount of transfer fee	Number of local unions with a—	
	Prevailing fee ¹	Maximum fee
Total.....	47,872	775
No transfer fee required.....	39,312	520
Less than \$1.00.....	697	31
\$1.00.....	1,141	39
\$1.01 to \$1.99.....	74	15
\$2.00.....	343	16
\$2.01 to \$2.99.....	234	15
\$3.00 to \$3.99.....	577	7
\$4.00 to \$4.99.....	314	16
\$5.00.....	419	5
\$5.01 to \$9.99.....	222	1
\$10.00.....	187	0
\$10.01 to \$14.99.....	98	0
\$15.00.....	75	1
\$15.01 to \$24.99.....	66	0
\$25.00.....	97	1
\$25.01 to \$49.99.....	59	0
\$50.00.....	72	0
\$50.01 to \$99.99.....	38	0
\$100.00.....	72	3
\$100.01 to \$149.99.....	27	3
\$150.00.....	27	3
\$150.01 to \$199.99.....	7	0
\$200.00.....	25	10
\$200.01 to \$249.99.....	3	2
\$250.00.....	23	5
\$250.01 to \$500.00.....	55	25
\$500.01 to \$1,400.00.....	6	1
Amount not determinable ²	1,659	56
Amount not reported.....	1,943	-----

¹ Local unions which reported both a prevailing fee and a range of fees were tabulated only by prevailing fee.

² Amount of fee has not been established or is based upon some variable, such as earnings, and no average or prevailing fee was reported.

TABLE 7.—*Work permit fees: Distribution of reporting local unions, by the amount of work permit fee, June 30, 1960*

Amount of work permit fee (per month)	Number of local unions with a—	
	Prevailing fee ¹	Maximum fee
Total.....	48,112	535
No fee required.....	42,173	26
Less than \$1.00.....	148	76
\$1.00 to \$1.99.....	305	104
\$2.00 to \$2.99.....	650	118
\$3.00 to \$3.99.....	827	71
\$4.00 to \$4.99.....	763	49
\$5.00 to \$5.99.....	698	55
\$6.00 to \$9.99.....	447	26
\$10.00 to \$24.99.....	247	6
\$25.00 to \$49.99.....	136	3
\$50.00 to \$147.75.....	104	1
Amount not determinable ²	490	-----
Amount not reported.....	1,154	-----

¹ Local unions which reported a prevailing fee and a range of fees were tabulated only by the prevailing fee.

² Amount of fee has not been established or is based upon some variable, such as earnings, and no average or prevailing fee was reported.

TABLE 8.—*Alleged violations, by type and status, fiscal year 1960*

Type of alleged violation under investigation	Total alleged violations	Alleged violations in pending investigations	Alleged violations in closed investigations	Reason for closing investigations	
				Compliance achieved	Not action-able
Total, all alleged violations ¹	2,041	911	1,130	170	960
Illegal restriction of rights of members of labor organizations (Sec. 101 and 105) ²	403	55	348	44	304
Failure to provide copies of agreements (Sec. 104).....	101	43	58	33	25
Inadequate reports to BLMR under Title II (Sec. 201, 202, and 203).....	266	190	76	32	44
Trusteeships (Sec. 301, 302, and 303).....	76	43	33	8	25
Illegal election procedures (Sec. 401).....	369	157	212	34	178
Breach of fiduciary responsibilities by officers of labor organizations (Sec. 501).....	370	232	138	5	133
Embezzlement ³	62	35	27	1	26
Other.....	308	197	111	4	107
Inadequate bonding of officers or employees of labor organizations (Sec. 502).....	51	38	13	5	8
Illegal loans to, and payment of fines of, officers or employees of labor organizations (Sec. 503).....	6	2	4	0	4
Ineligible persons holding offices in labor organizations (Sec. 504).....	107	64	43	3	40
Under Communist prohibition ³	34	28	6	0	6
Under convict prohibition ³	70	33	37	3	34
Applicability of parole board exemption.....	3	3	0	0	0
Bribery and extortionate picketing (Sec. 602) ³	4	1	3	0	3
Criminal contempt (Sec. 608).....	0	0	0	0	0
Illegal discipline of members of labor organizations (Sec. 609).....	33	4	29	0	29
Deprivation of members' rights through violence (Sec. 610) ³	88	34	54	0	54
Miscellaneous ⁴	167	48	119	6	113

¹ The number of alleged violations means the number of sections of the Labor-Management Reporting and Disclosure Act of 1959 involved in an investigation. Each section of the act involved in an investigation has been tabulated as one alleged violation regardless of the number of complaints or the number of persons and organizations involved.

² The references in parentheses are to sections of the LMRDA.

³ Under the agreement between the Secretary of Labor and the Attorney General, alleged violations in this category which came to the attention of BLMR have been referred to the Department of Justice.

⁴ Includes instances in which investigations were conducted to ascertain whether or not a specific violation of the act has occurred following receipt of a nonspecific complaint.

TABLE 9.—*Alleged violations, by type and subject, fiscal year 1960*

Type of alleged violation under investigation	Total alleged violations	Subject of investigation					
		Local union	Intermediate body	National union	Union officer	Union employee	Employer, consultant, etc.
Total, all alleged violations ¹	2,041	912	43	90	893	30	73
Illegal restriction of rights of members of labor organizations (Sec. 101 and 105) ²	403	210	8	14	146	7	18
Failure to provide copies of agreements (Sec. 104).....	101	47	0	2	52	0	0
Inadequate reports to BLMR under Title II (Sec. 201, 202 and 203).....	266	134	6	2	92	6	26
Trusteeships (Sec. 301, 302, and 303).....	76	54	4	14	4	0	0
Illegal election procedures (Sec. 401).....	369	195	13	22	139	0	0
Breach of fiduciary responsibilities by officers of labor organizations (Sec. 501).....	370	120	7	9	234	0	0
Embezzlement ³	62	12	1	1	48	0	0
Other.....	308	108	6	8	186	0	0
Inadequate bonding of officers or employees of labor organizations (Sec. 502).....	51	14	0	6	30	1	0
Illegal loans to, and payment of fines of, officers or employees of labor organizations (Sec. 503).....	6	1	0	1	4	0	0
Ineligible persons holding offices in labor organizations (Sec. 504).....	107	13	0	2	86	6	0
Under Communist prohibition ³	34	6	0	1	25	2	0
Under convict prohibition ³	70	7	0	1	61	1	0
Applicability of parole board exception.....	3	0	0	0	0	3	0
Bribery and extortionate picketing (Sec. 602) ⁴	4	1	1	1	1	0	0
Criminal contempt (Sec. 608).....	0	0	0	0	0	0	0
Illegal discipline of members of labor organizations (Sec. 609).....	33	21	0	2	10	0	0
Deprivation of members' rights through violence (Sec. 610) ⁴	88	21	2	1	57	3	4
Miscellaneous ⁴	167	81	2	14	38	7	25

¹ The number of alleged violations means the number of sections of the Labor-Management Reporting and Disclosure Act of 1959 involved in an investigation. Each section of the act involved in an investigation has been tabulated as one alleged violation regardless of the number of complaints or the number of persons and organizations involved.

² The references in parentheses are to sections of the LMRDA.

³ Under the agreement between the Secretary of Labor and the Attorney General, alleged violations in this category which came to the attention of BLMR have been referred to the Department of Justice.

⁴ Includes instances in which investigations were conducted to ascertain whether or not a specific violation of the act has occurred following receipt of a nonspecific complaint.

TABLE 10.—*Alleged violations, by type and source, fiscal year 1960*

Type of alleged violation under investigation	Total alleged violations	Source					
		Union member	General public	BLMR	Government agency other than BLMR	Employer	Other
Total, all alleged violations ¹	2,041	1,678	88	32	44	16	183
Illegal restrictions of rights of members of labor organizations (Sec. 101 and 105) ²	403	376	8	0	1	1	17
Failure to provide copies of agreements (Sec. 104).....	101	92	5	0	0	0	4
Inadequate reports to BLMR under Title II (Sec. 201, 202, and 203).....	266	192	9	22	7	3	33
Trusteeships (Sec. 301, 302, and 303).....	76	53	0	1	0	0	22
Illegal election procedures (Sec. 401).....	369	338	8	0	4	1	18
Breach of fiduciary responsibilities by officers of labor organizations (Sec. 501).....	370	298	18	7	13	1	33
Embezzlement ³	62	46	2	0	6	0	8
Other.....	308	252	16	7	7	1	25
Inadequate bonding of officers or employees of labor organizations (Sec. 502).....	51	37	3	0	1	1	9
Illegal loans to, and payment of fines of, officers or employees of labor organizations (Sec. 503).....	6	3	1	0	0	1	1
Ineligible persons holding offices in labor organizations (Sec. 504).....	107	68	10	2	9	1	17
Under Communist prohibition ³	34	28	2	1	0	1	2
Under convict prohibition ³	70	37	8	1	9	0	15
Applicability of parole board exemption.....	3	3	0	0	0	0	0
Bribery and extortionate picketing (Sec. 602) ³	4	1	1	0	1	0	1
Criminal contempt (Sec. 608).....	0	0	0	0	0	0	0
Illegal discipline of members of labor organizations (Sec. 609).....	33	30	1	0	0	0	2
Deprivation of members' rights through violence (Sec. 610) ³	88	77	7	0	1	0	3
Miscellaneous ⁴	167	113	17	0	7	7	23

¹ The number of alleged violations means the number of sections of the Labor-Management Reporting and Disclosure Act of 1959 involved in an investigation. Each section of the act involved in an investigation has been tabulated as one alleged violation regardless of the number of complaints or the number of persons and organizations involved.

² The references in parentheses are to sections of the LMRDA.

³ Under the agreement between the Secretary of Labor and the Attorney General, alleged violations in this category which came to the attention of BLMR have been referred to the Department of Justice.

⁴ Includes instances in which investigations were conducted to ascertain whether or not a specific violation of the act has occurred following receipt of a nonspecific complaint.

BUREAU OF LABOR STANDARDS

BUREAU OF LABOR STANDARDS

Helping the Nation Improve Working Conditions

The Bureau is the national agency for information and research on all types of labor law and all other matters relating to working conditions. It is a part of the Department of Labor, and its work is to help the people of the United States understand their rights and to help them improve their working conditions. The Bureau is also responsible for the enforcement of the Federal Labor Laws.

BUREAU OF LABOR STANDARDS

BUREAU OF LABOR STANDARDS

Highlights of Bureau activities in the 1960 fiscal year were: (1) the issuance of safety and health regulations for workers in longshoring and ship repair; (2) publication of data which shed light for the first time on the characteristics of a great body of welfare and pension funds in operation throughout the country; (3) conduct of the 7th biennial President's Conference on Occupational Safety, which brought together more than 3,000 leaders to examine national accident prevention needs in terms of "the challenge of safety in a changing world"; (4) a series of regional conferences of State and Federal labor officials to study mutual problems concerned with labor legislation, labor administration, and Federal-State relationships; and (5) strengthened efforts to insure a smooth transition from school to work for the increasing numbers of young people who must meet today's demands for educated and skilled workers.

Labor Legislation and Administration

The year 1960 witnessed a continued heavy demand for the Bureau's technical services in developing and promoting improved standards in the field of labor legislation and administration, as evidenced by the nearly 1,000 requests for technical service and assistance and the 72,900 bulletins, reports, pamphlets, and charts distributed by the Bureau.

Advice and technical assistance were given to practically all States as well as to members of Congress, management, labor organizations, civic groups, international bodies, colleges, libraries, and other interested groups and individuals in numerous fields, including workmen's compensation, migratory labor, wages and hours, wage payment and wage collection, child labor and school attendance, industrial homework, industrial relations, discrimination in employment, occupational health and safety, and regulation of private employment agencies.

Helping the States Improve Working Conditions

The Bureau, as the national source of information and technical assistance on all types of labor law and administrative techniques, serviced during fiscal 1960 a total of 49 States, the District of Columbia, and Puerto Rico, with personal consultation given in 43 States. As in the past, the Bureau's services were keyed to subjects of particular importance to the States, with heavy empha-

sis placed this year on workmen's compensation, migratory labor, child labor, minimum wages, safety, and industrial relations.

The Bureau participated in developing legislative proposals, planning for the administration of new legislation, and improving the administration of existing labor legislation. To cite a few examples, suggestions were given the Delaware Labor Commission concerning a State labor relations bill and a bill to establish a comprehensive State labor department; a suggested draft for a revised child labor law was prepared for the Iowa Department of Labor; information was given the Pennsylvania Department of Labor and Industry concerning forfeiture and liquidated damage provisions in State wage payment laws; the New York State Department of Labor was provided with information on State laws prohibiting an employment agency from referring an applicant to any place where a labor dispute exists without first notifying the applicant; the Alabama Department of Labor was given an analysis of the administration of the unfair labor practices provisions under State labor relations acts; the Rhode Island Department of Labor was provided with suggested language for a revision of the Rhode Island child labor law so as to provide for prohibition of employment in hazardous occupations of boys and girls under 18 years of age; and the Colorado State Legislative Council was supplied with information and materials on State occupational disease laws, particularly as they apply to radiation diseases.

Of major significance in 1960 was a series of regional conferences participated in by State labor commissioners and officials of the U.S. Department of Labor to confer on mutual problems centering on labor legislation and administration, and Federal-State relationships.

Agenda for the conferences, which are planned by the Director of the Bureau of Labor Standards with the cooperation of the chairman of the Department's Regional Field Staff Committee, are tailored to problem areas of special interest to the commissioners who attend.

The subjects discussed included child labor and youth employment, the adequacy of minimum wage and wage collection laws, participation in State migratory labor committees, regulation of private employment agencies, employment security programs, and apprentice training.

Approximately 300 officials representing 45 of the States, the District of Columbia, Puerto Rico, and the U.S. Department of Labor attended 8 conferences held during the year in Kansas City, Atlanta, Dallas, Denver, Chicago, San Francisco, New York City, and Louisville.

These conferences were very effective in providing a forum to discuss legislation of interest to State labor commissioners and to make possible a free exchange of viewpoints and information between the States and the Department; in acquainting the State labor commissioners with U.S. Department of Labor regional directors and their functions; and in establishing additional channels of communication between the State labor commissioners and the Bureau of Labor Standards. Furthering the U.S. Department of Labor's objective of strengthening State labor departments, the conferences have served to improve the already good relations between the Department and the State labor agencies.

An additional conference in Washington, D.C., was held with the State labor commissioners attending the President's Conference on Occupational Safety in February 1960. Among other topics of mutual concern discussed at this conference were the basic provisions of the Labor-Management Reporting and Disclosure Act of 1959 and the increasingly important subject of the "manpower challenge of the 1960's."

Nearly 700 technical consultant services were given in 43 States. The consultations covered many fields of labor law, with major emphasis on migratory labor, child labor, and minimum wage. The Bureau also serviced State planning committees for the 1960 White House Conference on Children and Youth. In addition, Bureau consultants took steps in three States to encourage high schools to include in their curricula a study of State and Federal labor laws, particularly those laws with which the youngsters will come in contact on their first jobs. North Carolina plans to accomplish this educational program on a statewide basis, West Virginia in two counties, and Kentucky in certain selected cities. In Mississippi, the Governor was given consultation service concerning legislation to establish a State department of labor.

The Bureau continued to give technical assistance to the International Association of Governmental Labor Officials and to the International Association of Industrial Accident Boards and Commissions. It also serviced committees and helped to plan convention programs. Two of its officials served as secretary-treasurer for the associations.

The year also saw participation of staff in the 1960 White House Conference on Children and Youth held in Washington, D.C., March 27 to April 2, 1960. Special reports were prepared and consultants acted as resource persons in the committees on migrant children and youth and on employment opportunities. The Assistant Director of the Bureau served as chairman of the Interdepartmental Committee on Children and Youth which formed the liaison between the President's Committee and the Federal agencies.

Analysis and Evaluation of Labor Legislation

Analysis of State labor laws and the development of materials on new and revised State labor standards in readily usable form are continuing functions of the Bureau. They represent essential services to meet the constant flow of requests received from State and Federal officials, unions, employers, and other interested groups and individuals. During 1960, the legislatures of 22 States and Puerto Rico met in regular session. Some 1,325 bills and acts concerning labor standards were recorded and indexed, with the more important of these analyzed and summarized. Although the volume of labor legislation was noticeably lighter than in odd-numbered years, when nearly all of the legislatures meet, there were a number of significant improvements in 1960, notably in the fields of unemployment insurance, workmen's compensation, migratory workers, discrimination in employment, and minimum wages.

Workmen's compensation cash benefits were raised for one or more major types of disability in five States and Puerto Rico; and other significant improve-

ments were made by more than half a dozen States in the provisions for medical benefits, burial benefits, coverage, waiting period, subsequent injuries, rehabilitation, and time limits for filing claims. Maximum weekly unemployment benefits, including dependents' allowances, were raised in nine States—by legislative enactments in five States, and through the operation of a flexible maximum in four States. New York repealed its former minimum wage law under which rates were set by order (applicable to men, women, and minors) and enacted a new law (also applicable without regard to sex) which sets a statutory minimum wage of \$1 an hour, effective October 1, 1960, and also provides for wage board procedure. Discrimination in employment on account of age was prohibited in Alaska, and the labor department was given authority to administer the law, including authority to issue cease and desist orders if necessary. A Rhode Island amendment increased the industrial homework fees from \$200 to \$300 for an employer's first license, and raised renewal fees. An amendment to the North Dakota constitution authorized the legislature to establish a department of labor separate and distinct from the department of agriculture of which it is now a part.

Concerning migratory workers, a Nevada act required every farm labor contractor to be licensed and set certain conditions for the conduct of his business, such as filing a \$5,000 bond, carrying liability insurance on motor vehicles, filing information on work agreements, paying workers promptly, and prohibiting misrepresentation of terms and conditions of employment. A Colorado law required agricultural labor contractors or crew leaders to keep records of wages and hours and to give each worker, with each payment of wages, a statement of wages and withholdings. Delaware authorized voluntary coverage for farm workers under its workmen's compensation law, and Massachusetts made coverage compulsory for seasonal, as well as for nonseasonal, farm workers.

Migratory Labor

Substantial progress has been made in programs for migrant agricultural workers and their families. The Bureau has advised and assisted various States in developing programs and preparing legislation and administrative regulations to improve conditions for migratory agricultural workers.

During 1960, the Bureau continued to work with the States in laying the ground for additional State migratory labor committees. Twenty-eight States now have such committees; three were established this year in Indiana, Massachusetts, and Nebraska. All but two of the 28 States were given advisory and consultant services on migratory labor programs by Bureau field staff this year. Conferences were held with Governors and their administrative assistants in a number of States; and with State labor commissioners, representatives of State agencies, labor organizations, employer, civic, and religious groups, and others.

A Bureau consultant served as a discussion leader in a workshop on migrant education at the Adams State Teachers College in Colorado. Staff participated in the Western Interstate Conference on Migratory Labor in Phoenix—a con-

ference of 10 Western States, attended by State legislators; State commissioners of health, education, welfare, and labor; and civic and church groups. A Bureau consultant also participated in the National Conference to Stabilize Migrant Labor, held in Chicago. The Bureau has continued to carry an active role in the work and deliberations of the President's Committee on Migratory Labor, with consultants serving on various subcommittees and as members of the Committee's Working Group.

Of special significance in improving the working and living conditions of migrant workers are the laws enacted this year in Colorado, Delaware, Massachusetts, and Nevada, referred to elsewhere in this report. All these gains have come through heightened interest and action on the part of State and local groups and, in some instances, have been sparked by State migratory labor committees.

Workmen's Compensation

Workmen's compensation continues to be of increasing importance to States, management, labor, and other interested groups and individuals.

Activities in which the Bureau participated and gave assistance included the western regional meeting of the State Fund Association coupled with a discussion of workmen's compensation problems with the administrators from 11 Western States; the Florida Industrial Commission conference; and the regional meeting of Western States held in Nevada. Bureau personnel gave talks before the U.S. Chamber of Commerce in Washington, D.C., on trends in workmen's compensation and at the Interstate Conference on Labor Statistics in Newport, R.I., on the subject of administrative statistics. On behalf of the President's Committee on Employment of the Physically Handicapped, the Bureau participated in a meeting of the Michigan Commission on Employment of the Physically Handicapped to discuss the Michigan second-injury fund and to consider suggestions for amendment.

Technical assistance was given to the Council of State Governments, on workmen's compensation coverage of public employees; the Federal Association of Epilepsy, concerning second-injury funds; the Advisory Board on Compensation Claims of the United Nations, on heart cases and workmen's compensation generally; the Joint Congressional Committee on Atomic Energy, on the subject of employee radiation hazards; and the U.S. Chamber of Commerce, on workmen's compensation laws of specific States. The Bureau's facilities for providing technical assistance and information on the subject of workmen's compensation laws and procedures were also made available to a number of trade unions, including the national headquarters of the AFL-CIO; United Rubber, Cork, Linoleum and Plastic Workers of America; International Association of Machinists; Communications Workers of America; and a number of State organizations of the AFL-CIO.

The technical assistance given to the International Association of Industrial Accident Boards and Commissions in 1960 included, among other things, participation in the 45th annual convention of the IAIABC held September 27-October 1, 1959, in Boston and the preparation of the proceedings of the con-

vention. Background materials were also prepared for use by the IAIABC Rehabilitation Committee and the Legislation Committee in making their reports to the annual convention.

International Activities

During the year, the Bureau actively participated in and contributed to the Department's international program. Various statements were prepared on ILO projects. These included a comprehensive U.S. law and practice report on employment injury benefits, constituting part VI of ILO Convention No. 102 entitled "Minimum Standards of Social Security"; an informational report on welfare facilities for dockworkers for the seventh session of ILO's Inland Transport Committee; and an informational report on hygiene in shops and offices. In addition, the Bureau prepared numerous questionnaires, reports, and position papers on ILO matters. Continuing its practice of previous years, it prepared a statement on labor legislation for inclusion in the United Nations Yearbook on Human Rights. It also participated in preparation for meetings of the Economic and Social Council and furnished the U.N. Advisory Board on Compensation Claims with detailed technical data in the field of workmen's compensation. In addition, it held conferences with numerous individuals or groups of foreign trainees, who were provided with technical information and advice on all phases of labor legislation and administration, with major emphasis on workmen's compensation and industrial relations. In the field of workmen's compensation alone, conferences were held with 25 foreign trainees from 13 different countries.

Publications

The substantial increase in the demand for the publications issued in 1960 concerned with labor legislation and administration is reflected in the total of 72,900 copies distributed, as compared with 50,000 last year.

In the field of general labor law, the following bulletins were prepared this year: "State Child Labor Standards," Bulletin 158; "Hazardous Employment Prohibited for Minors under State Child Labor Laws," Bulletin 205; "Annual Digest of State and Federal Labor Legislation, 1959," Bulletin 217; "State Laws Regulating Private Employment Agencies," Bulletin 209; "Time Off for Voting under State Laws," revised, Bulletin 138; "Status of Agricultural Workers Under State and Federal Labor Laws," mimeographed; "Labor Laws and Their Administration," 1959 Proceedings of the 42nd Convention of the International Association of Governmental Labor Officials, Bulletin 214; and "1960 Supplement to Federal Labor Laws and Agencies," revised, Bulletin 123.

In addition, more than 40 reports were prepared to meet special needs for technical information and assistance. Among these reports are a number which have been duplicated and are available upon request, including a summary of State bills on discrimination in employment introduced each year since 1954; an analysis of the administration of fair employment practices laws; a table on laws relating to discrimination because of age; a table showing the school-leaving

age for minors 16 and over; an analysis of weight-lifting provisions in laws and orders; a statement showing developments in 1958 and 1959 on atomic energy legislation and control of radiation hazards; and a statement showing States with laws requiring or authorizing registration of radiation sources.

In addition, a number of articles were prepared for various periodicals, such as the *Monthly Labor Review*, *Migratory Labor Notes*, *Aging*, and the *Encyclopedia Britannica Yearbook*. Fifteen papers on a variety of labor laws and their administration were also updated in 1960 for distribution upon request. The most popular of these are the papers on minimum wage, wage payment and wage collection, child labor, State labor relations acts, regulation of private employment agencies, union-restrictive provisions, and the outline of labor law development in the United States.

Publications prepared in the field of workmen's compensation in 1960 included "State Workmen's Compensation Laws—A Comparison of Major Provisions with Recommended Standards," Bulletin 212; "Workmen's Compensation Problems," 1959 Proceedings of the 45th annual convention of the International Association of Industrial Accident Boards and Commissions, Bulletin 213; "State Workmen's Compensation Laws," revised, Bulletin 161; "Attorneys' Fees in Workmen's Compensation—A Report of the Standards and Procedures in State Legislation," Bulletin 220; and two ABC Newsletters dated August 1959 and May 1960.

Two significant publications were prepared on the subject of migratory labor; namely, "State Migratory Labor Committees, Their Organization and Programs," Bulletin 215; and a bulletin entitled "The Community Meets the Migrant Worker—Current Programs and Trends," which is scheduled for publication early in fiscal 1961. In addition, an analysis was prepared of the 1959 State legislation affecting migratory agricultural workers.

Federal-State Cooperation in Labor Law Administration

The development and servicing of Federal-State cooperative agreements to coordinate the administration of labor laws by State and Federal departments of labor, in areas in which both have authority, has continued to reduce duplication of inspection, bring about a closer relationship between Federal and State agencies, and promote a more uniform approach in administration.

Child Labor and Youth Employment

The Bureau's child labor and youth employment program includes developing and promoting sound child labor standards and suitable employment opportunities for youth under 18. Greater numbers of young people will enter the labor market in the next decade—nearly 4 million in 1965 and a continued high level thereafter. Programs will be needed to integrate them properly into the work force. Special attention must be directed to the 7½ million youths who, it is

predicted, will enter the labor market in the next decade handicapped by inadequate education and training.

The Bureau made every effort during the fiscal year to bring to the attention of educators, parents, employers, and the public the plight of these youths in a labor market with ever-increasing demands for educated and skilled workers. This effort followed recommendations by, and had full cooperation from, the Bureau's Advisory Committee on Young Workers, composed of leaders of American management, labor, education, health, church, and youth-serving agencies as well as local, State, and Federal officials.

As guides to all interested groups, public and private, in preventing and assisting school dropouts, the committee urged the Bureau to collect and disseminate information about sound work experience programs throughout the country and assume leadership in improving conditions for employed youth.

Accordingly, a survey of programs for prospective dropouts was conducted in 17 communities in 6 States and techniques of operating sound educational programs were analyzed. In addition the Bureau gave technical assistance on programs for school dropouts, on youth employment programs, and on employment and delinquency to national, State, and local groups.

Work continued on a survey of programs for prospective dropouts requested by the National Vocational Guidance Association's young workers section.

During the year, the Bureau issued several pamphlets on better preparation and employment conditions for tomorrow's workers. Requests for one of these—"Stay in School," directed to youth—topped 2 million copies, vastly exceeding the Bureau's capacity to comply. As it was, nearly three-fourths of a million copies of this and related publications were distributed in response to requests.

Among the more popular publications were "Memo to Employers," seeking cooperation in school-supervised work programs as a means of keeping boys and girls in school; "Some Facts For Young Workers About Work and Labor Laws"; and "We're Never Too Young To Learn Safety," which many employers reprinted.

Some 16 national and State conferences sought partial or full sets of these school and work publications to advance various aspects of their programs. A State superintendent of schools recommended seven Bureau publications to all his county superintendents. One of the military services distributed a Bureau publication stressing youth's need for more education to meet the increasing employment demands for higher skills.

Safety for Minors

The Department completed an investigation to determine whether the operation of circular saws, band saws, and guillotine shears is particularly hazardous for minors, therefore warranting the 18-year age minimum for employment as provided under the child labor provisions of the Fair Labor Standards Act. Work was started on the preparation of a proposed order based on the report of this investigation.

Investigative work was completed on occupations in wrecking and demolition operations, and a preliminary report of the investigation was prepared and sent to a group of technical advisers for review.

A survey was made of poultry processing plants, which resulted in a decision that a hazardous occupation order was not warranted in this area.

Criteria were developed for the continued exemption from hazardous occupations orders of student-learners who graduate from high school before reaching 18 years of age.

To aid in formulating plans for the hazardous occupations program, all State labor commissioners were requested to submit suggestions on areas which they believe warrant investigation by the Bureau. More than 40 areas were suggested.

At its last meeting during the year, the Advisory Committee on Young Workers urged the Bureau to exercise leadership in improving conditions for youth employed in agriculture, including developing and promoting voluntary safety standards. Initial steps were taken and agreement was obtained from the National Conference for Farm Safety and the Federal Extension Service of the Department of Agriculture to work jointly with the Bureau in the development of sorely needed safety practices for the thousands of minors under 18 employed as paid workers in agriculture.

The Bureau assisted in developing a most successful school-safety session at the 1960 President's Conference on Occupational Safety. As a result, the Office of Education plans to establish a national steering committee to promote the development of school-shop safety programs and to appoint a specialist in safety education to coordinate the committee's activities. The Bureau will be represented on this committee.

Employment Certificates and Child Labor Standards

The cooperative agreements under which State employment certificates are accepted as proof of age under the Fair Labor Standards Act were renewed by the 47 States and jurisdictions where agreements were previously in effect.

Forty-five States, the District of Columbia, Puerto Rico and 29 cities in Massachusetts and Pennsylvania furnished the Bureau reports on the numbers of employment certificates issued for minors going to work under State and Federal child labor laws.

Nearly a million certificates were reported as issued in 1959, a substantial increase (more than 23 percent) over the approximately 735,000 reported issued during the previous year. This increase probably reflects to a large extent the generally improved economic conditions prevailing in 1959.

The Bureau has continued to render technical assistance to States on forms, instructions, and explanatory bulletins dealing with the child labor laws.

A survey was made of jobs in wholesale houses and warehouses to determine which if any were suitable for outside-school-hours employment of youths aged 14 and 15. The Bureau continued work on Regulation 3 to make sure it offered

the desired protection to 14- and 15-year-olds without unduly restricting their opportunities for employment.

The States were polled to determine whether certificates were available for minors employed in agriculture, and a report was made to the Wage and Hour and Public Contracts Divisions.

Statistics and Reporting

The Bureau continued its program of collecting and reporting youth-related statistics. Efforts to expand and improve sources of statistical information on young people were also continued. Partly as a result of these efforts, tabulations of both the 1960 Decennial Census and the Bureau of Labor Statistics Consumer Expenditure Survey will provide a substantial amount of youth-related data, heretofore unavailable, which will be of considerable interest and use to the Bureau. Collection of data from the Monthly Report on the Labor Force for under-14 youth was a further area in which the Bureau sought to have additional information made available.

A number of States continued to send the Bureau reports of injuries-to-minors covered under the States' workmen's compensation laws. A program to tabulate and analyze certain of these reports has been developed to provide supplemental information for use in the Bureau's hazardous occupations program and other activities related to young workers' safety.

Further efforts were also made to expand and improve sources of information on work injuries-to-minors. Bureau staff worked closely with the Industrial Hazards Division, Bureau of Labor Statistics, on developing plans for that Division's special study of 10,000 injury-to-minors cases reported under State workmen's compensation laws.

Significant special activities of the Bureau included preparation of a list of "readings" on youth unemployment for the Senate Special Committee on Unemployment Problems.

Proposed Federal legislation affecting employment of youth in agriculture prompted a review by the Bureau of published material dealing with migrant children to ascertain what recent developments there have been respecting employment and school attendance of minor agricultural migrants.

Technical Assistance

The Bureau gave assistance on child labor laws and their administration, and on youth employment, to a total of 17 trainees from 10 countries during the year.

Bureau representatives served on the Interdepartmental Committee on Children and Youth and on two of its subcommittees, as well as on two committees of the National Social Welfare Assembly. They also served on one committee of the Young Workers Section of the National Vocational Guidance Association, and on one of the American Public Welfare Association.

Background papers and other statements were prepared on child labor and youth employment for the 1960 White House Conference on Children and Youth, and on child labor laws for union delegates to the Conference. Bureau staff served as advisers to a number of the Conference workshops and in accordance with Advisory Committee counsel are working on followup of the recommendations. The Bureau initiated discussions on dropouts with the National Education Association which have grown to include representatives of other agencies and organizations, resulting in a request for the Bureau to take leadership in organizing a national council on dropouts.

The Bureau coordinated for the Department descriptions of the work of the various Bureaus to be included in a publication of the Interdepartmental Committee on Children and Youth, "Programs of the Federal Government Relating to Children and Youth."

Technical assistance was given writers for many periodicals, including U.S. News and World Report, Good Housekeeping, the Philadelphia Bulletin, and the Washington Post, as well as to free-lance writers, organizations such as the National Health Council, Federal Bar Association, and National Committee on Employment of Youth, and to many youth-serving organizations, settlements, and Federal, State, and local agencies.

