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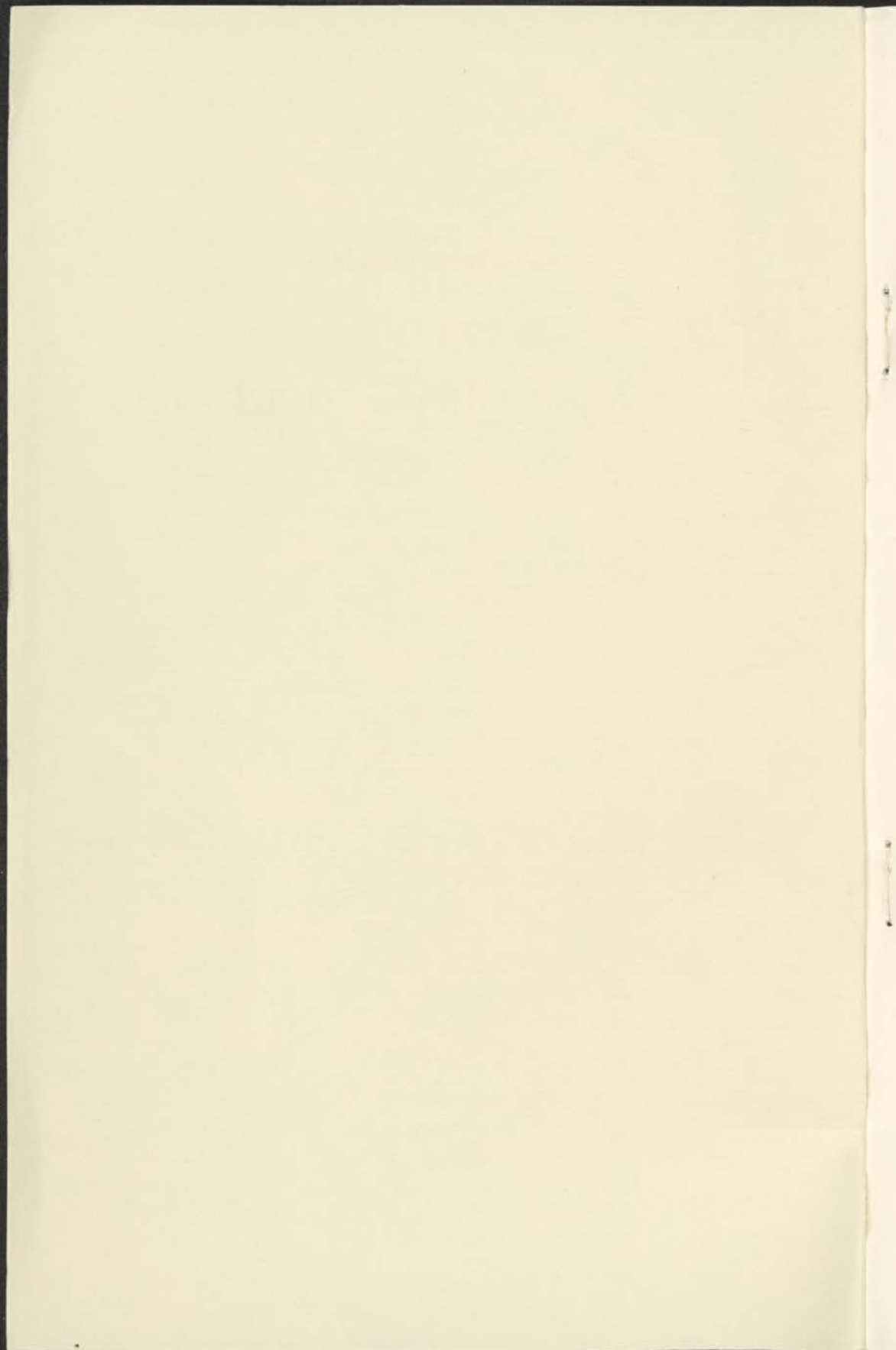
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Fifty-first Annual Report

U.S. Department of Labor · Fiscal Year 1963



W. Willard Wirtz, *Secretary*

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UNITED STATES DEPARTMENT OF LABOR

Secretary of Labor.....	W. Willard Wirtz ¹
Special Assistant to the Secretary.....	John C. Donovan ²
Special Assistant to the Secretary.....	Stanley C. Ruttenberg ³
Special Assistant to the Secretary.....	Samuel V. Merrick
Under Secretary of Labor.....	John F. Henning ⁴
Deputy Under Secretary.....	Millard Cass
Special Assistant to the Under Secretary.....	Jack Howard ⁵
Assistant to the Under Secretary.....	Robert K. Salyers
Manpower Administrator.....	John F. Henning ⁶
Deputy Manpower Administrator for Planning, Research, and Evaluation, and Director, Office of Manpower, Automation, and Training.....	Seymour L. Wolfbein ⁷
Deputy Manpower Administrator for Operations, and Administrator, Bureau of Employment Security.....	Robert C. Goodwin ⁸
Administrator, Bureau of Apprenticeship and Training.....	Edward E. Goshen
Assistant Secretary for Labor-Management Relations.....	James J. Reynolds
Deputy Assistant Secretary for Labor-Management Relations.....	Nelson M. Bortz
Director, Office of Welfare and Pension Reports.....	Frank M. Kleiler
Commissioner of Labor-Management Reports.....	John L. Holcombe
Administrator, Wage and Hour and Public Contracts Divisions.....	Clarence T. Lundquist
Director, Bureau of Veterans' Reemployment Rights.....	Hugh W. Bradley
Assistant Secretary for Labor Standards.....	Esther Peterson
Deputy Assistant Secretary for Labor Standards.....	Morris Weisz
Director, Bureau of Labor Standards.....	Arthur W. Motley
Director, Bureau of Employees' Compensation.....	William McCauley
Chairman, Employees' Compensation Appeals Board.....	Theodore M. Schwartz
Director, Women's Bureau.....	Esther Peterson
Assistant Secretary of Labor for International Labor Affairs.....	George L-P Weaver
Deputy Assistant Secretary for International Labor Affairs, and Administrator, Bureau of International Labor Affairs.....	Harry Weiss
Assistant Secretary of Labor for Policy Planning and Research.....	Daniel P. Moynihan ⁹
Commissioner of Labor Statistics.....	Ewan Clague
Solicitor of Labor.....	Charles Donahue
Deputy Solicitor of Labor.....	N. Thompson Powers
Administrative Assistant Secretary.....	Leo R. Werts
Deputy Administrative Assistant Secretary.....	V. S. Hudson
Assistant Administrative Assistant Secretary and Director of Personnel.....	Edward J. McVeigh
Librarian.....	Margaret F. Brickett
Director, Office of Information, Publications, and Reports.....	John W. Leslie

¹ Appointed to this position September 25, 1962, succeeding Arthur J. Goldberg, who was appointed to the U.S. Supreme Court.

² Appointed to this position October 22, 1962.

³ Appointed to this position January 7, 1963.

⁴ Appointed to this position October 10, 1962, succeeding W. Willard Wirtz.

⁵ Assigned to this position January 1, 1963, succeeding John C. Donovan, who was appointed Special Assistant to the Secretary October 22, 1962.

⁶ Designated to this position February 19, 1963, in addition to his responsibilities as Under Secretary.

⁷ Designated Deputy Manpower Administrator February 19, 1963, in addition to his responsibilities as Director, OMAT.

⁸ Designated Deputy Manpower Administrator February 19, 1963, in addition to his responsibilities as Administrator, BES.

⁹ Appointed to this position March 8, 1963, from the position of Executive Assistant to the Secretary.

UNITED STATES DEPARTMENT OF LABOR ANNUAL REPORT, 1963

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REPORT OF THE SECRETARY OF LABOR

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REPORT OF THE SECRETARY OF LABOR

During 1963, the Department of Labor entered the second half-century of its service to the Nation. At the same time, the country was being made aware for the first time of two new revolutions affecting men and work.

For it was in the Department's 51st year that the United States first concentrated its attention on the great manpower revolution brought on by rapid technological advancement. And, in the hot summer of that year, we were all made aware that the struggle for equal rights had suddenly become a struggle for equal opportunities.

The Labor Department was in the forefront of the Government's response to both revolutions.

It strengthened its organizational structure to meet the challenge of the manpower revolution, and prepared the historic First Manpower Report of the President, incorporating the Nation's commitment to the idea that there are to be no human hostages left in the wake of progress.

Administratively, one of the Department's major undertakings in 1963 was the launching of the manpower development and training program—a project of far-reaching social and economic significance for the Nation.

The attention of the Department, in this 51st year, became focused more clearly than ever upon the central problem of manpower development, use, and need. Equipped with the research and training authority of the Manpower Development and Training Act, the Department began, for the first time in the Nation's history, to draw up detailed balance sheets of our manpower sources. Examination into the causes and nature of continued unemployment, inquiries into the impact of technological change upon the labor force, estimates of the cost of discrimination, assessment of the primary importance of proper education and training in a modern economy—all of the resources of the Department have been brought to bear upon these fundamental considerations.

And as framers of the manpower policies of this Nation, we are challenged to keep pace with the genius of science. We must bring to the architecture of manpower policy the degrees of invention, the ingenuity, the boldness which characterize today's phenomenal rate of scientific discovery.

We must develop those programs which will safeguard the person who may, as an individual, be adversely affected by a technological development which greatly benefits the community as a whole. Our task includes the responsibility to persuade, to obtain consent, to overcome the force of inertia represented in men's desire as individuals for even the incomplete security they think the status quo gives them.

Today, a man's job is also the uncertain product of unpredictable but almost certain change.

Within the next 30 days, 500,000 people will move to new employers, 600,000 to a different line of work. And 400,000 to different areas of the country.

This change will be devastating unless we harness it to our own use. If we guide change for our benefit, we must first erect an economy capable of enlarging itself, an economy that offers to each man a meaningful use of his time and talent.

I think that in terms of our particular interest in achieving a full-employment economy the largest importance attaches to the stimulation of consumer purchasing power.

Beyond that, we can and must do better in approaching the problems of technology. Attention must be given in the private processes of collective bargaining to the problems presented by automation. We are going to have to review our seniority systems, our training and retraining activities, our employment security programs, and our retirement plans to find ways of assuring that a man's rights are not destroyed when he has to move aside for a machine.

Only part of this job can be done privately. The rest of the answer to it is illustrated by the enactment by Congress of such legislation as the Manpower Development and Training Act. Under this legislation we will undertake to train some 400,000 people in the next 3 years.

We are going to need in this decade alone 5 million more skilled workers than are presently available. It is important that we identify today the types of jobs that these skilled workers will fill so that we can plan for the future. Retraining must be devised on a basis of working back from such knowledge and I am sure we can gear the retraining program to previously identifiable job opportunities.

The real answer to the change that is upon us is that nothing will make sense unless we expand the economy to the point where there are another 4 million jobs.

We have vast unmet needs in this country. Our real wealth in meeting them is the use of the full potential of each individual who wants to work. When we accomplish this, then we will meet these problems. Retraining is important in doing that and so are many other factors, but we must move the economy on to a faster employment pace.

The vantage of 1963—the Department's 50th anniversary—is the best one from which to consider this central challenge of continuing change. We do not face a world war, as we have done twice in the past. We do not face the collapse of an entire economic system, as we once did. We face, rather, the product of success—an economy so dynamic in its technical ability that it has outstripped the skills of millions, depriving itself in the process of that many consumers. As in the earlier periods, the Department will be able to make a contribution to this problem because the individual remains its central concern.

In order to cope more effectively with the mounting problems of manpower, the Manpower Administration was created in February 1963. This vital new organization consists of the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the Office of Manpower, Automation, and Training.

In compliance with provisions of the Trade Expansion Act of 1962, BES took several positive measures. It developed specifications for regulations and agreements and issued operational procedures as guides to State agencies. BES also initiated trade adjustment allowance notices to inform State agencies of industry, firm, and worker petitions filed with the U.S. Tariff Commission as well as findings of petitions handled by the Commission.

A great deal of additional action was taken by the Department in 1963 in the manpower field.

The Department's Office of the Solicitor, for example, assisted in drafting three major pieces of legislation affecting manpower that were enacted during the year—the Equal Pay Act, the Trade Expansion Act, and amendments to the Welfare and Pension Plans Disclosure Act.

In fiscal 1963, public employment offices attained their highest job-placement level since World War II, placing 6.6 million nonagricultural workers—2 percent above 1962's record figure.

The Bureau of Apprenticeship and Training executed in March its first contract for an on-the-job training program. By June, 42 contracts, providing for the training of 1,627 persons in 117 occupations, had been approved.

Some 30,000 unemployed and underemployed workers were enrolled in institutional and on-the-job training courses under the auspices of the Office of Manpower, Automation, and Training. These courses were tailored to equip trainees with labor market skills currently in demand.

Nine thousand persons were enrolled under the Area Redevelopment Act and more than 30,000 under the Manpower Development and Training Act.

Counseling services for youth, women, and older workers were implemented in employment centers, and a special placement and counseling service for school dropouts was set up.

The Bureau of Employment Security modernized the processing of data and created a telecommunication network for a nationwide interchange of labor supply and demand information.

Training projects were approved for 60,000 persons in 49 States, the District of Columbia, Puerto Rico, and the Virgin Islands. Intensive research was made on the characteristics of the potential and actual trainees, and youth problems were dealt with by 18 contracts signed during the year.

The Department worked effectively for equal job opportunities through the example of its own employment policies, the democratic standards of its apprenticeship programs, and the power of its influence. It stressed the necessity of making available more job opportunities for all, in order to provide equal job opportunities for those to whom they had been denied.

Its definitive actions in this field were concentrated to a large degree on furthering employment opportunities of persons from minority groups.

State employment services, for example, are now required to refer applicants on a nondiscriminatory basis. Clearly prohibited are the segregation of applicants and reference to race on records and job-acceptance orders.

The Department sponsored conferences to promote the employment of Negro college graduates. Presidents and deans of Negro colleges participated in the national and regional gatherings, which also considered possible revisions of curricula.

Finally, the Department achieved a good record in regard to equal opportunities for its own employees. Its personnel rolls showed a 100 percent increase in the number of nonwhites holding managerial and professional staff positions.

An excellent record in the enforcement of laws affecting millions of American wage earners—really the entire economy—was compiled in 1963.

A new enforcement mark was set when 1,607 cases were adjudicated and \$2 million in back wages recovered under the Fair Labor Standards Act and Walsh-Healey Public Contracts Act. Determinations under the Davis-Bacon Act also reached a new high, and bonding provisions of the Welfare and Pension Plans Disclosure Act were implemented.

The activities of the Bureau of Labor-Management Reports, in its fourth year of existence, were marked by an increase in civil and criminal prosecutions under the Labor-Management Reporting and Disclosure Act. The number of violations reaching litigation almost doubled—rising from 76 in 1962 to 147 in 1963.

BLMR also entered into a new field activity in fiscal 1963 by conducting 104 investigations delegated to it by the Department's Office of Welfare and Pension Plans under the amended WPPDA.

Marking the 25th anniversary of the enactment of the Fair Labor Standards Act and the first full year of enforcement of the 1961 amendments which extended coverage to certain large enterprises engaged in or producing goods for commerce, 1963 also witnessed the largest back-wage disclosures made in enforcement history.

More than \$49 million was owed to 312,000 employees, with \$19 million representing unpaid minimum wages and the remainder overtime compensation. Employers agreed to pay more than \$20 million to 176,000 underpaid employees as a result of WHPC investigations.

In addition, investigations of child labor violations revealed that over 10,000 children were illegally employed in nonagricultural work and about 7,000 on farms.

Under the Secretary of Labor's new enforcement powers stemming from the Welfare and Pension Plans Disclosure Act, the Office of Welfare and Pension Plans opened cases involving 632 possible civil violations. BLMR's field staff assisted in disposing of 304 alleged violations.

The Office of the Solicitor drafted in fiscal 1963 both standards of conduct for employee organizations and a code of fair labor practices to implement

Executive Order 10988 which concerns employee-management relations in the Federal service.

In addition, 29,771 cases—nearly 1,000 more than the figure for the previous year—were compensated under the Federal workmen's compensation programs. The program for decentralizing adjudication and servicing claims arising under the Federal Employees' Compensation Act was completed, with 135,000 cases being serviced.

In international labor affairs, 1963 featured completion of the interagency agreement calling for increased departmental participation in the planning and implementation of the Agency for International Development's overseas program.

Eight new labor attaché posts were established and there was a strengthening of programs involving trade union work and visits to the United States of foreign trade unionists. A total of 173 foreign visitors were programed, with another 553 being referred from other agencies and organizations.

A large share of the activity in the Department's Women's Bureau was centered around intensive efforts to establish the principle of equal pay for men and women who do the same or comparable work. The Bureau had long been interested in this program, and was relied upon heavily to supply data. Efforts of all concerned to secure legislative action culminated in the adoption of the Equal Pay Act of 1963, signed by the President on June 10. Work of the President's Commission on the Status of Women added new dimensions and responsibilities to current programs.

Efforts were intensified to investigate and alleviate the conditions of women from low-waged, disadvantaged groups. New studies, for example, were undertaken in response to demands to include in the Bureau's list of publications "Negro Women in 1960" and "Job Horizons for College Women in the 1960's."

In respect to workers' health considerations, the Bureau of Labor Standards took many effective measures. For example, the Bureau initiated organizational work—as directed by the President—to set up in 1964 the Conference on Occupational Safety.

Also, an analysis was made of 3,300 bills concerning labor standards from legislatures of 47 States and Puerto Rico, and a study was launched aimed at improving State administration of problems regarding ionizing radiation in workmen's compensation. Finally, there was an intensification of the program of safety training for State and Federal personnel, and encouraging progress was noted in reducing injury rates in longshoring and ship repair.

The concerted and active efforts of the Department and other governmental agencies concerned with the labor-management area contributed in 1963 to the greatest period of industrial peace the Nation has enjoyed since the end of World War II.

The ratio of time worked to time lost dropped to the second lowest level for a comparable period in postwar years in the first 6 months of 1963.

Another outstanding record was set by major collective bargaining agreements which covered some 2 million workers in the first part of the year. The majority of these laborers received wage increases averaging 3.5 percent.

Missile sites showed only one man-day lost due to labor disputes for every 1,288 man-days worked; as a result, 99.92 percent of all available work time on missile sites was used to ready the sites on schedule to receive weapons and crews.

Furthermore, a program aimed at an ultimate goal of reducing the number of the Department's buildings in the Washington area from 20 to a single structure was developed and proposed to Congress.

So, in moving into its second half-century of service, the Department embarked on a striking new era. The two revolutions of this 51st year signify the advent of a period when the country will be occupied to an unprecedented extent with the area of responsibility Congress has charged to this Department—"the welfare of the wage earners of the United States."

This 51st annual report makes it clear that the Department of Labor entered this period of added responsibilities in a condition of preparedness and strength. In its organization, its personnel and its morale, the Department is fully prepared to discharge its duties with efficiency and dedication. We face the challenge of the future with confidence and pride.

OFFICE OF THE ADMINISTRATIVE ASSISTANT SECRETARY

The Administrative Assistant Secretary is the principal administrative official of the Department. He is responsible for the Department's personnel, financial, and administrative management, including the planning and execution of the Department's programs, the coordination of the Department's activities, and the supervision of the Department's budget. He is assisted by a Deputy Administrative Assistant Secretary who supervises the Department's budget office and coordinates, and is in charge of the Department's financial management, including the Department's financial planning and execution.

The Department's financial management is supervised by the Assistant Secretary for Budget and Financial Management, who is responsible for the Department's financial planning and execution, and for the Department's financial management, including the Department's financial planning and execution.

OFFICE OF THE SECRETARY

BUDGET AND FINANCIAL MANAGEMENT

The Office of the Secretary is the principal administrative official of the Department. It is responsible for the Department's personnel, financial, and administrative management, including the planning and execution of the Department's programs, the coordination of the Department's activities, and the supervision of the Department's budget. It is assisted by a Deputy Secretary who supervises the Department's budget office and coordinates, and is in charge of the Department's financial management, including the Department's financial planning and execution.

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Continued...

Continued on page 10 of the report on the Department's financial management.

At the meeting of the Board of Directors of the American
Association of University Professors, held at the University of
Chicago, the following resolution was adopted:

Resolved, That the American Association of University
Professors, in its capacity as a national organization,
expresses its strong opposition to the proposed
amendment to the Constitution of the United States
which would give the President the power to remove
and appoint judges of the Supreme Court.

The American Association of University Professors
believes that the independence of the judiciary is
essential to the preservation of the Constitution,
and that the proposed amendment would destroy
this independence.

The American Association of University Professors
believes that the proposed amendment would give the
President the power to remove and appoint judges
of the Supreme Court at will, and that this would
destroy the independence of the judiciary and
the Constitution of the United States.

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the Constitution of the United States.

OFFICE OF THE SECRETARY

OFFICE OF THE ADMINISTRATIVE ASSISTANT SECRETARY

The Administrative Assistant Secretary is the principal administrative official of the Department. He is responsible for the budgetary and financial, personnel, and administrative management; program analysis and evaluation; organization of the Department; provision of administrative services; and administration of the Department of Labor Library. He is assisted by a Deputy Administrative Assistant Secretary, who serves as the Department's budget officer and comptroller, and by an Assistant Administrative Assistant Secretary, who serves as director of personnel.

All major relationships outside the Department on administrative and management matters are developed and maintained by the Administrative Assistant Secretary. He also coordinates contacts with the Bureau of the Budget and the Congress, except for those involving substantive legislation.

BUDGET AND FINANCIAL MANAGEMENT

The Office of Budget Administration and the Office of Financial Management were established in fiscal year 1963 to assist the Deputy Administrative Assistant Secretary in his role as comptroller and chief budget officer. The Office of Budget Administration provides policy, technical, and overall administrative guidance to all bureaus and offices of the Department on budget formulation, presentation, and execution. The Office of Financial Management provides policy and technical guidance, and furnishes centralized accounting, payroll, and other financial management services to the bureaus and offices.

Appropriations and other authorizations for the Department of Labor for fiscal year 1963 totaled \$777 million and provided for about 9,000 positions. Of this amount, \$146 million was for salaries and expenses,¹ \$216 million for unemployment compensation for Federal employees and ex-servicemen and injured Federal employees' claims and expenses, and \$414 million from trust fund authorizations (including \$400 million for grants to States for administrative costs of the employment compensation programs).

Included in these figures are supplemental appropriations made for salary increases granted by Public Law 87-793 and other supplementals for the unemployment compensation fund for Federal employees and ex-servicemen (\$22 million), the employed compensation and claims fund (\$3,150,000), and the trade adjustment activities function (\$100,000).

¹Including \$70 million for the newly created manpower development and training activities.

Appropriations and other authorizations, fiscal year 1963

SALARIES AND EXPENSES

	<i>Positions</i>	<i>Amount</i>
Bureau of Labor Statistics.	1, 312	\$14, 590, 250
Revision of Consumer Price Index.	157	1, 364, 350
Bureau of International Labor Affairs.	73	808, 750
Area redevelopment activities.	45	11, 060, 000
Manpower development and training activities.	542	70, 957, 700
Bureau of Apprenticeship and Training.	555	5, 212, 200
Mexican farm labor program, compliance activities.	164	1, 387, 250
Bureau of Veterans' Reemployment Rights.	65	652, 000
Bureau of Labor Standards.	317	3, 334, 250
Office of Welfare and Pension Plans.	189	1, 351, 300
Bureau of Labor-Management Reports.	550	5, 923, 900
Bureau of Employees' Compensation.	532	3, 981, 800
Women's Bureau.	93	930, 050
Wage and Hour and Public Contracts Divisions.	1, 818	18, 273, 600
Office of the Solicitor.	495	4, 361, 700
Trade adjustment activities.	12	100, 000
Office of the Secretary.	199	2, 093, 450
Working capital fund operations.	363	.....
Total, salaries and expenses from general funds.	7, 481	146, 382, 550
Unemployment compensation for Federal employees and ex-servicemen. . . . .	.....	151, 000, 000
Employees' compensation, claims and expenses. . . . .	.....	65, 221, 000
Total, benefit and claims from general funds. . . . .	.....	216, 221, 000

TRUST FUND AUTHORIZATIONS

Office of the Secretary.....	.....	135,800
Office of the Solicitor.....	.....	124,850
Bureau of Employment Security (salaries and expenses).....	1,164	11,935,860
Grants to States.....	.....	400,000,000
Reimbursement from Mexican farm labor supply fund (salaries and expenses).....	213	2,048,500
Administration of longshoremen's rehabilitation program.....	7	57,860
Total, trust fund authorizations.....	1,384	414,302,870
Total, funds available.....	8,865	776,906,420

PERSONNEL ADMINISTRATION

The Department began development and operation of an aggressive program for the full and appropriate utilization of employee skills and abilities and the improvement of employee performance and morale. One of the first steps was the development and operation of a departmentwide career counseling and development program for nonprofessional employees. The program provides testing and career counseling services for all nonprofes-

sional employees of the Department who request them. Counseling services and assistance are also provided to employees and supervisors in connection with a wide variety of problems which tend to affect employee performance adversely.

Formal or exclusive recognition was granted to 10 employee unions, representing over one-half of the Department's employees. Two agreements were negotiated with the union that represents most of the Department's Washington staff. A series of conferences was held, both in Washington and in the Department's regional offices, to familiarize executive and supervisory personnel with the objectives of this program. Thus, the year saw major steps taken toward the implementation of the program envisioned by the President's order on employee-management cooperation.

A departmentwide program of training was undertaken to improve supervision. Under this program, supervisors were given 40 hours of instruction and practice in dealing with problems arising in the employee-supervisor relationship. Other significant training activities included office practices refresher training to improve stenographic, typing, and secretarial skills, and assigning of executive and management officials to seminars in operations research, automatic data processing, and other management subjects.

Continuing its efforts to anticipate and meet future needs for high quality managerial ability, the Department widened its program of recruiting from the Federal service entrance examination and the management intern examination. A positive effort was made to bring these examinations to the attention of minority groups.

The Department also extended its stenographer recruiting activities under a new civil service authority which enabled it to offer career-conditional appointments to eligibles tested in the field. Nearly 1,200 students were tested by the Department at 70 high schools and 6 colleges in Virginia, Pennsylvania, Kentucky, and North Carolina. Approximately 600 candidates attained eligible standing, and from these the Department was able to fill all existing stenographer and typist vacancies. The total of new employees in grades GS-1 through GS-10 was 2,641.

The Department of Labor Board of U.S. Civil Service Examiners announced examinations and established or maintained the following registers: Labor economist, employment service adviser, social administration adviser, social insurance research analyst, apprenticeship and training representative, maritime safety officer and assistant, and State veterans employment representative. This involved evaluating over 2,000 applications and answering over 4,000 inquiries.

The Department's "Employee Handbook" was revised and reissued in expanded, looseleaf form, and furnished to all employees and persons entering on duty.

Employees were given counsel and assistance on many subjects, such as retirement, employees' compensation, life insurance, health benefits, personal finances, and housing. Through the employee health services, the

Department offered inoculations against influenza, polio, and tetanus; tested for diabetes and glaucoma; and arranged health maintenance examinations given by the Public Health Service.

New directives were developed and released for (1) evaluating employee performance in connection with the granting of within-grade increases, (2) preventing conflicts of interest on the part of advisers and consultants, and (3) setting pay rates for consultants and experts. Revisions of policy and procedural directives were made in the areas of equal employment opportunity, position classification, administration of adverse actions, ethics and conduct, personnel security, transfers to public international organizations, and protection of the employment and pay status of employees whose service is interrupted by military duty.

Position classification activity continued at a high level as post-staffing reviews of new organizations became necessary, major bureaus were reorganized, and the Manpower Administration was formed. Over 16,000 personnel actions were processed. 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, 1963

Bureau or office	Total	Full-time paid employees			Other		
		Total	D.C.	Field	Total	D.C.	Field
All bureaus and offices.....	9,567	9,198	5,054	4,144	369	102	267
Office of the Secretary.....	666	630	582	48	36	21	15
Office of the Solicitor.....	501	494	311	183	7	7	-----
Bureau of Labor Standards.....	317	317	183	134	-----	-----	-----
Wage and Hour and Public Contracts Divisions.....	1,813	1,781	312	1,469	32	4	28
Bureau of Labor Statistics.....	1,837	1,633	1,241	392	204	24	180
Bureau of Labor-Management Reports.....	525	518	244	274	7	3	4
Women's Bureau.....	100	91	83	8	9	9	-----
Bureau of Apprenticeship and Training.....	586	584	114	470	2	2	-----
Bureau of Employees' Compensation.....	575	573	167	406	2	1	1
Bureau of Employment Security.....	1,932	1,879	1,192	687	53	15	38
Bureau of Veterans' Reemployment Rights.....	66	63	15	48	3	2	1
Bureau of International Labor Affairs.....	189	180	180	-----	9	9	-----
Office of Manpower, Automation, and Training.....	307	303	278	25	4	4	-----
Office of Welfare and Pension Plans.....	153	152	152	-----	1	1	-----
President's Committee on Equal Employment Opportunity.....	56	54	54	-----	2	-----	2

ORGANIZATION AND MANAGEMENT

A major reorganization of the Department's manpower activities was carried out during the year. A Manpower Administration, headed by the Under Secretary as Manpower Administrator, was established to direct and coordinate the manpower activities of the Department. The Manpower Administrator has responsibility for the Department's manpower programs and activities. He is assisted by two Deputy Manpower Administrators, three Assistant Manpower Administrators, and other officials in carrying out a comprehensive manpower program, which includes research, development, distribution, utilization, administration, and program support.