The Safety of American Workers

President's Conference on Occupational Safety

Job accidents befell 2 million American workers last year. Of these 13,800 were fatalities and 84,200 resulted in permanent impairment, such as the loss of a leg, eye or arm. These figures represented a 4 percent rise in the number of work deaths over the preceding year, and an 8 percent rise in the number of disabling work injuries.

Mobilization of America's resources to combat this annual loss, resulted last year in the President's Conference on Occupational Safety, organized and conducted by the Bureau. Over 3,000 leaders of American business, labor, agriculture, State and Federal agencies, insurance, education, and private safety and research organizations, who attended sessions at the invitation of the President, were asked to face and devise voluntary means of meeting "The Challenge of Safety in a Changing World."

Scientists and Government leaders, industrialists and labor representatives, examined the safety problem from the standpoint of (1) the changing nature of work, (2) the changing nature of the work force, and (3) the "unchanging" nature of man. Conference workshops made possible a discussion of widely varying aspects of the broad subject matter and resulted in a consensus of views, expressed in terms of Conference recommendations, on setting safety standards for tomorrow's materials, emerging environmental hazards, little known facts about injury occurrence, investigation of accidents, health maintenance, new emphases in training, communication, safety leadership, and safety in schools.

"Job Safety Week" throughout America was proclaimed by the President to coincide with the holding of the Conference. The Governors of 21 States issued similar calls upon the citizens of their States to reduce work injuries. Reed O. Hunt, president of the Crown Zellerbach Corp., Inc., and volunteer executive director of the 1960 Conference, who disseminated Conference conclusions, widely called for "the wholehearted cooperation of all * * * in applying and making effective these recommendations which constitute our national safety needs for the next 10 years."

Safety Standards and Services

Safety services to workers and employers is a primary function of the Bureau of Labor Standards. Services are provided for five major groups—the States, the Federal Government, the maritime industries, unions, and the public at large. While varied in scope and purpose, safety services encompass four major programs—safety training, safety program operations, safety consultation, and safety technical services. These services are described and the results summarized briefly as follows:

The Bureau continues to cooperate with State agencies in the field of accident prevention. At the request of the States, the following services were rendered during the year to help improve accident prevention programs.

Thirty-two training courses for State safety personnel were conducted by Bureau personnel:

Type of training	Number of courses	Number of States	Personnel attending
For State safety inspectors.....	28	16	747
For State personnel in conjunction with a safety program for State employees.....	4	2	111

Courses include those for general safety indoctrination of State safety inspectors as well as special courses covering construction safety and such highly technical subjects as occupational disease control, radiation protection, and control of electrical hazards.

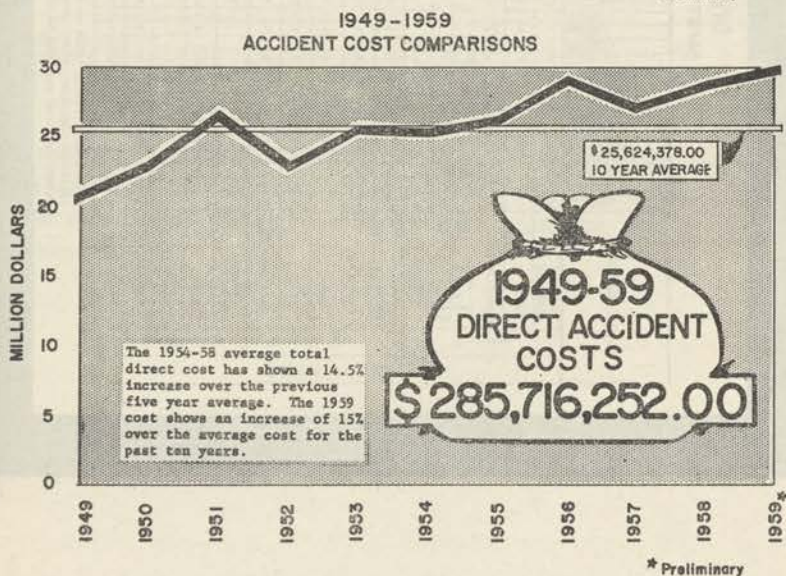
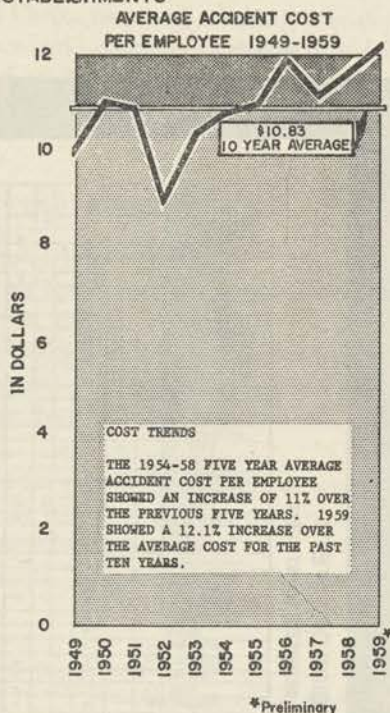
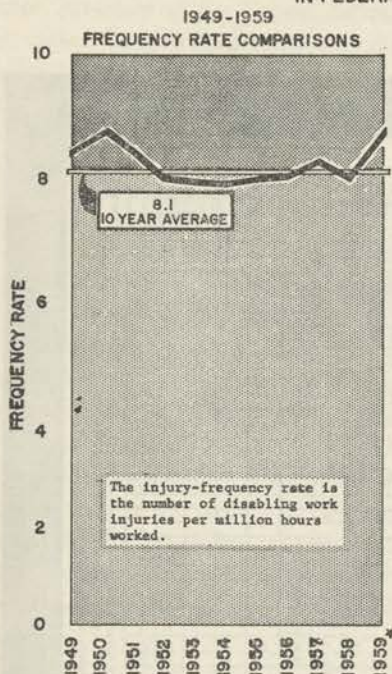
DIVISION OF SAFETY
SAFETY SERVICES TO STATES

STATES SERVED	SERVICES PROVIDED				Technical	Technical	Maritime (6)	Publications
	Training	State	Federal	Consulative				
ALABAMA	x							
ALASKA								
ARIZONA								
ARKANSAS								
CALIFORNIA	x							
COLORADO								
CONNECTICUT								
DELAWARE								
DISTRICT OF COLUMBIA	x							
FLORIDA	x							
GEORGIA								
HAWAII								
IDaho								
ILLINOIS								
INDIANA	x							
IOWA								
KANSAS								
KENTUCKY	x							
LOUISIANA								
MAINE								
MARYLAND								
MASSACHUSETTS								
MICHIGAN								
MINNESOTA								
MISSISSIPPI								
MISSOURI	x							
MONTANA								
NEBRASKA								
NEVADA								
NEW HAMPSHIRE								
NEW JERSEY	x							
NEW YORK								
N. CAROLINA								
N. DAKOTA								
OHIO								
OKLAHOMA								
OREGON	x							
PENNSYLVANIA								
RHODE ISLAND								
S. CAROLINA								
S. DAKOTA								
TENNESSEE	x							
TEXAS								
UTAH								
VERMONT								
VIRGINIA								
WASHINGTON								
WEST VIRGINIA	x							
WISCONSIN								
WYOMING								

(1) includes safety talks on special hazards and code orientation (2) special industry safety programs (3) State employee safety programs (4) indicates number of FSC serviced within State (5) and (6) maritime safety services provided to the industry within the State.

DIVISION OF SAFETY TEN-YEAR STUDY

INJURY-FREQUENCY RATES AND ACCIDENT COSTS IN FEDERAL ESTABLISHMENTS



Safety Program Operations

Under a procedure for assisting States to help high-hazard industries reduce accidents, the Bureau, in cooperation with the State, conducts an industry survey and prepares data on sources of injury and methods of hazard control. The Bureau then develops materials to carry on a 1-year accident prevention campaign for the selected industry. These materials are then provided to the State, along with special training of State personnel, so that the State can conduct its own safety program for the selected industry. The Bureau cooperated during the year with the Virginia Department of Labor and Industry and the Virginia Automobile Dealers Association in conducting such a program for automobile mechanics, repairmen, and garage workers. Construction industry programs were conducted in Connecticut, Rhode Island, New York, and Pennsylvania. A similar program is presently being planned in Massachusetts.

A somewhat similar technique is used to assist the States in providing safety services to its own employees. In cooperation with the States, the Bureau undertakes a survey of the hazards of the various State departments, trains personnel, and provides educational and promotional materials and direct service as program consultants. During the year, three States, Pennsylvania, West Virginia, and Nevada, used the Bureau's services in conducting accident prevention programs for their State employees. Preliminary conferences which may lead to such programs in the future were held in New Hampshire, Nebraska, and Missouri.

The safety staff of the Bureau made 93 promotional and consultative contacts in the various States, the District of Columbia, and Puerto Rico during the year, advising the labor commissioners of the safety services of the Bureau, arranging for training courses, and carrying on other program services. In addition, 27 meetings of various types were attended by staff personnel. These included commissioners' meetings, safety conferences, industry groups, and civic organizations. Speakers were provided for 13 meetings and conferences.

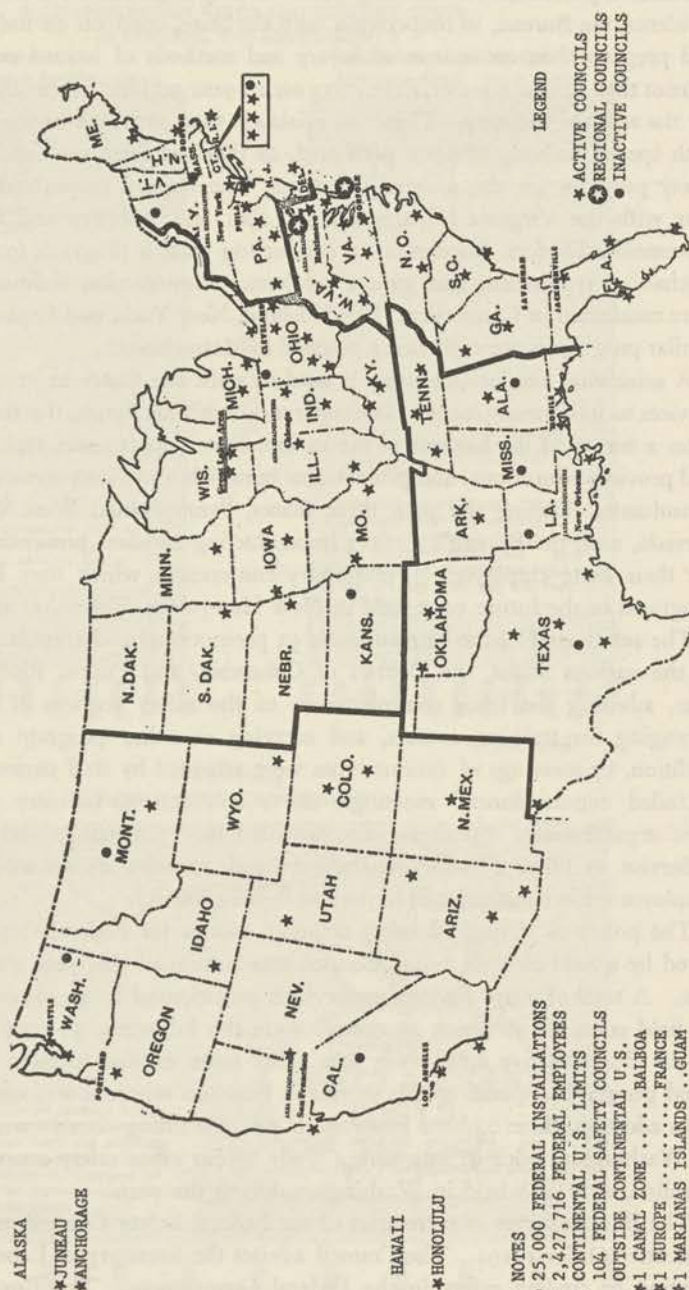
Service to other Federal departments and agencies in matters relating to employee safety constitutes an important Bureau activity.

The policy of having all safety training courses for Federal employees sponsored by a field Federal Safety Council was continued this year with great success. A total of 1,078 Federal supervisors participated in 33 courses sponsored by field councils, of which 24 courses were the full-week, 30-hour type. Each of the Bureau's five area offices conducted some of this training to permit a good geographic spread of this service in locations where it was needed.

In addition, three 24-hour supervisors' safety training courses were conducted in Washington, with 93 attending. Four 6-hour office safety courses, with 138 enrolled, were also held in Washington during the year.

The Bureau serves as secretariat of the Federal Safety Council, established by Executive Order 10194. The Council advises the Secretary of Labor in matters relating to civilian safety in the Federal Government. The Bureau Director is designated by the Secretary of Labor as chairman of the Federal Safety Council.

DIVISION OF SAFETY **FEDERAL SAFETY COUNCIL FIELD SYSTEM**



In addition to the parent council in Washington, over 100 field councils have been established. Two regional Federal Safety Councils were organized during the year, one covering 11 States, the other covering 14. During the year, Bureau consultants made 152 visits to field councils, each council being contacted at least once.

Each year the President issues two awards to the agencies of Government which have made the greatest progress in conducting employee safety programs. One award goes to an agency employing more than 50,000 persons; the other, to an agency with fewer employees. The Council, which sets the criteria for the President's Safety Award, supervised the judging of 1959 agency performance. In a June ceremony in the Departmental Auditorium, Secretary of the Army Wilber M. Brucker and Atomic Energy Commissioner John S. Graham accepted the award for their respective agencies. Ten honorable mention awards were given to other agencies.

The 14th Annual Federal Safety Conference was held in Chicago last October. Many informative talks on technical subjects were given by outstanding speakers. One of the features of the conference was an entire session devoted to a general meeting of field council and parent council officers. This meeting led to a free exchange of ideas on the problems of organizing and operating a field council.

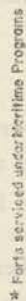
The full council met five times in the past year and its Advisory Board held 8 meetings. Significant Council actions included revision of its articles of organization and criteria for the President's Safety Award; enlargement of the Advisory Board from 9 to 12 members; organization of an Awards and Contests Division; resolution recommending the installation and use of seat belts in Government-owned motor vehicles; publication of a technical bulletin setting forth the elements of an agency safety program.

The Bureau cooperates with other Federal departments and agencies and extends advisory assistance on the development and maintenance of effective safety organizations to prevent injuries to employees. Last year, 277 contacts were made with Federal agencies located throughout the United States. These contacts included not only discussions with responsible authorities at the installations but safety surveys, as well. The conditions found were reported to the heads of the installations with recommendations for correction.

Services to the Maritime Industries

During the year, the Bureau's status with respect to maritime safety changed from an advisory capacity to an administrative function because of the enforcement provisions of Public Law 85-742. This legislation gives the Secretary of Labor authority to draft and administer safety and health regulations to protect workers in longshoring, ship repairing, and related employments. Detailed regulations for longshoring, and similar regulations for ship repairing, became effective March 21, 1960. Increased activities in all categories of service resulted from the additional responsibility given the Bureau by this new legislation.

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A somewhat different technique is used for safety training in the maritime industries than is used for Federal, State, or union personnel. Maritime training is based on specific hazards or hazardous situations which are encountered by maritime workers or employer supervisory personnel. Safety talks on specific problems were conducted during the year as follows:

<i>Industry</i>	<i>Talks given</i>	<i>Persons attending</i>
Longshoring.....	200	3,389
Ship repairing and other harbor work.....	166	1,474

To carry out its obligations under Public Law 85-742 of 1958 amending the Longshoremen's and Harbor Workers' Compensation Act, the Bureau moved rapidly to effect an organization, assemble a staff, and begin enforcement of its new regulations.

The small field offices which the Bureau has long maintained in San Francisco, New Orleans, and New York were expanded and became area offices. Two new area offices were established in Baltimore and Chicago. To supplement the area offices, field offices were opened in Houston, Philadelphia, Boston, Cleveland, Portland, Los Angeles, Jacksonville, Galveston, Mobile, Savannah, Seattle, and Norfolk.

The location of these offices had been determined earlier on the basis of the concentration of maritime employments, the number of injuries occurring and, in a few cases, geographical location to provide prompt service to a group of small ports which were at some distance from a larger port. The result is that, except in the case of the new State of Hawaii, there is a Bureau of Labor Standards field office in each of the cities in which the Bureau of Employees' Compensation has a district office. This permits maintaining close contacts with the Bureau of Employees' Compensation and thus makes available promptly information on the occurrence of injuries.

A field staff was selected during the year from more than 600 applicants. Those appointed have varied backgrounds. Some, for example, have had safety experience in stevedoring companies, others have had safety training in ship repair yards. Some had been responsible for accident prevention as chief officers or masters of vessels, and still others derived their maritime safety experience from insurance companies or through union activities.

To indoctrinate new technical personnel as thoroughly and efficiently as possible, all new staff were placed on the rolls in three groups. Each group spent 3 weeks in the Washington headquarters office, where they were given an indoctrination course by the technical staff of the Safety Division. They were then sent to the area offices in New York, New Orleans, and San Francisco for further indoctrination before being introduced to representatives of the industries in the ports where they would finally work.

The first half of fiscal year 1960 was devoted largely to the training and indoctrination of new employees and to getting them acquainted with management and labor officials within their individual port areas. The original field staff, as

well as the new members, spent a great deal of time answering requests for information from employers and unions and in explaining the new regulations to them. For this reason, the number of vessel inspections and training programs conducted in the first half of the fiscal year was lower than might be expected. Details of program activities are listed below. (The violations noted covered little more than the last quarter of the fiscal year because the regulations did not go into effect until March 21.)

Summary of maritime safety services

Services	Longshoring	Ship repair and other harbor work
Consultation and promotion contacts ¹	4,482	2,519
Evaluation survey	267	318
Accident investigation	134	78
Complaint investigation	95	26
Ships inspected:	4,526	1,580
United States	1,990	1,472
Foreign	2,536	107
Violations noted	1,127	553
Recommendations made	2,085	860
Meetings attended	306	193

¹ Employers, shipping companies, trade associations, insurance companies, and unions.

Because of the change in the Bureau's status from advisory to administrative with respect to the maritime industries, many contacts of a consultative and promotional character were necessary. The number and details are given in the section on safety program operations.

Service to Unions—Safety Training

Activities were increased in safety training courses for union officials; 27 courses were held in 12 States with a total attendance of 548. Plans have been completed with the AFL-CIO to conduct safety training courses for officials of international and local unions on a greatly expanded scale.

The Bureau has worked closely with the Labor Conference of the National Safety Council in its efforts to get more union participation in Council affairs.

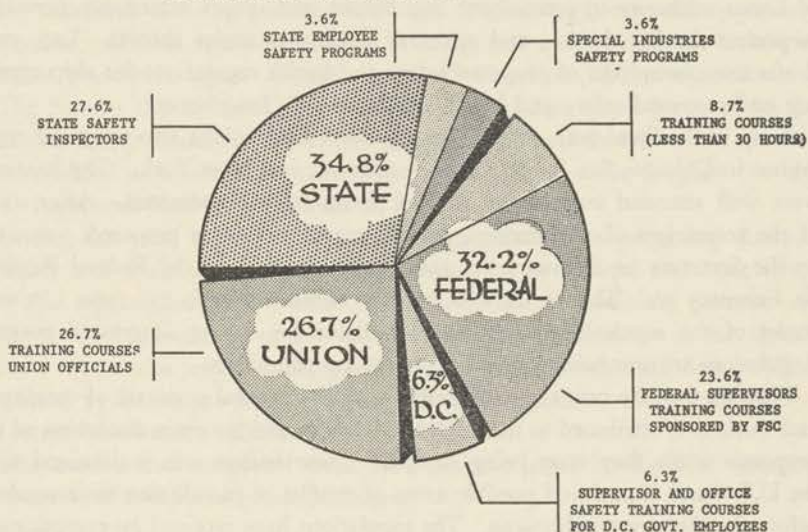
In cooperating with unions, 344 consultative contacts were made as follows: North Atlantic area, 48; South Atlantic area, 88; Great Lakes area, 29; Gulf area, 96; Pacific area, 83.

Many of these consultations involved the application of the new safety and health regulations for stevedoring and ship repairing. Misunderstanding of the intent of the regulations can create distrust and ill feeling between the employer and the unions, and consultations with unions, often at the international level, have created a better understanding of the intent of the regulations and the Bureau's administrative procedures.

All of the Bureau's programs relating to work safety reflect the activities of its technical services. These services assure that all programs are based on sound engineering principles, and that technical information is adequate and

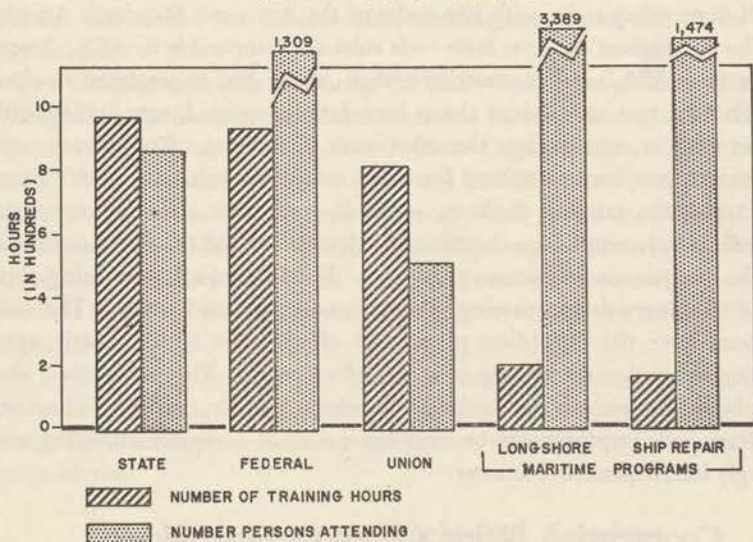
DIVISION OF SAFETY

DISTRIBUTION OF SAFETY TRAINING SERVICES



PERCENTAGE BREAKDOWN OF
TRAINING SERVICES PROVIDED
DURING FISCAL YEAR 1960

ALL TRAINING HOURS AND ATTENDANCE



accurate. The wide range of the Bureau's technical services are summarized briefly below.

Public Law 85-742, approved August 23, 1958, amends section 41 of the Longshoremen's and Harbor Workers' Compensation Act by giving the Secretary of Labor authority to promulgate regulations and orders reasonably necessary to protect the life, health, and safety of employees under the act. Last year, drafts were completed of proposed safety and health regulations for ship repairing and proposed safety and health regulations for longshoring.

Early in the fiscal year, public hearings were held on the two proposed regulations in Chicago, San Francisco, New Orleans, and New York. The hearings were well attended and a great deal of testimony was presented. After study of the transcripts of all hearings, revised regulations were prepared, approved by the Secretary on February 12, 1960, and published in the Federal Register on February 20. The regulations became effective March 21, 1960. Printed copies of the regulations were made available for use by interested persons. Regulations are now being printed in pocket-size pamphlets.

The fact that the new regulations met with the general approval of employers and workers is attributed to the opportunities afforded for open discussion of the proposals while they were being drafted. Close liaison was maintained with the U.S. Coast Guard and possible areas of conflict of jurisdiction were resolved before they became troublesome. The regulations have received an exceptionally good acceptance, considering the fact that they encompass areas where legal safety regulations have never been employed.

During the year, the Bureau began a program of safety code comparisons which, when completed, will provide information on the adequacy of safety codes within the various States. The program involves a rule-by-rule comparison of all State safety codes with like codes of the American Standards Association. The comparison classifies State code rules as "comparable to ASA," "more restrictive than ASA," or "less restrictive than ASA," and is presented in chart form. To date, two comparison charts have been completed, one dealing with ladders as used in construction, the other with demolition. Preliminary comparison charts have been completed for codes covering mechanical power transmission apparatus, sanitary facilities, scaffolds, and floor and wall openings. These preliminary comparison charts were submitted to the States for confirmation of the analysis, or for necessary changes. Final drafts are now being completed. Preliminary drafts covering other codes are now under way. The code comparisons serve the immediate purpose of offering the States a basis upon which they can judge the quality of their safety codes. The project will also foster a basic purpose of standards development, namely, greater uniformity *among* State code requirements to meet the needs of a rapidly changing and increasingly interdependent economy.

Cooperation With Other Organizations

The Bureau also completed work on a position paper for the ILO covering standards through national organizations. At present, the Bureau maintains

membership on 38 technical committees and three standards boards of the American Standards Association. The Bureau last year, as a member of committees or boards, cast 34 letter ballots and attended 11 committee or board meetings. During the year, the American Standards Association issued five new or revised safety standards covering powered industrial trucks; head, eye, and respiratory protection; radiation symbols; window cleaning; and specifications for industrial accident prevention signs. Bureau personnel served on all five committees.

The Bureau also reviewed and commented on 12 data sheets prepared by the National Safety Council. Other national organizations in which the Bureau has continued to be active are the Advisory Committee of the Surgeon General on Occupational Health and the Federal Radiation Council.

During the year, the Bureau assumed responsibility for preparing abstracts of safety and health literature in the areas covered by Federal and State safety laws and regulations. The Bureau in taking on this responsibility becomes one of three clearinghouses to review and abstract such publications in the United States. The entire project is being carried on by the International Labor Office; at present 23 nations are participating. Abstracts are sent to Geneva where they are printed and made available on a worldwide basis.

The Bureau also completed work on a position paper for the ILO covering "Protection of Workers Against Radiation."

Publications

An excellent start has been made on a new series of bulletins to be published under the general title of "Safety in Industry." All bulletins will be grouped into one of three series—"Organization and Administration," "Mechanical and Physical Hazards," or "Environmental and Chemical Hazards." Bulletins will be used as text for Bureau safety training courses as well as for general distribution.

Two bulletins were printed during the year—Bulletin 207, "Controlling Noise Hazards," in the Environmental and Chemical Hazards Series, and Bulletin 211, "Control of the Physical Environment," in the Organization and Administration Series. The manuscripts of two additional bulletins have been completed but printed copies were not available at the year's end. They are "Control of Electrical Shock Hazards" and "Mechanical Handling of Materials." Additional bulletins on a variety of subjects are in the course of preparation. All safety materials reprinted during the year were reviewed to assure technical adequacy and accuracy.

In addition to publications of a general nature, a number of publications dealing specifically with maritime safety problems were made available during the year. These covered such diverse subjects as ship repairing, longshoring, and fire protection.

Miscellaneous Technical Services

As a national and international source of technical safety information, the Bureau receives requests for information on such diverse subjects as how to protect

against slippery floors, color and size of exit signs, ventilation of tunnels, guarding ink mills, safe use of jacks, dermatitis from adhesives, safety for skin divers, welding, radiation protection, first aid equipment, and hazards of chromates. Over 300 specific requests were answered during the year. Over 2,000 individual requests for published materials were also answered.

Other technical services performed during the year include a radiation hazards survey conducted for the Commonwealth of Puerto Rico; analysis of injury reports for the water utilities and canning and preserving industries for inclusion in the Bureau of Labor Statistics' reports on these industries; and activities in connection with the Office of Civilian Defense in the field of radiation protection.

In an effort to increase the effectiveness of its training programs, additional training aids were developed during the year. Training materials developed include: 36 instructor outlines, 10 occupational safety aids, 6 safetygraphs, 33 bulletins and flyers, and 21 miscellaneous training aids.

International Cooperation

The Bureau engages in four major activities in support of the Department's international functions and interests. These programs carried on by technical staff of the Bureau are: (1) to conduct training programs for foreign visitors; (2) to provide information and literature in response to requests from abroad; (3) to provide consultant services to foreign governments and agencies; (4) to carry out special projects concerned with technical assistance to other countries.

Training Programs for Foreign Visitors

Foreign visitors who come to the Department to study in the fields of labor law administration and industrial safety are referred to the Bureau for programing. Most of those so assigned come under the auspices of the International Cooperation Administration; others come under the auspices of the Office of Cultural Exchange of the Department of State, the International Labor Organization, and the United Nations.

During 1960, 84 visitors from other countries who were specializing in labor law or accident prevention were assisted. These are referred to as "primary participants" because the Bureau assumes almost total responsibility for their program of study and for administrative arrangements related to their stay. They came from 19 countries, the largest numbers coming from Japan, Mexico, Indonesia, Pakistan, the Philippines, and Ecuador. (See table 1.)

The Bureau also assisted with the programs of 804 "secondary" visitors, or those whose principal interests were in other fields but who wanted some training in subjects for which the Bureau has special responsibility. Table 2 gives a comparison of the number of referrals in fiscal years 1959 and 1960.

In the group of 84 "primary participants," 43 specialized in labor law administration and 41 specialized in safety. Periods of study ranged from about

6 weeks to 12 months. Programs consisted of classroom lectures and discussions conducted by Bureau staff, as well as extensive visits in various States to observe labor programs and practices in operation. To the extent possible, programs were adapted to individual needs of participants. Organizations visited included Federal and State labor agencies, especially State departments of labor, private associations such as the National Safety Council, labor unions, universities, and industrial establishments.

A new feature of the training program for ICA participants is a 1-week seminar to enable participants to improve their skill in communicating ideas and thoughts to others. This seminar is conducted by specialists of a university under contract with ICA, and ICA participants are expected to take the communications course. Visitors have been pleased with the course and seem to believe that it will be quite helpful when they return to their own countries.

In connection with its training activities, the Bureau plans and arranges programs for visitors, provides instruction, and handles administrative matters in connection with the visitors' travel.

The program could not be effective, however, without the cooperation and the help of other governmental and nongovernmental agencies and establishments. State departments of labor in particular are often called upon, and they play a vital role in the training process. They and many other technical, scientific, industrial and specialized agencies participate willingly and without remuneration. They deserve special commendation not only for their contribution in sharing technical knowledge but for their very significant role in creating better understanding and good will for the United States in foreign lands.

Consultant Services to Foreign Governments

In the less developed areas, one of the particularly significant problems is lack of trained personnel to plan and to administer programs in the labor field. The Bureau cooperates with other agencies in recruiting qualified persons for such positions. For example, a member of the Bureau staff is on loan to ICA, serving a second year in El Salvador as advisor in the field of labor law administration. He is working with the officials of that country who are implementing labor programs provided for in recent legislation. Another staff member, who is a safety engineer, was scheduled to leave for Turkey to participate in a seminar for labor officials. Participants will be from several countries in the Middle East and the meeting will be convened under auspices of the ICA.

There is much interest in other countries in U.S. labor laws and programs. Many requests are received for Bureau publications. Other requests are for information which necessitates research in order to supply the information. Some inquiries concern Federal or State legislation or administrative practice while others involve some technical aspect of safety.

During 1960, an average of three to four requests per week were received. They came from former trainees, governmental and nongovernmental agencies, universities, industrial establishments, engineers, and others.

Special Projects

ICA has allocated money to the Department to employ an expert in the field of labor law administration to visit several countries receiving ICA assistance. The purpose was to determine the type of assistance most needed to improve the programs of labor ministries. Guidelines or manual material to aid in this task will be prepared on the basis of these observations.

The former Associate Director of the Bureau was employed to carry out the project and in 1959 visited Turkey, Iran, India, and Tunisia. During fiscal year 1960, studies were made in the Philippines, Ceylon, Viet Nam, and Indonesia. Reports on the labor situation in these countries have been completed and guideline material is in preparation.

The Bureau, in response to a request from ICA, has planned and supervised preparation of a series of visual aids charts on safety. These are large charts which will be used abroad by former trainees of the Bureau in training classes and other activities which they will conduct in their home country. Approximately 125 such charts have been completed, and additional ones are scheduled for completion next year. Manual material to accompany the charts was also prepared. With the use of this material, foreign safety specialists who have been trained in the Bureau will be well supplied with aids in conducting good training programs. Three of the eight manuals have been completed thus far, and others are in preparation. Charts and manuals have been sent to 42 countries.

Work was completed on a bibliography of safety literature and films. This project was begun last year at the request of ICA and is probably one of the most complete of its kind in existence. It was prepared for use abroad, but it appears now that it will be a valuable document both at home and overseas.

TABLE 1.—*Countries of origin of primary trainees, fiscal year 1960*

Country	Total primary trainees	Number studying labor law administration	Number studying industrial safety
Brazil.....	1	1	0
Burma.....	1	0	1
Chile.....	1	0	1
China.....	3	2	1
Costa Rica.....	1	1	0
Ecuador.....	5	4	1
El Salvador.....	2	1	1
Ghana.....	1	1	0
India.....	3	1	2
Indonesia.....	9	7	2
Japan.....	29	7	22
Korea.....	1	0	1
Mexico.....	10	6	4
Pakistan.....	6	3	3
Philippines.....	6	5	1
Spain.....	2	2	0
Thailand.....	1	0	1
Turkey.....	1	1	0
West Indies.....	1	1	0
Total.....	84	43	41

TABLE 2.—*Foreign visitors programed by the Bureau, fiscal years 1959 and 1960*

Year	Primary trainees studying labor law administration	Primary trainees studying industrial safety	Total primary	Total secondary ¹	Grand total
1959.....	35	36	71	1,001	1,072
1960.....	43	41	84	804	888

¹ Includes casual visitors.