Labor-management programs and operations were reviewed, including those under the Welfare and Pension Plans Disclosure Act and the Labor-Management Reporting and Disclosure Act. Particular emphasis was placed upon exploring the benefits which might accrue from realigning these programs and activities under a Labor-Management Services Administration.¹

Underway was a review of the Department's systems, procedures, and methods in determining, allocating, and utilizing manpower resources. This was being done by a joint review team comprised of representatives of the Bureau of the Budget, the Civil Service Commission, and the Department of Labor. It is expected that the review will aid in improving practices for the management, development, and utilization of personnel.

A departmentwide management appraisal and standards project on paperwork management programs and activities was initiated late in the fiscal year, with the assistance of the National Archives and Records Service, General Services Administration. The project is designed to (1) appraise existing policies, programs, and systems for management of paperwork, (2) formulate minimum standards as necessary to insure efficient and economical paperwork management, and (3) provide technical advice, training, and assistance to bureaus and offices, as necessary, to implement the standards.

Initiated during the year was a study to examine departmental and bureau policies and practices in providing administrative management services to field organizations.

A project was undertaken for the development of a departmentwide program planning and review system which would provide top staff of the Department with data essential to the development, guidance, and control of programs.

A survey was made of personnel management programs and operations throughout the Department. Among the recommendations under consideration was the delegation of greater authority to bureau and office heads and to regional directors in the field of personnel management operations.

A departmentwide test was conducted to determine the benefits and economies that could be derived by using Government-owned motor vehicles in lieu of privately owned vehicles for the performance of official duties. It is estimated that more than \$100,000 can be conserved annually by wider participation in the GSA Motor Pool System. The Department is negotiating with GSA for the assignment of approximately 350 motor pool vehicles during fiscal year 1964.

A review was initiated of all youth activities of the Department, for the purpose of developing improved means for the organization, direction, and coordination of the Department's total youth program.

Technical assistance in the areas of organization planning and procedural development was provided in conjunction with the proposed Youth Employment Act.

¹ Established August 21, 1963.

The Department instituted a system which utilizes automatic data processing equipment in personnel recordkeeping and statistical reporting. The system produces many required Civil Service Commission reports on ADP equipment as a byproduct of the day-to-day processing of personnel actions. In addition, the system provides up-to-date staffing lists which are an essential component of the Department's evolving comprehensive management reporting system.

A project was initiated for the development of a departmentwide manpower control system.

A requirements survey was conducted of the organization and administrative procedures necessary for implementing the Department's responsibilities under the Trade Expansion Act of 1962. It was concluded that major functions associated with carrying out the legislation could be assigned to existing organizational components in the Department, and that new organizational components would not be necessary in the immediate future. Technical assistance was provided in drafting and issuing orders, regulations, and procedures to carry out the trade agreement, tariff adjustment, and worker adjustment assistance responsibilities of the Department.

LIBRARY

There was a large increase in all Library activities. The total circulation was 80,369, a gain of more than 32 percent over the previous year. Over 6,100 reference questions were answered, an increase of over 38 percent. Volumes cataloged totaled 12,612, a gain of more than 23 percent. Three hundred and ninety-seven volumes were withdrawn from the collection. The net increase was 12,215, raising the total to more than 425,000 cataloged volumes. In all, 14,495 new cards were added to the catalog, an increase of 43 percent over the previous year.

A small reference unit was established in the William Building in Silver Spring, and a collection of books and pamphlets and Library services were provided to the manpower seminar which is administered by the Bureau of International Labor Affairs for officials of underdeveloped countries.

ADMINISTRATIVE SERVICES

The following were among the administrative concerns:

1. Space:

The chronic space shortage of fiscal year 1962 carried over into fiscal year 1963 and continued to be one of the Department's most pressing administrative problems. Departmental operations were housed in over 20 widely separated buildings in the District of Columbia metropolitan area. As in the previous year, this scattering of operations created communications difficulties and other administrative hardships.

Work was centered on a plan to reduce the total number of locations and simultaneously consolidate each major organizational segment into one building along with other functionally related organizations, as space permitted. To this end, the Bureau of Labor Standards was consolidated in one building and a plan was devised for (1) consolidating the Bureau of Apprenticeship and Training, Office of Manpower, Automation, and Training, and the United States Employment Service of the Bureau of Employment Security in one building; (2) consolidating the Bureau of Labor Statistics, including its Division of Data Processing, in a second building; and (3) effecting other improvements by way of relocating certain operations to create more efficient and homogeneous organizational groupings of personnel and functions.

To achieve the above and simultaneously meet most of its unmet space requirements, the Department requested the General Services Administration to assign approximately 105,000 square feet of new office space in one building in the downtown area. The space was expected to be available for occupancy in October 1963. In addition to meeting most of its immediate needs, the space would enable the Department to reduce its total number of locations.

On a longer range basis, and in recognition of the Department's chronic space problems, the General Services Administration initiated action to obtain congressional approval for construction of a new building in the District of Columbia capable of housing the entire Department of Labor headquarters operation.

The new Employment Security Building at 6th Street between Pennsylvania Avenue and C Street NW., which was started in November 1961, neared completion at the end of the fiscal year. Occupancy in August 1963 was assured. The building will house the United States Employment Service for the District of Columbia and the District of Columbia Unemployment Compensation Board.

Considerable emphasis was placed on plans to consolidate space holdings in cities where departmental regional operations are located, and to upgrade substandard or marginal space. Arrangements were made to consolidate all departmental regional operations in Kansas City, Mo., in one building and similar operations in Atlanta, Ga., into two adjacent buildings. Action was initiated to obtain or upgrade space in other cities, including Chicago, Ill., and work will be continued during the forthcoming fiscal year on further space consolidations in other cities housing departmental regional operations.

2. Data processing:

OAAS data processing activities were devoted primarily during the year to transferring bureau and office payrolls to machine operations. Following a successful pilot transfer during the preceding year, the end of fiscal year 1963 saw the transfer of approximately 60 percent of all departmental payrolls.

A new program was initiated that accommodates the personnel records of all employees of the Department and provides improved statistical reporting on personnel matters plus preparation of departmentwide staffing patterns and merit staffing reports.

Also of significance was a decision to select a disk computer system for installation in December 1963. The decision was based on a comprehensive study by OAAS personnel. The new system is expected to meet efficiently and effectively the increasing need for faster and more expanded centralized data processing services.

3. Printing and reproduction:

The reproduction of eight recurring publications was transferred to the Government Printing Office. The resulting reduction of approximately 29 million reproduction impressions should materially assist the Department's central reproduction facilities in handling the increasing amount of work requested by departmental activities. As with other administrative services, the increasing number of departmental organizations, reflecting the increasing program responsibilities of the Department, has had a serious impact on the Department's central reproduction facilities. Requisitions for services increased from 13,934 for fiscal year 1962 to 22,065 for fiscal year 1963, and while reproduction units decreased from 105.7 million to 79.9 million, the total number of pages submitted for reproduction increased from 121,100 to 190,000, thereby indicating that a larger number of "short run" type jobs were being received.

Considerable attention was given during the year to staffing changes and procedural improvements needed because of the changing workload. However, additional personnel were not added and an improved scheduling and control system was installed with provision for a central point for information on jobs in progress.

4. Services and supply:

The transfer of blank forms, publications, and supplies, previously located on several floors in four different buildings, was completed during the year and a centralized unit of storage and distribution was inaugurated.

A considerable amount of storage space was converted to office space in two of the Department's principal buildings. Consolidation of the storage and distribution operations opened the way for initiation of a plan to relocate printing and reproduction operations in the Main Labor Building basement to bring about better functional alignment, improved operations, and operating economies; relocation of conference rooms from other floors of the Main Labor Building in order to release space for office use; expansion and improvement of the Secretary's dining room, officials' dining room, and the stand operated by the Washington Society for the Blind; plus general upgrading of all space in the Main Labor Building basement. As of June 30, 1963, the architectural and engineering plans for the Main Labor Building alteration project were in the prefinal specification preparation stage, and actual renovation work was expected to be initiated in December 1963.

Related to the above was the completion of an exhibit hall in space adjoining the Main Labor Building basement to house a permanent Department of Labor Museum. The museum was opened in March 1963 as part of the Department's 50th anniversary celebration.

Telephone service for the Silver Spring offices of the Department was consolidated with the main switchboard through dial satellite equipment in November 1962.

5. Regional administrative services offices:

One additional office was established during the year in Cleveland, Ohio, bringing the total of these offices to five. Offices were previously established in Boston, Chicago, New York, and San Francisco. A total of 1,845 field personnel in 216 offices are serviced from these central service offices.

Plans were completed for the establishment of RASO activities in Atlanta and Kansas City during fiscal year 1964, and plans were in the developmental stage for the expansion of services performed at all RASO locations which are expected to result in more efficient and economic operations, better utilization of manpower and equipment, and the provision of additional timely services.

OFFICE OF INFORMATION, PUBLICATIONS, AND REPORTS

Fiscal year 1963 marked the 50th anniversary of the U.S. Department of Labor, established by act of Congress, March 4, 1913. The Office of Information, Publications, and Reports joined in the Department's anniversary celebration and contributed to its success with three anniversary publications on labor in America and the Department's development: "Challenge and Change," "The Anvil and the Plow," and "Labor in America."

An added attraction of the observance was the establishment of the U.S. Department of Labor Museum, which exhibits visual displays on outstanding developments in labor. Created by the Office, the museum will become a permanent feature of the Department.

In keeping with its primary function—to inform the public of the work of the Department, its publications, facts compiled by its various bureaus and offices, and laws enacted—the Office issued news releases and replied to some 150,000 inquiries from labor, business, and the public. The Office, headed by a Director, serves as chief coordinator between the Department and the press, radio, television, and other public information media, including approximately 550 labor and 3,000 weekly newspapers.

The Office reviewed publications issued by the various bureaus and offices of the Department for consistency with Department policy. It compiled and edited publications of departmentwide significance, and prepared exhibits on labor and economic matters.

The Office's visual services division participated in the anniversary celebration with the designing, construction, and processing of 600 posters, 15 portable exhibits, and 3 large backdrops. Art work and designs for the Office's anniversary publications were contributed by the visual services division, which also provided art work and designs for 42 bureau and departmental publications of varied types and constructed 60 new portable exhibits and 15 large exhibits for the Department.

Through a silk-screening reproduction process, the division prepared approximately 3,500 posters, training charts, and mailing pieces. The photographic section processed approximately 30,000 prints and color slides.

To aid in the understanding of the Department and its work, Office staff participated in major State, national, and international conferences and conventions sponsored by labor unions and business and professional organizations.

OFFICE OF THE SOLICITOR

The displacement of workers by automation, the pressing need for job training and retraining, and the special problems of youth and minority groups were matters of particular concern to the Department during fiscal year 1963. The Solicitor, as the chief legal officer of the Department as well as a policy official and adviser, is responsible for the legal aspects of the Department's activities in these areas. He advises the Secretary, the Under Secretary, and the Assistant Secretaries, and also performs many diversified types of legal services which are required in the operations of the various bureaus and offices of the Department. One of the more significant areas of his responsibility is the handling of legal proceedings arising under laws administered and enforced by the Department. He also serves as top legal adviser to the Secretary in formulating and preparing the Department's legislative programs, and in appearances before congressional committees.

In addition to these functions, the Solicitor is authorized to perform operating functions in connection with 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. During the year, he testified at length before a House special labor subcommittee on the administration of these laws. The Solicitor is also vested with final authority with respect to tort claims arising out of the Department's activities.

The reorganization of the Solicitor's Office during the past year—aimed primarily at developing a more closely coordinated staff, with more opportunity for diversification of work assignments—resulted in the consolidation of the eight divisions of the Office into five. The new arrangement merges the General Interpretative Services Division and the Division of Manpower and Employment Security into a Division of Interpretations and Opinions. The Litigation Division now performs the functions of three former divisions: Trial Litigation and Administrative Legal Services, Supreme Court and Appellate Litigation, and Employees' Compensation. The other three divisions are Legislation, Labor-Management Laws, and Wage Determinations. The immediate Office of the Solicitor is composed of the Solicitor, his Deputy, and several attorneys as special assistants assigned to the handling of special legal problems.

In addition to the Washington office, a staff of attorneys is maintained in field offices throughout the United States and Puerto Rico, principally to carry out the litigation responsibilities of the Department.

LITIGATION DIVISION

This Division, created during the year by the merger of the Divisions of Trial Litigation and Administrative Legal Services, Supreme Court and Appellate Litigation, and Employees' Compensation, is charged mainly with the Department's litigation and quasi-litigation responsibilities. These functions are performed chiefly in connection with the enforcement of wage-hour legislation (Fair Labor Standards Act and the Walsh-Healey Public Contracts Act), workmen's compensation legislation (Federal Employees' Compensation Act, the Longshoremen's and Harbor Workers' Compensation Act, the District of Columbia Workmen's Compensation Act, and related statutes), and maritime safety legislation (Public Law 85-742, 72 Stat. 835).

Wage-Hour Litigation

Trial Litigation

A record number of cases, 1,607, were instituted this year under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act. Of these, 1,469 were civil actions (1,219 contested and 250 for consent orders). It was necessary to bring 40 contempt proceedings to enforce injunctions previously obtained. Forty-eight criminal prosecutions were instituted, resulting in fines totaling \$132,812. Thirty-six administrative enforcement proceedings were brought under the Walsh-Healey Public Contracts Act. Over 1,500 cases of all types were completed during the year.

More than \$2,000,000 in back wages was recovered for several thousand employees as a result of litigation activity—\$288,000 under the Walsh-Healey Act and the balance under the Fair Labor Standards Act. Most of these sums were recovered in 140 contested injunction cases in which monetary relief was sought on behalf of underpaid employees as authorized by the 1961 amendment to the Fair Labor Standards Act. The number of such cases shows an upward trend.

Appellate Litigation

During the fiscal year, 42 briefs were filed in appellate proceedings—40 under the Fair Labor Standards Act and 2 under the Walsh-Healey Public Contracts Act. Of these, two were filed in the Supreme Court in opposition to petitions for writ of certiorari and the rest in the U.S. courts of appeals. Twenty-one appellate decisions were rendered under these statutes. The Department's position was upheld in 16 and rejected in 3. In the remaining two, the Department was successful in part.