Welfare and Pension Plans Disclosure

The first full cycle of activity under the Welfare and Pension Plans Disclosure Act was completed during the fiscal year. To protect the interests of millions of plan participants and their beneficiaries, the law requires the disclosure of financial and other information concerning such plans. Administration centers in the Bureau's Division of Welfare and Pension Reports.

New Facts on Plan Characteristics

Administration of the act revealed for the first time new information on types of benefits provided, and other characteristics of welfare and pension plans heretofore unknown were made public during the year. A review of the first 128,000 plans filed with the Bureau revealed that more than 382,000 benefits are provided—more than 102,000 plans reviewed provided welfare type benefits and 25,000 provided pensions or retirement benefits. Employers or employer groups, it was learned, manage and contribute to the financing of 90 percent of all plans and bear the entire cost of nearly 45 percent of all these plans.

The 102,000 plans classed as welfare plans provided more than 317,000 benefits such as life insurance, accident and sickness insurance, hospitalization, surgical, medical and dental benefits, paid sick leave, etc. Scope of the plans varied in the number of benefits provided, ranging from a single benefit to several, with 80 percent providing multiple benefits. Of all benefits provided, hospitalization was the most prevalent, followed by surgical and life insurance protection.

Nearly 99 percent of the pension plans reviewed provided retirement for age or service with a smaller proportion providing death benefits and retirement because of disability. Nearly half of all plans covered workers engaged in manufacturing. The next largest proportion (18 percent) covered workers in wholesale and retail trade; followed by services and also finance, insurance, and real estate (both 9 percent). (See table 3.)

During the year a new project was undertaken to review annual report filings. This will lead to the publication of new data concerning financial aspects of welfare and pension plans in this country. The compilations will include information on the amount of contributions made by employers and employees; total benefits paid; the number of employees and dependents covered; amounts paid in insurance premiums; and total assets for funded plans.

Plan Data on File

One of the basic responsibilities of the Bureau in the administration of this legislation relates to the receipt, processing, and public inspection of copies of descriptions of benefit plans and annual financial reports, both of which are to be filed by plan administrators. At the end of the fiscal year, there were on file with the Bureau 100,500 first-round reports showing the financial and operational experience of various plans, while the number of plan descriptions increased to 142,500—a gain of 16,500 for the year. Many of the latter were for plans established during 1959, but a considerable number represented plans which should have been reported by April 1, 1959.

Also, during fiscal 1960, 25,400 plan amendments and corrections were received. These brought up to date, revised, or provided missing information for plans already on file.

The earliest of the second round of annual reports were received by February 1960, and at the year's end 7,500 had been filed.

Disclosure Activities

As more plan descriptions, amendments, and, particularly, annual financial reports became available, activity in the Public Document Room increased markedly. From very little activity in 1959, the number of persons using this facility increased steadily. At the end of 1960, 560 representatives of employer, union, employee, government and research groups, members of the press, and others had examined over 6,400 filings. During this period, almost 20,000 pages of materials from the plan data on file were reproduced for sale to persons who requested this service.

Advisory Opinions

Continuing the experience of 1959, the volume of inquiries dealing with the terms, coverage, and other substantive provisions of the act remained high. At the end of June 1960, almost 18,000 had been handled, 12,000 by correspondence. These inquiries also reflecting the shift toward receipt of annual financial reports became more complex as plan administrators and others found the need for advice and information relating to the financial and actuarial aspects of the plans' operations.

Assistance to Administrators

During the year, the Bureau, in cooperation with the Treasury Department, worked out and announced procedures to ease reporting burdens for pension plan administrators. The new procedures in effect will cut down the amount of paper work in preparing reports required under the Welfare and Pension Plans Disclosure Act of 1958, and the filing of similar information with the Internal Revenue Service. Under these procedures a copy of the forms giving descriptive and financial data which must be filed with the Labor Department will be accepted

by the Internal Revenue Service as part of the information required in claiming tax deductions for contributions under pension, annuity, or profit sharing and stock bonus plans.

Similarly, to reduce overlapping filing requirements, the Bureau consulted with those States having similar reporting and disclosure legislation. As a result, the State administrative agencies are now accepting filings on the Department's annual financial report form as partial fulfillment of reports required from plan administrators under their jurisdictions.

Early in the administration of the new law, it became apparent that many plan administrators had not published the required reports. Leads as to such instances were received from plan participants, unions, employers, press reports, and various other sources. All of these were followed up and inquiries and informational pamphlets were mailed to plan administrators bringing to their attention the act's filing and other provisions. In addition, administrators were informed when examination of a filing showed a clear omission or error, or indicated that the annual report was overdue. This phase of the work, while time-consuming and costly, resulted in the correction of some 12,000 plan descriptions and in the filing of a significant number of amendments and annual reports, thus making the reports on file much more useful for public examination. These efforts are continuing and will constitute a significant activity in the coming year.

Members of the Bureau's staff have addressed many groups and have participated in various panel discussions of the act. These meetings have served to further publicize the existence of the law as well as to bring about a better understanding of the act's requirements. Contact has also been maintained with many of these groups through informal meetings which have provided an excellent medium for the exchange of ideas as well as clarification of mutual problems arising under the act.

Legislative Recommendations

The Bureau's 18 months' experience in administering this new legislation points to the need, foreseen both by the President when he signed the legislation and some members of Congress, for correcting weaknesses in the act. The Department is preparing for submission to the Congress an analysis of operating experience in support of amendments recommended to make the law a more effective tool for insuring full and accurate disclosure, to authorize the issuance of regulations and binding interpretations as to its provisions; and to provide the Government with investigatory and enforcement power to uncover embezzlement, kickbacks, and other abuses which the original congressional investigations leading to the present act had disclosed.

Number of combination plans										
	681	227	7	17	64	82	101	108	57	48
Total—all plans.....	338	130	5	10	33	26	55	25	34	20
Employers.....	15	5	0	1	0	1	2	2	1	3
Plan participants.....	292	85	1	4	14	22	43	81	22	20
Employers and plan participants.....	15	1	0	0	14	0	0	0	0	0
Union (out of general funds).....	5	0	0	1	3	0	1	0	0	0
Employers and union.....	16	6	1	1	0	3	0	0	0	5
Other and unclassified.....										

1 Includes 51 plans which could not be classified.

BUREAU OF LABOR STATISTICS

The Bureau of Labor Statistics is a part of the Department of Commerce, and is one of the principal agencies for the collection and dissemination of statistical information. It is the principal source of information on the economic and social conditions of the United States, and its data are used by many of the Government departments and by the public.

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BUREAU OF LABOR STATISTICS

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The Office of Labor Economics provided continuing appraisal of current economic developments as related to the labor situation and furnished material and analyses on a number of problems which were outside the specific functions of the various divisions of the Bureau. Results were transmitted in regular weekly reports and in special memoranda to the Secretary, Under Secretary, and appropriate personnel in the Department and other government agencies. The Office also assisted in the preparation of material for the International Labor Organization, the Council of Economic Advisers, the Joint Economic Committee, and the Economic Report of the President.

Among the special subjects covered by analyses during the year were the role of demand during the decade of the sixties, relationships between incomes and prices, workers' housing, and the economic situation of Negroes in the United States.

The Office of Labor Economics participated in meetings of the Interdepartmental Trade Agreements Committee, the Committee for Reciprocity Information, and other subcommittees dealing with tariff and trade programs and problems. During this year, the Trade Agreements Committee and related committees devoted the bulk of their attention to: (1) preparation for the fifth round of the General Agreement on Tariffs and Trade negotiations scheduled to commence in January 1961; (2) review of the proposed external tariff of the European Economic Community to insure that U.S. export trade interests are not damaged; (3) solution of special problems such as the operation of the wool fabric quota, sudden market disruption by imports, and various escape clause reports.

The Office prepared a paper dealing with the effects of U.S. wage and price trends (in comparison with trends in other nations) upon the position of the United States in world markets. In addition, it prepared memoranda for the Solicitor's Office analyzing and proposing departmental positions for some 75 bills dealing with tariffs or trade.

The Bureau's two advisory councils, one representing specialists in economic research affiliated with business, and the others economists and statisticians from organized labor, completed the 13th year of continuous advisory service to the Bureau of Labor Statistics.

During fiscal year 1960, the Business Research Advisory Council consisted of 40 members appointed by the Commissioner upon nomination by the National Association of Manufacturers and the U.S. Chamber of Commerce. The council met with the Bureau three times during the year. In addition to council

members, 59 other individuals served on committees with substantive interest in foreign labor conditions, manpower and employment statistics, consumer and wholesale prices, productivity and technological developments, wages and industrial relations, and work injuries.

The Labor Research Advisory Council consisted of 12 members nominated by the American Federation of Labor and Congress of Industrial Organizations. Council meetings are generally reserved for broader policy and technical items, for statements on program developments, and for reports of the activities of its committees. The detail work of the council is performed through its committees, which are identical with those established by the Business Research Advisory Council, except that there is no committee with specialized interest in work injury statistics. The council met once during the fiscal year and all committees of the council were active.

Among the noteworthy developments in the Office of Publications was an index of all Bureau bulletins that have been issued since 1915, and the completion of the first annual statistical supplement to the Monthly Labor Review. Publication of both of these documents is scheduled for the fall of 1960. Release of the statistical supplement to the Monthly Labor Review is the first step in a project which is scheduled to culminate in a revision of the "Handbook of Labor Statistics," the first revision since 1951. Subscription to the Monthly Labor Review reached an all-time high of almost 8,000 at the end of the fiscal year. The Review now incorporates reports on special labor subjects, formerly covered in Series P-50 of the Current Population Reports of the Bureau of the Census.

The Bureau's Office of Statistical Standards provided advice and assistance on technical problems of a divisional, bureau, or departmental nature. This office developed a revised method for securing seasonal factors. The method was reviewed by an interagency group and then introduced as the official method for securing seasonal factors for the Bureau's labor force series.

The responsibility of the Commissioner of Labor Statistics for the maintenance of adequate standards in all statistical programs of the various bureaus and offices is assigned to the Office of Statistical Standards. During the fiscal year, the bureaus were assisted with their statistical problems as they arose, with their needs for statistics from nondepartmental sources, by acceptance on the part of the Budget Bureau of exemption of some 40 forms from Budget Bureau clearance, and by rendition of advisory service to the President's Committee on Government Contracts and the President's Committee for Employment of the Physically Handicapped. The office also participated in the development of and clearance of several new reporting requirement forms developed for use under the new Labor-Management Reporting and Disclosure Act.

The five regional offices of the Bureau reported a sharp increase in the volume of requests for information. More than 200,000 requests were made to regional offices during fiscal year 1960, approximately 33,000 more than in the previous year.

In cooperation with the Rhode Island Department of Labor, the Bureau organized and promoted the 18th Annual Interstate Conference on Labor Statistics

held in Newport, R.I., June 13-16, 1960. The conference featured the sessions on productivity, manpower analysis, injury statistics, workmen's compensation, and industrial relations experiences.

The Bureau participated in defense mobilization work under the general leadership of the Office of Civil and Defense Mobilization. The Bureau provided manpower resources data for use by OCDM in a critical appraisal of manpower availability under an immediate postattack situation. Work was initiated on intensive studies of productivity loss which might be expected following a nuclear attack. Guidelines were also prepared for the collection of wage statistics to be used at local levels in the event of attack which prevents central direction of wage collection for stabilization or other purposes. The Bureau participated nationally and regionally in Operation Alert 1960, and for this exercise prepared statistical instructions for use in the field operations.

Current Employment, Hours, and Earnings Statistics

One of the more significant developments tending to focus attention on industry employment statistics during 1959 was the steel strike and its secondary impact. The Bureau's regular monthly industry series provided an adequate measure of the direct effects of the strike on employment in the steel industry, but the need became evident for more frequent information on the amount of curtailment occurring in related industries as steel shortages developed. Accordingly, the Bureau selected a sample of establishments in steel-consuming industries and inaugurated a weekly survey for estimating changes in employment and scheduled hours in these industries. The special survey continued until the strike was settled.

The current employment statistics and labor turnover programs are joint Federal-State projects, which operate through contractual agreements between the Bureau and cooperating State agencies. In fiscal 1960, a contract was signed with the new State of Alaska, and a program is now being developed in that State for producing employment, hours, earnings, and labor turnover statistics. The Bureau expects to establish a similar agreement with Hawaii in fiscal 1961.

The cooperative labor turnover program, relatively new in comparison to the employment statistics program, showed further growth during its third year of existence. State agencies are now publishing labor turnover rates for 60 metropolitan areas, up from 37 the previous year, and rates are also available for two additional States, raising the total to 37.

In order to provide a unified reference for determining the specific industries for which employment, hours, and earnings series are published by cooperating State agencies, a "Guide to Area Employment Statistics" and a "Guide to State Employment Statistics" were issued. These guides are a key to the thousands of industry series for States and metropolitan areas produced through the cooperative BLS-State program.

The Bureau is presently engaged in preparations for converting the national employment, hours, earnings, and labor turnover series to the revised Standard Industrial Classification issued by the Bureau of the Budget in 1957. State and area series have already been converted to the new SIC, and conversion of the national series is scheduled for completion in fiscal 1961.

Monthly Report on the Labor Force

With the transfer of the Monthly Report on the Labor Force from the Bureau of the Census, the Bureau of Labor Statistics assumed responsibility for the analysis and publication of all current labor force and employment information. The Census Bureau continues to collect and tabulate the data for the report.

Two reports are issued every month: the Secretary's press release entitled "The Employment Situation," and the Monthly Report on the Labor Force, which contains the analysis and interpretation of the monthly figures. The complete and detailed tables are published, together with statistics on employment, hours, earnings and labor turnover based on payroll reports, in the Bureau's monthly report, *Employment and Earnings*. A new series, *Special Labor Force Reports*, was initiated to present analyses of the supplementary information collected from time to time in connection with the monthly labor force survey. Six reports were completed: "Educational Attainment of Workers, 1959," "Marital Status of Workers, 1959," "Unemployment and Job Mobility," "Labor Force and Employment in 1959," "Employment of June 1959 High School Graduates, October 1959," and "The Employment of Students, October 1959."

Two detailed studies on frictional unemployment were prepared for the Joint Economic Committee as part of the Committee's study of employment, growth, and price levels: Study Paper No. 6, "The Extent and Nature of Frictional Unemployment," and Study Paper No. 23, "The Structure of Unemployment in Areas of Substantial Labor Surplus." These represented a major pioneer effort to quantify some of the components of frictional unemployment.

New and improved seasonal adjustment procedures were adapted for the labor force, employment and unemployment statistics, and for the data on hours worked from the payroll reports.

The transfer of the accumulated body of labor force information to this Bureau from the Census Bureau has made it possible to fill a very large number of special requests for data and to provide estimates and projections for a variety of purposes. Every effort is being made to meet as many needs as possible.

Problems of Youth Employment and Unemployment

The Bureau has given increased attention to the early work experience of out-of-school youth because of the expected great increase in their proportion and numbers in the labor force in the present decade, and the continuing high rates of unemployment among them. The decline in the number of unskilled jobs that

is also anticipated creates especially serious problems for young people who drop out of high school before graduation.

The Department's responsibility for the solution of various national manpower problems, particularly the demand for more skilled workers, therefore makes it essential that the Department give close attention to the educational and skill levels, and that it investigate more thoroughly the work, earnings, and unemployment experience of young adults. A beginning has been made on this through studies in seven areas and publication of the results in the form of articles, speeches, a summary pamphlet, "From School to Work," a publicity item through subway car card advertising in New York, and a detailed bulletin (No. 1277). These materials, and others prepared elsewhere in the Department, have furnished data for the Department's annual "Stay in School" release.

Occupational Outlook Program

An accelerated program in the field of occupational information for young people choosing a career has been developed by the Bureau in the past 4 years. The "Occupational Outlook Handbook," which summarizes the findings of the research program on all industries and occupations, has been put on a biennial basis, beginning with the 1957 edition. The usefulness of this publication in schools and other agencies providing vocational guidance is evidenced by sales of 40,000 copies of the 1957 edition, and, in the first 9 months after publication, sales of 31,000 of the 1959 edition. Reprints of the chapters on different occupations have also been made available for the first time and for a nominal charge.

A further extension of this program has been the issuance of the Occupational Outlook Quarterly, the first edition of which appeared in February 1957. This publication reports on new job outlook studies and on other current developments in the world of work. By the end of the fiscal year 1960, paid subscriptions had reached 7,500, bought mostly by schools.

In response to needs of the guidance profession for occupational information, the Bureau is now developing experimental materials designed to give junior high school youth a broader and more realistic view of occupations. This will meet a need for vocational material for a younger age group than is served by the regular Handbook. Dropouts fail to "see any point" to staying in school. They fail to make the connection between schooling and later earnings. Introduction to vocational materials at an earlier age should stimulate continuance in school. Students would be informed on the skills and education necessary for specific kinds of work.

Projections of Industrial and Occupational Trends

The Department of Labor has taken the lead in projecting manpower trends by industry and occupation. This program grew, basically, out of the needs of the occupational outlook program. It is impossible to counsel young people on occupational choice unless there is knowledge of what the economy offers,

not only next year, but also when young people now in school are ready to enter the labor force.

The Bureau has evaluated and estimated what industries can be expected to grow, and at what rate, which will decline, and which will remain relatively constant. Similar evaluations of growth patterns of occupations have been made, as a guide to those planning vocational training or retraining. This kind of information is particularly important to those responsible for professional and technical training facilities and resources.

The current and widely publicized results of the projections for the present decade have appeared in popular form in the Department's publication "Manpower—Challenge of the 1960's," of which 150,000 copies were distributed. Series of colored slides and charts, highlighting the findings, were also made available to industry, educators, trade unions, and guidance counselors.

Studies of Employment and Demand for Scientific and Technical Personnel

In recognition of the need for definite information, the Bureau, with the National Science Foundation as sponsor, has for several years conducted surveys of employment of engineers and scientific and technical personnel in private industry. Similar surveys have also been made for State government agencies and for nonprofit organizations. An experimental study aimed at developing methods of projecting long-range demand for scientists, engineers, and technicians was begun in fiscal 1960.

Prices and Consumption Studies

Major developments in the price program took place in fiscal 1960. The Bureau not only continued to provide consumer and wholesale price indexes, but embarked on a basic revision of the Consumer Price Index and a reweighting of the Wholesale Price Index. In addition, interim revisions of the two standard budgets—the City Worker's Family Budget and the Elderly Couple's Budget—were developed.

For the purpose of reviewing and suggesting improvements in the Federal price statistics program, the Price Statistics Review Committee (Stigler Committee) was established in July 1959 by the National Bureau of Economic Research under contract with the Bureau of the Budget. Intensive studies were made of the Consumer Price Index and the Wholesale Price Index, taking into account the needs of business, agriculture, labor, private research organizations, and the general public.

Consumer Price Index

This measure of change in prices of goods and services purchased by wage-earner and clerical-worker families in urban areas serves as an economic indicator of retail price movements and, to an increasing extent, is the basis for automatic

adjustments under labor-management and other contracts. It is estimated that the wages of over 4 million employees are periodically adjusted in accordance with changes in the Consumer Price Index. The index is also used for such diverse purposes as adjustment of long-term rental contracts, royalties, pensions, and welfare payments.

To insure the reliability of the index as a measure of price change for goods and services which consumers are currently buying, the Bureau launched a major revision in the "market basket," or weights for the CPI—the first since the last comprehensive review 10 years ago. The program will take 5 years; the revised index will be published in January 1964. During fiscal 1960, the general program plans were developed and basic decisions were made on concepts, coverage, and index methodology.

The dramatic population growth of the last decade, the major changes in location and population composition, as well as the addition of Alaska and Hawaii, required a new sample of cities in order to give proper representation in the index to all urban places. Therefore, the selection of a new city sample to represent the urban population in the revised index and in the housing and consumer expenditure surveys was of primary importance. A sample design was developed and 66 cities selected which included the urban parts of the 12 largest Standard Metropolitan Areas, one city each in Alaska and Hawaii, and 52 cities representing a cross-section of the rest of the country. All 66 cities will be included in the housing and consumer expenditure surveys. Of these, the following 50 will be in the sample for the revised index:

Cities of 1,250,000 or More Population

Baltimore, Md.
Boston, Mass.
Chicago, Ill.
Cleveland, Ohio
Detroit, Mich.
Los Angeles, Calif.

New York, N.Y.
Philadelphia, Pa.
Pittsburgh, Pa.
St. Louis, Mo.
San Francisco, Calif.
Washington, D.C.

Cities of 250,000 to 1,250,000

Atlanta, Ga.
Buffalo, N.Y.
Dallas, Tex.
Dayton, Ohio
Denver, Colo.
Hartford, Conn.

Honolulu, Hawaii
Indianapolis, Ind.
Nashville, Tenn.
Seattle, Wash.
Wichita, Kans.

Cities of 50,000 to 250,000

Austin, Tex.
Bakersfield, Calif.
Baton Rouge, La.
Cedar Rapids, Iowa
Champaign-Urbana, Ill.

Durham, N.C.
Green Bay, Wis.
Lancaster, Pa.
Orlando, Fla.
Portland, Maine

Cities of 2,500 to 50,000

Anchorage, Alaska
Crookston, Minn.
Devils Lake, N.D.
Findlay, Ohio
Florence, Ala.
Kingston, N.Y.
Klamath Falls, Oreg.
Logansport, Ind.
Mangum, Okla.

Martinsville, Va.
McAllen, Tex.
Millville, N.J.
Niles, Mich.
Orem, Utah
Southbridge, Mass.
Union, S.C.
Vicksburg, Miss.

The housing unit survey and the consumer expenditure survey are basic to the revision of the list of goods and services to be priced. The housing survey provides information from which to select sample families for the expenditure survey. The expenditure survey supplies data on the kinds and amounts of goods and services that consumers buy, the prices they pay, how often they shop for food, and other information that provides the basis for determining the current pattern of consumer spending. An Advisory Committee on Consumer Expenditure Surveys was established by the Bureau in February 1960 to assist in planning and reviewing the survey program and findings. By the end of fiscal 1960, both housing and consumer expenditure surveys had been completed in Cincinnati, Ohio, the city chosen for testing procedures and costs.

Housing and consumer expenditure surveys were also conducted in two Alaskan cities—Anchorage and Fairbanks. This was part of a 2-year program of surveys in four Alaskan cities and for calculation of semiannual price indexes for each of the cities. In addition, cost differentials of an equivalent level of living in each city will be compared with Seattle, Wash. During the year, price collection procedures and outlet samples were established in Anchorage and Fairbanks in preparation for the semiannual index, and pricing was conducted in May 1960.

To provide guidelines for pricing in the revised index, a series of experimental pricing studies was initiated. These studies will supply information on methods of selecting samples of items to be priced, outlets where the pricing should take place, the frequency needed for adequate pricing, and desirable improvement in collection methods.

For the regular Consumer Price Index program, pricing was begun on compact cars, preparatory to including them in the index; 13 prescription drugs were substituted for the 3 previously used to represent prescription medicines in the index; and new food items were introduced. Samples of outlets from which prices of commodities are obtained were revised and expanded; a substantial amount of research was performed preliminary to extending pricing to suburban areas. Particular attention was given to improving and revising the medical care and home purchase components of the index.

Standard Family Budgets

The Bureau conducted interim revisions of the City Worker's Family Budget (developed in 1946-47 and last priced by the Bureau in 1951) and of the Elderly Couple's Budget (developed in 1947 and last priced in 1950). The City Worker's Family Budget is designed to estimate how much it costs a four-person urban family to obtain the goods and services required to maintain a modest but adequate level of living in accordance with prevailing standards. The Elderly Couple's Budget defines a similar standard for a retired couple.

These interim revisions are based on a new list of goods and services which would reflect more nearly the "modest but adequate" level of living in terms of the standards prevailing in the 1950's. During the year, the interim revision of the City Worker's Family Budget was completed; estimates of dollar costs of

the total budget and of major types of expenditures were developed for the 20 large cities regularly priced for the Consumer Price Index. Work on the interim revision of the Elderly Couple's Budget neared completion.

Wholesale Price Index

This comprehensive measure of price movements for all commodities sold in primary markets is regarded as a major economic barometer. In addition, it is widely used in planning the cost of plant expansion programs, appraising inventories, and in the periodic adjustment of escalation of many long-term contracts.

Considerable progress was made during the year on adjusting the weights for commodities in the Wholesale Price Index to reflect their relative importance in 1958. When the results of a comprehensive industrial census become available, the weighting structure of the index is revised; the current revision incorporates data from the 1958 censuses of manufactures and mineral industries.

To assist the Bureau in evaluating the wholesale pricing program, plans were developed for surveys of users of the Wholesale Price Index and the Daily Index of Spot Market Prices. Questionnaires were drafted and distributed to the Price Committees of the Bureau's Labor and Business Research Advisory Councils for comment.

Analysis was begun of numerous index series not currently included in the Wholesale Price Index to determine which series should be added, which should be dropped, and which should be retained for experimental testing. Approximately 70 series may be discontinued as a result of this review.

Investigations leading to the development of new indexes and improvement of existing indexes continued throughout fiscal 1960. Effective with the January 1960 index, 64 new index series were added and 15 dropped. In addition, reporters were added during the year for some price series for which the number of quotations was inadequate. The pricing of new items was initiated for commodity areas not previously covered by the Wholesale Price Index.

Wages, Salaries, and Related Benefits

Studies of wages, salaries, and related benefits were made in 60 standard metropolitan statistical areas, as contrasted with 20 areas in fiscal 1959. Plans were completed for extension of the labor market studies to 80 areas in fiscal 1961. These surveys provide information on wages and salaries for selected office clerical and manual occupations typically found in most industries, as well as on work schedules, shift differentials, paid vacation, holiday, and sick leave plans, and other related wage benefits.

For the first time, national estimates of salaries for selected professional, administrative, technical, and clerical occupations were provided, based on a sample of establishments in the 60 areas studied. Beginning in fiscal 1960, these studies will be conducted annually.

The program of nationwide studies of wages in occupations characteristic of individual industries was continued. In this industry-oriented program, the broader occupational coverage provides a basis for analyzing industry wage structures. Through these studies, information is developed on the distribution of workers by earnings levels, employment estimates by occupation, the incidence of incentive pay plans and their influence on earnings, and on wage differentials related to location, establishment size, unionization, and other characteristics. The principal industries in the Nation are studied on a regularly recurring basis at intervals of not more than 5 years. In fiscal 1960, studies were made in the following industries: petroleum refining, miscellaneous plastic products, structural clay products, pressed or blown glass and glassware, machinery except electrical, hotels, power laundries and dry cleaning, fluid milk, and communications.

A comprehensive study of the salaries and working conditions of professional workers in the social welfare field, the first since 1950, was undertaken in cooperation with the U.S. Department of Health, Education, and Welfare and the National Social Welfare Assembly. The study was well advanced in fiscal 1960.

Annual studies were made of union wage scales and standard hours of work in the construction, printing, local transit, and local trucking industries in 52 cities with populations of 100,000 or more. These were supplemented by quarterly surveys of union rates and employer contributions to insurance (welfare) and pension funds in 100 cities for 7 major building trades.

Nationwide wage studies of a more limited scope, providing distribution of nonsupervisory workers by wage levels, were made in selected industries at the request of the Wage and Hour and Public Contracts Divisions for use by the Department in its continuing appraisal of Federal minimum wage legislation and for prevailing rate determinations under the Walsh-Healey Public Contracts Act. For appraisal of Federal minimum wage legislation, wage distribution studies were completed in 17 low-wage manufacturing industry groups. Two of these studies were limited to the South. Studies were completed in seven additional industries for use in prevailing rate determinations under the Walsh-Healey Public Contracts Act.

Special-purpose studies of a broader scope were repeated in six localities in which a series of minimum wage appraisal studies had been initiated in 1956. These were part of a broad program of studies designed to evaluate the economic effects of the increase in the Federal minimum wage to \$1 an hour which became effective in March 1956.

The monthly report on Current Wage Developments was continued during the year. This report provides information on collective bargaining settlements, listing the details of each individual settlement. The program of statistics on changes in wage rates and related benefits was expanded during the year to union situations involving fewer than 1,000 workers and to nonunion settlements in manufacturing. A report covering this expanded program for calendar year 1959 was completed. A detailed summary report will be issued in the early

part of fiscal 1961. Periodic statistical summaries of wage changes in manufacturing as a whole will be issued regularly in fiscal 1961.

The wage chronology series, which provides a historical record of changes in wages and wage practices in key collective bargaining situations, was maintained on a current basis. Supplements, reflecting current changes, were issued for nine situations.

Wage and salary indexes for selected industries and occupational groups were kept current. Included in this program are indexes for public school teachers, women office workers and industrial nurses, skilled and unskilled plant workers, selected occupational groups in the machinery industries, and for Federal classified civil service workers.

The first report was issued in the new program of studies analyzing the relationship of plant man-hours and total man-hours paid for in various sectors of the economy. The first report relating to calendar year 1958 covers manufacturing industries. Related to this program is the development, beginning in fiscal 1960, of annual studies of the value of selected employer expenditures for "fringe benefits." The initial study covers manufacturing for the calendar year 1959.

Industrial Relations Developments and Analysis

Although there was no expansion in the basic industrial relations program during the year, a number of special tabulations and analyses were prepared in connection with the steel strike. Several special studies undertaken related to the Department's new responsibilities under the Welfare and Pension Plans Disclosure Act and the Labor-Management Reporting and Disclosure Act.

The Bureau continued to maintain files of selected collective bargaining agreements. These files of labor-management agreements are available for public use and are widely utilized by employers, labor representatives, conciliators, and others concerned with labor-management relations.

A number of studies relating to the substantive provisions of labor-management agreements were completed, or well advanced. Studies completed are concerned with union security, checkoff provisions, and company pay for time spent on union business. Other studies, virtually completed, relate to paid sick leave, paid rest periods, pay for washup time, military service payments, and work clothing allowances.

A special report was issued on collective bargaining coverage in factory employment as of 1958. The extent to which wages and other conditions of employment are determined through the collective bargaining process is a matter of widespread interest.

The regular annual reports on deferred wage increases and escalator clauses and on the calendar of major agreement expirations and reopenings were issued.

The enactment of the Labor-Management Reporting and Disclosure Act served to increase interest in and the demand for information relating to union

organization and activities. A comprehensive report was issued on trusteeship provisions in union constitutions as part of the Bureau's regular program of studies of the provisions of union constitutions. The biennial "Directory of National and International Labor Unions" was completed. In addition to the listing of national and international labor unions and State labor organizations and their officials, this report included estimates of union membership; a breakdown of union membership by industry; and a detailed analysis of the current structure of the organized labor movement. The annual calendar of the conventions of national and international unions and State labor organizations was issued. A special report was prepared for the Monthly Labor Review on the proceedings of the third biennial convention of the AFL-CIO. A peak year was experienced from the point of view of individual inquiries relating to labor-management problems received from the Congress, the executive branches of the Federal Government, and the public generally.

The regular statistical series relating to work stoppages was maintained. Monthly estimates were issued on the number of strikes, workers involved, and man-days idle. A comprehensive report analyzing work stoppages by State, industry, and the Nation, covering calendar year 1959, was completed.

Interest in the Bureau's studies relating to health, insurance, and pension plans continued at a high level. Three major reports relating to medical, surgical, and hospital benefits in health and insurance plans under collective bargaining were completed. Work was virtually completed on studies of normal and early retirement under collectively bargained pension plans. A major study relating to the characteristics of multi-employer pension plans was initiated. A special report on the extension of health benefits to prior pensioners under private pension plans was prepared for use in connection with legislation on extending health benefits to Federal Government retirees.

Productivity Measurement

The report "Trends in Output Per Man-Hour in the Private Economy, 1909-1958," was completed and published in December 1959. The report provides indexes of output per man-hour for the total private economy, as well as the farm and nonfarm sectors. Indexes for the nonfarm sector are separately presented for manufacturing and total nonmanufacturing. Estimates were extended to 1959 in a release in June 1960.

Productivity indexes for 22 mining, manufacturing, transportation, and communication industries were extended to the most recent period for which data were available, many through 1959.

Draft reports for additional selected industries cover the postwar period and will be extended annually following review and publication. The report for each industry presents output per man-hour measures for all employees and for production workers only, as well as background statistics, industry descriptions, analyses of index movement, and technical notes on procedures and sources.

Productivity data were supplied and papers presented to various interested agencies. At the request of the Joint Economic Committee, a table previously submitted to the Committee showing the relationship between labor and non-labor costs, prices, and output per man-hour was revised and brought up to date. A summary of the paper "Availability of Data for Measuring Output per Man-Hour," which was presented at the 1958 Conference on Income and Wealth, was completed for use and discussion by the Interagency Committee on Production and Productivity.

A productivity seminar for the Business Research Advisory Council was held on June 1. Papers were presented by the National Bureau of Economic Research, as well as by Bureau staff.

Automation and Technological Change

In Bulletin No. 1276, "Adjustments to the Introduction of Office Automation," the Bureau presented a study of some implications of electronic data-processing for displacement, reassignment, and retraining of office employees. The study is based on a survey of 20 large offices where large-scale computers had been installed. It presents data on the extent of job and occupational changes occurring among employees of different age groups and describes personnel practices used to ease the impact of technological change on employees.

The Bureau continued to collect data on recently automated plants for the case-study program on economic and social implications of automation. A study of the paper and pulp industry is in process which describes technological changes at four plants and discusses the implications of such changes for staffing patterns, retraining programs, industrial relations, and productivity. A case study on technological changes at an electric and gas utility will present methods used to reduce employment during the postwar years without layoffs and will discuss implications for productivity, displacement, reassignment, and retraining of workers.

A position paper, "The Effects of Mechanization and Automation in Office Work," was prepared for use by the U.S. delegate to the 5th Session of the ILO Advisory Committee on Salaried Employees and Professional Workers.

The Bureau extended its analysis of productivity and technology by undertaking studies of changes occurring in various industries. Work was initiated for a report on trends in output per man-hour and major technological innovations in the bituminous coal industry during the past 40 years, with emphasis on postwar developments and their relationship to trends in employment and unemployment and to labor and nonlabor costs. Work began on a similar report for the railroad industry.

Older Worker Activities

A bulletin, "Comparative Job Performance by Age: Office Workers," was published, continuing previous efforts of the Bureau to test the validity of common assumptions that productivity declines with age. The bulletin presents data,

collected from office production records of 6,000 clerical employees, on output per man-hour, and accuracy and consistency of performance by age.

A study was initiated of the adaptability of older workers to retraining necessitated by technological developments. A university research group under contract with the Bureau is making studies of the performance of employees of different age groups at four plants where retraining programs have been conducted.

Construction Labor Requirements

A program for estimating the labor requirements of various types of construction was begun following exploratory work in developing survey methods, procedures, and questionnaires.

The program is designed eventually to determine the direct (on-site) and indirect (off-site manufacturing, mining, and distribution) labor requirements of various types of construction. Initial emphasis is being given to publicly financed types of projects—schools, highways, and hospitals. The school and highway construction studies were well advanced, and the hospital study was being planned at the close of fiscal 1960.

Industrial Hazards

A new quarterly survey of injury rates in activities covered by the newly enacted Longshoremen's and Harbor Workers' Act was started under a contract with the Bureau of Labor Standards. This will be a continuing survey in which reporting by the covered employers is compulsory.

An extensive one-time study of work injuries experienced by minors was started. This will be based upon the workmen's compensation records of six to eight States. The results will provide the Department with basic information for use in determining the need for hazardous work orders under the Fair Labor Standards Act.

The following formal survey reports were issued during the year:

- Four quarterly injury-rate tabulations covering the experience of 135 manufacturing industries.
- Estimates of the total volume of disabling work injuries in the United States during 1959 and of the resulting manpower losses.
- Final annual injury rates for some 160 manufacturing and 50 nonmanufacturing industries during 1958.
- Two special reports summarizing current work-injury experience in the construction and retail-trade industries.
- A major report detailing the work-injury experience of the sawmill industry.
- A major report detailing the work-injury experience of the concrete brick and block manufacturing industry.
- A major report detailing the work-injury experience of the logging industry.
- A major report detailing the work-injury experience of public school lunchroom employees.

Special purpose reports prepared during the year included:

- A series of analytical charts with interpretative comments for use of speakers at the President's Conference on Occupational Safety.

Chart summaries and narrative interpretation of the injury experience of school lunchroom employees for presentation at the annual conventions of the American School Food Service Association and the Association of School Business Officials.

Injury-rate tabulations of 1958 survey data in grouping matching the sectional groups of the National Safety Council for the Council.

Tabulations of all survey data reported by establishments in Illinois and California for the labor departments of those States.

A wide range of technical services in the field of work-injury statistics was furnished to the 10 cooperating States.

The Division participated extensively in the planning and conduct of the 1960 President's Conference on Occupational Safety, providing technical consultation for two of the sessions and operating a publications booth at the conference.

The Division prepared a proposed revision of the American Standard Method of Compiling Accident Causes which has been submitted to the American Standards Association's technical committee on work-injury statistics for review and approval.

Staff of the Division participated extensively in the safety standards work of the American Standards Association; participated in the statistical committee of the International Association of Industrial Accident Boards and Commissions; served as adviser to the National Health Survey of the U.S. Public Health Service; and participated in the Interstate Conference on Labor Statistics.

Foreign Labor Conditions

In accordance with the program of research services for the Department, many special reports and analyses were prepared as background for policy papers prepared by the Department in connection with the foreign aid program. Background papers on subjects to be discussed at meetings of the International Labor Organization Governing Body, were developed for the use of U.S. delegations.

To help the Department meet its responsibilities for providing labor information needed for programs of other U.S. Government agencies, the Division participated in the work of interagency committees. In conjunction with the Department of Commerce, members of trade missions were briefed prior to their departure to represent the United States at trade fairs abroad. Foreign Service officers were briefed before assignments to new posts. Appraisals of labor reporting from the Foreign Service were made in conjunction with the Bureau of International Labor Affairs. Staff members lectured at the Foreign Service Institute. A biweekly report on foreign labor developments was prepared and transmitted regularly to 158 overseas posts. A staff attended deliberations of the Operations Coordinating Board.

The Division participated in the field of international technical cooperation by conducting programs for foreign teams and individuals visiting the Bureau to obtain technical and general information on U.S. labor statistics and labor economics. During the year, 1,502 foreign participants visited the Bureau for either

training in labor statistics methodology, or discussions of various economic subjects, such as employment, wages, productivity, prices, or industrial relations.

Consultation in the statistical field for foreign governments requesting technical assistance continued through correspondence with foreign governments and research agencies.

The Division continued to assemble in chronological order the various international resolutions relating to labor statistics.

A new project was undertaken involving the preparation of some 15 monographs on labor law and practice in foreign countries.

The Division publications consisted of (1) articles for the Monthly Labor Review; (2) country studies of selected countries for Foreign Labor Information bulletins and for Summary of Labor Situation series (the latter is prepared especially for the International Cooperation Administration); and (3) Labor Developments Abroad, a monthly periodical which contains brief factual reports, wage data, and bibliographical material. The format of the latter publication was revised, and the contents shortened and better tailored to user needs.

A sixth edition of "Economic Forces" was completed. This is a book prepared at the instigation of the International Cooperation Administration, and is designed to brief foreign participants on the economy of the United States.

Information was provided on a wide range of topics in the field of foreign labor economics in response to individual requests from the Congress, from labor and business organizations, and the general public. Included were tabulations of earnings of specified industries or occupations in foreign countries, analyses of industrial relations, fringe benefits, and labor force data. A bibliography of basic source material for research in foreign and international labor was developed.

BUREAU OF VETERANS' REEMPLOYMENT RIGHTS

The Bureau of Veterans' Reemployment Rights is a part of the Department of Labor. It is responsible for the administration of the Federal Law of 1945, which guarantees the right of veterans to be reinstated in their former jobs or to receive compensation for the loss of their jobs.

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Joint Department of Defense-Department of Labor Program

The close working relationship between the Department of Defense and the Department of Labor has continued to secure for all eligible persons a maximum level of their rights at the time and place that best suited. This program is

The Department of the Interior is pleased to announce that it has received a grant from the National Endowment for the Humanities to support a project on the history of the American West. The project will be directed by Professor [Name] of the University of [Location].

The project will focus on the role of the American West in the development of the United States. It will examine the impact of the West on the nation's economy, culture, and politics. The project will also explore the role of the West in the American dream and the American identity.

The project will be carried out over a period of three years. It will involve a series of lectures, seminars, and workshops. The project will also include a series of publications and a website.

BUREAU OF VETERANS REEMPLOYMENT RIGHTS

The Bureau of Veterans' Reemployment Rights is a federal agency that provides services to veterans and their families. It is responsible for ensuring that veterans and their families have access to the benefits and services they are entitled to.

The Bureau of Veterans' Reemployment Rights is located at 1234 Main Street, Suite 500, Washington, D.C. 20540. It can be reached by phone at (202) 555-1234 or by email at [Email Address].

The Bureau of Veterans' Reemployment Rights is committed to providing excellent customer service to all veterans and their families. It is dedicated to ensuring that veterans and their families have access to the benefits and services they are entitled to.

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BUREAU OF VETERANS' REEMPLOYMENT RIGHTS

On May 1, 1960, the reemployment rights program had been in effect for 20 years. The program has been administered by the Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, for 13 years. It is expected that the program will continue in operation so long as the world situation demands a strong military establishment and young men must leave their civilian employment to perform training or service in the Armed Forces in the interest of national defense.

Strengthening Amendments Approved

Fiscal year 1960 saw congressional passage of Public Law 86-632, which amends the Universal Military Training and Service Act to improve the reemployment rights of reservists, National Guardsmen, and rejectees. These amendments, which are effective September 10, 1960, expressly provide for (a) reemployment rights for National Guardsmen on initial periods of 3 to 6 months' active duty for training comparable to rights granted reservists on similar training duty (prior to Public Law 86-632, National Guardsmen had lesser rights under the law); (b) reemployment rights for reservists and Guardsmen disabled while on training duty to the extent that they cannot qualify for the former position, provided the employer has a position the disabled person can perform; (c) guarantee of seniority, status, pay rate, and vacation that the reservist, Guardsman, or rejectee would have had if he had not been absent for such purpose; (d) protection of reemployment rights if hospitalized incident to training duty or rejection, provided hospitalization does not exceed 1 year.

The amendments further provide that the reservist and Guardsman who leave employment to perform any type of training duty, other than the initial period of 3 to 6 months, and the rejectee, must request a leave of absence from the employer and such request must be granted. The amendments also reduced the application period from 60 to 31 days for the 3- to 6-month trainee and from 30 days to the next regularly scheduled work period for all other types of training duty and for the rejectee.

Joint Department of Defense-Department of Labor Program

The close working relationship between the Department of Defense and the Department of Labor has continued to assure that all eligible persons are made aware of their rights at the time and place most beneficial. This program is

being expanded to include all reservists, Guardsmen, and rejectees affected by the amendments. This aspect takes on significantly greater importance in view of the legal requirement that certain classes of persons entering training duty request a leave of absence from the employer.

Bureau Operations

Through effective use of streamlined procedures and a mechanized field service center, the Bureau handled approximately 275,000 requests for information and assistance. By thus placing in the hands of interested persons timely information concerning the rights and obligations under the reemployment statutes, the Bureau has substantially reduced the number of complaints received, minimized misunderstandings, and permitted greater service to increased numbers of people. Workload for the year is indicated below:

	<i>Problems</i>	<i>Cases</i>
Carried over.....	5,230	1,840
Received.....	54,255	8,791
Closed.....	54,860	9,116
Pending.....	4,625	1,515

The Department of Defense Labor Program is a joint effort between the Department of Defense and the Department of Labor. It was established in 1946 to provide a coordinated approach to the problem of reemployment of military personnel. The program is designed to assist military personnel in finding civilian employment after their discharge. It provides a central clearinghouse for the exchange of information between the military and civilian employment agencies. The program also provides a means for the military to learn about civilian employment opportunities and for civilian employers to learn about the qualifications of military personnel. The program is a voluntary one, and participation is encouraged but not required. The program has been very successful in helping military personnel find civilian employment. In 1946, over 100,000 military personnel were helped to find civilian employment. This number has increased steadily each year, and it is expected that the program will continue to be successful in the future.

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Joint Department of Defense-Labor Program

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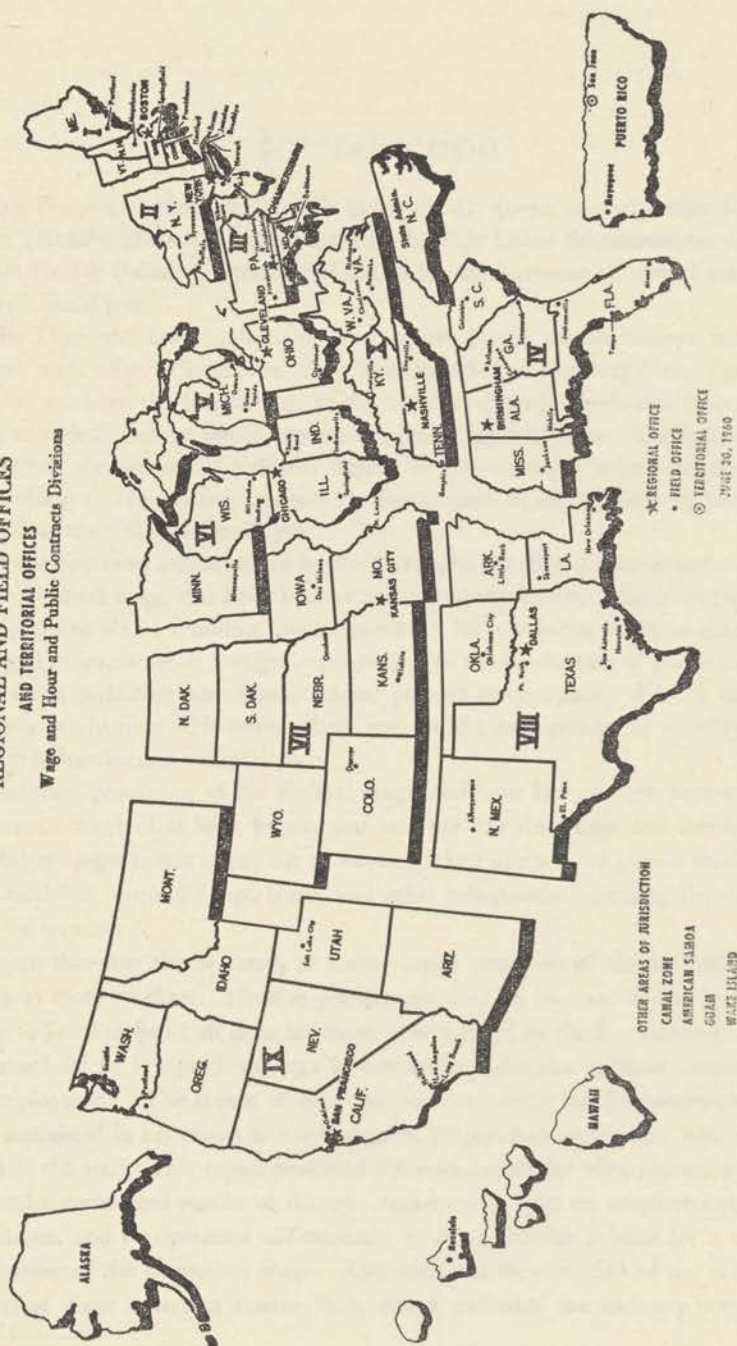
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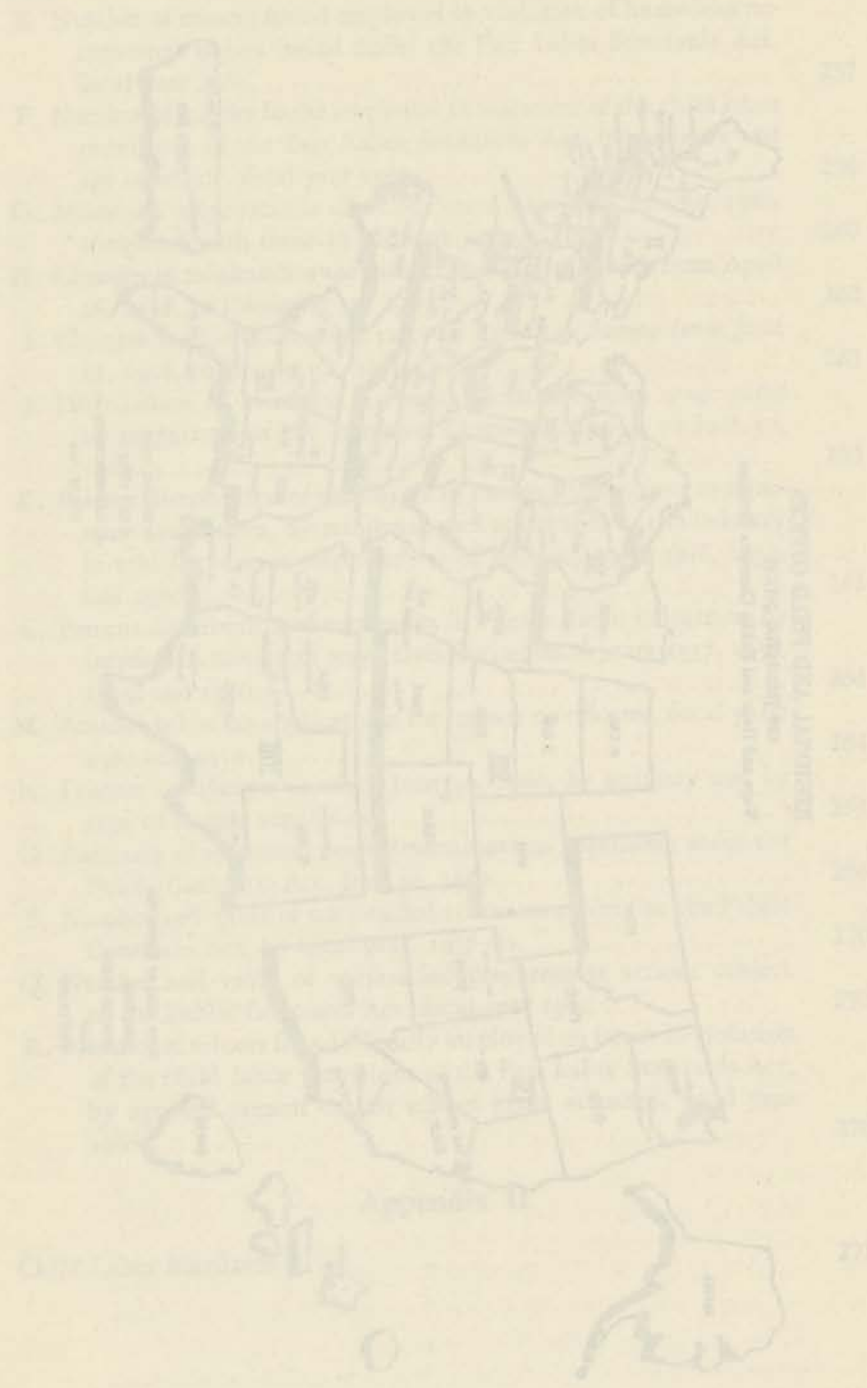
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REGIONAL AND FIELD OFFICES AND TERRITORIAL OFFICES Wage and Hour and Public Contracts Divisions





Introduction

The Wage and Hour and Public Contracts Divisions' constant efforts to improve administration and enforcement of the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act led to the achievement of record results in the 1960 fiscal year.

The Divisions investigated this year about 45,700 establishments for compliance with either or both acts. Approximately \$28 million was found due some 187,000 workers, the largest sum in the 15 years during which this amount has been recorded, and one which exceeds last year's figure by more than \$5.6 million. Moreover, the amount employers agreed to pay in back wages owed—about \$14 million to 119,300 employees—was the greatest in any of these 15 years and \$1 million more than in fiscal 1959.

Of the two laws administered by the Divisions, the Fair Labor Standards Act, or the Federal wage and hour law, as it is popularly known, affects 23.7 million employees in about 1 million establishments. Its provisions apply to employees engaged in interstate or foreign commerce or in the production of goods for such commerce, including any closely related process or occupation directly essential to such production. However, there are specific exemptions for employees in certain industries and occupations.

The basic provisions of the Federal wage and hour law require payment of a minimum wage of at least \$1 an hour and not less than time and one-half the employee's regular rate of pay for all hours worked in excess of 40 in a workweek, and establish minimum age levels and other safeguards regarding the employment of minors.

Again this year the Secretary of Labor urged extension of the act's minimum wage to more workers. He also pointed out that an increase in the minimum wage to \$1.10 or \$1.15 an hour for those now covered by the \$1 minimum would be beneficial to low-paid workers in low-wage industries without causing loss of employment. The frame of reference for evaluating the \$1 minimum wage was contained in his report to the Congress, prepared in accordance with section 4(d) of the act.¹ This report provided information on the administration of the act and summarized results of surveys conducted in 1959 on employment, wage structures, and occupational differentials, so as to furnish a basis for a current evaluation of the minimum wage. Also included were studies of the economic effects of wage orders in Puerto Rico, which indicated the industry committee

¹ Report submitted to the Congress in accordance with the requirements of section 4(d) of the Fair Labor Standards Act, 1959, transmitted February 15, 1960.

procedure had been effective in accomplishing the objective of raising minimum wages there, without serious adverse effects on employment.

The Public Contracts Act applies to workers on Government supply contracts in excess of \$10,000. Its minimum wage provisions authorize the Secretary of Labor to issue industry minimum wage determinations, on the basis of the minimum wages he finds to be prevailing. Determinations are now in effect for 50 industries, 21 of which have minimum rates above \$1 an hour, the remainder establishing minimum rates of \$1.

In addition to containing minimum wage provisions, the Public Contracts Act prescribes other minimum labor standards for work on covered contracts. Overtime pay at not less than time and one-half the basic rate is required for all hours worked in excess of 8 in a day or 40 in a workweek. The act's child labor provisions prohibit the employment of boys under 16 and girls under 18 years of age. Homework and convict labor are forbidden. It is also stipulated that Government work be performed under safe and sanitary conditions.

To prevent the award of Government contracts to bid brokers and other irresponsible persons or firms, the act requires that an eligible bidder meet the qualifications of a bona fide regular dealer or manufacturer.

Almost invariably, employees working on a contract covered by the Public Contracts Act are also covered by the Federal wage and hour law because of their being engaged in interstate commerce or the production of goods for interstate commerce. In such cases, the provisions of both acts must be observed, and where they differ, the higher standards prevail.

The Divisions' national office in Washington, D.C., in directing the nationwide field organization, develops plans and policies to insure uniform application of the two laws and supervises the activities of the field. These field operations are conducted through 10 regional offices, a territorial office, and a cooperating State agency.

The regional offices, each operating under a regional director, are located in the following cities: Boston, Mass.; New York, N.Y.; Chambersburg, Pa.; Birmingham, Ala.; Cleveland, Ohio; Chicago, Ill.; Kansas City, Mo.; Dallas, Tex.; San Francisco, Calif.; and Nashville, Tenn. Within each region are field offices, totaling 77 throughout the Nation, and itinerant stations, totaling over 250. The territorial office in San Juan, Puerto Rico, has responsibility for operations in Puerto Rico and the Virgin Islands. For North Carolina, there is a State agreement under which the State department of labor makes investigations. Activities in Guam, Wake Island, and American Samoa are under the immediate supervision of the San Francisco regional office, while activities in the Canal Zone were under the supervision of the national office at the end of the fiscal year.

Enforcement by Investigation

The high level of underpayments found by the Divisions in fiscal year 1959 was exceeded by still greater disclosures in the year ended June 30, 1960. An increased number of complaints and continued improvement in the scheduling

of investigations, together with continued emphasis on the discovery and correction of the more significant violations, contributed to the better results.

About 23.7 million employees in about 1 million establishments are subject to the minimum wage provisions of the Fair Labor Standards Act. Some of these 1 million establishments are also subject to the provisions of the Public Contracts Act because they work on covered Government contracts. While the requirements of these two acts are not identical, the two statutes are complementary in character, and concurrent investigations are made when both laws apply.

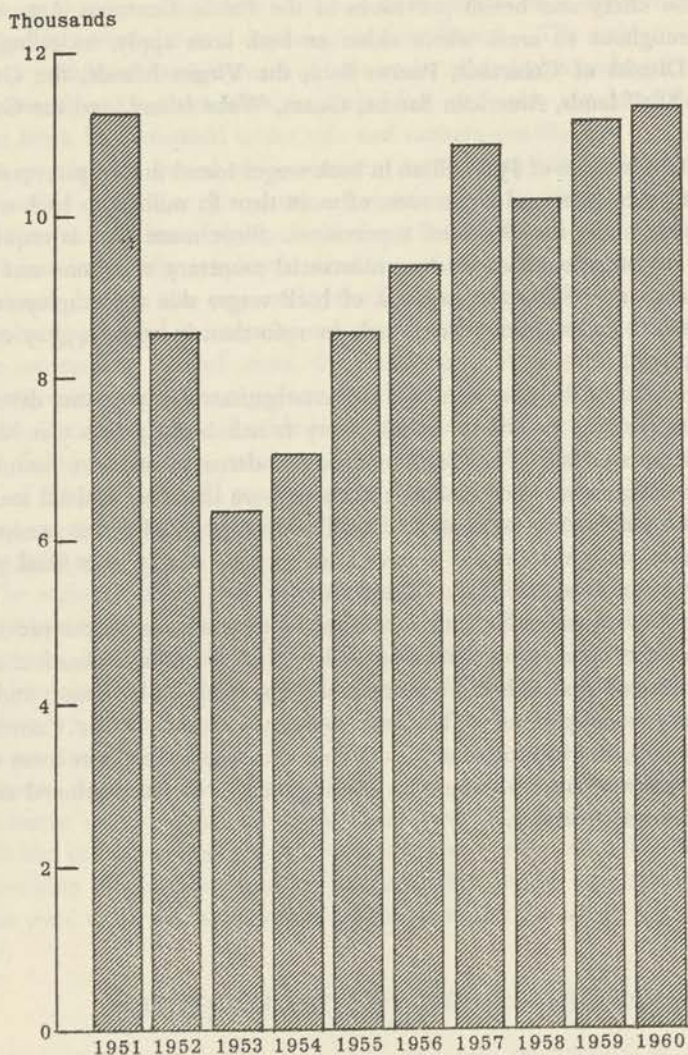
The minimum wage, overtime pay, and child labor requirements of both laws, and the safety and health provisions of the Public Contracts Act, were enforced throughout all areas where either or both laws apply, including all States, the District of Columbia, Puerto Rico, the Virgin Islands, the Outer Continental Shelf lands, American Samoa, Guam, Wake Island, and the Canal Zone.

There was an increase of \$5.6 million in back wages found due employees over the preceding fiscal year and an increase of more than \$1 million in back-wage payments made under the Divisions' supervision. Since more time is required for making investigations that disclose substantial monetary violations and for computing and supervising the payment of back wages due the employees in such cases, fewer investigations were made in 1960 than in 1959—45,729 compared with 54,916.

Over 40 percent of the time spent on all investigations this year was devoted to complaints alleging violations. While every fourth investigation was based on a complaint, over half of the total monetary underpayments were found in complaint investigations. Complaints, therefore, were the most fruitful source of information pinpointing noncompliance. The upward trend in the receipt of complaints continued, with 11,433 recorded, an increase of 343 over fiscal year 1959 and 1,331 over fiscal year 1958. (See chart 1.)

The balance of investigative time was directed to situations where previous investigation experience and general knowledge of local industry practices and conditions indicated that serious noncompliance was likely to be found, and to other necessary investigations. The latter category included Public Contracts Act investigations, and investigations under both acts where there was some evidence as to noncompliance or where an investigation to assure continued compliance was deemed necessary.

Chart I. Number of establishments against which complaints were received, fiscal years 1951-1960



Investigation Findings

In the 45,729 investigations of nonfarm establishments made this year, \$28,033,314 in back wages was found due to 186,997 employees. Of this amount, \$8,663,703 was due 62,253 employees under the minimum wage provisions and \$19,369,611 was due 155,746 employees under the overtime provisions. Some employees were due amounts under both the minimum wage and overtime pay provisions. (See appendix tables A and B.)

Underpayments

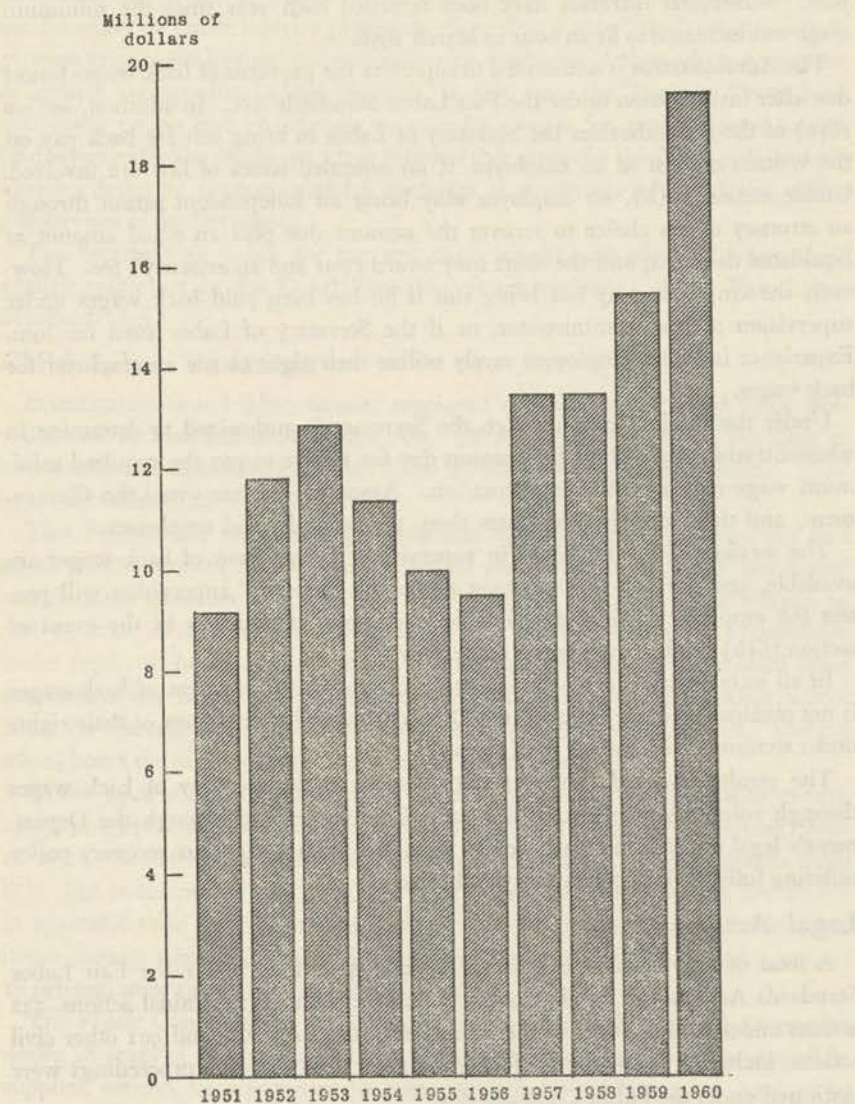
There was a general increase in the disclosure of underpayments in all sections of the country. The total revealed to be due under the minimum wage provisions, \$8,663,703, was substantially above the previous year's total of \$6,937,265. (See chart 2.) Likewise, the overtime underpayments disclosed this year, amounting to \$19,369,611, were substantially in excess of the \$15,465,851 disclosed in fiscal 1959. (See chart 3.)

Emphasis on the disclosure of more serious violations, increased complaint activity, and improved scheduling away from metropolitan areas were largely responsible for the increase.

Chart 2. Amount of minimum wage underpayments disclosed in investigations, fiscal years 1951-1960



Chart 3. Amount of overtime underpayments disclosed in investigations, fiscal years 1951-1960



Back-Wage Payments

Payment to about 119,300 employees of approximately \$14 million in back wages was supervised by the Divisions, an increase of about \$1 million over last year. Substantial increases have been recorded each year since the minimum wage was increased to \$1 an hour in March 1956.

The Administrator is authorized to supervise the payment of back wages found due after investigation under the Fair Labor Standards Act. In addition, section 16(c) of the act authorizes the Secretary of Labor to bring suit for back pay on the written request of an employee, if no unsettled issues of law are involved. Under section 16(b), an employee may bring an independent action through an attorney of his choice to recover the amount due plus an equal amount as liquidated damages; and the court may award costs and an attorney's fee. However, the employee may not bring suit if he has been paid back wages under supervision of the Administrator, or if the Secretary of Labor sued for him. Experience indicates employees rarely utilize their right to sue an employer for back wages.

Under the Public Contracts Act, the Secretary is authorized to determine in administrative proceedings the amount due for failure to pay the required minimum wage and overtime compensation. Amounts due are owed the Government, and the Secretary distributes them to the underpaid employees.