As usual, most of the FLSA appeals were concerned with questions of coverage and exemption. Among the more important cases on the act's coverage was *Bear Creek Mining Co. v. Wirtz*, 317 F. 2d 67 (C.A. 1), in which the act was held to cover prospecting operations for a large copper company, despite uncertainty as to whether any ore would ever be found or produced,

and the many years that might elapse before actual mining could be started, if ever. The court found "that exploration of new sources of supply is normally a continuing need" of the mining industry and is for that reason "closely related" and "directly essential" to the production of ore within the meaning of the act.

In another case, *Wirtz v. Nello L. Teer Co.*, 314 F. 2d 759 (C.A. 4), the act was held to cover the construction of a diversion channel, built as part of a concededly covered dam and reservoir project, but chosen over other alternatives in order to prevent the main project from flooding local college lands. The court ruled that, whatever the reason for choosing a particular submersion pattern, one or another pattern was necessary for the completion of the overall project and the alternative chosen therefore shared in the covered status of the overall project.

The act was held to extend also to a night watchman employed on a project for construction of a city street carrying a substantial amount of interstate traffic, in *Goldberg v. P & L Equipment Co.*, 311 F. 2d 88 (C.A. 5); and in *Willmark Service System, Inc. v. Wirtz*, 317 F. 2d 486 (C.A. 8), it was held to extend to the employees of a "shopping service" with a nationwide clientele—specifically the "shoppers" employed in branch offices who visited the local retail shops of their employer's customers to check on the honesty and efficiency of the sales clerks, and sent their reports to the employer's out-of-State main office.

A number of the act's exemption provisions were the subject of judicial interpretation. In the Willmark decision, the retail exemption was held not to apply to the "shopping service" since Congress by the 1949 amendment "had no intention to broaden the fields of business enterprise to which the exemption would apply" and "Willmark, rather obviously, does not qualify as an establishment 'plainly and unmistakably' within the terms and spirit" of the exemption. In *Wirtz v. DuMont*, 309 F. 2d 152 (C.A. 4), the claim of an auto wrecker to be within the retail exemption was rejected on the ground that his sales of salvaged automobile parts to repair shops were "sales for resale" within the meaning of the act. In *Wirtz v. Atlanta Life Insurance Co.*, 311 F. 2d 646 (C.A. 6), the exemption for outside salesmen was held not to apply to insurance supervisors who spent more than 20 percent of their workweek in routine office work not connected with their own outside sales, even though they spent most of their time accompanying their salesmen on outside duty. The agricultural exemption was held, in *Wirtz v. Jackson & Perkins Company*, 312 F. 2d 48 (C.A. 2), to apply to the storage employees of a nursery distributor when handling stock grown on the employer's own farms, however distant, or on the farms of the employer's wholly owned subsidiaries, or when handling stock acquired by emergency purchases to meet temporary shortages, but not when handling stock purchased by the employer from contract growers. The exemption in section 7(c) for the first processing of dairy products was held, in *Yogurt Master, Inc. v. Goldberg*, 310 F. 2d 53 (C.A. 5), certiorari denied 372 U.S. 972, not to apply to the manufacture of dairy products from

concentrated skim milk, since concentrated skim milk is itself a processed product.

The question of compensable worktime was again in issue in two cases. In *Aeromotive Metal Products, Inc. v. Wirtz*, 312 F. 2d 728 (C.A. 9), a 15-minute rest period was held to be compensable even though the employees were free to spend this period in such activities as they might desire and the interruption had not in fact increased production or reduced absenteeism. The court of appeals ruled that since the time was involuntarily spent at or near the plant and that since the rest period of such short duration was "not under such conditions as would permit the employees to make beneficial personal use of this time," the trial court had properly concluded that the interruption of work was predominantly for the benefit of the employer. Similarly, in the Willmark case discussed above, frequent but irregular intervals of idle time spent by the "shoppers" between assignments were held to be compensable on the ground that such so-called "free time" forced on the employees during their workdays was "fortuitous and of no use or benefit" to the employees.

In another case, it was held that employees are entitled to compensation in accordance with the requirements of the act even if there is an understanding that pay is at the discretion of the owner of the business. The court ruled, in *Wirtz v. Leonard*, 317 F. 2d 768 (C.A. 5), that "the crucial question is not whether the work was voluntary, but rather whether the [claimant] was in fact performing services for the benefit of the employer with the knowledge and approval of the employer . . ."

A procedural point of considerable importance in the enforcement of the FLSA was determined in *Wirtz v. B.A.C. Steel Products, Inc.*, 312 F. 2d 14 (C.A. 4). It was held in that case that the defendant employer was not entitled in pre-trial proceedings to have the Secretary produce the statements given by employees or former employees to the Department's investigators. The decision stressed that the "average employee involved in this type of action is keenly aware of his dependence upon his employer's good will" and concluded that "only by preserving their anonymity can the government obtain the information necessary to implement the law properly."

There were two appellate decisions under the Walsh-Healey Public Contracts Act. While that statute refers to Government contracts for the "furnishing of materials, supplies, articles, and equipment," it was held, in *United States v. Stocks Lincoln-Mercury*, 307 F. 2d 266 (C.A. 10), to be applicable to a contract for the furnishing of both materials and services, where the charges made for the materials were substantially greater than those for the services. In the same case, the court ruled that it was no defense that the employer had relied on a contrary opinion of a Department field supervisor. It held that only the opinion of the Secretary or the Wage-Hour Administrator can have protective effect under the Portal-to-Portal Act. In a second case under the Walsh-Healey Public Contracts Act, *United States v. New England Coal & Coke Co.*, 16 WH Cases 11 (C.A. 1),

it was held that a regular dealer is not responsible for compliance with the act by his suppliers, where the supplies (coal) were not delivered directly to the Government, but were sent to and commingled with the regular dealer's general stockpile from which deliveries were made to other customers as well as to the Government.

Employees' Compensation

In the area of employees' compensation, the principal function of the Division is to render legal services to the Bureau of Employees' Compensation in the administration of the several Federal workmen's compensation statutes. These statutes provide benefits to employees and their families in the event of injury or death occurring in the performance of duty. Approximately $3\frac{1}{2}$ million workers are covered— $2\frac{1}{2}$ million employees of the Federal Government and 1 million employees in private enterprise, of whom 300,000 are private employees in the District of Columbia and 350,000 are longshoremen, ship repairmen, and other maritime workers.

The claims of the Federal employees are governed by the Federal Employees' Compensation Act. In this program, the Division defends the administrative decisions of the Bureau in appeals taken by the claimants to the Employees' Compensation Appeals Board. The Division participated in 310 such appeals in the fiscal year. With respect to claims of other employees, under the several Federal compensation statutes, the Division, in conjunction with the Department of Justice, defends the administrative adjudications of the BEC Deputy Commissioners when these decisions are challenged in the courts by either party. The Division participated in 61 such suits in the fiscal year. Significant court decisions obtained in this field follow.

1. The Longshoremen's and Harbor Workers' Compensation Act was held to cover an injury sustained by an employee while working on land beneath a vessel drawn up on a marine railway for repairs. *Holland v. Harrison Brothers Dry Dock and Repair Yard, Inc.*, 306 F. 2d 369 (C.A. 5).

2. An employee's injury, incurred while on the way home to continue his work there, was held to have arisen out of and in the course of his employment, where the employer knew that the claimant's duties required him to work after hours. *American Mercury Insurance Co. v. Theodore Britton*, 314 F. 2d 285 (C.A.D.C.).

3. In the case of an employee found dead at the top of a stairway at the construction site where he worked, it was held that the Deputy Commissioner could properly conclude that the death was due to exertion associated with his employment and was therefore compensable. *Harry Alexander, Inc. v. Charles Einbinder* (C.A.D.C.), decided March 8, 1963.

Another function of the Division in this field is to supervise the prosecution of subrogation actions against third persons whose negligence has caused the injury or death of a Federal employee for which the United States has paid compensation under the Federal Employees' Compensation

Act. These actions are designed to obtain reimbursement for the compensation so paid. During the fiscal year, a gross recovery of \$3,022,630.28 was obtained. After deducting the expense of recoveries, a net amount of \$2,207,969.16 was available for offset against compensation paid or payable by the United States to the employees or their dependents.

Other Functions

Among other litigation-connected functions of the Division is the furnishing of legal services to the Bureau of Labor Standards in connection with its enforcement of the maritime safety and health program under the Longshoremen's and Harbor Workers' Compensation Act, through formal administrative proceedings, civil actions, or criminal prosecutions. This function was placed in the Division in the latter half of the year. One formal administrative proceeding has since been instituted. It was concluded upon the employer's admission of the violations charged and his undertaking to comply in the future.

The Division is also charged with the legal functions relating to the administrative settlement under the Tort Claims Act of claims against the Government arising from acts of Department employees within the scope of their employment. In the fiscal year, 59 cases raising potential claims against the Government were reviewed. Seven claims were filed, and six recommendations made for settlement.

INTERPRETATIONS AND OPINIONS

The Division of Interpretations and Opinions renders legal services in the area of labor standards, manpower services, unemployment compensation, veterans' reemployment rights, and administrative law.

A primary function of the Division involves interpretations of the Fair Labor Standards Act, the Walsh-Healey Public Contracts Act, the Contract Work Hours Standards Act, the Federal Employees' Compensation Act, and the Longshoremen's and Harbor Workers' Compensation Act. During the 1963 fiscal year, the vast majority of the interpretative opinions rendered in the labor standards area pertained to the Fair Labor Standards Act. A smaller but substantial number had to do with the new Contract Work Hours Standards Act. In addition, several interpretative bulletins were revised and considerable work was done toward revision of others in anticipation of the new overtime provisions which became operative September 3, 1963, affecting newly covered employees under the Fair Labor Standards Amendments of 1961.

The past year saw a substantial broadening of manpower service activities, primarily in the areas of training and retraining under the Manpower Development and Training Act and the Area Redevelopment Act. Assistance was given to departmental bureaus by way of legal opinions and the drafting of contracts and agreements which were entered into by this

Department and various agencies throughout the country to carry out our expanded responsibilities in the manpower field.

With respect to the area of foreign labor, the Division engaged in a multitude of activities including furnishing counsel at various wage rate hearings conducted in the discharge of the Department's Immigration and Nationality Act functions. In the same general area, staff attorneys participated in the development of revised procedures for the implementation of the Secretary's certification authority with respect to the admission of alien workers.

Litigation flowing from foreign labor programs was of special interest again in the fiscal year 1963. The "commuter" alien situation along the Texas-Mexico border led to the institution of a private suit by the Texas State AFL-CIO challenging the validity of the system whereby aliens admitted to the United States for permanent residence are permitted to reside in Mexico while crossing the border daily to work in the United States. It was alleged that these "commuters" are in this manner able to undercut the wages and working conditions of resident American labor. While the Texas State AFL-CIO's action was dismissed in the U.S. District Court for the District of Columbia, the union has filed notice of its intention to appeal that decision.

In a case which arose under the Mexican labor program, a landmark decision upholding the Secretary's broad authority under the adverse effect provisions of Public Law 78 was rendered by the U.S. District Court for the Southern District of California. *Limoneira Co., et al. v. Wirtz, et al.* represented a basic challenge to the action of the Department in establishing statewide adverse effect wage rates for Mexican agricultural workers. The court's holding in support of that action is in the process of being appealed by the farmers who filed the action.

Noteworthy activities in the employment service field included legal assistance in the establishment of policies and regulations designed to assure that the facilities of the nationwide system of public employment offices are made available to all people, without regard to race, creed, or color.

Federal legislation in the field of unemployment compensation enacted during the past year included the omnibus bill to make permanent improvements in the coverage, benefit, and financing provisions of the Federal-State unemployment compensation system, amendments to the provisions relating to the ceiling on grants to States for unemployment insurance administration, adjustments of the Federal unemployment tax rates, and extension of the period within which States can obligate funds made available under section 903(c) of the Social Security Act. Regulations and the form for Federal-State agreements to implement the worker assistance provision of the Trade Expansion Act of 1962 were drafted and assistance was provided by this Division in the preparation of procedures.

Proposed and enacted legislation amending the unemployment compensation laws of 47 States was reviewed and commented on during the year.

Several serious questions were raised as to whether those State laws or proposals met the requirements of Federal law. These and other important legal issues were analyzed and advice was rendered with respect to the legal problems involved.

In the discharge of its responsibility to assure that the Department complies with the provisions of the Administrative Procedure Act and the Federal Register Act, the Division assisted in the drafting and arranged for the publication in the Federal Register of 196 documents. Sixty-three of these were in the nature of amendments to the Code of Federal Regulations.

Among the published documents were minimum wage orders under the Fair Labor Standards Act for all of the industries in Puerto Rico. Legal services were provided in connection with the issuance of tentative and final prevailing minimum wage determinations under the Walsh-Healey Act for the electric lamp, electronic equipment, scientific and laboratory instruments, and pump and compressor industries. The Division provided such services in connection with the tentative determination for the conveyors and conveying equipment industry. Legal services were furnished in connection with the final determinations and actions for judicial review of the motors and generators and machine tools industries. The Solicitor's Office also represented the Department in four hearings held under other rule-making provisions of the Fair Labor Standards Act.

More than 200 legal opinions relating to veterans' reemployment rights were prepared or reviewed during fiscal 1963. A large number of cases were referred to the Justice Department for litigation involving claims arising under reemployment laws. The 1961 amendments to those laws were interpreted, and proposals for further amendments were prepared. In addition to this work, a comprehensive legal guide and digest of all court decisions and departmental opinion notes in this field was prepared for publication.

WAGE DETERMINATIONS

The Division of Wage Determinations performs the duties with which the Secretary of Labor is charged by the Davis-Bacon Act, related statutes, and Reorganization Plan No. 14 of 1950. The Division predetermines minimum wages to be paid laborers and mechanics under contracts subject to the Davis-Bacon Act and related prevailing wage statutes. These predeterminations reflect the wages found to be prevailing in the city, town, village, or other civil subdivision of the State in which work is to be performed. The Division also handles coordination and enforcement functions vested in the Secretary by Reorganization Plan No. 14 of 1950, the purpose of which is to achieve coordination of administration and consistency in the enforcement of minimum wage and overtime statutes covered by its provisions.