The services of the Divisions in supervising the payment of back wages are available, and the fact that payment under the Divisions' supervision will protect the employer against the possible assessment of damages in the event of section 16(b) suit by employees is made clear.

In all suitable cases in which voluntary agreement for payment of back wages is not obtained, it is the policy of the Divisions to advise employees of their rights under sections 16(b) and 16(c) of the act.

The results achieved this year with respect to the recovery of back wages through voluntary payment on the part of employers and through the Department's legal actions, discussed below, stemmed from a vigorous recovery policy utilizing fully the limited statutory authority.

Legal Actions

A total of 1,365 civil and criminal actions were filed under the Fair Labor Standards Act and the Public Contracts Act, including 132 criminal actions, 332 actions under section 16(c) of the Fair Labor Standards Act, and 901 other civil actions, including injunctions. In addition, 52 administrative proceedings were instituted under the Public Contracts Act.

A total of 1,261 civil and criminal actions were completed under these acts, including 120 criminal actions, 257 section 16(c) actions, and 884 other civil actions. In addition, 50 administrative proceedings were completed under the Public Contracts Act.

Fines totaling \$150,120 were imposed by the courts in criminal cases and \$6,525 in contempt proceedings, of which \$4,420 was in the nature of compensatory fines.

Of particular interest among important court decisions during the year was one decided in January when, in the case of *Mitchell v. Robert De Mario Jewelry, Inc.*, the Supreme Court handed down a decision of significance to the enforcement activities of the Divisions. This case arose as a result of action taken by the Secretary of Labor under a provision of the Fair Labor Standards Act which protects employees against discrimination or discharge if they file a complaint or initiate a proceeding under the act. In this case, the Supreme Court held that lower courts had jurisdiction to award damages for money losses caused by discrimination or discharge. It is believed this action by the Court will provide a strong deterrent against unlawful discharge of employees who seek the advice and services of the Divisions.

The Secretary of Labor for the first time sought and obtained injunctions against employers in the Canal Zone to restrain violations of the Fair Labor Standards Act.²

Child Labor Violations

Investigators found 9,899 minors employed contrary to the child labor provisions of the Fair Labor Standards Act. Of this total, 5,429 were working in nonagricultural establishments and 4,470 on farms during school hours. (See appendix tables C and D.)

This Federal law sets a 16-year minimum age for general employment and an 18-year minimum for occupations which the Secretary of Labor has found and declared hazardous. Provision is made for the employment of minors 14 and 15 years of age outside school hours in a limited number of occupations under regulated hours and conditions. Among exemptions from the child labor standards is one which applies to minors employed in agriculture outside school hours for the school district where they are living while so employed. During school hours the minimum age for farm work is 16 years.

Of the 5,429 minors found working illegally in nonagricultural establishments, 2,457, or 45 percent, were under 16 years of age, and 2,972, or 55 percent, were 16 or 17 years of age, employed in hazardous occupations. (See appendix table E.) The industries in which minors were found illegally employed are shown in appendix table F. Of the 4,470 minors under 16 years found working on farms during school hours, 3,270, or 73 percent, were under 14, and 1,196, or 27 percent, were 14 and 15 years of age.

The Public Contracts Act prohibits the employment of boys under 16 or girls under 18 years of age on contracts let by the Federal Government for materials, supplies, articles, or equipment in amounts exceeding \$10,000. A total of 61 minors were found employed contrary to this act.

Safety and Health Inspections

During the fiscal year, 2,651 safety and health inspections were made in industrial establishments performing on Government contracts under the Public Con-

² Section 16(d) of the Fair Labor Standards Act provides that no employer shall be subject to liability or punishment under the act with respect to work performed in the Canal Zone prior to November 29, 1957.

tracts Act. These inspections were made by the Divisions or by the States in accordance with cooperative agreements, to determine compliance with safety and health provisions of the law.

Many types of unsafe conditions were disclosed. Employees of some plants were found working under conditions that could cause serious illness from exposure to toxic fumes or radiation. In some instances, insufficient means of egress could have caused employees to be trapped in event of a fire. In other cases, unguarded machinery, such as points of operation, open belts, gears, and shafting, was found. Hazards presented by these machines could have been responsible for serious injury to the operators or others. Some employees were without access to acceptable washing facilities, even though their work involved the use of oils, greases, and even poisonous chemicals. Such hazards as unsafe floor loads and elevators were found in many plants. In some instances, painting operations created both fire and health hazards. Poor housekeeping created fire and accident hazards.

Safety and health inspections of several uranium mines and mills were made in conjunction with the Federal Bureau of Mines, the Atomic Energy Commission, and interested State agencies. Numerous violations of safety and health standards involving both radiation and nonradiation hazards were found. Steps have been taken to bring about appropriate corrections of the hazards. The Divisions have been working with the Federal Bureau of Mines, the Atomic Energy Commission, the Department of Health, Education, and Welfare, and the National Bureau of Standards with respect to safety and health standards for mines other than coal.

In addition to the industrial inspections, there were 306 coal mine inspections made by the Federal Bureau of Mines under the cooperative agreement with that agency. As a general rule, operators of mines in which violations of the Federal Mines' Safety Code were found quickly corrected the unsafe conditions.

It was necessary to initiate administrative hearing action in 35 cases involving safety and health violations, 13 of which concerned coal mines. As a result of these actions, most of the firms corrected unsafe and unsanitary conditions, and the Secretary of Labor could consider relieving them of the sanctions which are applied to contractors who violate the act. In the absence of such action by the Secretary, these contractors became ineligible to work on Government contracts for a period of 3 years.

The Divisions initiated the revision of the safety and health standards, which in the past had been guides but in the future will be regulatory in nature.

Training of Personnel

The Divisions continued to give careful attention to the training of employees. New investigators hired during the year received intensive classroom training and closely supervised on-the-job training to prepare them for the objective and skillful enforcement job that is required of wage-hour investigators. Other categories of employees were also carefully oriented to the work of the Divisions and the requirements of their individual positions. Personnel at all levels

received appropriate in-service training through regularly scheduled conferences and meetings where ideas were exchanged and techniques discussed, new procedures or interpretations were explained, and, where pertinent, current information was often presented by experts outside of the Divisions.

Compliance Through Education

In daily activities and through regular and special information programs, the Divisions continued their educational efforts at a high level, so as to promote a clear understanding of the two acts on the part of the public in general and affected employers and employees in particular. The furtherance of this aim involved both the use of techniques that have proved successful in the past and the development of new approaches which would assist employers to come into or remain in compliance and help employees obtain the rights to which they are entitled by law.

The Nation's mass communications media continued their wholehearted support in informing the public about actions taken by the Divisions and the major statutory requirements. Nearly 800 press releases concerned with diversified subjects involving both acts were issued. The majority of these releases originated within the regional offices and were distributed locally.

Daily and weekly newspapers, as well as the labor and foreign-language press, continued their public education programs by reprinting a series of basic questions and answers on the Fair Labor Standards Act. The Divisions' "missing persons" press releases, seeking unlocated employees entitled to back-wage payments, continued to receive broad coverage. The publication of releases on litigation cases did much to maintain local awareness of the act and was generally followed by increased calls on the Divisions for advice or assistance.

Organized labor through its State and local affiliates and its more than 750 newspapers fostered the educational efforts of the Divisions by providing forums and seminar programs where regional and field personnel outlined the various aspects of the law. Additionally, the Divisions' representatives participated in many State Federation conventions to which they were invited. Labor news columns broadly circulated the results of litigation action in addition to carrying regularly released informational materials which were designed to inform the readers of their rights under the Fair Labor Standards Act.

The radio and television communications industry cooperated by disseminating Fair Labor Standards Act information, distributed to more than 3,000 radio stations and approximately 500 television stations. All major networks carried programs on various aspects of the law through their affiliated stations. Many stations interviewed the Divisions' personnel on "live" radio and television broadcasts or ran pre-taped programs. The National Association of Educational Broadcasters through its national network continued to support informational and educational programs directed primarily to the youth interest of the Nation. National advertising agencies incorporated educational materials in their public-service efforts, as did other public-spirited organizations such as professional baseball clubs and national sports car racing associations.

In carrying out the educational objective of helping organized groups acquire a better understanding of the Fair Labor Standards Act, more than 325 information programs were presented "live" by the Divisions' personnel to industry, labor, civic, educational, economic, service, professional, business, and agricultural organizations throughout the Nation on a national, regional, State and local level. Articles explaining the act's application to their kinds of business were distributed to many national organizations who printed the pieces in their publications and frequently reproduced them for distribution to their individual members.

The child labor provisions again were the subject of programs designed to channel youth away from unlawful employment, including farm work during school hours. Intensified campaigns were undertaken during the spring planting season, the summer vacation period, and harvest time in the autumn. The fall campaign dovetailed with the interdepartmental back-to-school campaign, in which the Divisions played an important role, preparing radio scripts, spot announcements, press releases, and feature articles, and obtaining active cooperation not only from the mass communications media but from youth-oriented organizations and well-known entertainers and athletes. The interest of State and local government authorities was solicited, with the result that many such officials sponsored local back-to-school campaigns. The Divisions also worked closely with such agencies as the Department of Health, Education, and Welfare's Office of Education, and the Rural Development Committee in planning, organizing, and promoting the aspects of the annual national back-to-school campaign.

The Divisions continued to promote cooperative educational programing with other Government agencies. The Department of Agriculture, through several of its bureaus, assisted by disseminating Fair Labor Standards Act and Public Contracts Act material to affected agricultural audiences. The Department of Interior, through its Bureau of Fisheries and Bureau of Indian Affairs, continued its cooperation in reaching specific publics affected by the law. The General Services Administration, through its business-service centers, provided interested businessmen with informational material on both acts. The Post Office Department reproduced and distributed thousands of pamphlets on the mail haul contract industry. The Department of Defense, through its industrial labor liaison, agreed to provide prospective bidders with educational information during pre-contract-letting orientation sessions held throughout the country by purchasing officers or contract-letting officers of the armed services.

A specially developed educational program was devised to aid the Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives when the Farm Credit Act of 1959 extended the Fair Labor Standards Act's protection to employees of these organizations. A series of conferences between the Divisions and the Farm Credit Administration resulted in an agreement that the Farm Credit Administration would distribute selected bulletins and pamphlets to each of its 12 farm districts.

The Divisions' nationwide educational efforts were by no means confined to these and other special programs. In such day-to-day activities as visiting estab-

lishments, the Divisions' investigators explained the statutory requirements to employers and workers, distributing appropriate publications. Inquiries by letter and telephone were answered by the national office and throughout the regions, and interviews were conducted with persons who came to the Divisions in their own behalf or representing others. In response to specific requests, the Divisions distributed copies of interpretative bulletins, regulations, and other official documents, as well as nontechnical pamphlets on major statutory requirements. In addition, about 60,000 official posters were sent to employers. The poster, which briefly outlines major statutory provisions, is one of the most successful informational devices, as a copy must be conspicuously displayed in every establishment with covered employees.

Regulations and Interpretations

The Fair Labor Standards Act vests rulemaking authority in the Secretary of Labor with respect to some sections of the act. With regard to sections for which such authority does not exist, administrative interpretations have been issued from time to time. These interpretations are intended to furnish guides as to how the office representing the public interest in the enforcement of the law will seek to apply it. They indicate the construction of the act which the Secretary of Labor and the Administrator believe to be correct and which will guide them in the performance of their duties under the statute, unless and until they are otherwise directed by authoritative decisions of the courts or conclude, upon reexamination of an interpretation, that it is incorrect.

Changes in industrial practices, technology, methods of payment, and working conditions, as well as modifications in collective bargaining agreements, authoritative court decisions, and other factors, necessitate constant reexamination of existing rulings and interpretations. In addition, the emergence of new industries, the conversion of existing establishments to new or different operations, and the consolidation of enterprises frequently pose new problems which must be considered under the statute and existing court decisions.

For example, the recent expansion of the data-processing and computer industry necessitated a study of new job classifications, such as junior and senior programmers; methods, systems and procedures analysts; and methods researchers. The matter at issue was to ascertain how the present criteria for application of the minimum wage and overtime exemption for bona fide executive, administrative, and professional employees, as set forth in regulations, Part 541, should be applied to these jobs.

The application of the retail and service establishment exemption under sections 13(a)(2) and 13(a)(4) continued to present problems of interpretation in certain trades and specific situations. As defined in the act, a retail or service establishment is an establishment 75 percent of whose annual dollar volume of sales of goods or services is not for resale and is recognized as retail in the particular industry. In most trades, there are clear concepts of retail recognition to which the act's criteria can be applied. In many trades, however, the usual pat-

terns of distribution are not followed and the same establishments deal with large commercial and industrial customers as well as the personal consumer and the small business firm. In such trades, clear lines of demarcation between sales which are recognized as retail and sales which are not so recognized often do not exist, or, if they do exist, are not readily ascertainable. Retail determinations have been made in some of these problem trades on the basis of extensive findings of fact relating to the entire industry. Notable among these were the determinations made in the tire, automotive, coal, ice, and liquefied petroleum gas trades.

After interpretative positions have been issued, questions and problems arise regarding their application to individual situations and circumstances. These questions come to the Administrator's attention through inquiries from employers and employer organizations, investigative activity, court action, and the like. They require research and review, and sometimes changes in the interpretative rulings are issued, since it is the objective of the Divisions to provide the most up-to-date and relevant guides for compliance.

Among the problems brought to the attention of the Divisions this year were those arising under section 7(d)(4) of the act, which provides that contributions by an employer under a supplemental unemployment benefit plan may be excluded from the regular rate of pay on which overtime is computed. Although prior approval of such plans by the Administrator is not required, many requests for rulings were received and answered. There were submitted to the Divisions both requests for approval of amendments to existing plans, which had resulted from industry negotiations, and requests for approval of new plans, most of which came from firms in the cement manufacturing industry. The Divisions also responded to numerous inquiries concerning what kinds of activities constitute hours worked under the act, all of which concerned specific factual situations.

In the light of the constantly changing factors in the economy and problems brought to the Divisions' attention, the administration of the act continued to require vigilant reexamination of existing policies, determinations, and rulings, with appropriate additions and revisions made when found necessary.

Administration of Minimum Wage Provisions

Apart from the general administration and enforcement of the provisions of the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act, the Divisions have certain specialized functions relating to the establishment of the minimum wage that must be paid to covered employees under these laws. Thus, while the Fair Labor Standards Act provides a general statutory minimum of \$1 an hour, it also contains provisions allowing, under appropriate circumstances, for the setting of minimum rates under that figure for employees in Puerto Rico, the Virgin Islands, and American Samoa, as well as for learners, apprentices, and handicapped workers.

Functions concerning the establishment of minimum wages under the Public Contracts Act arise from the fact that this act itself sets no statutory minimum wage rate, but requires that persons employed by covered contractors be paid not less than the minimum wages as found by the Secretary of Labor to be the prevailing minimum for work in the industries producing the contract commodities.

Puerto Rico, the Virgin Islands, and American Samoa

The amendment to the act approved by the President on August 25, 1958, changed the wage order program for Puerto Rico, the Virgin Islands, and American Samoa from an annual to a biennial basis, commencing July 1, 1958.³ The 1958 amendment has the desirable consequence of eliminating the unsettling effects of a too-frequent review, and there has been continued progress toward the achievement of higher minimum wage levels.

In accordance with the provisions of the 1958 amendment and the statutory mandate that minimum wage rates be raised to the \$1 level as rapidly as is economically feasible, the Divisions conducted a complete review of all minimum wage rates in Puerto Rico, the Virgin Islands, and American Samoa in the 2-year period ending June 30, 1960. In fiscal year 1959, five series of hearings were convened in Puerto Rico in which 18 industry committees were involved. In the following fiscal year an additional three series of hearings were held in Puerto Rico, involving a total of eight industry committees, and one committee each was convened in the Virgin Islands and American Samoa. Composed equally of public, employer, and employee members, the committees recommended minimum wage rates at or below the \$1 level for all island industries subject to the law that were not already at that level. The Administrator subsequently issued wage orders putting these recommendations into effect. A total of 85 minimum wage rates were set for the industries or industry classifications in Puerto Rico,⁴ 8 for industries in the Virgin Islands, and 4 for industries in American Samoa. Appendix tables G, H, and I show the current and former minimum wage rates for all industries in these areas.

Since the 1955 amendments to the act, which provided for annual review, almost 90 percent of the minimum wage rates in Puerto Rico have been increased in proportions equivalent to or in excess of the 33⅓ percent increase in the statutory minimum effectuated by those amendments; almost 60 percent of the rates have been increased 50 percent or more; and some 12 percent have been increased 100 percent or more. (See appendix table J.) In terms of absolutes, two-thirds of the rates have been increased 25 cents, the amount of the last statutory increase, or more an hour. On the other hand, the wage order increases recommended by the industry committees have been so varied, ranging

³ The 1958 amendment to the act also gave the Secretary discretionary authority to order an additional review of particular minimum wage rates in the biennial period and made clear that rates that had reached the statutory objective need not be reviewed.

⁴ In fiscal year 1959, 55 minimum wage rates were increased and 8 were left unchanged; in fiscal year 1960, 20 rates were increased and 2 were left unchanged.

from less than 5 cents an hour to over 50 cents, that the need for a flexible approach to minimum wages for Puerto Rico has been clearly demonstrated.

About 3 of every 10 workers covered by the act in Puerto Rico at the end of fiscal year 1957, the first year of annual review, were subject to minimum wage rates of less than 50 cents an hour, and fewer than 2 in 10 were subject to the \$1 minimum. At the end of fiscal year 1960, the second year of the first biennial review, only 1 in 10 workers on the island was subject to a minimum wage rate of less than 50 cents an hour, and 4 in 10 were subject to the \$1 minimum. (See appendix table K.)

In fiscal year 1960, the median increase in minimum wage rates in Puerto Rico amounted to 6 cents an hour, 1 cent more than in each of the 2 preceding years, although below the 10-cent median increase in fiscal year 1957, which was the first full fiscal year following the enactment of the \$1 minimum and the period in which it is to be expected that the largest increases would have occurred. (See appendix table L.) There were a few minor instances, reflecting the marginal or declining nature of some of the industry segments reviewed in 1960, in which no minimum wage increases were recommended. However, the proportion of workers engaged in the activities reviewed for which no increase was recommended in 1960 was markedly lower than in 1958 and 1959 and in fact reached the same low level as in the peak adjustment year of 1957.

Also during the course of the first biennial review, a number of amendments were made to the regulations relating to homeworkers in Puerto Rico and the Virgin Islands. Minimum piece rates applicable to such homeworkers were revised upward to reflect all wage order increases in minimum hourly wage rates. Moreover, effective July 31, 1958, the regulations were amended to require employers in all industries in Puerto Rico other than the needlework industries to adjust homework piece rates in proportion to future changes in the hourly minimum rates on the same day such new wage orders become effective; similar amendments with respect to the needlework industries in Puerto Rico had been effectuated in the previous fiscal year. Finally, the provisions of the regulations relating to official piece rates for homeworkers in the hand-made art linen industry and the hand-made straw goods industry in the Virgin Islands were rescinded, effective January 26, 1960, because at that time there was no employer of homeworkers in the islands engaged in operations covered by the scheduled piece rates.

Learners, Apprentices, and Handicapped Workers

In section 14 of the Fair Labor Standards Act, the Congress recognized that certain workers by reason of inexperience or because of physical or mental disabilities would not be able to compete successfully for employment with experienced, able-bodied workers. This section is designed to meet that situation by authorizing the issuance of certificates, pursuant to regulations, for employment of such workers at rates below the statutory minimum, to the extent necessary to prevent the curtailment of opportunities for employment. Separate regulations have been established for learners, apprentices, certain messengers, and handicapped workers, the categories of workers to whom section 14 applies.

Learners

In addition to the general learner regulations, supplementary learner regulations have been established for seven industries—apparel, hosiery, knitted wear, gloves, shoes, cigars, and independent telephones—with learner rates in these regulations ranging from 80 cents an hour upward. The program of review of the learner standards in these supplemental regulations is a continuing one, as is the review of appropriate terms and conditions for individual plant applications for other industries. Although no regulations, revisions, or amendments became effective during the year, exploratory conferences were held with interested parties to consider clarifying revisions for the apparel industry supplemental regulations. Terms and conditions of employment provided under certificates not covered by supplemental industry learner regulations were also reviewed, with the result that an increasing proportion of such certificates provided for special learner rates of 90 and 95 cents per hour, while none of these certificates carried learner rates of less than 85 cents. In Puerto Rico and the Virgin Islands, learner rates continued to be revised upward in the light of increased minimum rates provided by new wage orders.

A total of 2,042 learner certificates were issued during the year. As of the end of the year, 1,744 certificates were in effect, authorizing the employment of an estimated maximum of 34,956 learners. At the end of the preceding year, 1,834 certificates were in effect, authorizing the employment of an estimated maximum of 35,454 learners.

Some 87 percent of the certificates were issued to plants in industries covered by supplemental regulations, of which the greatest concentration, 1,331, was in the apparel industry. The hosiery industry accounted for an additional 200 certificates, and the knitted wear and glove industries for 136 and 59, respectively.

Details on actions taken during the year and certificates in effect as of the end of the year are contained in appendix tables M and N.

Student-Learners, Student-Workers, and Apprentices

Under the student-learner regulations, a total of 782 certificates were issued. Each certificate provides for part-time employment integrated with related school instruction. Certificates are issued on an individual basis, typically to high school students in their senior year, enabling them to gain practical experience by supplementing their studies with work. In addition, 38 student-worker certificates were issued to educational institutions, providing for the training of needy students for employment in school-operated shops in order to assist in defraying school expenses.

The Divisions also authorized the employment of 450 apprentices at special minimum rates, of whom 347 were in Puerto Rico.

Handicapped Workers

A total of 2,467 handicapped worker certificates were in effect in regular commercial industry at the end of the fiscal year. This was a marked decrease compared with the preceding year and continued the downward trend begun 3 years ago. These workers were employed in approximately 950 firms through-

out the country. The certificates authorize employment at less than the statutory minimum wage for disabled workers whose employment opportunities are curtailed because of their inability to compete with able-bodied workers.

Age continues to constitute the predominant disability, being the primary handicapping factor in slightly less than half of all the certificates issued. Of the certificates issued this year on the basis of age, approximately 17 percent were to workers 75 years of age and over, the oldest workers being 93 and 94 years old.

Establishments in the men's and boys' apparel industry obtained more certificates than any other industry, accounting for 20 percent of the total. The next four major industry groups, which accounted for an additional 40 percent, were: knitting mills, tobacco manufacturers (principally the hand cigar industry), women's and children's clothing, and miscellaneous apparel.

The number of temporary certificates issued for handicapped on-the-job trainees totaled 109, more than double the number issued in the previous year. These certificates are issued for the Divisions by State vocational rehabilitation agencies and the Veterans' Administration to handicapped persons with impaired earning capacity. The workers are placed for training in industry under the sponsorship of these agencies. The purpose of the temporary certificate, issued for a period not to exceed 90 days, is to expedite training.

A total of 483 sheltered workshops⁵ held special minimum wage certificates at the close of the fiscal year, an increase of more than 10 percent over the previous year. As of the time of application for a certificate, these workshops provided employment for 28,361 workers, which is a 20 percent increase over fiscal 1959. The total number of workers provided employment during the course of the year is considerably greater than these figures indicate, since there is a relatively high turnover rate in most workshops. These marked increases over the previous year reflect the continued growing importance of sheltered workshops in the overall picture of rehabilitation and employment of handicapped persons.

Except for the general type of workshop, serving a variety of disabled persons, the greatest increase in workshops was in those serving the mentally retarded and cerebral palsied. This is in keeping with the trend of the past several years.

During the year, the Divisions surveyed approximately 9 percent of the certificated workshops. These visits served the dual purpose of assisting the workshops in better understanding the provisions of the acts as they relate to sheltered workshops and in determining the state of compliance in these workshops.

The Divisions continued close cooperation with various Government and private agencies concerned with rehabilitation and employment of handicapped persons, participating in national and regional meetings, among other activities. The Divisions also took part in the development of a manual on comprehensive services to the homebound, a special project sponsored by the National Associa-

⁵ A sheltered workshop is a nonprofit organization which provides employment and other services to persons who are handicapped by age or physical or mental disability and who are unable, either temporarily or permanently, to meet the demands of competitive employment.

tion of Sheltered Workshops and Homebound Programs. The Administrator's Advisory Committee on Sheltered Workshops, composed of representatives from the sheltered workshop field, labor, management, and the public, held meetings which considered a comprehensive guide in layman's language, developed by the Divisions, covering the standards, policies, and procedures that apply to sheltered workshops under both acts. This guide is expected to be published during the next fiscal year. Also considered by the Advisory Committee were workshop standards being developed by the National Institute on Workshop Standards as they may have reference to the Divisions' standards for certifying workshops.

Determinations Under the Public Contracts Act

The Public Contracts Act authorizes the Secretary of Labor to issue prevailing minimum wage determinations applicable to persons employed on Government contracts for the manufacture or furnishing of materials, supplies, articles, or equipment in excess of \$10,000. This provision is intended to prevent the Government's vast purchasing power from being used to depress the wage standards already being maintained by firms in the particular industries which perform Government work. The minimum wage rates established under the statute are those which have been found to be actually prevailing, and they merely conform to the standards which the industries themselves have generally adopted.

Under the terms of the act, minimum wage determinations must be made on the record after opportunity for a hearing. The first step in a proceeding is generally the convening of a labor-management panel conference to explore definitional and other relevant problems and to work out plans for obtaining the necessary wage data. Subsequently, all interested parties are afforded opportunity to submit evidence on minimum wages and other pertinent issues at a public hearing conducted pursuant to the Administrative Procedure Act. Parties may also file briefs containing proposed findings of fact and conclusions of law. Upon certification by the hearing examiner, the full record of the proceedings is carefully analyzed and the Secretary of Labor issues a proposed decision based on the facts of record. Opportunity is provided for interested parties to submit exceptions to the Secretary's proposed decision. After reviewing such exceptions, a final decision is issued and the resultant determination becomes effective 30 days after publication in the Federal Register. The determinations are not retroactive but are applicable only to contracts for which bids are solicited or negotiations otherwise commenced on or after the effective date.

During the fiscal year, the Secretary of Labor issued two final determinations. A minimum wage of \$1.68 an hour, effective January 15, 1960, was established for the evaporated milk industry, with probationary workers permitted at a rate of not less than \$1.63 for a period of 160 hours. On June 3, 1960, the first determination to be issued for the tires and related products industry became effective. This determination provided a minimum hourly rate of \$1.77, with beginners permitted at \$1.67 an hour for a period of not more than 160 hours.

These two industries employ approximately 75,000 production workers who would be subject to the act if their employers were to engage in covered Government contract work.

The major wage determination activity during the fiscal year consisted of the holding of hearings on prevailing minimum wages for a variety of industries in which Government purchases are important. These industries included fabricated structural steel, paper and paperboard containers and packaging products, electronic components, paper and pulp, industrial and refined basic chemicals, photographic and blueprinting equipment and supplies, metal business furniture and storage equipment, and office, computing and accounting machines. The first three industries are not now subject to minimum wage determinations. Proceedings held for the fabricated structural steel industry and the paper and pulp industry were in the form of rehearings requested in connection with proposed determinations issued during the fiscal year 1959.

Determination proceedings were also initiated for the following industries: electronic equipment, machine tools, and motors and generators. No minimum wage determinations have ever been issued for these industries.

At the close of the fiscal year, determinations were in effect for 50 industries, of which 31 had minimum hourly rates of \$1. (See appendix table O.) Five of these industries with rates above \$1 had hearings during the fiscal year for redetermination of prevailing minimum wages. Industries are chosen for prevailing minimum wage proceedings on the basis of importance of Government business, competitive advantages, the probability of prevailing minimum wage levels well above the present statutory minimum under the Fair Labor Standards Act, the significance of labor cost differentials in relation to contract bidding, and related factors.

The number and value of unclassified contracts let subject to the act and similar data on the year's procurement actions are shown in appendix tables P and Q.

Proposed Legislation

On April 21, 1960, the Secretary of Labor appeared before the Subcommittee on Labor Standards of the House Committee on Education and Labor and presented the administration's views on amendments to the Fair Labor Standards Act. He recommended that coverage of the act be extended to all employees of businesses which are engaged in interstate activities to a substantial extent and that most of the exemptions from the minimum wage be limited to enterprises which have fewer than 100 employees. S. 1967 and H.R. 7490 were introduced to carry out this recommendation.

The Secretary also indicated that the report which he submitted to the Congress on February 18 in accordance with the requirements of section 4(d) of the Fair Labor Standards Act contained the economic data pertinent to an evaluation of the minimum wages established by the act. He stated that recent Department of Labor studies had shown that adjustment to the \$1 minimum wage was now fairly complete and that a moderate increase in the minimum wage

would not cause any great problems of adjustment or hardship to employers or workers. He defined "moderate" as an increase of from 10 to 15 cents an hour.

A second administration proposal, embodied in S. 2385 and H.R. 8059, would have provided more effective procedures for enforcing the Fair Labor Standards Act. The bill would have authorized the Federal courts to order the payment of unpaid minimum wages or overtime compensation to employees in injunctive actions brought under section 17 of the act. In this way, employers found by the courts to be unlawfully withholding from employees minimum wages and overtime compensation could be required to make payment without the necessity of the employees involved initiating or requesting such action.

A third administration proposal, concerning the industry committee procedure for setting minimum wage rates for industries in Puerto Rico, the Virgin Islands, and American Samoa, was embodied in S. 1116 and H.R. 3865. The act now requires that the minimum rates recommended by tripartite industry committees must be published in the Federal Register, to take effect 15 days after the date of publication. The bill would provide for review by the Secretary of Labor of the recommendations of the industry committees, where there are questions as to compliance with the law's requirements regarding industry committees.

The Department of Labor's legislative program also included a proposal to bring certain employees of the Department within the provisions of title 18 of the United States Code, relating to assaults and homicides. The purpose of this proposal (incorporated in S. 2961, H.R. 10135, and H.R. 10188) is to provide for employees of the Department assigned to perform investigation, inspection, or law enforcement functions the same protection now provided other law enforcement and investigation personnel of the United States.

In addition to the bills embodying the administration proposals to amend the Fair Labor Standards Act, the 86th Congress also considered S. 1046 and H.R. 4488. Committees of both the Senate and House of Representatives, in June 1960, reported out modified versions of these bills (as S. 3758 and H.R. 12677).

Both bills would have extended coverage to all employees of enterprises engaged in an activity affecting commerce. With regard to retail trade, retail service, and laundries, an enterprise engaged in an activity affecting commerce was defined as one with an annual volume of sales of \$1 million or more. The Senate bill in addition would have covered any other establishment with one or more employees engaged in or producing goods for commerce with annual sales of \$250,000 (or \$350,000 in construction), any gasoline service establishment with annual sales of \$250,000, and any local transit company.

Both measures contained escalator clauses for bringing presently and newly covered employees up to a minimum wage of \$1.25 an hour, presently covered employees over a period of 2 years beginning at \$1.15, and newly covered employees over a period of 3 years beginning at \$1. Both measures also provided for applying the 40-hour straight-time workweek to newly covered employees in a series of steps, over a 3-year period in the Senate bill, and over a 4-year period in the House bill.

The Senate committee bill also contained the administration's proposal for more effective procedures for enforcing the act (S. 2385).

On June 30, 1960, H.R. 12853 was substituted for the bill recommended by the majority of the Committee on Education and Labor on the floor of the House. The substitute bill as passed by the House would have raised the minimum wage for employees previously covered by the act from \$1 to \$1.15. The minimum wage for employees newly brought under provisions of the act was set at \$1 an hour, with no provision for the payment of overtime.

The House bill would have retained the present basis of coverage but would have added as an additional basis the operation of five or more retail establishments in two or more States. This bill would have extended the present \$1 minimum, but not the overtime provisions, to an estimated 1,400,000 additional employees.

The bill passed by the House would also have broadened a number of existing exemptions. The most important change would have broadened the scope of the "area of production" exemption from both the minimum wage and overtime provisions. As of the end of the fiscal year, the Senate had not taken final action on amendments to the act.⁸

⁸ The Congress adjourned on September 2, 1960, without enacting any amendments to the act.

Appendix I

APPENDIX TABLE A.—Number of underpaid employees and amount of underpayments disclosed by investigations under the Fair Labor Standards and Public Contracts Acts, by fiscal year, 1951-60

Fiscal year	Number of establishments investigated	Number of employees subject to minimum wage 1	Number of employees underpaid			Amount of underpayments			Payment agreed to by employers	
			Total number underpaid 2	Paid at less than the minimum wage rate	Not paid full overtime compensation	Total	Minimum wages	Overtime compensation	Number of employees	Amount
1951	31,899	1,569,866	139,038	42,642	96,396	\$11,202,561	\$2,105,799	\$9,096,762	95,604	\$6,686,995
1952	33,109	2,125,103	208,078	72,157	135,921	15,693,912	3,891,418	11,772,494	144,792	8,467,688
1953	33,649	2,092,963	193,111	62,266	130,845	16,632,697	3,712,200	12,940,497	114,770	8,282,043
1954	33,430	2,016,649	141,368	40,138	101,230	13,774,248	2,716,376	11,057,872	85,049	6,480,545
1955	33,330	1,962,278	128,754	36,894	91,860	12,131,077	2,135,731	10,015,346	81,330	6,165,117
1956	33,145	1,881,641	112,710	27,617	85,093	11,085,952	1,612,902	9,473,050	74,762	6,051,409
1957	48,482	2,296,913	181,910	77,463	104,447	18,834,134	5,289,873	13,544,261	110,379	9,211,286
1958	53,796	1,910,127	166,497	63,349	103,148	16,655,299	6,145,385	10,509,914	116,797	8,063,896
1959	54,916	1,630,261	177,908	70,467	107,441	22,403,116	6,937,265	15,465,851	124,046	12,885,921
1960	45,729	1,441,679	186,997	62,253	124,746	23,033,314	8,663,703	14,369,611	119,373	13,895,377

¹ Employees engaged in interstate commerce or the production of goods for interstate commerce who are not exempt under sec. 13(a) of the Fair Labor Standards Act, and employees who were working on Government contracts subject to the Public Contracts Act. These data relate to employment during a payroll period, usually that preceding the time of investigation.

² Includes (a) employees who were paid less than \$1 per hour or less than other applicable minimum wage rates and (b) employees paid less than 1½ times the regular rate of pay for overtime hours worked. The figure shown is an unduplicated count of underpaid employees.

³ Includes some cases for which disclosures were shown in a previous year but agreement to pay was obtained currently. Excludes some cases for which disclosures are shown currently but agreement to pay has not yet been determined.

APPENDIX TABLE B.—*Number of underpaid employees and amount of underpayments disclosed by investigations under the Fair Labor Standards and Public Contracts Acts, by region, fiscal year 1960*

Region	Number of establishments investigated	Number of employees subject to minimum wage ¹	Number of employees underpaid			Amount of underpayments			Payment agreed to by employers	
			Total number underpaid ²	Paid at less than the minimum wage rate	Not paid full overtime compensation	Total	Minimum wages	Overtime compensation	Number of employees	Amount
All regions.....	45,729	1,441,679	186,997	62,253	155,746	\$28,093,314	\$8,693,703	\$19,399,611	311,373	\$13,895,377
I. Boston.....	3,573	114,490	10,556	1,505	9,718	1,414,290	148,949	1,265,281	7,459	814,113
II. New York.....	8,601	296,221	18,090	3,808	16,991	2,294,168	363,797	1,930,371	13,586	1,488,226
III. Chambersburg.....	3,123	112,374	12,453	3,498	10,965	1,998,404	562,787	1,435,617	7,500	1,873,133
IV. Birmingham.....	4,873	140,832	29,122	13,387	22,857	4,237,394	1,832,257	2,385,137	16,520	1,927,908
V. Cleveland.....	2,367	53,846	10,168	2,189	9,051	1,810,945	378,395	1,432,640	7,049	1,004,408
VI. Chicago.....	4,407	213,434	11,841	2,058	10,479	1,805,457	252,096	1,553,361	8,395	1,048,815
VII. Kansas City.....	3,504	81,667	9,962	2,278	8,857	1,513,387	290,046	1,223,341	7,839	1,064,161
VIII. Dallas.....	3,746	121,620	29,892	12,009	25,273	3,335,548	2,091,906	3,243,642	18,217	2,198,081
IX. San Francisco.....	3,872	120,994	18,708	2,401	18,015	3,043,471	394,937	2,738,534	11,212	1,381,580
X. Nashville.....	4,198	112,638	20,415	10,283	13,920	3,006,820	1,606,872	1,399,948	11,409	1,322,921
Puerto Rico.....	435	22,479	7,776	3,682	4,698	821,478	372,724	164,399	6,057	327,889
North Carolina.....	1,018	48,997	7,367	2,513	6,279	821,478	289,561	531,917	3,991	327,889
Canal Zone.....	13	467	647	612	513	214,889	149,466	65,423	139	24,548

¹ Employees engaged in interstate commerce or the production of goods for interstate commerce who are not exempt under sec. 13(a) of the Fair Labor Standards Act, and employees who were working on Government contracts subject to the Public Contracts Act. These data relate to employment during a payroll period, usually that preceding the time of investigation.

² Includes (a) employees who were paid less than \$1 per hour or less than other appli-

cable minimum wage rates and (b) employees paid less than 1½ times the regular rate of pay for overtime hours worked. The figure shown is an unduplicated count of underpaid employees.

³ Includes some cases for which disclosures were shown in a previous year but agreement to pay was obtained currently. Excludes some cases for which disclosures are shown currently but agreement to pay has not yet been determined.

APPENDIX TABLE C.—*Number of minors found employed in violation of the Fair Labor Standards Act in nonagricultural establishments, by region, State, and age of minor, fiscal year 1960*

Region and State	Number of minors illegally employed		
	Total	Under 16 years of age	16-17 years of age in hazardous occupation
United States.....	5,429	2,457	2,972
I. Boston.....	322	93	229
Connecticut.....	46	6	40
Maine.....	27	16	11
Massachusetts.....	131	33	98
New Hampshire.....	47	19	28
Rhode Island.....	45	7	38
Vermont.....	26	12	14
II. New York City.....	559	235	324
New Jersey.....	103	45	58
New York.....	456	190	266
III. Philadelphia.....	393	122	271
Delaware.....	2	0	2
District of Columbia.....	11	4	7
Maryland.....	54	12	42
Pennsylvania.....	326	106	220
IV. Birmingham.....	698	417	281
Alabama.....	138	48	90
Florida.....	78	48	30
Georgia.....	162	95	67
Mississippi.....	133	68	65
South Carolina.....	187	158	29
V. Cleveland.....	242	163	79
Michigan.....	72	33	39
Ohio.....	170	130	40
VI. Chicago.....	385	143	242
Illinois.....	133	34	99
Indiana.....	67	35	32
Minnesota.....	114	44	70
Wisconsin.....	71	30	41
VII. Kansas City.....	459	204	255
Colorado.....	52	36	16
Iowa.....	44	21	23
Kansas.....	110	48	62
Missouri.....	121	53	68
Nebraska.....	83	25	58
North Dakota.....	9	5	4
South Dakota.....	25	10	15
Wyoming.....	15	6	9
VIII. Dallas.....	953	404	549
Arkansas.....	147	59	88
Louisiana.....	89	37	52
New Mexico.....	36	15	21
Oklahoma.....	73	25	48
Texas.....	608	268	340
IX. San Francisco.....	723	400	323
Alaska.....	10	3	7
Arizona.....	21	8	13
California.....	400	256	144
Hawaii.....	28	8	20
Idaho.....	7	5	2
Montana.....	30	16	14
Nevada.....	29	23	6
Oregon.....	59	13	46
Utah.....	77	44	33
Washington.....	62	24	38

APPENDIX TABLE C.—*Number of minors found employed in violation of the Fair Labor Standards Act in nonagricultural establishments, by region, State, and age of minor, fiscal year 1960—Continued*

Region and State	Number of minors illegally employed		
	Total	Under 16 years of age	16-17 years of age in hazardous occupation
X. Nashville.....	625	236	389
Kentucky.....	170	72	98
Tennessee.....	210	115	95
Virginia.....	214	39	175
West Virginia.....	31	10	21
North Carolina.....	68	39	29
Puerto Rico.....	2	1	1

APPENDIX TABLE D.—*Number of minors found illegally employed on farms in investigations made under the Fair Labor Standards Act, by region, State, age, and residence of minor, fiscal year 1960*

Region and State	Number of farms in violation	Minors under 16 illegally employed				
		Total	Under 14 years of age		14-15 years of age	
			Local ¹	Nonlocal ²	Local ¹	Nonlocal ³
United States.....	1, 675	³ 4, 470	2, 080	1, 190	782	414
I. Boston.....	24	73	13	49	4	7
Maine.....	23	72	13	49	3	7
Vermont.....	1	1	0	0	1	0
II. New York City.....	3	3	1	0	2	0
New York.....	3	3	1	0	2	0
III. Chambersburg.....	12	38	7	19	7	5
Maryland.....	2	7	0	4	0	3
Pennsylvania.....	10	31	7	15	7	2
IV. Birmingham.....	668	1, 371	1, 012	16	334	9
Alabama.....	199	444	329	2	113	0
Florida.....	20	43	18	0	20	5
Georgia.....	269	558	408	14	132	4
Mississippi.....	73	163	133	0	30	0
South Carolina.....	107	163	124	0	39	0
V. Cleveland.....	50	99	2	55	1	41
Michigan.....	14	31	2	19	1	9
Ohio.....	36	68	0	36	0	32
VI. Chicago.....	64	³ 230	3	145	8	71
Illinois.....	28	77	0	49	1	27
Indiana.....	14	58	2	38	1	17
Minnesota.....	9	14	0	1	3	10
Wisconsin.....	13	³ 81	1	57	3	17
VII. Kansas City.....	46	127	26	49	16	36
Colorado.....	7	10	0	4	1	5
Missouri.....	21	77	24	29	13	11
Nebraska.....	13	28	2	13	2	11
North Dakota.....	5	12	0	3	0	9

See footnotes at end of table.

APPENDIX TABLE D.—Number of minors found illegally employed on farms in investigations made under the Fair Labor Standards Act, by region, State, age, and residence of minor, fiscal year 1960—Continued

Region and State	Number of farms in violation	Minors under 16 illegally employed				
		Total	Under 14 years of age 14-15 years of age			
			Local ¹	Nonlocal ²	Local ¹	Nonlocal ²
VIII. Dallas.....	566	³ 1,642	540	673	236	192
Arkansas.....	85	299	190	14	93	2
Louisiana.....	52	163	123	0	40	0
New Mexico.....	7	13	3	5	3	2
Oklahoma.....	36	120	23	77	8	12
Texas.....	386	³ 1,047	201	577	92	176
IX. San Francisco.....	75	243	39	147	15	42
Arizona.....	2	13	0	11	0	2
California.....	63	211	36	128	13	34
Oregon.....	7	15	3	5	2	5
Washington.....	3	4	0	3	0	1
X. Nashville.....	67	269	165	36	57	11
Kentucky.....	8	18	6	3	9	0
Tennessee.....	31	120	104	0	16	0
Virginia.....	28	131	55	33	32	11
North Carolina.....	94	363	263	1	99	0
Puerto Rico.....	6	12	9	0	3	0

¹ Local labor includes all minors who return to their permanent homes at the end of each day's work.

² Nonlocal labor includes all minors who do not return to their permanent homes each day.

³ Includes four illegally employed nonlocal minors for whom no age was reported; three were employed in Wisconsin and one was employed in Texas.

APPENDIX TABLE E.—Number of minors found employed in violation of hazardous occupations orders issued under the Fair Labor Standards Act, fiscal year 1960

Hazardous occupations order violated	Number of minors illegally employed	Hazardous occupations order violated	Number of minors illegally employed
Total in violation of one or more hazardous occupations orders ¹	3,689	Power-driven metal-forming, punching, and shearing machine occupations (Order No. 8).....	140
Manufacturing or storage occupations involving explosives (Order No. 1).....	9	Occupations in mining, other than coal (Order No. 9).....	46
Motor vehicle occupations (Order No. 2).....	2,275	Occupations in slaughtering and/or meatpacking establishments and in rendering plants (Order No. 10).....	90
Coal mine occupations (Order No. 3).....	42	Power-driven bakery machine occupations (Order No. 11).....	29
Logging and sawmilling occupations (Order No. 4).....	379	Power-driven paper-products machines (Order No. 12).....	211
Woodworking occupations (Order No. 5).....	254	Occupations in the manufacture of brick, tile, and kindred products (Order No. 13).....	16
Occupations involving exposure to radioactive substances and to ionizing radiations (Order No. 6).....	6		
Power-driven hoisting apparatus occupations (Order No. 7).....	597		

¹ Represents an unduplicated count of the number of minors employed in violation of one or more hazardous occupations orders.

APPENDIX TABLE F.—*Number of minors found employed in violation of the child labor provisions of the Fair Labor Standards Act, by industry and age of minor, fiscal year 1960*

Industry group	Number of minors			
	Total	Under 14 years of age	14-15 years of age	16-17 years of age
Total, all industries.....	5,429	442	2,015	2,972
Manufacturing industries, total.....	2,709	179	995	1,535
Food and tobacco products, total.....	474	16	200	258
Meat products.....	113	1	40	72
Dairy products.....	60	2	19	39
Canning and preserving.....	83	4	61	18
Grain-mill products.....	30	3	11	16
Bakery products.....	39	0	14	25
Confectionery and related products.....	16	0	7	9
Bottled soft drinks.....	91	3	34	54
Manufactured ice.....	8	0	2	6
Miscellaneous food products.....	33	3	12	18
Tobacco manufactures.....	1	0	0	1
Textile, apparel, and leather products, total.....	258	24	91	143
Textile mills (except knitting mills).....	18	3	10	5
Knitting mills.....	23	0	7	16
Men's and boys' clothing.....	45	0	7	38
Women's and children's clothing.....	77	5	36	36
Miscellaneous apparel and accessories.....	13	2	3	8
Trimmings and embroideries.....	18	9	9	0
Miscellaneous fabricated textile products.....	18	0	6	12
Footwear (except rubber).....	35	5	11	19
Leather and leather products, n.e.c.....	11	0	2	9
Lumber, furniture, and wood products, total.....	684	55	202	427
Logging camps and logging contractors.....	90	8	26	56
Sawmills, planing and plywood mills.....	353	36	97	220
Wooden containers.....	62	4	35	23
Fixtures and miscellaneous wood products, n.e.c.....	85	4	30	51
Furniture.....	94	3	14	77
Paper, printing, publishing, etc., total.....	458	28	184	246
Pulp, paper, and paperboard mills.....	3	0	0	3
Converted paper products.....	36	1	9	26
Newspapers.....	112	14	55	43
Commercial printing.....	238	12	98	128
Periodicals, books, and miscellaneous trades.....	69	1	22	46
Chemicals, rubber, and related products, total.....	88	10	37	41
Drugs and medicines.....	4	0	1	3
Paints, varnishes, and colors.....	14	0	1	13
Fertilizers.....	2	1	1	0
Vegetable and animal oils and fats.....	10	1	2	7
Chemicals and allied products, n.e.c.....	40	7	24	9
Products of petroleum and coal.....	3	0	1	2
Rubber products.....	15	1	7	7
Stone, clay, and glass products, total.....	69	0	24	45
Clay products and pottery.....	28	0	9	19
Cement, concrete, and plaster products.....	28	0	7	21
Glass, stone, and nonmetallic mineral products.....	13	0	8	5
Metal and related products, total.....	509	23	181	305
Primary metal industries.....	27	1	13	13
Fabricated metal products.....	178	7	57	114
Machinery.....	186	6	78	102
Transportation equipment.....	81	7	21	53
Instruments, photographic and optical goods, and jewelry.....	37	2	12	23
Miscellaneous manufacturing industries, total.....	169	23	76	70
Toys, sporting and athletic goods.....	46	8	20	18
Costume jewelry and novelties.....	19	5	6	8
Miscellaneous manufacturing industries, n.e.c.....	104	10	50	44
Nonmanufacturing industries, total.....	2,720	263	1,020	1,437

APPENDIX TABLE F.—*Number of minors found employed in violation of the child labor provisions of the Fair Labor Standards Act, by industry and age of minor, fiscal year 1960—Continued*

Industry group	Number of minors			
	Total	Under 14 years of age	14-15 years of age	16-17 years of age
Mining, total.....	221	8	43	170
Metal mining.....	6	0	0	6
Coal mining.....	44	1	9	34
Crude petroleum and natural gas.....	106	1	18	87
Nonmetallic mining and quarrying.....	65	6	16	43
Construction, total.....	333	29	93	211
Trade: Food and farm products, total.....	362	45	156	161
Consumers' goods.....	141	18	66	57
Raw materials.....	66	11	28	27
Groceries, food and tobacco products.....	148	12	62	74
Fish and sea foods.....	7	4	0	3
Trade (except food and farm products), total.....	873	55	331	487
Motor vehicles and equipment.....	163	7	56	100
Drugs, chemicals, and allied products.....	22	1	9	12
Dry goods and apparel.....	37	3	14	20
Petroleum and its products.....	14	0	7	7
Beer, wines, and liquors.....	23	1	10	12
Hardware, machinery, electrical goods, etc.....	178	3	65	110
Lumber and construction materials.....	25	4	9	12
Waste materials.....	154	17	53	84
Trade, n.e.c.....	257	19	108	130
Finance, insurance, and real estate, total.....	33	10	15	8
Banking.....	16	6	8	2
Insurance.....	8	0	5	3
Real estate.....	4	1	0	3
Finance, n.e.c.....	5	3	2	0
Transportation, communications, and utilities, total.....	349	27	93	229
Railroads.....	1	0	1	0
Highway transportation and warehousing.....	265	20	66	179
Transportation and transportation services, n.e.c.....	29	3	7	19
Communication.....	45	3	17	25
Heat, light, power, and water.....	9	1	2	6
Miscellaneous industries, n.e.c., total.....	535	89	280	166
Agricultural and related services.....	293	69	189	35
Business services.....	122	15	47	60
Laundries, cleaning, and related services.....	33	3	16	14
Automobile repair services and garages.....	14	1	1	12
Miscellaneous repair services, n.e.c.....	53	0	21	32
Motion pictures.....	2	0	2	0
Professional and related services.....	12	0	2	10
Nonmanufacturing industries, n.e.c.....	6	1	2	3
Agriculture, forestry, and fisheries, total.....	14	0	9	5
Agriculture.....	12	0	7	5
Forestry.....	0	0	0	0
Fisheries.....	2	0	2	0

APPENDIX TABLE G.—Minimum wage rate in effect in Puerto Rico as of June 30, 1960, compared with those in effect on June 30, 1958

Industry and classification	Rate (cents per hour)		Effective date of current rate
	June 30, 1958	June 30, 1960	
Alcoholic beverage and industrial alcohol.....	100	100	Jan. 24, 1957
Artificial flower, decoration, and party favor.....	54	70	June 30, 1960
Banking, insurance, and finance.....	100	100	Dec. 30, 1956
Button, jewelry, and lapidary work:			
Button and buckle and plastic costume jewelry classification.....	57, 63	63	June 27, 1960
Gem stone classification.....	100	100	July 16, 1958
Hair accessories classification.....	61	72	June 27, 1960
Hair ornaments classification.....	71	76	Do.
Industrial jewel and precious jewelry classification.....	87, 90	100	Do.
Metal expansion watch band classification.....	87	87	July 16, 1958
Rosary and native jewelry classification.....	43	47	June 27, 1960
General classification.....	63	67	Do.
Chemical, petroleum, rubber, and related products:			
Agricultural chemicals, fertilizer mixing, hormones, antibiotics, adrenalin, miscellaneous rubber products, petroleum refining, and pipeline coating tapes classification.....	80, 100	100	Nov. 17, 1958
Drugs, medicines, bay oil, aromatic alcohol, and toilet preparations, and rubber bucket classification.....	75	75	Do.
Miscellaneous petroleum products and industrial inorganic chemicals classification.....	75, 80	85	Do.
Rebuilt and vulcanized tire and miscellaneous chemical products classification.....	85	90	Do.
Rubber footwear classification.....	70	80	Do.
Children's dress and related products:			Sept. 12, 1958
Hand-embroidery classification.....	42	47	
Other operations classification.....	57	65	
Communications, utilities, and transportation:			
Drivers, mechanics, and clerical workers in motor transport and express classification.....	80	100	July 2, 1960
Other workers in motor carrier transport and express classification.....	80	90	Do.
Radio broadcasting classification.....	90	100	Do.
General classification.....	100	100	July 16, 1958
Construction, business service, motion picture, and miscellaneous:			
Business service, motion picture, industrial and other building construction and special trade contractors, and miscellaneous industry classification.....	100	100	Jan. 17, 1958
Highway and street and other heavy construction and janitorial and custodial service classification.....	80, 85	90	Feb. 2, 1959
Corsets, brassieres, and allied garments.....	80	86	May 16, 1960
Electrical, instrument, and related products:			
Shaver and hair dryer, storage battery, drafting machine, electrical terminal and connector, television antenna and lead-in cable, and portable hand tool classification.....	100	100	Nov. 15, 1957
Classification A (electric irons, toaster elements, and hot-water heaters; exposure meters, ammeters, voltmeters, accelerometers, and panel instruments; circuit breakers and service entrance equipment; armatures and field coils; switches and fluorescent starters; coils, including magneto coils, and breakers; solenoids, relays, including telephone-type relays, power-type relays and magnetic relay elements; electric wave filters; gyroscopes and related equipment; lighting fixtures and fluorescent lighting lamps (except light bulbs and Christmas lighting sets); floor polishers; soldering guns; electronic heating devices; electronic controls for auto headlight dimmers; electronic data-processing machines and systems; soil moisture testing equipment; aircraft test instruments; strain gauge transducers; photoelectric cells; tape recorder heads and erase head assemblies; electronic guns for television picture tubes; and the repair and rewinding of electric motors and other electrical equipment).....	85, 88	100	Mar. 13, 1959
Classification B (radio and television components and rectifiers).....	85	90	Do.
Classification C (lenses).....	75	82	Do.
Classification D (thermometers, watches, drafting instruments, Christmas lighting sets, surgical administration sets, heating pads and massage pads, electronic tubes, and all other products of the industry except those included in other classifications).....	88	95	Do.
Fabric and leather glove:			
Hand-sewing on fabric gloves classification.....	25	25	Mar. 21, 1958
Hand-sewing on leather gloves classification.....	35	37	May 17, 1959
Other operations on hand-sewn gloves classification.....	51	55	Do.
Machine operations on machine-sewn gloves classification.....	72½	75	Do.
Other operations on machine-sewn gloves classification.....	60	65	Do.

See footnotes at end of table.

APPENDIX TABLE G.—Minimum wage rates in effect in Puerto Rico as of June 30, 1960, compared with those in effect on June 30, 1958—Continued

Industry and classification	Rate (cents per hour)		Effective-date of current rate
	June 30, 1958	June 30, 1960	
Fabricated plastic products:			
Dinnerware, sprayer, and vaporizer classification.....	100	100	² Oct. 21, 1957
Phonograph record classification.....	90	95	Mar. 13, 1959
Plastic film and bag classification.....	70	72	Do.
Plastic swimming pool equipment classification.....	68	80	Do.
Wall tile classification.....	70	75	Do.
General classification.....	68	70	Do.
Food and related products:			
Biscuit and cracker classification.....	70	80	Nov. 17, 1958
Canning and preserving classification.....	65	70	Do.
Citron brining and fruit, vegetable, nut, and coffee grading and packing classification.....	60	60	Dec. 14, 1957
Yeast and tuna fish canning classification.....	65, 70	85	Nov. 17, 1958
General classification.....	65, 70	75	Do.
Handkerchief, square scarf, and art linen:			
Hand-sewing classification.....	26	27	Aug. 24, 1958
Other operations classification.....	51	53	
Hosiery.....	65, 67	68	Dec. 17, 1959
Leather, leather goods, and related products:			
Belt classification.....	65	75	May 28, 1959
Hide curing classification.....	85	90	
Sporting and athletic goods classification.....	57, 60	62	
General classification.....	50, 53	57	
Lumber and wood products:			
Carpet grippers classification.....	100	100	² Dec. 30, 1957
Furniture, woodenware, and miscellaneous wood products classification.....	57½	65	Nov. 17, 1958
Lumber and millwork classification.....	70	75	Do.
Swimming pool equipment classification.....	57½	80	Do.
Men's and boys' clothing and related products:			
Work clothing and separate trouser classification.....	72	80	May 16, 1960
General classification.....	72, 72½	75	
Metal, machinery, transportation equipment, and allied products:			
Fabricated wire products classification.....	87	100	Mar. 13, 1959
Metal spring and slide fastener classification.....	87	90	Do.
Wire drawing classification.....	87	96	Do.
General classification.....	100	100	² Nov. 15, 1957
Needlework and fabricated textile products:			
Crocheted slippers, leather handbags, and other operations on knit gloves classification.....	62	67	Sept. 14, 1958
Dungarees, slacks, and related products and other operations on crocheted hats and infants' booties classification.....	70	75	
Hand-crocheting and hand-embroidery of crocheted hats and infants' booties and hand-embroidery of knit gloves classification.....	50, 62	50	
General classification.....	72	77	
Paper, paper products, printing, and publishing:			
Paper box classification.....	85	95	Nov. 17, 1958
Pulp, paper, and paperboard, paper bag, daily newspaper and news syndicate, photoengraving, filing cards and indexes, fototype letters, paper for sanitary use, and commercial printing by the silk screen process classification.....	93, 95, 100	100	
General classification.....	75	85	
Shoe and related products.....	55	59	May 28, 1959
Stone, clay, glass, cement, and related products:			
Abrasive products, cement, dry cement mixes, glass and glass products, hot asphaltic plant mix, ready-mixed concrete, concrete block and tile, concrete pipe, pre-cast concrete construction components, structural clay products, and ceramic floor and wall tile classification.....	100	100	² Jan. 10, 1958
Art pottery classification.....	50	50	Feb. 2, 1959
Artificial teeth classification.....	80	100	Do.
Asbestos cement, and lime and lime products classification.....	85	88	Do.
Mica classification.....	72	72	Jan. 10, 1958
Vitreous and semivitreous china food utensils classification.....	62	70	Feb. 2, 1959
General classification.....	80	90	Do.
Straw, hair, and related products:			
Artists' brush and native handicraft classification.....	45	48	Dec. 18, 1959
Hair and bristles processing and other straw, hair, and related products classification.....	55	57	Do.
Hair piece and doll wig classification.....	70	70	Apr. 4, 1958
Sugar manufacturing.....	100	100	Dec. 14, 1957
Sweater and knit swimwear.....	77½, 90	96	Sept. 14, 1958

See footnotes at end of table.

APPENDIX TABLE G.—*Minimum wage rates in effect in Puerto Rico as of June 30, 1960, compared with those in effect on June 30, 1958—Continued*

Industry and classification	Rate (cents per hour)		Effective date of current rate
	June 30, 1958	June 30, 1960	
Textile and textile products:			
Bag cleaning and repairing classification.....	57	60	Dec. 17, 1959
Hooked rug classification:			
Multiple-needle power-driven machine operations.....	55, 70	76	Do.
Other operations.....	52	58	Do.
Mattress and pillow classification.....	100	100	² Apr. 12, 1957
General classification.....	62	68	Dec. 17, 1959
Tobacco:			
Machine threshing classification:			
Machine operations.....	80	86	Dec. 18, 1958
Other operations.....	60	68	Do.
Puerto Rican cigar filler tobacco processing classification.....	36	36	Feb. 21, 1957
Wrapper type tobacco processing classification.....	70	72	Dec. 18, 1958
General classification.....	75	85	Do.
Wholesaling, warehousing, and other distribution.....	1100	100	July 16, 1958
Women's and children's underwear and women's blouse and neckwear:			
Hand-sewing classification.....	45	48	Aug. 22, 1958
Other operations classification.....	66	70	

¹ Wage orders were published by June 30, 1958, but did not become effective until July 16, 1958.

² The statutory objective of \$1 an hour having already been achieved for this classification, it was not referred for committee review.

³ Wage orders were published by June 30, 1960, but did not become effective until July 2, 1960.

APPENDIX TABLE H.—*Changes in minimum wage rates in the Virgin Islands from April 26, 1958, to December 30, 1959*

Industry	Rate (cents per hour)	
	Apr. 26, 1958	Dec. 30, 1959
Air transportation.....	100	¹ 100
Alcoholic beverages and industrial alcohol.....	60	65
Banking, real estate, accounting, and insurance.....	85	100
Bay rum and other toilet preparations.....	75	80
Fruit and vegetable packing, farm products assembling, and meat packing.....	40	45
Jewelry, pen, thermometer, industrial belting, and miscellaneous metal products.....	55	65
Shipping, marine transportation, and ship and boat building.....	95	100
Wholesale distribution, trucking, construction, communications, and public utilities.....	55, 70	77
Miscellaneous industries (all industries not specified above).....	55	60

¹ The statutory objective of \$1 an hour having already been achieved for this industry, it was not referred for committee action.

APPENDIX TABLE I.—*Changes in minimum wage rates in American Samoa from June 21, 1958, to August 31, 1959*

Industry	Rate (cents per hour)	
	June 21, 1958	Aug. 31, 1959
Fish canning and processing.....	52	75
Shipping and transportation.....	50	75
Petroleum marketing.....	52	75
Miscellaneous industries (all industries not specified above).....	38	55

APPENDIX TABLE J.—*Distribution of increases in Puerto Rican minimum wage rates by magnitude of the increases, October 31, 1955, to June 30, 1960*

Amount of increase	Number of rates	Percent	Amount of increase	Number of rates	Percent
Percent per hour.....		100.0	Cents per hour.....		100.0
Less than 20 percent.....	2	1.4	Under \$0.05.....	2	1.4
20 percent and less than 33½ percent.....	15	10.7	\$0.05 and less than \$0.10.....	2	1.4
33½ percent and less than 50 percent.....	40	28.6	\$0.10 and less than \$0.15.....	9	6.4
50 percent and less than 100 percent.....	66	47.1	\$0.15 and less than \$0.20.....	16	11.4
100 percent and over.....	17	12.1	\$0.20 and less than \$0.25.....	18	12.9
			Exactly \$0.25.....	20	14.3
			\$0.26 and less than \$0.30.....	12	8.6
			\$0.30 and less than \$0.40.....	32	22.9
			\$0.40 and less than \$0.50.....	18	12.9
			\$0.50 and over.....	11	7.9

¹ Includes 2 rates at \$0.255.

APPENDIX TABLE K.—*Percent distribution of employees in Puerto Rico subject to minimum wage rates, by minimum rate applicable to the industry in which they are employed, as of June 30, 1957, 1958, 1959, and 1960*

Minimum wage rate interval (cents per hour)	June 30, 1957	June 30, 1958	June 30, 1959	June 30, 1960
Total.....	100.0	100.0	100.0	100.0
Less than 40.....	21.5	16.2	10.0	9.5
40-49.....	7.2	3.8	2.9	1.8
50-59.....	11.5	9.8	7.2	5.7
60-69.....	11.2	9.3	7.3	7.0
70-79.....	14.1	10.4	13.0	13.7
80-89.....	3.4	14.2	12.0	12.6
90-99.....	12.5	2.7	7.5	8.7
100.....	18.6	33.6	40.1	41.0

APPENDIX TABLE L.—*Percent distribution of employees in Puerto Rican industries, by increase in minimum wage rates during fiscal years 1957, 1958, 1959, and 1960*

Increase in minimum wage rates (cents)	Fiscal year 1957	Fiscal year 1958	Fiscal year 1959	Fiscal year 1960
Total.....	100.0	100.0	100.0	100.0
No increase ¹	0.9	9.0	18.6	0.9
0.1-4.9.....	21.2	19.6	31.2	17.3
5.0-9.9.....	18.6	34.9	31.1	65.3
10.0-14.9.....	21.5	29.4	17.4	8.5
15.0-19.9.....	19.7	3.8	.6	2.0
20.0-24.9.....	8.0	.5	1.1	5.9
25.0-29.9.....	8.1	.8		
30.0 and over.....	2.0	2.0		
Median (cents).....	10	5	5	6

¹ Excludes employees already subject to \$1 rate at time of review.