Also of continuing significance in terms of the Division's responsibilities was enforcement of the Contract Work Hours Standards Act, enacted in

fiscal 1962. In general, this act replaces the Eight-Hour Laws and provides a uniform requirement of overtime compensation at time and one-half the basic rate for hours worked over 8 in a day or 40 in a week. The act, in addition to covering contracts of the United States which may involve the employment of laborers and mechanics, also covers contracts which by law are required to include wage rates predetermined by this Department. Excepted, however, are projects where the Government's only assistance is in the nature of a loan guarantee, or insurance. This refers to Federal Housing Administration insured housing. Contracts of the Commodity Credit Corporation and the Tennessee Valley Authority have been, pursuant to the intent of the Senate as stated in a committee report on the bill, exempted in regulations issued under section 105 of the act. Construction contracts under \$2,000 have been exempted from the Contract Work Hours Standards Act.

The enactment of the Public Works Acceleration Act provided additional funds for construction of public works on an accelerated basis. Passage of this act substantially increased the Division's workload. To further effectuate the purposes of this legislation, the Division gave priority to such requests, issued countywide determinations for use by any agency constructing projects under the act, and extended the validity period of such determinations to 120 days.

The Division issued 46,397 wage determinations during fiscal year 1963. A total number of 46,038 items of correspondence were issued in connection with these wage determination matters.

The Division opened 1,478 enforcement cases. A total of 1,632 cases were processed to completion, a record yearly high. In those cases involving serious violations of the various statutes within the scope of Reorganization Plan No. 14 of 1950, ineligibility sanctions were imposed against 20 contractors (firms and individuals). As a result of enforcement actions, more money was collected for more employees than in any previous year; restitution totaling \$548,843.96 was secured for 5,118 laborers and mechanics.

The Division continued during the year the publication of its series of "all agency" memoranda and Davis-Bacon Act opinions with respect to coverage problems and related matters. These memoranda and opinions aided in promoting consistency in the enforcement of statutes within the purview of Reorganization Plan No. 14 of 1950. In addition, the Division issued a large number of interpretations and opinions to contractors and employees advising them of their rights and responsibilities under these statutes.

DIVISION OF LEGISLATION

The recent reorganization of the Solicitor's Office resulted in a realignment of the duties and responsibilities of the Legislation Division. As now constituted, there are five areas of responsibility in the Division—

legislation, labor-management relations and general legal services, hearing examiners, decision writing, and research, analysis, and reference.

The legal functions of the Department relating to pending and proposed legislation are discharged through attorneys in the Legislation Division. The activities of the staff in the preparation of legislative proposals, testimony, analyses, explanatory statements, and other legislative materials for the Secretary and other Department officials assumed special importance during the second session of the 87th Congress and the first session of the 88th Congress. It culminated in the enactment of several "top priority" items in the Administration's legislative program.

The Department has direct responsibility for administering one of the proposals which was enacted into law—the Equal Pay Act, Public Law 88-38. It also assumes vital areas of responsibility under the Trade Expansion Act, Public Law 87-794, and the Public Works Acceleration Act, Public Law 87-658. Under the Public Works Acceleration Act, the Secretary of Labor is responsible for determining legally what areas are eligible, on the basis of employment studies, to receive Federal assistance on public works projects. The Trade Expansion Act will enable this country to increase its exports and provide adjustment assistance for workers adversely affected by increased imports.

An important Administration measure which was the subject of congressional hearings during the 1963 fiscal year is the Youth Employment Act. The purpose of this proposal is to provide healthful employment for youths now unemployed and at the same time provide through State and local governments useful work experience and training opportunities for unemployed young men and women so that their employability may be increased.

The Solicitor's Office prepared testimony for the Secretary's use during congressional hearings on the President's tax cut and tax reform program. At other hearings on the proposed extension of the Mexican labor program, the Department recommended certain safeguards to provide benefits to domestic migrant workers similar to those accorded Mexican nationals. The Solicitor testified at hearings on proposed amendments to the Davis-Bacon Act which would include fringe benefits in the determination of prevailing wages for laborers and mechanics on certain Government contracts. The legislative staff provided assistance to congressional committees, Members of Congress, and officials of the Department in connection with these and many other legislative items.

The preparation of reports to congressional committees and the Bureau of the Budget expressing the Department's views on proposed and pending legislation continued at a high level of activity during the 1963 fiscal year. Many of the reports involved extensive legal analysis and policy coordination with officials of the Department and other Government agencies. In addition, the staff maintained a continuing legislative reference service consisting of a daily digest of the Congressional Record, the preparation of other legislative reference materials, and the answering

of daily inquiries concerning the status and other aspects of legislative items.

The labor-management relations and general legal services responsibilities include a broad range of complex and controversial statutes and programs which are not administered by the Department, but on which the Secretary of Labor, as the top labor official in the Government, offers advice and counsel to the President and the Congress. Prominent among these statutes and programs are the Taft-Hartley Act and the Railway Labor Act. The legal issues which arise in this area, in addition to a large body of specialized labor relations laws, involve the broadest range of subjects, since they are determined by the problems which may face the Secretary of Labor at any given time.

An important function of the attorneys engaged in this activity is to provide advisory legal services to the Office of the Secretary and other offices and bureaus of the Department not otherwise serviced. Indicating the high level of activity of this function and the legislative function, a total of 721 analyses, memoranda, and orders, 777 letters for the Secretary's signature, and 2,817 letters for the signature of the Solicitor were prepared during the fiscal year. In addition, the staff performed other legal functions, such as reviewing contracts entered into by the Department.

The Division drafted standards of conduct for employee organizations and a code of fair labor practices, which implements Executive Order 10988 concerning employee-management relations in the Federal service. It also drafted rules for the nomination of arbitrators under section 11 of the order. The Division continues to furnish legal advice on the application of the Executive order and its implementing documents.

The hearing examiners held 55 hearings during the fiscal year pursuant to various laws administered by the Department of Labor. Most of these hearings, 44, involved alleged violations of the Walsh-Healey Public Contracts Act; 36 decisions were rendered in these cases. Three hearings involved the determination of prevailing minimum wages under the Public Contracts Act. Eight other hearings were conducted pursuant to the Davis-Bacon Act, the Fair Labor Standards Act, and other labor standards statutes.

In the area of decision writing, the staff provides legal assistance to the Employees' Compensation Appeals Board in the adjudication of cases under the Federal Employees' Compensation Act which have been appealed from the initial administrative decision of the Bureau of Employees' Compensation. They prepare drafts of the opinions expressing Board decisions, furnish legal advice to the Board, and perform research assignments of a special nature on request of the Appeals Board or the Solicitor. During the year, a total of 306 cases were received for the preparation of opinions and 270 decisions were written. The average time between receipt of a case from the Appeals Board and the preparation of a decision was reduced to slightly in excess of 1 month, as compared with an average of approximately 3 months which prevailed a few years ago.

Research, analysis, and reference is a new area of activity established during the recent reorganization of the Solicitor's Office. Its function is to review the past work of the Office of the Solicitor, and to prepare the appropriate analytical and reference systems and necessary research materials so that attorneys in the Office will have only to research the system instead of the individual opinions, interpretations, determinations, and decisions. The purpose of this program is to conserve the attorney's time without sacrificing accuracy, substance, thoroughness, and completeness. During fiscal year 1963, the staff was engaged in preparing a "Legislative History of the Fair Labor Standards Amendments of 1961," a digest of key opinions rendered in the past by the Solicitor on the Davis-Bacon and related acts, digests of current Solicitor's opinions in all areas, and reports and miscellaneous papers.

DIVISION OF LABOR-MANAGEMENT LAWS

The principal work of this Division consists of rendering advice to the Bureau of Labor-Management Reports¹ in connection with responsibilities of the Department under the Labor-Management Reporting and Disclosure Act of 1959, supervising the Department's legal functions under that act, and providing legal services to the Office of Welfare and Pension Plans¹ with respect to the Welfare and Pension Plans Disclosure Act.

During the year, 160 cases were referred to the Solicitor by the Bureau of Labor-Management Reports for possible legal action under the LMRDA. Civil action was instituted in the Federal district courts in 25 cases after analysis and consideration. Sixty-seven cases were transmitted to the Department of Justice with recommendation for criminal prosecution.

The Division, through which all of the Department's legal enforcement activities under the act are performed and coordinated, participated during the year in 10 defensive actions brought against the Secretary in Federal and State courts. The Division also participated in one U.S. Board of Parole hearing where the petition for a certificate of exemption from the prohibitory provisions of section 504 of the LMRDA was denied. Seventy-five private actions involving the LMRDA were also reviewed during the year to determine the effect, if any, such actions would have on the Secretary's responsibilities under the act.

Of the 25 civil actions instituted in the Federal courts, 15 involved violations of the election provisions of the act, 5 were instituted to enforce compliance with administrative subpoenas issued by the Commissioner of Labor-Management Reports, 4 were instituted to compel the filing of required reports, and 1 civil action, the first filed by the Secretary under the trusteeship provisions of the act, was instituted to terminate an improper

¹ On August 21, 1963, the functions of the Bureau of Labor-Management Reports and of the Office of Welfare and Pension Plans were transferred to the Office of Labor-Management and Welfare-Pension Reports in the newly established Labor-Management Services Administration. The Division of Labor-Management Laws will continue to render legal services relating to these programs.

trusteeship. Twelve election cases, 9 of which were instituted prior to the start of this fiscal year, were favorably concluded with the entry of orders directing rerun elections under the supervision of the Secretary.

Several of these cases resulted in important court decisions construing the provisions of the act relating to union officer elections. In one case, *Wirtz v. Amarillo General Drivers, Local 577*, 214 F. Supp. 74 (N.D. Texas, 1963), the district court held that section 401(c) of the act protected union members from being declared ineligible for union office because of lack of good standing, due to nonpayment of dues, where the delay in payment of their dues under a checkoff arrangement was caused by the failure of the employer to make timely deductions; and that a requirement in the union constitution that a member could not be a candidate for office without advance dues payment every month for a 2-year period was so rigid as to be unreasonable. In *Wirtz v. District Council No. 21, Brotherhood of Painters*, 211 F. Supp. 253 (E.D. Pa., 1962), it was held that a labor organization was not entitled to a jury trial in an action brought under the election provisions of the act. The Federal district court in Puerto Rico, in directing that a challenged election be rerun under the supervision of the Secretary, held that these provisions apply to labor organizations, union officers and representatives, and employers engaged in agricultural operations which affect interstate commerce. See *Wirtz v. Union de Trabajadores Industria Azucarera Fase Agricola, Guayama, Inc., Local 804, Affiliated with the Packing-house Workers' Syndicate, District No. 9 of Puerto Rico, AFL-CIO*, 52 LRRM 2213, 46 L.C. ¶17,994 (D.P.R., 1962).

Of the five cases in which court orders were entered directing compliance with administrative subpoenas issued by the Commissioner, three were filed during this fiscal year. In each instance the position of the Department regarding the scope of its authority to investigate and to issue subpoenas in aid thereof was upheld. Of major significance is the decision in *Wirtz v. Local 191, International Brotherhood of Teamsters*, (D. Conn., 1963). The Federal district court, in directing the union to comply with the subpoena, held that the Secretary's broad investigatory authority granted by section 601 includes the right to investigate union elections for possible violations and that this right is not limited by the provisions of section 402; i.e., the Secretary in conducting an investigation or seeking to enforce a subpoena is not required to show first that a complaint has been filed with him pursuant to section 402(a). This decision was subsequently affirmed by the Court of Appeals for the Second Circuit.

Other decisions construing the Secretary's authority to conduct investigations have held that the Secretary's right to inspect union records includes the right to retain the original documents for a reasonable time and to make copies. See *Wirtz v. Local 875, International Brotherhood of Teamsters*, 216 F. Supp. 798 (E.D.N.Y., 1963) and *Wirtz v. Hod Carriers' and Common Laborers' Union, Local 502*, 52 LRRM 2133, 46 L.C. ¶17,851 (D.N.J., 1962). It has also been decided that the Secretary is authorized by section 601 to

investigate and to exercise his subpoena power to determine whether a particular labor organization, officer, or employer is subject to the act's requirements. See *Wirtz v. Electricians and Associates, Inc.*, 51 LRRM 2675, 46 L.C. ¶17,937 (D. Minn., 1962).

In addition to the 25 civil actions filed under the LMRDA, 2 civil actions, the first cases to be filed under the WPPDA, were prepared in this Division. These actions seek to compel the administrators of certain welfare and pension plans subject to this act to comply with its reporting requirements.

During the year, extensive legal assistance was provided the Bureau of Labor-Management Reports and the Office of Welfare and Pension Plans¹ in the preparation of regulations, reporting forms and various technical assistance aids, and other publications. Under the Labor-Management Reporting and Disclosure Act, this included regulations relating to removal of officers (sections 401 (h) and (i)) and rerun of elections (section 402(b)), and union officer and employees reporting forms required by section 202. Regulations issued under the Welfare and Pension Plans Disclosure Act include: (1) a regulation relating to welfare and pension plans with less than 100 participants (sections 5 and 7); (2) a regulation covering the basic bonding requirements imposed by section 13 of the act; (3) a regulation with respect to the granting of exemptions from the bonding requirements of the act (section 13(e)); and (4) a regulation covering the meaning of section 13(c).

The Division also compiled and prepared for publication the "Legislative History of the WPPDA of 1958, as Amended by Public Law 87-420 of 1962." This volume was published in January 1963. A comprehensive legislative history relating to the first six titles of the LMRDA was prepared for publication. It is anticipated that this volume will also be available to the public in the near future.

During fiscal year 1963, approximately 2,650 written opinions were issued involving the LMRDA and 1,500 under the WPPDA. These opinions were given to the operating bureaus and to the public in connection with specific problems of interpretation arising under these laws. In addition, the Division gave approximately 25,000 oral opinions (with regard to the two laws within its responsibility) in response to telephone calls, informal conferences with bureau personnel, and requests from the public in connection with the administration and enforcement of the programs entrusted to the Division.

INTERNATIONAL LABOR AFFAIRS

During fiscal 1963, the Office of the Solicitor expanded its services to the Department in the area of international activities. This work was primarily the responsibility of a newly created office of Special Assistant

¹ See footnote 1 on page 34.

for International Labor Affairs. The work of the office may be divided into four categories.

First, the office provided services in connection with the International Labor Organization. These included preparation of annual reports, position papers, memoranda of law concerning ratification of convention, and the like.

Second, the office was engaged in providing legal advice in international economic problems. These were, first, activities under the Trade Expansion Act of 1962, both in connection with proposed tariff negotiations and in the promulgation of regulations for the administration of the worker assistance program. Second, they were in connection with the International Cotton Textile Agreement and its administration by the Department of Labor as one of five interested agencies. The former, insofar as the activities fell within the jurisdiction of the Department of Labor's Committee on Foreign Economic Policy, represented legal services to that committee. The office also advised the Department's representatives on the Trade Staff Committee, Trade Executive Committee, and Trade Expansion Act Advisory Committee.