APPENDIX TABLE M.—*Actions taken on applications for learner certificates, fiscal years 1960 and 1959*

Nature of action	Fiscal year 1960	Fiscal year 1959	Nature of action	Fiscal year 1960	Fiscal year 1959
<i>Applications</i>			<i>Certificates</i>		
Number pending at beginning of fiscal year.....	68	73	Number issued.....	2,042	2,092
Number received during fiscal year.....	2,122	2,105	Normal labor turnover.....	1,555	1,648
Number acted upon during fiscal year.....	2,146	2,110	Plant expansion.....	487	444
Number pending at end of fiscal year.....	44	68	Number of certificates in effect at end of fiscal year.....	1,744	1,834
Actions taken.....	2,146	2,110	Number of plants holding certi- ficates at end of fiscal year.....	1,587	1,683
Withdrawn.....	170	61	Estimated number of learners authorized by certificates in effect at end of fiscal year.....	34,956	35,454
Denied.....	113	93			
Granted in full or in part.....	1,863	1,956			

APPENDIX TABLE N.—*Learner certificates in effect June 30, 1960, by industry and by type of learner regulation*

Industry and type of learner regulation	Number of plants holding certificates ¹	Number of certificates in effect			Estimated number of learners authorized		
		Total	Normal labor turnover	Expansion	Total	Normal labor turnover	Expansion
All industries and areas.....	1,587	1,744	1,516	228	34,956	27,165	7,791
All areas except Puerto Rico and Virgin Islands.....	1,484	1,620	1,450	170	32,112	26,339	5,773
Industries covered by special learner regulations.....	1,446	1,579	1,414	165	31,302	25,814	5,488
Apparel.....	1,097	1,192	1,071	121	24,859	20,718	4,141
Single pants, shirts, and allied garments.....	555	593	539	54	14,484	12,289	2,195
Women's apparel.....	482	531	475	56	9,220	7,674	1,546
Sportswear and other odd outerwear.....	51	58	48	10	983	608	375
Other apparel.....	9	10	9	1	172	147	25
Hosiery.....	146	171	144	27	2,811	2,044	767
Full-fashioned.....	35	44	35	9	752	562	190
Seamless.....	111	127	109	18	2,059	1,482	577
Knitted wear.....	105	114	101	13	1,546	1,136	410
Outerwear.....	13	14	13	1	177	162	15
Underwear.....	92	100	88	12	1,369	974	395
Glove.....	55	57	55	2	769	724	45
Work gloves (except all leather).....	44	46	44	2	642	597	45
Other gloves.....	11	11	11	0	127	127	0
Cigars.....	5	5	5	0	143	143	0
Shoe manufacturing.....	37	39	37	2	1,172	1,047	125
Independent telephone.....	1	1	1	0	2	2	0
Industries not covered by special learner regulations.....	38	41	36	5	810	525	285
Puerto Rico and Virgin Islands.....	103	124	66	58	2,844	826	2,018
Puerto Rico.....	100	121	64	57	2,809	816	1,993
Virgin Islands.....	3	3	2	1	35	10	25

¹ Some plants hold more than one certificate.

APPENDIX TABLE O.—Summary of minimum wage determinations applicable under the Public Contracts Act, June 30, 1960

Title of industry and date of original determination	Effective date of latest determination ¹	Minimum hourly wage rate		Employees permitted at special minimum rates (other than handicapped) ³
		Amount	Area ²	
Aircraft manufacturing, May 7, 1942	July 8, 1950	\$1.05	Industrywide	Apprentices ⁴ 75 cents; ⁵
Aviation textile products manufacturing, Dec. 11, 1942	Oct. 7, 1956	1.00	do.	Learners ⁶ and apprentices. ⁷
Battery, May 27, 1957:	May 27, 1957	1.35	do.	Apprentices. ⁷
(a) Lead-acid storage battery branch	do.	1.08	do.	Do. ⁷
(b) Dry primary battery branch	do.	1.34	do.	Beginners \$1.15 for not more than 3 months; apprentices. ⁷
(c) Other battery branch	do.		do.	
Bituminous coal (including lignite), Nov. 25, 1955	Oct. 20, 1958	2.745	District	Auxiliary workers are exempted from the determination; apprentices. ⁷
		2.745	1—Eastern Pennsylvania.	
		2.745	2—Western Pennsylvania.	
		2.745	3—Northern West Virginia.	
		2.745	4—Ohio.	
		None	5—Michigan.	
		2.745	6—Panhandle.	
		2.745	7—Southern No. 1.	
		2.745	8—Southern No. 2.	
		2.59	9—West Kentucky.	
		2.745	10—Illinois.	
		2.78	11—Indiana.	
		1.40	12—Iowa.	
		2.515	13—Southeastern.	
		2.59	14—Arkansas-Oklahoma.	
		2.59	15—Southwestern.	
		2.796	16—Northern Colorado.	
		2.796	17—Southern Colorado.	
		2.796	18—New Mexico.	
		2.82	19—Wyoming.	
		2.82	20—Utah.	
		2.226	21—North Dakota-South Dakota.	
		2.846	22—Montana.	
		2.735	23—Washington.	
		1.00	In each State where industry has its plants.	Learners ⁶ and apprentices. ⁷
Cement, Mar. 2, 1940.	Oct. 7, 1956			Do. ⁸
Chemical and related products, Apr. 28, 1942:	do.	1.00	Maryland, Virginia, North Carolina, South Carolina, Tennessee, Arkansas, Mississippi, Alabama, Georgia, Florida, and District of Columbia.	
(a) Industrial and refined basic chemical products branch.	Jan. 23, 1951	1.15	All remaining States.	Beginners \$1.10 for not more than 320 hours; apprentices. ⁷

(b) Cleaning and polishing preparations, insecticides and fungicides, and miscellaneous chemicals branch.	Oct. 7, 1956	1.00	Industrywide	Learners ⁶ and apprentices. ⁷
(c) Bone black, carbon black, and lamp black branch.	Jan. 23, 1951	1.40	do	Beginners \$1.35 for not more than 320 hours; apprentices. ⁷
Cotton garment and allied industries, Aug. 2, 1937	Oct. 7, 1956	1.00	do	Learners ⁶ and apprentices. ⁷
Dental goods and equipment manufacturing, Sept. 23, 1941:				
(a) Durable goods branch	do	1.00	do	Do. ^{6,7}
(b) Consumable goods branch	do	1.00	do	Do. ^{6,7}
Die casting manufacturing, Apr. 5, 1941	do	1.00	do	Do. ^{6,7}
Dimension granite, Jan. 15, 1938	do	1.00	In each State where industry has its plants	Apprentices. ⁷
Drugs and medicine, Sept. 19, 1941	Sept. 1, 1953	1.20	Industrywide	Beginners \$1.20 for not more than 3 months; apprentices. ⁷
Electric lamp, Aug. 20, 1956	Aug. 20, 1956	1.25	do	Beginners \$1.02 for not more than 480 hours; apprentices. ⁷
Envelope, May 12, 1938	Dec. 5, 1955	1.08	do	Probationary workers \$1.63 for not more than 160 hours.
Evaporated milk, Nov. 3, 1941	Jan. 15, 1960	1.68	do	Learners ⁶ and apprentices. ⁷
Fertilizer, Sept. 12, 1939	Oct. 7, 1956	1.00	In each State where industry has its plants	Do. ^{6,7}
Fireworks, Oct. 15, 1938	do	1.00	Industrywide	Apprentices. ⁷
Flour and related products, Mar. 5, 1959	Mar. 5, 1959	1.30	do	Learners ⁶ and apprentices. ⁷
Furniture manufacturing, May 13, 1939:				
(a) Metal furniture branch	Oct. 7, 1956	1.00	do	Learners ⁶ and apprentices. ⁷
(b) Public seating branch	do	1.00	do	Do. ^{6,7}
(c) Wood furniture branch	do	1.00	do	Do. ^{6,7}
Gloves and mittens, Jan. 16, 1943	do	1.00	do	Do. ^{6,7}
Handkerchief, Jan. 26, 1938	do	1.00	do	Do. ^{6,7}
Iron and steel, May 27, 1940	Aug. 27, 1949	1.23	do	Do. ^{6,7}
			Connecticut, Delaware, District of Columbia, Illinois (except the area in and about East St. Louis), Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin, West Virginia, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.	
			Illinois (East St. Louis area only), Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.	
			Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia.	
Knitting, knitwear, and woven underwear, Apr. 20, 1943.	Oct. 7, 1956	1.08½	Industrywide	Auxiliary workers \$1.14½; apprentices \$1.18½ for first 6 months.
Leather manufacturing, Dec. 17, 1941	do	1.00	do	Auxiliary workers \$1.04; apprentices \$1.04 for first 6 months.
Luggage, leather goods, belts, and women's handbag, Apr. 20, 1943.	do	1.00	do	Learners ⁶ and apprentices. ⁷
				Do. ^{6,7}
				Do. ^{6,7}

See footnote at end of table.

Title of industry and date of original determination	Effective date of latest determination	Minimum hourly wage rate		Employees permitted at special minimum rates (other than handicapped)
		Amount	Area	
Men's hat and cap, Aug. 2, 1937: (a) Cap and cloth hat branch. (b) Fur felt hat branch.	Oct. 7, 1956 do.	1.00 1.00 1.10	Industrywide. do. do.	Learners ⁶ and apprentices. ⁷ Do. ⁸ Beginners (probationary workers) \$1 for not more than 240 hours; apprentices \$1.00 cents. ⁹
Men's neckwear, Aug. 2, 1937. Metal business furniture and storage equipment, Dec. 6, 1934.	Dec. 6, 1954	1.10	Industrywide	Apprentices. ¹⁰ Probationary workers \$1.40 for not more than 480 hours; apprentices. ⁷
Office machines, June 18, 1936. Paint, varnish, and related products, Nov. 6, 1941.	June 18, 1956 July 24, 1953	\$1.10 1.50	do.	Beginners; (probationary workers) \$1.065 for not more than 180 hours; apprentices. ⁷
Paper and pulp, Oct. 15, 1939: (a) All products except paper bag branch. (b) Paper bag branch.	Dec. 5, 1955	1.115	do.	Learners ⁶ and apprentices. ⁷ Apprentices. ¹⁰
Photographic and blueprinting equipment and supplies, Aug. 14, 1939. Pressed and blown glass and glassware, July 12, 1938. Rainwear, Dec. 4, 1942. Scientific, industrial, and laboratory instruments, Sept. 23, 1941.	Oct. 7, 1956 May 7, 1956 Oct. 7, 1956 do. Apr. 25, 1953	1.00 1.18 1.00 1.00 1.20	do. do. do. do. do.	Learners ⁶ and apprentices. ⁷ Do. ⁸ Beginners \$1.15 for not more than 3 months; apprentices. ⁷ Learners ⁶ and apprentices. ⁷ Do. ⁸
Seamless hosiery, Aug. 2, 1937. Shoe manufacturing and allied industries, July 11, 1942. Small arms ammunition, explosives, and related products, Oct. 19, 1939. (a) Small arms ammunition branch. (b) Explosives branch.	Oct. 7, 1956 do. Apr. 20, 1952	1.00 1.00 1.05	do. do. do.	Beginners (probationary workers) \$1.01 for not more than 320 hours; apprentices \$1.00 cents. ⁹ Beginners (probationary workers) \$1.15 for not more than 320 hours; apprentices \$1. Beginners (probationary workers) \$1.06 for not more than 320 hours; apprentices \$1.00 cents. ⁹ Apprentices. ⁷
(c) Blasting and detonating caps branch.	do.	1.12	do.	Learners ⁶ and apprentices. ⁷ Do. ⁸
Soap and related products, Aug. 14, 1939. Specialty accounting supply manufacturing, Aug. 9, 1939. Structural clay products, Jan. 10, 1941. Surgical instruments and apparatus, Sept. 23, 1941.	Dec. 8, 1953 Oct. 7, 1956 do. Sept. 1, 1953	1.50 1.00 1.00 1.25	do. do. In each State where industry has its plants. Industrywide	Beginners \$1.15 for not more than 320 hours; apprentices. ⁷ Learners ⁶ and apprentices. ⁷ Do. ⁸
Tag, Oct. 31, 1938. Textile, Oct. 17, 1941: (a) Cotton, silk, and synthetic textile branch.	Oct. 7, 1956 Feb. 21, 1953	1.00 1.00	do. do.	Learners ⁶ and apprentices. ⁷ Learners \$1.02 cents for not more than 240 hours; \$1.00 apprentices. ⁷

(b) All other products of the textile industry	Oct. 7, 1956	1.00	do	Learners ⁶ and apprentices. ⁷
Tires and related products, June 3, 1960.	June 3, 1960	1.77	do	Beginners (probationary workers) \$1.67 for not more than 160 hours; apprentices, ⁷
				Do. ⁷
Tobacco, May 2, 1939.	Oct. 7, 1956	1.00	do	Learners ⁶ and apprentices. ⁷
Toilet preparations and cosmetics, Sept. 19, 1941.	do	1.00	do	Do. ⁷
Uniform and clothing, Feb. 25, 1941:				
(a) Suit and coat branch	do	1.00	do	Do. ⁷
(b) Heavy outerwear branch				
(c) Wool trousers branch	do	1.00	do	Do. ⁷
Vitreous or vitrified china, May 19, 1938.	do	1.00	do	Do. ⁷
Wool carpet and rug, Oct. 16, 1938.	do	1.00	do	Do. ⁷
Woolen and worsted, May 14, 1949:				
(a) Broad-woven goods, yarn, and thread branch	May 7, 1954	1.20	do	Learners and beginners \$1.05 for not more than 320 hours; apprentices, ⁷
and pressed felt.				Learners and beginners \$90 cents for not more than 320 hours; apprentices, ⁷
(b) All other products of the woolen and worsted industry.	do	1.05	do	Do. ⁷

¹ Effective date applies to contracts subject to the Public Contracts Act, bids for which are solicited or negotiations otherwise commenced on or after the date specified.

² These determinations apply in all States (except Alaska and Hawaii) and the District of Columbia.

³ Handicapped workers may be employed at wages less than the "minimum hourly wage rate," pursuant to certificates issued by the Divisions under the terms and procedures specified in sec. 50-201.1102 of the General Regulations under the Walsh-Healey Public Contracts Act.

⁴ Apprentices are permitted at rates between the indicated minimum for apprentices and the "minimum hourly wage rate," if their employment conforms to the standards of the Federal Committee on Apprenticeship.

⁵ Where rates below \$1 are permitted under the Public Contracts Act, certificates are required under the Fair Labor Standards Act for such employment, if that act applies.

⁶ Learners may be employed at wages less than the "minimum hourly wage rate," pursuant to certificates issued by the Divisions under the terms and procedures prescribed by Regulations Part 622 issued under sec. 14 of the Fair Labor Standards Act.

⁷ Apprentices may be employed at wages less than the "minimum hourly wage rate,"

pursuant to certificates issued by the Divisions under the terms and procedures specified in sec. 50-201.1103 of the general regulations under the Walsh-Healey Public Contracts Act.

⁸ Learners (or beginners) may not be paid less than the piece rates paid to experienced workers in the same plant.

⁹ Apprentices may be employed at wages between 90 cents and \$1.10 if their employment conforms to the standards adopted by the Bureau of Apprenticeship of the U.S. Department of Labor.

¹⁰ Apprentices may be employed at wages less than the "minimum hourly wage rate" as follows: (1) at hourly rates below \$1 under certificates issued by the Divisions under sec. 14 of the Fair Labor Standards Act; and (2) at higher wage rates (but less than the "minimum hourly wage rate") under apprentice agreements recorded as meeting the standards or fundamentals of the U.S. Labor Department's Bureau of Apprenticeship or of a State agency recognized by that Bureau.

¹¹ Learners may be employed in the occupations of machine operating, machine tending, machine fixing, and jobs immediately incidental thereto. They may not exceed 3 percent of the total number of employees in such occupations except under certificates issued by the Divisions.

APPENDIX TABLE P.—*Number and value of unclassified contracts subject to the Public Contracts Act, by fiscal year, 1937-60*

Fiscal year	Number of contracts ¹	Value (in thousands) ²	Fiscal year	Number of contracts ¹	Value (in thousands) ²
Total, all year.....	1,095,275	\$226,266,120	1948.....	21,413	\$2,360,105
1937 (9 months).....	3,223	177,789	1949.....	27,393	3,606,280
1938.....	5,158	294,953	1950.....	22,349	2,784,325
1939.....	6,396	528,393	1951.....	57,493	10,422,848
1940.....	9,324	799,733	1952.....	65,475	10,978,395
1941.....	24,333	5,085,694	1953.....	54,210	10,978,817
1942.....	59,536	15,867,769	1954.....	44,081	7,932,035
1943.....	101,224	30,935,632	1955.....	33,270	6,383,855
1944.....	98,167	30,216,662	1956.....	30,916	6,051,504
1945.....	135,260	28,798,335	1957.....	53,002	10,671,587
1946.....	35,366	5,224,234	1958.....	50,519	9,270,474
1947.....	19,303	1,656,595	1959.....	73,525	13,452,536
			1960.....	64,339	11,787,570

¹ Includes contracts for which no value was reported on the notice of award; some of these contracts may not be covered by the act.

² For statistical purposes, the amount included for indefinite-amount contracts indicating only an upper limit (e.g., "not to exceed \$50,000") is that limit; contracts for "more than \$10,000" are coded \$10,000; and no value is included for those contracts reported as "indefinite" or for which no value is shown.

NOTE: Amendments and supplemental awards to existing contracts are treated in the same manner as the original contract.

APPENDIX TABLE Q.—*Number and value of unclassified procurement actions subject to the Public Contracts Act, fiscal year 1960*

Procurement actions	Number	Value (in thousands)	Procurement actions	Number	Value (in thousands)
Total.....	64,339	\$11,787,570	Subject to minimum wage determination—Con.		
Subject to minimum wage determination:			\$1.06-\$1.24.....	8,822	810,087
All rates.....	22,446	4,675,969	\$1.05.....	7,933	3,182,787
\$2 and more.....	582	302,373	\$1.....	3,256	272,907
\$1.50-\$1.99.....	1,141	43,049	Not subject to minimum wage determination.....	41,893	7,111,601
\$1.25-\$1.49.....	712	64,766			

APPENDIX TABLE R.—*Number of minors found illegally employed on farms in violation of the child labor provisions of the Fair Labor Standards Act, by age and present or last school grade attended, fiscal year 1960 ¹*

Age	Present or last grade attended											Below normal grade for age			
	Total all grades ²	Never attended school	1	2	3	4	5	6	7	8	9	10	11	Number	Percent of minors of this age found to be illegally employed
Total, all years.....	4,416	50	304	406	529	642	623	668	577	336	193	77	11	2,183	49
6 years.....	96	23	59	14										0	0
7 years.....	181	10	91	73	5	2								10	6
8 years.....	273	3	78	80	83	28	1							81	30
9 years.....	352	0	32	90	107	97	22	4						122	35
10 years.....	457	3	15	65	112	139	99	20	4					195	43
11 years.....	559	0	13	40	78	124	148	129	24	3				255	46
12 years.....	669	3	8	24	58	101	140	173	144	17	1			334	50
13 years.....	644	1	6	11	48	63	88	166	151	88	20	1	1	383	59
14 years.....	661	1	2	8	23	51	81	111	154	124	89	16	1	431	65
15 years.....	524	6	0	1	15	37	44	65	100	104	83	60	9	372	71

¹ Fifty-four illegally employed minors were omitted. These included: 42 for whom no school information was available, 4 for whom age was not reported, and 8 who were too young to be expected to attend school.

² The figures between heavy lines in the table indicate normal school attainment for that age child. On the basis of the usual standard of measurement, developed by the U.S. Office of Education, 6 to 7 is considered normal attendance in the first grade, 7 to 8 for the second grade, etc., with attendance of one grade each year.

Appendix II

Child Labor Standards

Fair Labor Standards Act

The child labor provisions of the Fair Labor Standards Act set a 16-year minimum age for general employment, an 18-year-minimum age for occupations found and declared hazardous by the Secretary of Labor, and a 14-year minimum age for employment outside school hours for a limited number of occupations under regulated hours and conditions.

These provisions apply to employees engaged in interstate commerce or in the production of goods for such commerce. They also apply to any producer, manufacturer, or dealer who ships goods or delivers goods for shipment in interstate or foreign commerce.

Walsh-Healey Public Contracts Act

This act prohibits the employment of boys under 16 and girls under 18 years of age on contracts let by the Federal Government for materials, supplies, articles, or equipment in amounts exceeding \$10,000.

Investigation Findings

A total of 9,899 minors were found employed contrary to the child labor provisions of the Fair Labor Standards Act during the fiscal year ending June 30, 1960. Of this number, 4,470 worked in agriculture. During the year, 61 minors were found employed contrary to the Public Contracts Act. Employers are fined \$10 per day for each day a minor is knowingly employed contrary to the child labor provisions of the latter act. Amounts totaling \$9,260 were paid in liquidated damages to the Federal Government for the 61 minors found unlawfully working.

Nonagricultural Investigations Under Fair Labor Standards Act

Child labor violations were found in nonagricultural investigations in all States, the District of Columbia, and Puerto Rico. (See appendix table C.) Of the 5,429 minors illegally employed in these establishments, 442, or 8 percent, were under 14 years of age; 2,015, or 37 percent, were 14 or 15 years of age; and 2,972, or 55 percent, were 16 or 17 years of age and employed in hazardous occupations. (See appendix table F.)

Occupations of Minors Under 16

Unless exempt from the child labor provisions, minors under 14 years of age may not work in nonagricultural industries. Today, although the number is small, children 8 through 13 are still found working unlawfully by the Divisions' investigators. Among those found during fiscal 1960 were a 10-year-old boy pushing baskets down a chute from a loft in a peach-packing shed, a 13-year-old girl operating an ironer in a linen-supply laundry, a boy 12 years of age marking and piling sheet metal for a manufacturer of metal parts, children 8, 10, and 11 making ornamental bows for a coat manufacturer, and a boy 13 working as a truck driver and helper from 12 midnight to 5:30 a.m. for a wholesale newspaper warehouse.

Child labor regulation no. 3 permits minors 14 and 15 years of age under regulated hours and conditions to work in such places as offices, fresh fruit and vegetable packing sheds, and retail stores. They are not permitted to work in manufacturing, mining, or processing occupations or in workplaces where such operations are conducted. Other types of work prohibited by this regulation are occupations in connection with transportation, warehousing and storage, communications and public utilities, and construction, except office and sales work.

Children 14 and 15 found working at prohibited occupations were doing such things as helping on a linotype and printing press, trimming plastic in a factory on the 11:30 p.m. to 7 a.m. shift, operating a sewing machine in a garment factory, putting hinges on windows in a factory manufacturing wooden windows, helping to load chemicals on planes used for crop dusting, and herding cattle into pens as late as 1 a.m.

Minors Working in Hazardous Occupations

There were 3,689 minors under 18 found working during fiscal 1960 at occupations declared hazardous by the Secretary of Labor, under one or more of the 13 hazardous occupations orders he has issued to date. Sixty-two percent of all minors employed contrary to these orders were employed as motor vehicle drivers and helpers contrary to Hazardous Occupations Order No. 2. About 16 percent were working as operators of power-driven hoists, which include elevators. These occupations are included in Hazardous Occupations Order No. 7. The third largest group, 379, or 10 percent, were employed in logging and sawmilling occupations contrary to Hazardous Occupations Order No. 4. (See appendix table E.)

The following are some of the hazardous occupations prohibited by Federal law at which minors under 18 were found working: coal loader inside a coal mine, operator of a punch press and shearing machine in a metal fabricating plant, truck driver and helper for a drayage and storage company, operator of a power-driven circular saw and a band saw in a firm manufacturing wooden pallets, killer and skinner of animals at a meat-packing plant, operator of a freight elevator in a garment factory, a log cutter in a woods crew, and operator of a scrap-paper baler and scrap-paper shredder machine in a factory.

Reports of death and serious permanent injury point up the necessity for strict observance of hazardous occupations orders.

A 16-year-old boy in an eastern State was killed on an elevator he was operating to haul goods on a cart between factory floors. His foot slipped between the elevator floor and the shaft wall, and as the elevator moved upward, his body was wedged against the wall. Badly crushed, he was dead by the time the accident was discovered. His employment was contrary to Hazardous Occupations Order No. 7.

In the West, a 15-year-old boy was hired as a truck driver. The minor was steering a truck that was being towed by another truck. The vehicle the boy was in broke away from the tow truck, overturned, and the minor was killed. The occupation of motor-vehicle driver and helper is prohibited by Hazardous Occupations Order No. 2.

While operating a power-driven dough mixer in a factory in a midwestern State, a 17-year-old boy fractured a bone in his wrist, resulting in possible permanent disability to finger manipulation.

In the southwestern part of the Nation, a boy 17 was employed as a helper in a warehouse. A forklift truck this minor was riding hit an obstruction and turned over. The boy fractured his ankle and mashed his foot, which later required amputation.

Child Labor Findings in Agriculture

The child labor provisions of the Fair Labor Standards Act apply to children employed in agriculture only during the hours that the school for the district is in session. Outside school hours, employment in agriculture is exempt, and children of any age may be employed with no limitations as to hours or conditions of work.

Investigators found 4,470 children under the age of 16 years employed in agriculture during school hours. Of this number, 2,862 were local children who lived the year round in the area where they worked, and 1,608 were migrant children who were residing only temporarily in the area. Generally, the youngest children found employed in violation of the child labor provisions of the act are those employed in agriculture. This year was no exception. Of the 4,470 children found working on farms contrary to the child labor provisions, 3,270 were under 14 years, including some as young as 6 and 7 years of age; 1,196 were 14 or 15 years of age; and 4 did not report age. (See appendix table D.) The crops that accounted for the majority of the violations were cotton, strawberries, tomatoes, potatoes, plums, and prunes.

Compliance on Farms

Investigation activity to check compliance with the child labor provisions on farms is effective only during the periods when school is in session and agricultural operations requiring stoop labor are taking place. At other times there is either no coverage under the act or else the labor of children is not needed. As might be expected, optimum periods for conducting child labor investiga-

tions in the various areas of the country vary considerably according to the crop, the weather, and the local practices regarding school vacations. In programing investigations in agriculture, close attention is paid to crop reports and reports on labor needs. The Divisions take into account the many factors that may influence the need for workers, such as mechanization, soil conservation practices, wage rates, and unusual weather conditions. Also checked are the hours and vacation periods of the schools in the areas where investigations will be made. Any complaints received from local school officials and others that children are staying out of school to work are given priority and investigated before the employment of the children ceases.

With few exceptions, most of the growers who were visited by investigators were cooperative. Some of the growers, in order to guard against children slipping into the fields without their notice, arranged for play areas to be set up and hired attendants to take care of the children while the parents worked. Other farmers assigned certain employees to patrol their fields. Cooperation was received from some of the canning companies who required the growers supplying them with fruits and vegetables to stipulate that they would employ no one under 16 years of age during school hours.

Employment and Schooling

The effectiveness of the protection which the child labor provisions provide against employment that interferes with schooling must be measured in the long run by the progress that has been made in getting children into school.

Children who are employed in agriculture, especially migrant children who follow the crops, are at a disadvantage from the standpoint of education. Although State laws generally compel children to attend school, many of these laws permit children under 16 years and even under 14 to be excused from school to work in agriculture. The situation as it relates to migratory children is serious since the school laws often do not apply to them, and traveling from State to State as they do, they are often in and out of a State before the local school officials know they are there. Even when they know migrant children are in the area, some school officials find it difficult to fit such children into school because they stay such a short time and are usually retarded as to school grade.

This retardation is demonstrated by the results of a survey made by the Divisions of the school grade status of children found illegally employed. Of the 4,416 children who furnished information on last grade attended, 49 percent were in grades below normal for their ages. A comparison of the education of these children by age indicates that the educational attainment in relation to age becomes lower as the children get older. (See appendix table R.)

The proportion of children enrolled in grades below normal for their ages was higher for migrant children than for local children. Approximately 69 percent of the migrant children were enrolled in grades below normal for their ages.

Although the Fair Labor Standards Act does not require children to attend school, there are many farmers who consider that their responsibility does not end

with merely refusing to employ minors under 16 years of age during school hours. They feel that they should see to it that the children of their migrant workers actually attend. For example, a farmer in Illinois organized a program among the farmers in his community to obtain funds to pay for textbooks for migratory children. A farmer's wife in Texas required all the migrant children working on her husband's farm to attend school. Other instances were reported of farmers providing transportation to school for migrant children and paying for immunization shots so that they could attend.

Aware of this interest in schooling on the part of many farmers, and realizing that in many cases school officials did not know that children were staying out of school to work, the Divisions instructed their investigators this year to report to local school officials the names of children they found working during school hours. School officials generally appreciated receiving this information and took action to enroll the children.

There are still many children for whom harvesting the crops ranks ahead of schooling. Many of these are migratory children who leave their homes in March and April to follow the crops with their parents and do not return until November. The harvest vacation practice works a special hardship on these children. Under this system the local school opens in July or August for the fall term and closes for a 6- to 9-week vacation during September or October when the harvest season is at its peak. The local children who are in the area are able to attend the makeup period that is held in July or August, but migrant children who are not in the area at that time do not have that opportunity.

The harvest vacation practice has caused considerable misunderstanding with reference to the application of the Fair Labor Standards Act. Although minors whose school is closed for a harvest vacation may be employed without any limitation as to hours during the school vacation period, this does not mean that they may move to another area where schools are still in session and work during the period their home schools are closed. This would be a violation of the child labor provisions of the Fair Labor Standards Act which exempt children only outside the school hours for the district where they are living while so employed.

Employment and Age Certificates

Neither the Fair Labor Standards Act nor the Public Contracts Act requires employers to obtain age or employment certificates for young workers they hire. But employers are urged to protect themselves from unintentional violation of the minimum age provisions of these laws by obtaining and keeping on file an age or employment certificate for each minor employed, showing the minor to be at least the legal age for the job he is to do. Under a program of cooperation with the States, certificates issued under State child labor laws and under the supervision of a State agency are accepted as age certificates under both of these Federal laws in 45 States, in the District of Columbia, and in Puerto Rico. In Alaska, special arrangements have been made for obtaining proof of age.

In the four States of Idaho, Mississippi, South Carolina, and Texas, Federal certificates of age are issued by the Divisions. During the fiscal year, a total of

10,051 Federal certificates for employment of minors 14 through 19 years of age were issued in these four States. This is an increase of 802 over the number issued the previous year.

Cooperation With Other Agencies

The Divisions were represented on two interdepartmental committees dealing with the employment of youth: the Interdepartmental Committee on Children and Youth, including a subcommittee dealing with the transition of young people from school to work, and the working group of the President's Committee on Migratory Labor.

During fiscal year 1960, the Divisions actively participated in the deliberations and recommendations resulting from the sixth decennial White House Conference on Children and Youth held in Washington in the spring.

In addition, representatives of the Divisions participated with various Federal agencies such as the Office of Education and the Children's Bureau, State labor and education officials, and nongovernmental national agencies such as the National Education Association and the National Committee on Employment of Youth of the National Child Labor Committee. This cooperation was very effective in disseminating information on and promoting understanding of the Federal child labor standards and in helping children who were found working in agriculture during school hours get into school.

Informational Activities

Intensive educational activities, directed at employers, parents, and minors, in order to promote greater voluntary compliance with the child labor provisions, underscored the Divisions' investigatory efforts. Special campaigns undertaken in the spring, summer, and autumn were actively supported by the Nation's press, radio, and television, as well as other Government and private agencies and organizations.

Spring and autumn campaigns emphasized the problem of reducing unlawful child labor, both migrant and local, on farms during the planting and harvesting seasons. The spring campaign was addressed primarily to the southeast and southwest areas of the Nation. One program, involving the cooperation of the Bureau of Employment Security, featured the distribution of specialized educational materials through farm labor recruitment centers in Florida and Texas, where tens of thousands of migrants "winter out" the season prior to following the crops northward.

The fall campaign, dovetailing with interdepartmental "back-to-school" programming, urged youngsters to avoid unlawful employment and resume their education, and also reminded employers and parents about the child labor provisions. The Nation's mass media, together with business, industry, and labor organizations, as well as government at the national, State, and local levels, actively participated in promoting the "back-to-school" theme.

A video tape repeatedly used on the Nation's television networks forcefully brought home the message of returning to school. The Office of Education, Department of Health, Education, and Welfare, developed a similar program. The Rural Development Committee, composed of major executive departments of the Federal Government, joined the undertaking through its State and local counterparts. "Stay-in-School Weeks" were proclaimed in divers States and communities as a means of fostering the program. Newspapers and radio stations sparked major programs, resulting in broad coverage which stimulated additional participation by local community leaders. Well-known persons in the sports and entertainment field and various youth-interest groups cooperated by supporting programs which were broadcast throughout the Nation.

The educational program for the summer, when hundreds of thousands of youngsters seek employment, was directed toward pointing out to them and their potential employers the kinds of employment permissible to youth and the types prohibited.

Throughout the year, as well as during special educational campaigns, the Divisions widely distributed such child labor publications as a bilingual (English-Spanish) leaflet for crew leaders and contractors of farm labor, poster-type flyers, and a guide to the act's child labor provisions. State departments of labor and education distributed similar materials to PTA's, agricultural organizations, and groups likely to be affected by the act.

Continuing cooperative programs developed with the Department of Interior's Bureau of Indian Affairs, the Department of Agriculture, and the Federal Extension Service enabled the Divisions to reach many additional persons through the usual media of communications sponsored by these agencies. The foreign-language press and radio cooperated by translating materials into various foreign languages, thus enabling the Divisions to reach the thousands of families who rely on these sources for obtaining information. Additionally, the labor press, through its hundreds of affiliates, featured child labor quizzes in their columns that went to millions of union families.