Third, the office assisted in the negotiation of a new contract with the Agency for International Development pursuant to which the Department of Labor will perform increased services in foreign assistance programs of the United States.

Finally, the office provided legal services in connection with a labor dispute on the Great Lakes involving both Canadian and United States unions and employers which has seriously disrupted shipping on the Great Lakes and irritated relations between the United States and Canada.

for International Labor Affairs. The work of the office may be divided into four main categories: (1) general information and research; (2) labor legislation; (3) labor relations; and (4) labor education. In the first category, the office has been particularly active in connection with the International Labor Organization. This included preparation of annual reports, participation in the work of the Commission of International Labor Law, and the like. In the second category, the office has been engaged in providing technical assistance in connection with labor legislation. This work has been done in connection with the American Labor Union, the American Labor Education Board, and the American Labor Education Board. In the third category, the office has been engaged in providing technical assistance in connection with labor relations. This work has been done in connection with the American Labor Union, the American Labor Education Board, and the American Labor Education Board. In the fourth category, the office has been engaged in providing technical assistance in connection with labor education. This work has been done in connection with the American Labor Union, the American Labor Education Board, and the American Labor Education Board.

INTERNATIONAL LABOR AFFAIRS

During 1921, the Office of the Secretary expanded its services to the Department in the area of international activities. This work was primarily the organization of a newly created Office of Special Assistant.

MANPOWER ADMINISTRATION

The mission of that agency, the Labor Department, is charged with a high degree of responsibility. It is strongly aware that national labor laws should be made available to all in industrial settings and that the highest level of education of workers is a national service and that the highest level of education of workers is a national service and that the highest level of education of workers is a national service.

MANPOWER ADMINISTRATION

MANPOWER ADMINISTRATION

The American labor force—its size, composition, and potential—has been a major interest of the U.S. Department of Labor since the agency's establishment in 1913. Long the principal governmental source of statistical information in this field, the Department has concerned itself also with the development of work skills, the employment security of millions of our citizens, the matching of jobs and people, and a host of other considerations equally important to the Nation's economic well-being and growth.

Now, a new dimension has been added to the Department's role in this vital area of economic life. Our modern technological age, along with a dramatically expanding population, has produced an entire restructuring of the Nation's manpower resources. Involved are a labor force which in many respects is ill-prepared to meet the forces of economic change now sweeping across our industrial society, and an unemployment problem reflected in the idleness of 5 to 6 percent of the Nation's work force throughout the period of the late 1950's and early 1960's.

All that is involved was succinctly described by President Kennedy as "the number one domestic concern of the United States in the 1960's." In the resolution of that concern, the Labor Department is charged with a high degree of responsibility. It is attempting to meet that responsibility both through an intensification of some of its traditional services and the initiation and development of new programs assigned to it by the Congress.

Two such programs—the Area Redevelopment Act of 1961 and the Manpower Development and Training Act of 1962—have led to the establishment of a new arm of the Department of Labor which seeks to coordinate and expand all departmental efforts in the broad field of manpower utilization.

In February 1963, all departmental functions relating to employment, unemployment, and the effective use of the Nation's manpower in general were brought together under a new structure called the Manpower Administration. The Administration is built around a framework of three existing Department agencies: the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the Office of Manpower, Automation, and Training.

Under the direction of a Manpower Administrator, activities in the following areas of responsibility fall within the province of the Administration:

- The Manpower Development and Training Act
- Department of Labor functions under the Area Redevelopment Act
- Worker adjustment assistance provisions of the Trade Expansion Act
- Assigned functions under the Public Works Acceleration Act.
- Migratory farm labor
- The United States Employment Service
- The unemployment insurance system
- Support and development of apprenticeship programs
- Civil defense and emergency planning functions of the Department of Labor

In addition to these specific responsibilities, the Manpower Administration oversees and coordinates all manpower-related activities of the Department as a whole.

The respective reports of the three basic agencies in the Manpower Administration follow.

BUREAU OF APPRENTICESHIP AND TRAINING

Under the direction of a Management Development Committee, activities in the following areas of responsibility will be the province of the following units:

- a. The Management Development and Training Unit
- b. The Department of Public Relations and the Publicity Unit
- c. The Publicity Unit and the Publicity Unit of the Publicity Unit
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BUREAU OF APPRENTICESHIP AND TRAINING

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BUREAU OF APPRENTICESHIP AND TRAINING

During fiscal year 1963, the Bureau of Apprenticeship and Training carried out its responsibility of working with labor and management in establishing, improving, and expanding apprenticeship and other on-the-job training programs by industry. This was accomplished through 12 regional offices with representatives in each of the 50 States.

A national coordinator was added to the BAT staff to work in the field of nondiscrimination in the employment of minorities as apprentices. The new staff member directed the efforts of the four industrial training advisers stationed in Chicago, San Francisco, New York, and Atlanta, and also served as industrial training adviser for the District of Columbia.

An apprenticeship information center was opened in the District of Columbia as a pilot project for similar centers in the larger industrial and manufacturing cities. The centers are the joint function of the Bureau of Apprenticeship and Training and the Bureau of Employment Security. The Bureau of Apprenticeship and Training and local employment offices cooperate with local organizations in the establishment and operation of the centers, which are designed to inform and counsel youth on apprenticeship opportunities and to refer interested persons to employers and joint labor-management apprenticeship committees. Open to all persons interested in apprenticeship, the centers provide apprenticeship information suitable for youths, schools, guidance departments, minority groups, local unions, employer associations, and the general public. They also provide individual and group counseling for apprentice applicants, with emphasis on locating job openings in apprenticeable trades.

The Bureau worked closely with the Advisory Committee on Equal Opportunity in Apprenticeship appointed by the Secretary of Labor. Composed of outstanding representatives of labor, management, education, minority groups, and the general public, the group is chaired by the Under Secretary of Labor in his capacity as Manpower Administrator of the Department. The committee has the responsibility of advising the Department on the development and promotion of more effective programs and policies in the broad area of equal opportunity in both apprenticeable and other occupations requiring high-level skills.

The Bureau of Apprenticeship and Training has been assigned the responsibility for on-the-job training under the Manpower Development and Training Act of 1962. Agreements have been made with employers, labor unions, associations, and public agencies to conduct training programs which use their facilities to train the unemployed, the underemployed, and youth in need of skills. The first on-the-job training contract under the act was executed early in March 1963. By June 30, 42 such contracts

providing for the training of 1,627 persons in 117 occupations had been approved and 181 trainees had completed training in 6 occupations. Training costs for the 117 projects amounted to about \$717,000 and wages paid to trainees by employers approximated \$1,468,000. Contracts were executed with 30 employers, 1 employer association, 2 joint apprenticeship and training committees, and 4 unions.

The Federal Committee on Apprenticeship, which serves in an advisory capacity to the Secretary of Labor, took an active part in the observance of the 25th anniversary of the national apprenticeship program in fiscal year 1963. At an all-day celebration in Washington, certificates of appreciation were presented to many individuals and organizations that had made a major contribution to apprenticeship over the 25 years. Displays featuring blowups of the national apprenticeship program commemorative postage stamp and the Department of Labor seal were arranged in department stores in 11 major cities. The stamp was issued August 31, 1962, in Washington, and first-day sales amounted to 1,147,554. The number of stamps printed totaled 120 million.

During fiscal year 1963, the Federal Committee assumed a more active interest in the program of the Bureau. It held three regular sessions and arranged for task forces from its membership to concern themselves with specified areas of endeavor. Two of these task forces, one on defense contracts and the other concerning on-the-job training under the Manpower Development and Training Act, held meetings. The Federal Committee also recommended that a safety provision clause be included in all apprenticeship standards.

The Bureau maintained close working relationships with State apprenticeship agencies to strengthen mutual cooperation. The Bureau provided a clearinghouse service to State agencies to disseminate informational material regarding both apprenticeship and training. A joint meeting of the Bureau and State apprenticeship agencies was held in January 1963, and it was agreed that a State-Federal Liaison Committee be formed to coordinate activity. The first meeting of the committee was held May 23, 1963.

The joint Bureau of Apprenticeship and Training and American Vocational Association Committee held a meeting in Washington early in January 1963. Groundwork was laid for the establishment of similar joint committees on the local level.

In the field of manpower mobilization, the construction task force project advanced from the pilot stage to the establishment of 18 additional project site locations throughout the country. These task forces are on call by the local Civil Defense in event of a national or natural disaster. At Waco, Tex., and Pueblo, Colo., the construction task force was coordinated with the Bureau of Employment Security's preassigned team plan project that deals primarily with resource areas such as feeding and shelter programs. The six project areas in Florida were expanded to include additional construction trades.

There were excellent results in establishing working relationships between parole officers and local joint apprenticeship committees in California, Ohio, and Washington. A working relationship was also developed with the Bureau of Prisons, and a program was worked out to encourage vocational training staffs in correctional institutions to adopt the same criteria in their training programs as those in industrial apprenticeship programs.

A total of 87 participants from 26 foreign countries were given an opportunity to observe apprenticeship and other training methods in 55 different industrial fields. Sixty-seven participants completed their training programs and returned to their home countries. A considerable number of these reported promotions or greater job responsibilities as a result of their training.

During the year, the Governor of the Virgin Islands requested the Bureau to provide assistance to his government in establishing an apprenticeship law, creating an apprenticeship council, and inaugurating several apprenticeship programs. A Bureau representative was assigned to this project and all objectives were completed.

The Bureau cooperated with the Bureau of International Labor Affairs and the Department of Commerce in recruiting qualified personnel to set up and man exhibits at trade fairs around the world. It sent technical personnel to the trade fair at Poznan, Poland, and to the Cyprus Trade Fair. The Chief of the Division of Review and Registration went to Caracas, Venezuela, and assisted the National Institute of Cooperative Education in establishing apprenticeship and training activities in that country. The Administrator of the Bureau of Apprenticeship and Training went to Geneva, Switzerland, where he participated in the Tripartite Technical Meeting for Printing and Allied Trades. A BAT staff member participated in the 7th session of the ILO Textiles Committee in Geneva.

The Bureau prepared a nationwide survey of training in industry which will be published in fiscal year 1964. Some 8,000 schedules were coded and a preliminary report released. The report showed that approximately 700,000 establishments employed 36 million workers—2.7 million of whom were enrolled in one or more formal training programs.

A study of training and joint apprenticeship committee activity in the printing industry was completed and published. Entitled "Compositor, Composing Room Machinist and Mailer Joint Apprenticeship Committee Project," the study provides a summary and analysis of activities of joint apprenticeship committees and the extent of new process training of journeymen to update their skills.

Articles were researched, written, and placed in a number of national publications, including *Technology*, the monthly review of training and education for industry published by the London, England, *Times*, and the *Washington Report of the United States Chamber of Commerce*.

Two new Bureau publications were issued. These were "First 10 Winners

of the Patterson Memorial Award" and "Observance of the 25th Anniversary of the National Apprenticeship Program."

In addition, the Bureau provided 14 national apprenticeship and training standards, one of which (on draftsmen) was revised; issued 7 reprints from international and national publications; and displayed Bureau exhibits on 19 occasions at State fairs and apprenticeship and training conferences and conventions. A total of 306,300 Bureau publications were distributed to associations, employers, unions, individuals, educational institutions, public libraries, State and Federal agencies, and foreign representatives. This was an increase of 45,300 over fiscal year 1962.

Promotional activities of the field staff included servicing 189,000 establishments, visiting 135,000 local industrial establishments or labor organizations, and making 8,556 public appearances, which included speeches, film showings, radio and television presentations, and related methods of creating public awareness of the need for the training of workers. There were approximately 200 showings of the Bureau's film "Skills for Progress."

The work of the field staff was reflected in the establishment of 2,307 new programs during the year, 1,189 of which were apprenticeship programs and 1,118, journeyman and other training programs. In addition, the field staff made 2,572 visits to obtain training opportunities for international participation.

The Bureau encouraged industry to employ apprenticeship and training coordinators. During fiscal 1963, there were 44 national apprenticeship and training coordinators and 271 local coordinators employed.

The Bureau launched a series of meetings to acquaint national apprenticeship and training coordinators and directors, international union officials, and representatives of national employer associations with the on-the-job training provisions of the Manpower Development and Training Act. The meetings were designed to focus discussion on the coordination of efforts by industry and government in increasing training opportunities for the unemployed, the underemployed, and those whose skills had become obsolete because of technological change.

A total of 3,227 apprenticeship and training programs were examined. Registration actions numbered 1,678, including new programs, changes in programs, and cancellations. A total of 7,400 certificates were issued, including certificates of completion of apprenticeship and certificates of meritorious service honoring individuals or groups.

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the "Bureau of Employment Security" and "Bureau of Labor Statistics" of the Department of Labor.

The "Bureau of Employment Security" is a federal agency that was created in 1933 to provide unemployment insurance to workers. It is responsible for administering the Social Security Act, which provides for unemployment insurance, old-age insurance, and disability insurance. The "Bureau of Labor Statistics" is a federal agency that was created in 1829 to collect and analyze data on the labor market. It is responsible for publishing the monthly "Employment Situation" report, which provides information on the number of people who are employed, unemployed, and in the labor force.

The "Bureau of Employment Security" and "Bureau of Labor Statistics" are both part of the Department of Labor. They are responsible for providing information and services to workers and employers. The "Bureau of Employment Security" is responsible for administering the Social Security Act, while the "Bureau of Labor Statistics" is responsible for collecting and analyzing data on the labor market.

The "Bureau of Employment Security" and "Bureau of Labor Statistics" are both important agencies that provide valuable information and services to workers and employers. They are both part of the Department of Labor, which is responsible for promoting the interests of workers and employers.

BUREAU OF EMPLOYMENT SECURITY

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INTRODUCTION

Responsibilities

The Bureau of Employment Security is concerned with two major Federal-State programs—employment service and unemployment insurance. The first is concerned primarily with finding employment for workers that will utilize their highest skills and referring qualified applicants to employers with job openings; the second, with providing eligible workers partial replacement of wage loss caused by involuntary unemployment. With the passage of the Area Redevelopment Act and the Manpower Development and Training Act, the Bureau's United States Employment Service was given added responsibilities with respect to assessing manpower needs and requirements, promoting manpower development and training, and assisting community groups in area redevelopment efforts. Both acts utilize the unemployment insurance machinery for disbursement of funds to workers being trained for work. Under the Trade Expansion Act, the Bureau was given not only training provisions but, for the first time, responsibility concerning relocation allowances for workers and readjustment allowances for workers who are affected adversely by actions taken under the act.

The Bureau's overall responsibilities with respect to employment service and unemployment insurance activities are to study and recommend any changes necessary in the programs to meet current or anticipated needs of wage earners and employers; to administer employment security programs as required by Federal law or other delegated authority; and to promote understanding and acceptance of the employment security system.

As the Federal partner in the employment security system (consisting of the Bureau and affiliated State employment security agencies with their 1,900 local public employment offices throughout the Nation), the Bureau is responsible for insuring proper and efficient administration by the State agencies of employment security programs; insuring conformity of State laws with requirements of Federal laws and regulations, and compliance of State administration with State laws which meet Federal requirements; encouraging States to improve State legislation and administration; and providing continuing technical assistance and interchange of experience and information.

Also, the Bureau guides and assists State agencies in carrying out employment service and unemployment insurance activities and their responsibilities under recent legislation; provides labor, management, government, and the public with labor market and other information related to the operation of the employment security system; provides needed supplemental

foreign farmworkers and insures that their employment does not affect adversely domestic workers similarly employed; develops and maintains capability for meeting national emergency or other disaster needs for civilian manpower; and assists other nations to improve methods for achieving their employment security objectives.

The Bureau has responsibility for the system of administrative financing of employment security programs and activities, including fiscal accountability. Administrative costs for the operation of the programs are met from congressional appropriations, with 100 percent "grants" for program administration apportioned by the Secretary of Labor to cooperating State agencies.

In addition, the Bureau administers Federal unemployment compensation programs covering separated employees of the Federal Government and ex-servicemen; operates a system for clearing labor between the several States; maintains a public employment service for the District of Columbia; and performs activities related to the importation of foreign workers.

Since the effectiveness of Bureau activities is measured best in the services provided to workers and employers through local offices of State employment security agencies, this report is not limited to the Bureau but includes both Federal and State efforts with respect to employment security programs.

Reorganization

On February 19, 1963, the Bureau of Employment Security, together with the Office of Manpower, Automation, and Training and the Bureau of Apprenticeship and Training, became a part of a new Manpower Administration in the Department of Labor. The Administrator of the Bureau was charged with responsibility in the field of manpower operations.

The establishment of the new Manpower Administration by the Secretary of Labor reflected increased national concern with problems of unemployment and supported Bureau action, undertaken in fiscal year 1962, to strengthen its own structure and the capability of State employment security agencies to meet new manpower responsibilities.

Program Emphases

Program emphases of a major area are included in the appropriate sections of this report under employment service, farm labor, or unemployment insurance. Those activities described below affect all phases of the employment security program.

As a result of additional funds made available by the Congress for the preceding year, the Federal-State employment security system began fiscal 1963 with more staff resources in the public employment offices than were available in the preceding 10 years. To help State agencies train their new staff members and increase the competence of their other employees, the Bureau made staff development and utilization a subject of special emphasis in fiscal year 1963.

Through "train-the-trainer" institutes, the Bureau guided State training supervisors in more effective training of operating supervisors and program technicians. It also encouraged greater use of out-service training by which university or other special college level courses, related to the technical field of individual participants, are selected and approved by the agencies and the Bureau as supplementing in-service training. Four conferences on executive leadership and management were sponsored by the Bureau in cooperation with four leading universities (University of California, Cornell, Michigan State, and University of Washington) for training State agency administrators and key members of their staffs and 21 Bureau staff members. Discussions included problems affecting the employment security program. Course content of these conferences related general principles of leadership and management to employment security operations.

In the organization and administration of personnel management programs, direct assistance was given to several States in revising job classification and compensation plans, and guide materials were developed for State agency use in installing effective plans for staffing variable workloads typical of the unemployment insurance program. Model position descriptions were distributed to States for use in upgrading minimum qualification standards.

Other assistance in the area of management included preliminary work on development of a revised budgeting system; two important revisions in fiscal standards to require State agency administrators to exercise greater responsibility with respect to goods, facilities, and services supplied by other departments and to establish more specific requirements for agencies to meet in negotiating space for State or local offices; establishment of a management techniques-and-methods exchange; and procedures for assembling materials useful in analysis of State requirements for equipment replacement and development of ground rules for such replacement.

Emphasis was placed also on removing discriminatory barriers in the hiring of staff. A revision was issued in the standards for a merit system of personnel administration requiring that each State employment security agency have specific prohibitions in its law or rules against racial discrimination in employment and that the law or rules provide for appeals by persons who allege discriminatory treatment.

As a result of continued effort, segregated services were eliminated in 19 of 26 local public employment offices which had been segregated at the beginning of fiscal year 1963. Geographically separate offices—maintained for serving nonwhite applicants—were closed, and offices having separate divisions within the same building were reorganized so that all applicants could be served without regard to race or color. At the end of the fiscal year, State agencies made firm commitments with respect to the remaining seven offices—to integrate the four divisional offices by July 15, 1963, and to consolidate operations of the three geographic offices with other operations on a nonsegregated basis by November 1963.

State and local employment offices were directed to comply fully with established policies of the United States Employment Service which prohibit any form of discrimination based on race, creed, color, or national origin in services provided to applicants, claimants, or others.

In each regional office of the Bureau, a staff member was designated to work on minority group employment problems, and State agencies were urged to appoint minority group representatives.

An employment-oriented pamphlet, "America Is for Everybody," was published by the Bureau to commemorate the 100th anniversary of the Emancipation Proclamation.

The Federal Advisory Council, representing employers, employees, and the public, was reconstituted by the Secretary of Labor in cooperation with the Bureau to consider manpower needs of the Nation and to recommend the appropriate role of the employment security system in meeting those needs.

To broaden its perspective, the Bureau studied manpower trends, problems, programs, and policies of a number of European countries.

The activities of the public employment offices were subjected to attack in fiscal year 1963 by means of letters written to Members of Congress by officials of many fee-charging employment agencies.

Highlights

Public employment offices made some 6.6 million nonagricultural placements in fiscal year 1963—the highest placement level since World War II, and 2 percent above the fiscal 1962 level, also a record year. Farm placements, however, at 7.9 million, reflected rapid advances in farm mechanization and were down slightly more than a million from the 9.0 million for fiscal 1962.

Permanent improvements in the unemployment insurance program were proposed by the Administration to fill gaps in protection afforded the unemployed and to make the program more responsive to changes in the economy.

More than 9,000 were enrolled for training under the Area Redevelopment Act in fiscal 1963 and more than 30,000 under the Manpower Development and Training Act. By yearend, about 70 percent of the graduates under both programs had obtained employment, mostly in training-related occupations.

Segregated services were eliminated in 19 of 26 local offices which were still segregated at the beginning of the fiscal year. Firm commitments were made for operating the remaining seven offices on a nonsegregated basis by November 1963.

Interarea recruitment played a more crucial role in the labor market as demand increased for highly skilled and professional workers. By means of the professional office network, applicants' qualifications and employer job orders are circulated speedily among the 124 offices of the network,

and those offices draw, as necessary, on resources of 1,900 local offices throughout the Nation.

Public employment offices increased their counseling and testing activities to meet responsibilities under the Area Redevelopment Act and the Manpower Development and Training Act, needs of rising numbers of youth and women in the labor force, and problems of older workers displaced from long-time employment as a result of automation and technological change.

Increased effort was made to use domestic farmworkers more effectively and to reduce need for supplementary foreign workers.

Amendments to unemployment insurance laws of 10 States increased maximum weekly benefit amounts, but their effect was offset partially by a trend toward more difficult qualifying requirements in terms of higher required wages or more weeks of work and more stringent disqualifications.

Public employment services tackled the school dropout problem on many fronts—by extending and improving counseling and placement services, giving priority to youth in training programs under the Manpower Development and Training Act, making wide use of the employment-oriented film "When I'm Old Enough, Goodbye!" and participating with community groups concerned with the problem.

In fiscal year 1963, one out of three veterans was over 45 years of age. However, while comprising only 23.4 percent of male applicants in local employment offices, veterans accounted for 30.5 percent of all male nonfarm placements in fiscal year 1963.

Experiments with machine processes for unemployment insurance data were designed to simplify and improve procedures and to provide more time for effective applicant interviewing and determination of benefit eligibility; for employment service, to expedite—by means of a telecommunications network—the interchange of labor supply and demand information among local employment offices.

State unemployment insurance reserves increased for the second successive year. On June 30, 1963, they were 6.9 percent above the year-earlier level. More adequate State laws relating to unemployment insurance financing were enacted in 18 States.

UNITED STATES EMPLOYMENT SERVICE

The nationwide public employment service system, created by the Wagner-Peyser Act of 1933, celebrated its 30th anniversary in fiscal year 1963. The United States Employment Service and affiliated State employment services, with their network of about 1,900 local employment offices, have facilities and resources which reach into all labor markets of the Nation. The system has been responsible for 325 million farm and nonfarm job placements in the 30 years of its existence.

Matching men and jobs continues to be the primary mission of the employment service, but its responsibilities have been broadened. During

fiscal year 1963, program emphasis included not only improvement of basic placement functions but reorganization of metropolitan area local offices; job market services to youth; easing the impact of automation and technological change; manpower training under the Area Redevelopment Act and the Manpower Development and Training Act; labor market operations research; and assistance to State employment services in improving their administration and management functions.

Fiscal year 1963 was the first full year of operation of the reconstituted United States Employment Service as an organizational entity. It continued to work with State employment services on the actual physical separation of employment service and unemployment insurance functions in local offices in major metropolitan areas and on the reorganization of these offices on an occupational-industrial basis. Improved services resulting from these changes were reflected in placements which increased by 5.5 percent in the 55 largest metropolitan areas over the previous fiscal year as compared with a 1.9 percent increase for all local offices. Placements of professional workers rose 12 percent over the year.

Under the Manpower Development and Training Act of 1962, the public employment service system was given primary responsibility for identifying training needs, supplying qualified trainees, and placing graduate trainees. In fiscal 1963, significant progress was made in initiating MDTA training projects.

The area labor market information program was expanded to provide data needed by the Secretary of Labor in designating areas of substantial unemployment—a responsibility placed on him by the Public Works Acceleration Act of 1962.

In the early 1960's, young people were entering the labor market at the rate of 2 million a year and were experiencing ever increasing difficulty in finding jobs. The seasonally adjusted unemployment rate for youth under 20 years of age was 16.0 percent in June 1963 as compared with 12.4 percent in June 1962. To deal with this problem, local employment offices stepped up their counseling, testing, job development, and placement services for young people and worked with school officials to strengthen the cooperative ES-school program.

Progress in major program areas is described in the following sections.

Placement and Related Services

Placements

In fiscal year 1963, public employment offices made some 6.6 million nonagricultural placements, the highest fiscal-year placement level since World War II. Nonfarm placements were 1.9 percent above the fiscal 1962 level, also a record year. About 3.3 million nonfarm placements were made in the 55 major metropolitan areas, 5.5 percent more than in the preceding year. Among occupational groups, the professional and managerial category, with 247,500 placements, recorded the sharpest increase—12 percent. Small rises occurred in the clerical-sales, unskilled,

and service groups; a minor decline, in the combined skilled and semi-skilled category. Among industry divisions, services, with about 2,557,000 placements, showed the greatest gain—nearly 6 percent. Placements in trade, at 1,560,000, represented a 3.7 percent increase over the preceding fiscal year, while the number of construction placements, at 455,000, remained virtually unchanged. Other industry divisions (manufacturing, public utilities, and government) recorded small losses.

Nonfarm placements in the United States by industry and occupation, fiscal years 1962-63

	1963	1962	Percent change 1962-63
Total placements ¹	6, 632, 300	6, 506, 000	+1.9
By industry:			
Construction.....	454, 900	454, 100	+0.2
Manufacturing.....	1, 438, 400	1, 487, 900	-3.3
Public utilities.....	227, 200	233, 800	-2.8
Trade.....	1, 560, 300	1, 504, 900	+3.7
Services.....	2, 557, 300	2, 416, 100	+5.8
Government.....	232, 300	242, 600	-4.3
Other.....	162, 000	166, 600	-2.8
By occupation:			
Professional and managerial.....	247, 500	220, 900	+12.0
Clerical and sales.....	1, 058, 600	1, 037, 700	+2.0
Service.....	2, 145, 200	2, 091, 900	+2.5
Skilled and semiskilled.....	1, 245, 500	1, 270, 300	-2.0
Unskilled and other.....	1, 935, 500	1, 885, 200	+2.7

¹ Items may not add to total due to rounding.

The United States Employment Service in collaboration with the California Department of Employment experimented with a labor inventory communications system. This project (LINCS) is designed to provide rapid long-distance transmittal of placement data and computer processing of these data for use in screening large numbers of employer job order specifications against worker qualifications, particularly in professional occupations. It seeks new and speedier methods of aiding, not replacing, human factors in worker recruitment, selection, and referral.

A fully operational teletype network, linking nine California offices, was used to interchange labor supply and demand information. Experiments in the integration of this network with the automatic data processing phase were continuing at the end of the fiscal year. If the project proves successful, it will be expanded to other areas. In addition to increasing the timeliness and efficiency of placement operations, this system would provide a rapid means of work force mobilization in the event of a national emergency.

Professional Placement Services

With vastly increased demand for professional manpower and with shortages existing in supply, the employment service strengthened its professional placement service to help insure its best utilization. In fiscal year 1963, placements in professional and managerial occupations rose to 247,500, compared with 220,900 in fiscal 1962.

Efforts were continued to reorganize employment offices in the 55 largest metropolitan areas to meet the needs of the professional and technical segment of the work force. In June 1963, professional and technical workers numbered 7.8 million and accounted for about 1 out of 8 persons in the labor force.

Convenient, suitably equipped offices were established along industrial-occupational lines and were located in population centers to conform closely to employment patterns of professional, technical, scientific, and managerial persons. By the end of the fiscal year, an identifiable facility—either a separate professional office or a division of a "white collar" office serving professional, clerical, and sales occupations—was provided in 49 localities.

Accumulation of detailed information on the job content of professional occupations was started by USES in cooperation with State employment services. The information, which includes those jobs newly created by the changing patterns of industry, will be refined ultimately into comprehensive interviewing aids for use by local office personnel.

Bureau and State employment service representatives contacted professional, business, and educational associations to acquaint them with the professional placement program, and services were made available, upon their request, to college officials in the placement of college dropouts and graduates. During the period September 1961 to August 1962, over 10,300 students were placed in professional career jobs by the employment service.

Interarea Recruitment

With rapid changes in technology causing the obsolescence of some occupations and industries, while creating others, and with an increased demand for more and more highly skilled and professional workers, interarea recruitment played a more crucial role in the Nation's labor markets.