WOMEN'S BUREAU

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In recognition of its 40th anniversary, and because of a genuine need to evaluate women's progress and to take an informed and responsible look at their future, the Women's Bureau held a conference in June 1960 on the subject "Today's Woman in Tomorrow's World." In planning the conference, the Bureau was assisted by leaders in business, industry, education, unions, and national and international affairs. More than 20 leaders in these fields participated in conference discussions, which highlighted ways and means for developing women's full potential and stimulating their effective participation in economic, social, and political activities. The proceedings of the conference will be published in the fall of 1960.

During the 40 years since the Bureau was established by act of Congress, the number of women workers has increased from 8¼ million in 1920, to an alltime high of 24½ million in June 1960. This is a much more rapid expansion than that of the labor force as a whole, and projections through 1970 indicate that during the next decade the number of women workers will increase at nearly twice the rate for men.

Important changes have occurred also in the composition of the woman work force. Over the 40-year period, for example, the median age of women workers has risen from 28 years to 40 years, and the proportion of married women has jumped from less than one-fourth to over three-fifths of all women workers. Continuous improvement in the education and training of women, in their job skills and work experience, in the variety of jobs they hold, and in their readiness to accept community duties and participate in international programs have further increased their contribution to the general welfare of the Nation. It is now an accepted fact that women not currently in the labor force—many of whom have had valuable work experience—can provide the largest reservoir of readily available workers for a rapid expansion of the labor force in an emergency.

Over the years, the Women's Bureau programs have been developed to meet new times and new challenges, in line with its basic responsibilities of advancing women's employment opportunities, promoting the welfare of women workers, and keeping the public informed of the facts on women's economic and legal status.

During fiscal 1960, increased emphasis was placed on interpreting and providing information about women's status to a wider public, including women's groups, professional organizations, educators, employers, unions, and other interested persons. Principal methods used to reach these groups included

conferences, field visits, advisory services, community forums, research studies, and publications. The Bureau continued to provide technical assistance on request to State agencies and others working to improve State laws and their administration in the fields of minimum wage, equal pay, working hours, and the legal status of women. A national conference on day care for children of employed mothers was planned for the fall of 1960, in cooperation with the Children's Bureau of the Department of Health, Education, and Welfare; and the two Bureaus completed analysis of results of their joint survey of day care programs of women's and voluntary organizations. The Bureau continued to cooperate in the U.S. Government's exchange-of-persons program and with the international programs of organizations concerned with the welfare of women throughout the world.

In the international field, the Bureau was represented at several international meetings, through its preparation of technical reports and the furnishing of advisory services. During the year, the Director of the Bureau served as chairman of the first meeting at Geneva, Switzerland, of the newly organized ILO Panel of Consultants on Problems of Women Workers.

Action Projects

Earning Opportunities Forums

Earning opportunities forums were held in 5 cities, and 8 more were in the planning stage, bringing the total to 28 since early 1956. At the end of the fiscal year, the Bureau had expressions of interest from more than 20 additional cities concerning these forums. The earning opportunities forum for mature workers is a technique developed by the Women's Bureau that is designed to help older workers by demonstrating to employers the value of hiring these people, and by providing to the older jobseekers information on training and employment.

By agreement between the Bureau and the National Federation of Business and Professional Women's Clubs, many State and local affiliates of the Federation have spearheaded plans for forums in their areas as part of their career advancement program. The Women's Bureau assists each local group in planning and organizing its forum, sends exhibits and display materials, furnishes a key speaker, and promotes followup action. The local committee prepares kits for all who attend, and for these kits the Women's Bureau furnishes its own publications as well as selected materials from the Bureau of Labor Statistics and the Bureau of Employment Security. The State employment service provides local information on counseling, training, and placement activities.

As a result of these forums, placement of mature workers has increased, additional training programs have been established for mature workers, several areas are considering making the forum a periodic or annual event, and the widespread acceptance of the EOF's as a successful technique in developing jobs for mature women has brought about interest in expanding the program to include men. A few "co-ed" forums have been held, and more are in the planning

stage. This forum program has now become a departmental program, under the direction of the Director of the Women's Bureau, who is also Assistant to the Secretary of Labor.

Day Care Project

The Bureau completed its questionnaire survey, conducted in cooperation with the Children's Bureau of the Department of Health, Education, and Welfare, of day care programs of women's and voluntary organizations at the State and local level. Replies received from voluntary organizations in 41 States showed that many different types of day care services were furnished by such organizations at the local level, including operation of day care centers, financial support, assistance in staffing, advisory health services, educational programs, legislative research, and support for needed legislation.

To promote increased interest and responsibility in the day care field, the Women's Bureau and Children's Bureau worked throughout the year on developing plans for a National Conference on Day Care, to be held in November 1960 in Washington, D.C. An ad hoc advisory committee established in November 1959, with representatives from industry, labor, voluntary and governmental organizations, assisted in developing plans and materials for the conference.

The Women's Bureau's analysis of available information on working mothers reveals that their numbers have increased markedly in the past two decades, largely because of the labor force participation of married women—many of whom are mothers. In 1959, there were 8 million working mothers with children under 18 years of age, compared with 4.6 million in 1950 and 1.5 million in 1940. Although more mothers work outside the home when the family income is low than when it is high, most women (including mothers) are motivated to work primarily for economic reasons. In recent years, around a fourth of mothers with children under 12 have been employed outside the home.

Migratory Labor Project

As a member of the Intradepartmental Committee on Migratory Labor and the working groups of the President's Committee on Migratory Labor, the Bureau participated throughout the year in the expanded Department program designed to advance the welfare of domestic agricultural migrants. The concern of the Bureau relates particularly to women, who comprise about one-fourth of the migrant work force. Most of these women work in the fields and in addition carry the main responsibility for care of homes and children. The living and working conditions of migrants are the lowest of any occupational group and their opportunities to enter other types of employment are extremely limited.

Utilizing its broad contacts with women's and civic organizations and church groups, the Bureau has surveyed selected communities to ascertain the type and scope of programs being carried on by these groups and other voluntary agencies to help migrants. Visits were made during the year to communities in Arizona, Delaware, Florida, Pennsylvania, Texas, and Virginia. By studying

and reporting on projects being carried on in these areas, the Bureau was able to assist voluntary organizations in other communities to undertake similar programs to promote the well-being of women migrants and their families. Projects studied included day care centers operated by local groups, communities, recreation centers, programs for education, vocational schools and other similar programs. As a means of increasing the effectiveness of such local programs, the Bureau also advised on the establishment of permanent local committees on which representatives of women's and other organizations could pool their efforts.

The Bureau has developed a pilot project, tested in two Southern States, for use of communities in assisting workers to withdraw from the migrant stream by qualifying for and obtaining year-round work. The project is under the auspices of a community committee composed of representatives of voluntary organizations, with the active support of State and Federal agencies concerned with improving living and working conditions of migratory workers.

Occupational Information

A report to be published under the title "Careers for Women in the Biological Sciences" was undertaken during the past fiscal year, and will be released early in calendar year 1961. This report was planned as a companion piece to "Careers for Women in the Physical Sciences," released in January 1960, and it is the final publication in a series of career bulletins on opportunities for women in mathematics and the sciences.

Because of the anticipated growth of part-time employment and increasing interest on the part of women in part-time work, the Bureau made a special study of opportunities for such employment in the various occupations and industries utilizing part-time workers. Interviews were held with representatives of both management and labor in each major occupational field to supplement and aid in interpreting available census data. Analysis in the resulting bulletin, "Part-Time Employment for Women," revealed that the range of occupations in which part-time positions exist is very extensive, and that it includes not only the many sales, waitress, and beautician jobs familiar to everyone, but also many professional and clerical jobs. The report shows that part-time work for many women provides a way of augmenting family income without imposing too heavy a burden upon them; it represents one way in which women can keep current in their special fields while occupied with home and family; and it helps to maintain and upgrade the American standard of living.

Increased emphasis on a higher degree of occupational training and education motivated the Women's Bureau to publish a guide to training opportunities for women in private and public schools, and in initial and preemployment programs offered by industry. This bulletin, "Training Opportunities for Women and Girls," was in press at the end of fiscal 1960, for release late in the fall, with an accompanying leaflet which highlights information in the bulletin. Through this bulletin and leaflet, the Bureau hopes to stimulate wider interest both in the

provision of training opportunities and in their use by women and girls seeking employment.

The seventh biennial edition of the "Handbook on Women Workers" was prepared during the past fiscal year, for release in the fall of 1960. The basic statistical and economic data on women workers was brought up to date, as was the legislative information. This reference book of the Bureau is in constant demand from many writers, researchers, and organizations concerned with women's economic and social progress.

Because married women comprise an important segment of the labor force, and because of requests from women workers and organizations in this country and from women leaders of other countries, the Bureau undertook a review of maternity benefit provisions currently applicable to employed women. The resulting bulletin, "Maternity Benefit Provisions for Employed Women," was released in June 1960. In presenting the major types of benefits, the report clearly shows the primarily voluntary approach adopted in this country as contrasted with the primarily legislative approach used elsewhere.

Under way at the end of fiscal 1960 was a study of life insurance underwriting as a career for women, in cooperation with the Committee of Women Underwriters of the National Association of Life Underwriters. Although women constitute about one-third of the half million persons employed in the life insurance industry, they represent but a small proportion of full-time life insurance underwriters. Those women who are so employed, however, have been successful in the industry, and this field is open to mature as well as younger women. The full report of the study will be issued as one of the Bureau's "Careers for Women" series of bulletins.

Womanpower Potentials

Employment of Women

Comparing fiscal years 1959 and 1960, the average number of women in the labor force increased by more than half a million, or 2.3 percent—from 22,612,000 in 1959, to 23,122,000 in 1960. Within the labor force, the average number of women who were employed rose 3 percent over the year, while the average number of women who were unemployed and looking for a job decreased by 8 percent. Consequently, the unemployment rate for women in the labor force declined from 6.3 percent to 5.7 percent between the fiscal years 1959 and 1960.

Women in the population and labor force	Monthly average for year ending June 30		Change from 1959 to 1960	
	1960	1959	Number	Percent
Women, 14 years or more of age.....	63,753,000	62,831,000	+922,000	+1.5
In the labor force.....	23,122,000	22,612,000	+510,000	+2.3
Employed.....	21,808,000	21,179,000	+629,000	+3.0
Unemployed.....	1,315,000	1,433,000	-118,000	-8.2
Not in the labor force.....	40,631,000	40,219,000	+412,000	+1.0

Although married women living with their husbands still had a lower rate of participation in the labor force than other marital groups, they made up more than half the total of the woman labor force. Specifically, only 31 percent of all married women work. However, because the vast majority of women in our population who are old enough to work are married, the married group made up 55 percent of the total number of women workers. More than half of the married women workers living with their husbands were in age groups 35 to 44 years and 45 to 54 years.

Women as a Source of Emergency Labor

During fiscal year 1960, the Director of the Women's Bureau in her capacity as Assistant to the Secretary of Labor continued to provide advice and suggestions on the womanpower aspects of the civil defense and mobilization program. Results of the Operation Alert test exercise held in 1959 confirmed the premise that women not currently in the labor force—many of whom have had valuable work experience—can provide the largest reservoir of readily available workers for a rapid expansion of the labor force in an emergency. During the test alert exercise, the recruitment of women not previously in the work force was the major means used for expanding the labor force under postattack conditions.

To shed further light on the availability, skills, and work experience of these women, the Women's Bureau undertook a pilot questionnaire survey in cooperation with the Santa Rosa-Sonoma County Project in California, which is sponsored by the Office of Civil and Defense Mobilization. The questionnaire was distributed toward the end of the fiscal year to women in the area who are not presently in the labor force. Survey results will be used to provide information on the characteristics of the womanpower reserve in a specific local area, and for the development of plans for the recruitment, training, and utilization of women during an emergency.

State Legislation

Considerable progress was made during the last fiscal year in State legislation affecting women workers. New developments included an increasing trend toward establishment of overtime pay.

The Women's Bureau continued to cooperate in the development and administration of State laws affecting working women through furnishing technical advisory services to State administrators and voluntary organizations, and by furnishing technical and nontechnical supporting materials. The Bureau continued to prepare and publish reports on State laws affecting women's family, property, and political rights, and it cooperated in the study and action programs of many types of organizations in these fields.

Minimum Wage

New York enacted a new minimum wage law with general worker coverage, which sets a statutory minimum of \$1 an hour, effective October 1, 1960, and

which provides for wage board action. New Hampshire increased its statutory minimum wage rate for men and women from 85 cents to \$1 an hour; and at the same time provided for increased rates for restaurants and hotels under authority of its earlier law covering women and minors.

Of major importance during the 1960 fiscal year was the improvement in minimum wage rates set by wage order. In the 12-month period ending in June, a total of 40 wage orders were revised in 9 jurisdictions (District of Columbia, Massachusetts, Minnesota, New Hampshire, Oregon, Puerto Rico, Utah, Vermont, and Wisconsin). The Women's Bureau furnished technical assistance to a number of States on the convening of wage boards and issuance of wage orders. Services included compilations of wage order provisions for use by wage boards, information on the cost-of-living budgets, and assistance in the development of regulations governing conduct of wage boards and public hearings.

Revised editions of two minimum wage publications were issued during the fiscal year—"State Minimum Wage Laws" (Leaflet 4), and "Minimum Wage and the Woman Worker" (Pamphlet 8). The sales supply of the latter was exhausted shortly after publication, which illustrates the wide use of these materials by all interested groups. In addition, Bulletin 267—"State Minimum Wage Laws and Orders"—the Bureau's basic publication in the minimum wage field, was brought up to date through issuance of slip-sheet insertions containing digests of new actions.

Equal Pay

Pennsylvania enacted new equal pay legislation—greatly strengthening the provisions of its former law. On request from women's and other voluntary organizations, unions, members of Congress, and other groups interested in furthering the equal pay principle through legislation, collective bargaining, and education, the Women's Bureau furnished technical services and various materials. These included information on the practical application of State equal pay laws, preparation of draft wording for a proposed law, and assistance in planning a survey of equal pay practices. In addition, the Bureau prepared and published revised editions of its equal pay materials, including the "Equal Pay Primer" and the "Digest of State Equal Pay Laws."

Legal Status of Women

Because of women's increasing participation in the economic and social life of the Nation, women's family and property rights have been the subject of much legislation in recent years. The Bureau has been requested to furnish technical information in this field to many interested groups—including national organizations with branches throughout the 50 States.

To provide factual material, the Bureau has completed the project of revising its separate State reports on the legal status of women (reports were completed for 25 States during fiscal 1960), and has begun revision of the U.S. summary on this subject. Both the summary and the separate reports for individual States

are used widely by national and international groups interested in the removal of remaining legal discriminations against women.

An article on the legal status of women was prepared for publication in the *Monthly Bulletin* of the American Association of University Women, and the association reprinted the article for use by Status of Women Committees in various local branches throughout the United States. At the request of the Council of State Governments, the Bureau prepared an article on women's legal status—including a tabular chart of the provisions of the marriage and divorce laws in all States.

Other State Legislation

During the 1960 fiscal year, the maximum hour law in Virginia was amended twice: (1) to permit women to work longer than the maximum hours—3 days after specified holidays—in establishments developing photographic film; and (2) to permit a 7-day workweek for women employed in manufacturing establishments operating on a multiple-shift basis. In Massachusetts and New York, the laws affecting women workers were amended to permit relaxation of statutory provisions in time of emergency. By the end of the fiscal year, the Bureau had almost completed a major revision of its bulletin "State Hour Laws for Women," which covers State laws governing women's maximum daily and weekly hours of employment, nightwork, day of rest, and meal periods.

The Bureau had inquiries from both employers and unions for recommendations as to standards on weight lifting by women for incorporation in collective bargaining agreements. Technical assistance was furnished to State labor departments on the revision of laws and regulations in this field.

An article on 1958-60 progress in State labor legislation was prepared at the request of the Council of State Governments for publication in the 1960-61 edition of the "Book of the States," and the Bureau cooperated in various Department programs by furnishing digests and summaries of labor laws affecting women.

1960 Girls' State Sessions

The Women's Bureau continued to cooperate with national patriotic and civic organizations on their nationwide programs of Girls' State and Girls' Nation—which are directed toward providing sound basic citizenship training for girls of high school age. Begun in 1956, this program provides basic study materials on women's labor laws, laws governing women's family and property rights, and laws governing political rights such as voting and holding public office.

For the fifth successive year, the Bureau furnished pertinent materials for the use of girls completing their junior year of high school who were selected to participate in this program. The publications and reports furnished by the Bureau are designed to give these girls a working knowledge of the laws which will affect them in adult life. For the 1960 sessions of the Girls' State and Girls' Nation programs, family and property law summaries and labor law summaries were prepared for a number of individual States for use in Girls' State programs.

International Program

Technical services to groups and agencies interested in advancing the economic, legal, and cultural status of women at the international level constitute an important part of the Bureau's work. The Bureau regularly cooperates with national women's organizations on their international programs designed to create better understanding and good will, and publishes reports of the sessions of international agencies for distribution to national organizations. It assists international agencies directly by preparing technical reports and furnishing advisory services. Chief among these agencies are the United Nations Commission on the Status of Women, the Inter-American Commission of Women, and the ILO Panel of Consultants on Problems of Women Workers.

U.N. Status of Women Commission

As has been customary for a number of years, a Bureau staff member served as legal adviser to the U.S. delegation at the annual session of the United Nations Commission on the Status of Women which met for 3 weeks in March and April 1960 in Buenos Aires, Argentina. This Commission, one of the member bodies of ECOSOC, is composed of representatives of 18 nations selected on a geographical basis to be representative of the various hemispheres, the term of each member nation rotating at a 3-year interval.

At the recent 14th session the U.S. delegation took leadership in initiating a resolution, adopted unanimously, inviting a country of Africa to seek membership on the Commission. A second resolution sponsored by the U.S. delegation was adopted, calling on the United Nations to furnish technical advisory assistance, on the request of governments, to conferences to train women in community leadership at the State and local level. Of major importance at this year's session was the consideration of a draft convention and draft recommendation to establish minimum international standards on age of marriage, free consent of both parties, and registration of marriages. Other items on this year's agenda were out-of-school education for women, equal pay, and political rights of women.

During the year, the Bureau prepared the official U.S. Government replies to questionnaire studies initiated by the U.N. Secretary General and the International Labor Organization on U.S. law and practice affecting women's employment and status. In reply to a U.N. questionnaire covering laws relating to age of marriage, free consent to marriage, and registration of marriages, the Bureau completed an analytical study of laws in all 50 States. The U.N. study, to be used in the formulation of international standards to outlaw the practice of "bride price" and child marriage, brought together replies from 56 countries and 29 non-governmental organizations.

The Women's Bureau prepared the U.S. reply to a second U.N. questionnaire study, entitled "Women in Public Services and Functions." This reply was incorporated in a U.N. report showing the extent to which women hold administrative appointive office in the various countries.

The Bureau also prepared the position paper for the U.S. delegation to the meeting on women salaried and professional workers, in Cologne, Germany, December 1959. In collaboration with State Department staff, the Bureau assisted in the preparation of position papers, draft resolutions, and other technical materials for use at annual meetings of the U.N. Commission on the Status of Women. The Bureau also furnished information on progress in women's legal status to the State Department for incorporation in the U.N. Yearbook on Human Rights.

International Labor Organization

At the first meeting of the newly constituted ILO Panel of Consultants on Problems of Women Workers, at Geneva, Switzerland, in October 1959, the Director of the Women's Bureau served as the U.S. Government's member and was elected chairman of the meeting. Representatives of 19 different countries, chosen to reflect the viewpoints of government, employers, and workers, considered the following topics: (1) Recent trends in women workers' opportunities and needs, (2) conditions and problems of women working in agriculture, (3) women's wages, and (4) future program with regard to women workers. This is the first ILO tripartite committee set up to deal with the problems of women workers. Following her return from Geneva, the Director of the Women's Bureau met with representatives of the 19 countries and members of their Washington embassies, to inform them about results of the conference. The Women's Bureau prepared reports for the panel's meeting at Geneva, and for use at other ILO meetings dealing with women workers.

Inter-American Commission of Women

The Women's Bureau cooperated with the Inter-American Commission of Women by furnishing technical assistance on completion of two major reports prepared by a specialist of the Organization of American States dealing with (1) the economic position of women in the Americas, and (2) laws governing women's civil and political status. These reports were prepared for consideration at the Eleventh Inter-American Conference to be held in Quito, Ecuador, and they will furnish the factual basis for the 15th Assembly of the Inter-American Commission of Women to be held in Lima, Peru, in April 1961. In collaboration with State Department staff, the Women's Bureau assisted in the preparation of position papers, draft resolutions, and other technical materials for use of the Inter-American Commission of Women.

Exchange-of-Persons Program

As part of its continuing program of assistance in the field of international relations, the Women's Bureau arranged or helped to arrange itineraries for 62 women leaders from 33 different countries in fiscal year 1960. Visitors came from Europe, Asia, Africa, and Central and South America. Some were representatives of highly developed countries which were embarking upon new or improved

programs with regard to education, health, welfare, employment, civil or social status—particularly for women and children. Others were from nations which were inaugurating first-time programs in one or more of these fields.

In some instances, the Bureau assumed scheduling responsibility for a leader's entire visit to the United States; in others, for only portions of the visit.

Areas of interest were widely diversified. A large proportion of the leaders held positions in educational institutions in their own countries—from primary schools to graduate schools of universities—and were interested in observing some phase of work here which would enable them to advance their programs at home. Others were members of the legislature (either at the "State" or national level); writers, editors, or critics for newspapers, magazines, radio, or TV; officials of labor organizations; and officials of the executive or judicial branches of government.

Some wanted to visit industrial plants, others service-type establishments (such as telephone exchanges), and still others, places where handicraft items were produced. Some leaders wanted to become acquainted with women's clubs and various other voluntary organizations engaged in civic, social, or welfare programs. Still others were interested in health-connected service organizations which deal with physical, mental, or emotional ills of children and adults.

In addition, arrangements were made for leaders to visit American families in order to gain some insight into home and community life here. Many such visits were scheduled in rural areas or small towns, since much of the work leaders wish to do in their own countries will be in such nonurban areas.

The Bureau also assisted in the programs of a number of men grantees from other countries and held orientation sessions for 34 teams (from 41 separate countries) to explain conditions of women's employment including labor laws affecting such work, and economic, civil, and political status of women.

In addition to its responsibility to acquaint persons from other countries with various phases of life in America, the Bureau continued its briefing sessions for Americans, particularly foreign service staff, going overseas. These briefings familiarize such persons with facts and figures regarding the life of women in the United States with regard to employment, civil and political status, etc. A second purpose is to call to their attention the services and publications available through the Women's Bureau.

On the occasion of its 40th anniversary in June 1960, the Women's Bureau received greetings from 169 former women leaders in 37 countries. Most letters included information on present activities of these women and how they had applied their U.S. experience to their work.

Specialist Program of the Cultural Exchange Program

Following enactment of a law in the Philippines for establishment of a Women's and Children's Bureau, the Philippine Government requested the services of a staff member of the Women's Bureau to assist in this undertaking. Draft plans for the functions and organization of the new bureau were under way at the end

of the fiscal year, prior to a 6-week assignment with the Philippine Department of Labor.

Reaching the Public

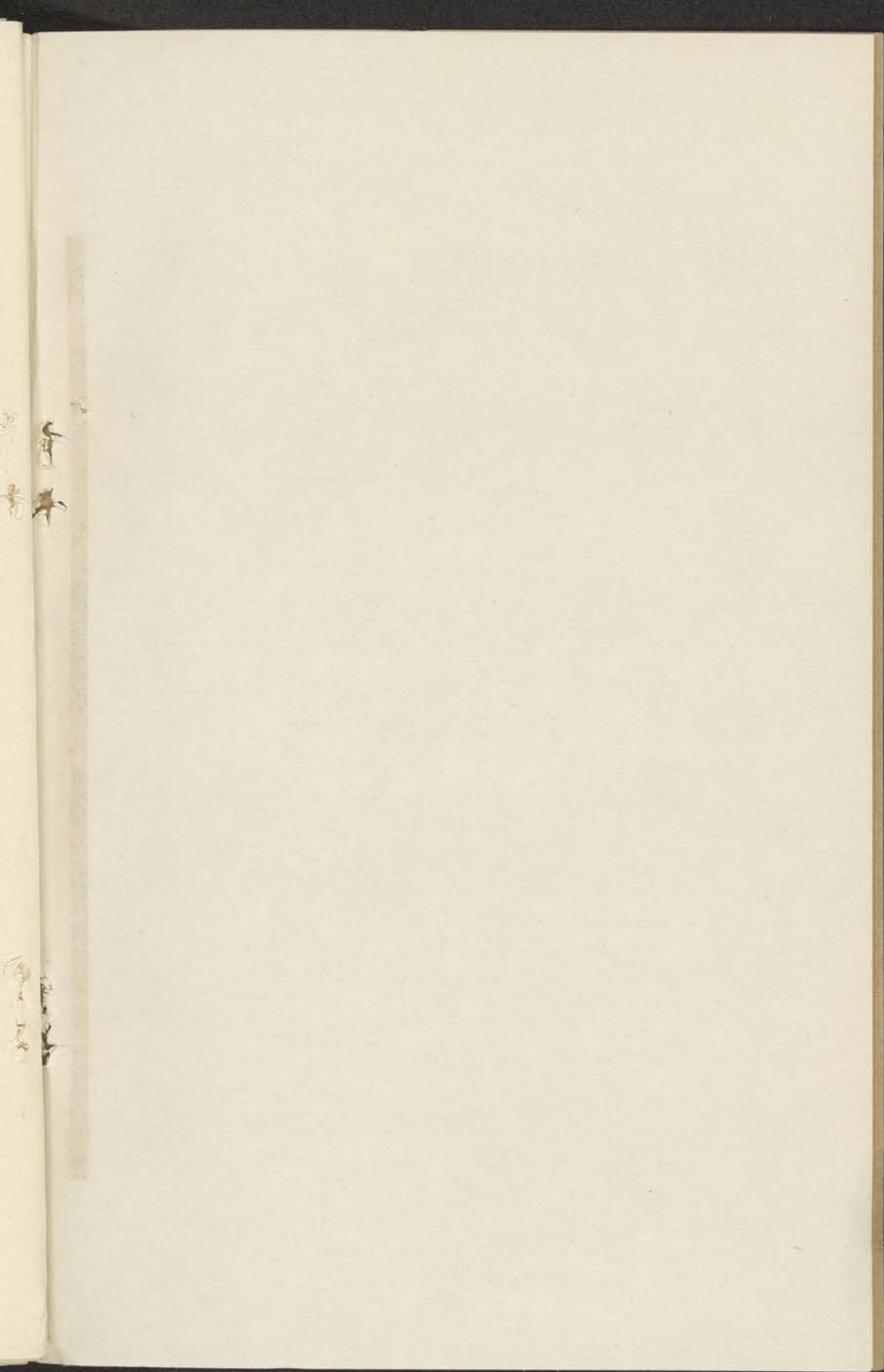
Reaching the public with facts concerning women's employment and status, through publications and in other ways, was an important activity of Bureau staff in fiscal year 1960. This activity was directed to both private individuals and vast audiences such as national and international organizations. Every media was utilized during the year to bring information to this diverse public.

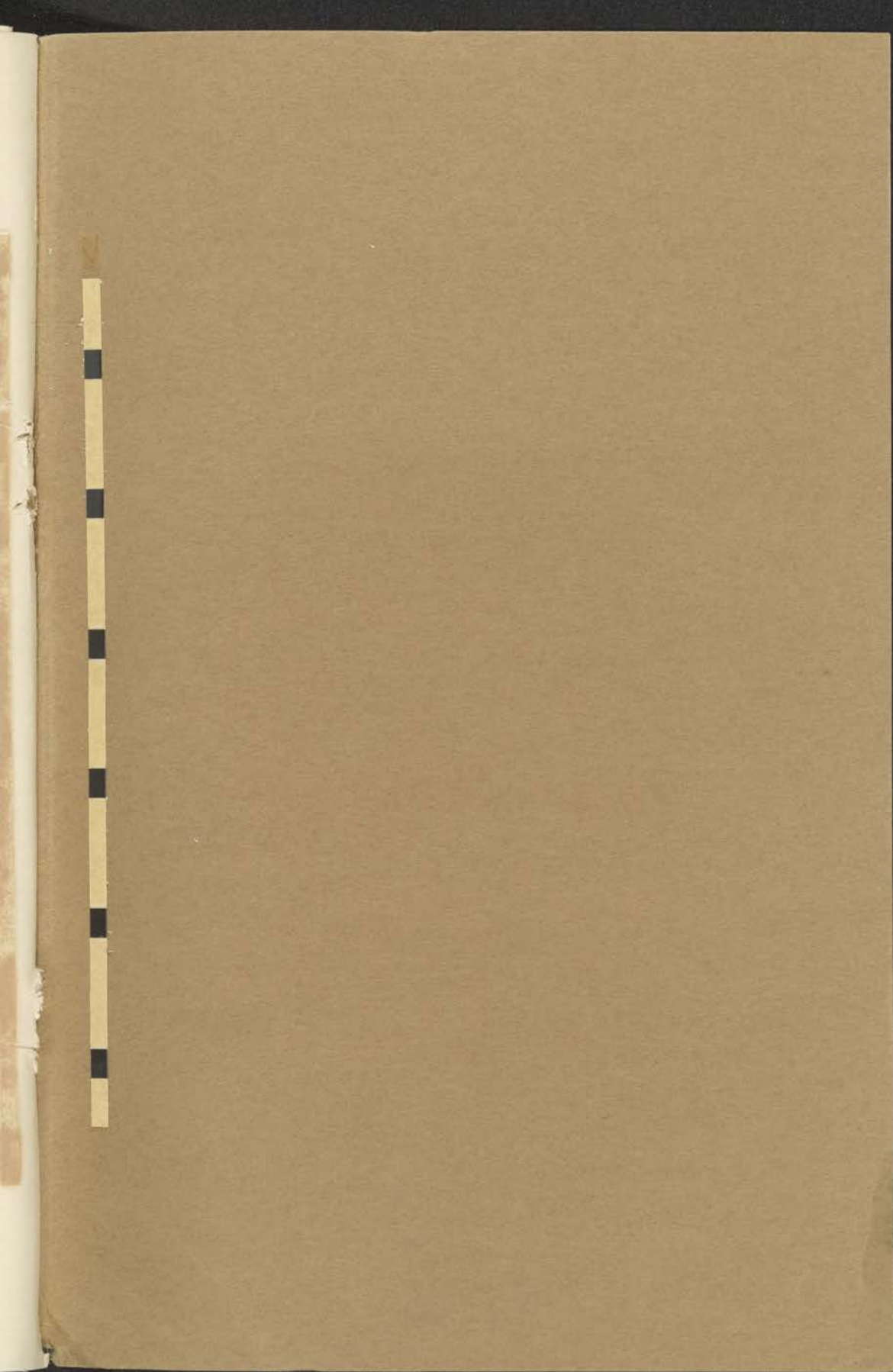
Extensive use was made of newspapers, local and network radio and television, periodicals of all kinds (such as popular women's magazines, professional journals, and yearbooks), and exhibits at major conferences and conventions of a wide variety of organizations. Among the most effective of these displays was the one at the Madras (India) Fair, which consisted of colored slides portraying American women as homemakers, voluntary workers for civic and charitable organizations, and at paid jobs. This is the only new overseas exhibit used by the U.S. Government concerning the role of women in American life.

The Bureau's staff reached many segments of the public through meetings and conferences and through talks before organized groups. One important contact with a broad cross-section of the public was made at the 2-day conference which marked the Bureau's 40th anniversary. Another was in sponsoring the issuance, by the Post Office Department in June 1960, of a 4-cent commemorative postage stamp honoring achievements of the American woman. Still another was the conference held by the Bureau Director to report on activities of the Panel of Consultants on Problems of Women Workers, newly established by the Governing Body of the International Labor Organization in Geneva, of which she was the chairman.

Members of the field staff visited 54 communities in 28 States (including the District of Columbia) during the fiscal year. They worked with local leaders and groups, as well as State and Federal agencies, to stimulate community activity to ease occupational shortages, expand job and advancement opportunities for women, promote legislation to improve the welfare and status of women workers, emphasize the growing importance of training and education for young and old, and make better utilization of older workers.

Nearly 100,000 pieces of literature were distributed in answer to specific requests during the year. Most of the material was in the form of leaflets, pamphlets, and bulletins written and published by the Women's Bureau. These requests came from students; educational institutions (primarily vocational counselors); public and private libraries; government agencies—executive, legislative, and judicial at the local, State, and the national level; business and industrial firms and associations; and labor unions, writers, and many others.





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