The professional office network at the end of the fiscal year consisted of 124 offices. Speedy, direct communication, improved procedures, and an intimate knowledge of technological and professional occupations enabled the staff in those offices to make a significant contribution in this highly specialized placement field. The network circulated applicants' qualifications and employers' orders, as necessary, and drew on the resources of about 1,900 local offices throughout the Nation to provide needed services.

Local employment offices made greater use of current labor supply information, developed by USES, in interarea recruitment for more intelligent direction of clearance orders and for positive (on-the-spot) recruitment in areas of labor supply.

Convention placement service was provided for 11 national professional organizations with a total membership of more than 128,000. Applicants served included political scientists, psychiatrists, social welfare workers, administrators, economists, statisticians, pharmacists, teachers, and anthropologists.

Minority Groups

Procedures governing the treatment of discriminatory job orders from employers were revised to provide that such orders be reported to fair employment practice authorities lacking enforcement power as well as to those which have such power. Further, the Bureau directed State agencies to cooperate with such authorities by providing information relevant to fair employment practices, developed through employment security operations.

The number of minority groups representatives appointed to State agency administrative staffs was increased from 9 to 24. These staff members are responsible for leadership and direction of the employment service program for minority groups, interpretation of that program to the community, and promotion of maximum utilization of minority workers.

To stimulate increased entry of Negroes into occupations formerly denied them, the employment service participated in a series of regional conferences with presidents and executives of predominantly Negro colleges. The college officials were offered the assistance of the employment service in solving problems involved in the development of trained manpower to enter the new professional and technical jobs and in placing their graduates and students.

To assure minority group members an equal opportunity to acquire training provided under Federal legislation, the employment service included, in its regulations and procedures governing the selection of trainees, specific prohibitions against selection and referral for training on the basis of race, creed, color, or national origin.

The public employment service cooperated with the President's Committee on Equal Employment Opportunity to insure compliance by Federal contract holders with the terms of Executive Order 10925 banning discrimination in employment with respect to such contracts, and also to promote equal employment opportunity through the Plans for Progress and the Union Program for Fair Practices. These two programs provide for the voluntary participation of employers and unions in furthering equal employment opportunity.

Youth

During fiscal year 1963, local employment service offices registered nearly 3.3 million youth under 22 years of age and placed about 1.5 million in nonfarm jobs. They registered 134,000 more job applicants under 20 years of age than in fiscal year 1962.

State agencies gave increased attention to improving the qualifications of staff to provide services, and standards were developed by the Bureau for use in selecting counselors and youth specialists. A State supervisor of youth services was appointed in each State to provide overall guidance to the youth program. Also, 20 large metropolitan areas designated area coordinators of service to youth. Emphasis was given to out-service

training of State agency staff in colleges and universities, and new training materials were developed by USES for use by State and local office staffs.

An estimated audience of over 40 million viewed the employment-oriented film drama "When I'm Old Enough, Goodbye!" The film, directed to potential school dropouts, was developed by the Bureau in cooperation with the New York State agency. Available on loan through State employment services to schools, parent-teacher groups, and local TV stations, the film won an American Film Festival blue ribbon award. Some schools which showed the film reported a reduction of from 33 to 75 percent in dropout rates in the school term ended June 1963 as compared with the year before.

Local employment offices had arrangements with local school systems in 47 States whereby the schools referred actual and potential dropouts to the offices or provided names of the young people. In the school year 1961-62, more than 49,000 dropouts were registered by local employment offices in this special program, and nearly half of them were placed in jobs.

Youths constituted about a fourth of all persons enrolled in training courses established under the Manpower Development and Training Act. Nearly half of all initial counseling interviews held in fiscal year 1963 were with youths. In the 1961-62 school year, employment service offices worked with seniors in 10,600 high schools, an increase over 1960-61 of more than 700 schools.

In hundreds of communities, employment service representatives participated in community planning and action programs, such as apprenticeship information centers, career guidance and job clinics, summer jobfinding programs, services to youths paroled from correctional institutions, and work experience-education programs.

Two demonstration projects to determine what could be accomplished by an allout effort to resolve youth employment problems in concert with community groups were begun in 1962 and continued in 1963, in Newark, N.J., and St. Louis, Mo. Preliminary indications were that significantly greater numbers of youths were using employment service facilities, and more were being placed in jobs. A booklet, "Youth in the St. Louis Labor Market," was published in connection with the St. Louis project. It provides information about hiring patterns of youths; it should be useful to employment service and school counselors and to employers.

A study of school dropouts in Detroit, Mich., begun in May 1962 by the Michigan Employment Security Commission and the USES in cooperation with the Detroit Board of Education, continued throughout fiscal year 1963. This study was designed to locate school dropouts from two city high schools having high dropout rates, to determine the cost and problems involved, and to provide appropriate employment services. The project, hopefully, will provide information to aid youths in making the transition from school to work.

Veterans

The Bureau's Veterans Employment Service, through its veterans employment representatives, cooperates with State employment security agencies to insure that special job placement services are provided for war veterans. The more than 22 million veterans in civilian life constitute about half of all men in the labor force.

During fiscal year 1963, more than 1.5 million applications for work at local employment service offices were filed by veterans, and more than 1.1 million nonfarm placements of veterans were made. While veterans comprised only 23.4 percent of male applicants, they accounted for 30.5 percent of all male nonfarm placements during the fiscal year. This placement ratio was approximately the same as that prevailing in the previous few years, although veterans as a group were becoming older and were encountering employment difficulties. In 1963, one out of three veterans was over 45 years of age.

Disabled veterans are given preference in job placement by employment service offices. Although this group accounted for only 37.1 percent of the 355,200 new job applications from male handicapped persons in fiscal year 1963, almost half (47.5 percent) of the 211,800 nonfarm placements of male handicapped workers were for disabled veterans.

A sample survey taken during fiscal year 1963 indicated that veterans constituted more than a third of all men enrolled in courses established under the Manpower Development and Training Act of 1962.

State veterans employment representatives made 4,650 visits to local employment offices during fiscal year 1963 to insure that veterans were receiving adequate employment assistance. Formal evaluations were made in about 1,450 of these offices to determine their effectiveness in providing employment services to veterans.

Older Workers

Increased employment service efforts on behalf of older workers in fiscal 1963 resulted in more than 1,312,400 nonfarm placements of workers aged 45 years and over, an increase of 3 percent over fiscal 1962. More than 135,100 applicants aged 45 and over received counseling, an increase of 2 percent over fiscal 1962. In addition, group guidance sessions, staff clinics, and specialized "self-help" group sessions were used to assist older job-seekers in overcoming attitudes which interfere with successful job search or referral to training.

Two employer institutes on employment of workers over 40 years of age were conducted by the Little Rock area employment office in cooperation with the local advisory council. USES provided technical assistance. The institutes gave employers an opportunity to learn from each other how best to utilize the skills and knowledge of unemployed older workers.

A number of employers modified their hiring practices to employ more older workers as a result of these institutes.

Special services provided in all States to workers facing age discrimination in employment included testing, job counseling, and selection and referral assistance in relation to both training and employment opportunities; and educational and informational efforts were focused on employers and community groups to change negative attitudes, correct misconceptions, and eliminate bias and prejudice in the hiring of older workers.

The bulk of trainees under the Area Redevelopment Act were in age groups in which family responsibilities fall most heavily. Over three-fourths were between 19 and 44 years of age. About 1 in 10 enrollees was 45 years of age or older. Least represented among ARA enrollees were those under the age of 19; they constituted about 8 percent of the total.

Among older trainees under the Manpower Development and Training Act program, nearly one-third were 35 years of age and over, while slightly more than one-tenth were at least 45 years of age. State employment security agencies urged employers to relax their age specifications so that more older workers could be referred to training projects with adequate assurance of job placement upon completion of courses.

The Bureau and State employment security agencies initiated a study of employer attitudes and age restrictions in job orders in eight major cities (Indianapolis, Louisville, Baltimore, Kansas City, Albuquerque, Memphis, Houston, and Salt Lake City) during May and June 1963. The findings of the surveys will be available in the fall of 1963.

Handicapped Workers

The focus of employment services to the physically handicapped, mentally restored, and retarded during fiscal 1963 was on direct services to job applicants, improving relationships with cooperating agencies, job promotional activities with employers and labor organizations, and public informational and educational activities.

State employment services received about 463,250 new applications from handicapped jobseekers—a 5 percent increase over the previous year—and made 272,425 placements. More than 5,000 of the new applicants were rehabilitated clients referred to the employment service by vocational rehabilitation agencies for placement help. During the same period, counseling service was provided to 164,300 applicants.

Cooperation with the Vocational Rehabilitation Administration, the U.S. Civil Service Commission, and the Veterans' Administration was an important phase of the employment service program to improve counseling and placement services to the handicapped in fiscal year 1963. The employment service staff of the Bureau and of the States also worked closely with the President's Committee on Employment of the Handicapped and with State and local committees to develop a better climate for the placement of the handicapped.

Counseling and Testing

Counseling and testing activities were accelerated as a result of programs under the Manpower Development and Training Act and the Area Redevelopment Act and because of the rising number of youths and women entering the labor market. About 1,218,000 individuals received counseling service in fiscal year 1963, nearly 50,000 more than a year earlier, and approximately 2,300,000 applicants received testing services, 123,000 more than in the preceding fiscal year. The total in each instance was far higher than in any previous year.

Increased attention was given to evaluation of the supervision of counseling and testing services. USES prepared comprehensive outlines for use in evaluation of the quality and quantity of these services at both State and local levels. In addition, Bureau staff reviewed counseling and testing activities in several States.

To insure that high quality counseling service was provided at the local office level, approximately 630 State employment service counselors were enrolled in out-service training courses at universities during the fiscal year. Forty-six of the State and Territorial jurisdictions established, or were committed to establish, separate State civil service or merit system classification for counselors. The standards were developed by USES.

USES provided procedures for use by State employment services in the counseling, testing, selection, and referral of prospective trainees under the Manpower Development and Training Act and the Area Redevelopment Act.

Continued progress was made in preparation of a system to translate attributes of counseled applicants into the occupational groupings of the new "Dictionary of Occupational Titles" to make them more useful in counseling.

Employer and Union Services

The 1.5 million visits to nonfarm employers made by local employment office personnel in fiscal year 1963 represented the second highest total in 10 years. In addition, more than 2.1 million telephone contacts were made with employers. About 975,000 employers used the placement facilities of the employment service during fiscal year 1963, compared with 900,000 in fiscal 1962.

To keep employment services geared to the needs of employers, USES and State employment services must keep pace with, and anticipate, the manpower aspect of technological developments and industrial changes.

In fiscal year 1963, efforts were made to obtain from employers more comprehensive information on manpower problems resulting from skill obsolescence, and assistance was given in developing and implementing a system of "early warning" of impending technological changes. Cooperative relations were developed with local personnel groups to resolve significant community manpower problems.

The USES established an organizational unit during the year to develop, on both national and local levels, techniques and procedures to improve working relations with unions and to provide more effective service to union members. Representatives visited officials of eight international labor unions to describe the facilities and services available to their membership through the employment service and to encourage collaborative placement efforts.

USES officials visited management executives of 32 multistate companies and 34 national associations to help resolve manpower problems. Cooperation was extended to the Post Office Department, the Internal Revenue Service, and the General Services Administration in the development of programs to broaden and strengthen their working relationships with the public employment service. Arrangements were made for local employment offices to cooperate with community groups and employers to obtain work for 675 foreign students who needed summer employment in order to continue their education in this country.

Provision of Manpower Services

Automation and Technological Change

The first results were obtained from special USES demonstration projects which were undertaken to reveal manpower problems resulting from automation and technological change, and the action phase of the projects was concluded by seven State agencies (Nebraska, Oklahoma, Minnesota, Wisconsin, Utah, New Jersey, and Colorado).

These demonstration projects were aimed at improving the performance of the local employment service office in a labor market that appears to be changing at an accelerating rate. The projects dealt with mass layoffs as a result of automation; hard-core (26-week) unemployed in areas or industries where automation has had a large impact; lengthening layoff periods in seasonal industries; change in the nature of work and consequent shifts in occupations and entry jobs; and statewide efforts to alert local offices to specific local problems, small and large.

In addition to providing guidance for these projects, the USES established a national reporting system to get early warning on nonseasonal layoffs of 100 or more workers for more than 4 weeks, with emphasis on specific local office plans to meet the situation. Also, it requested State agencies to have job analysts and employer relations representatives provide warning of impending automation, and conducted special studies on manpower problems associated with automation and technological change, including experience of other countries, employer hiring policies, preferences and practices, employer efforts to cushion the impact of change on present work force, and impact of new devices and systems on managerial and supervisory occupations. It provided guidance for on-the-job training provisions of the Manpower Development and Training Act and the Trade Expansion Act.

From all these activities flowed a mass of data, operational and statistical, on which analysis was started. Preliminary findings indicated that (1) automation had cost jobs, sometimes in obscure, hard-to-trace ways, but especially in the drying up of entry jobs; (2) purely defined, total automation had not happened although departments or processes had been automated; (3) use of automatic machines had accelerated as managers observed advantages in quality, pace, cost, elimination of human drudgery, possibility of small but economical production runs, and continuous machine use; (4) good management practices did cushion the shock of job loss for workers emotionally locked to a job; (5) skill levels did not change much, and current staff was used without much retraining; and (6) job loss fell in most cases to those least able to cope with it—frequently workers with one-machine, one-employer experience who had never been out of work before and were, in most cases, older and less educated than the "normal" job-seeker.

These projects and related programs provided information about changes in jobs and occupations and gave guidance as to when and how the employment service should offer its services to workers displaced, or to be displaced, by automation and technological change or to those experiencing persistent unemployment.

Manpower Development Through Training

The Federal-State employment security system and vocational education agencies worked together in establishing institutional training projects under the Area Redevelopment Act and the Manpower Development and Training Act to provide occupational training for unemployed and underemployed persons who could not otherwise reasonably be expected to obtain appropriate full-time employment. The Area Redevelopment Act provides for training of workers located in redevelopment areas only, while the Manpower Development and Training Act is designed to assist unemployed workers regardless of locality. Another major difference between the two acts is that the maximum training time permissible under the ARA is 16 weeks compared with 52 weeks under the MDTA.

Responsibilities of the Federal-State employment security system in implementing training provisions of the Area Redevelopment Act include area labor market analyses on which the designation of eligible areas is based, analyses of training needs, selection and referral of individuals to training, and payment of subsistence allowances to eligible trainees. It is responsible also for job development and for job placement of ARA trainees.

Selection of individuals for ARA training involves two major considerations: Priority must be accorded those who are most disadvantaged in today's labor market—the so-called "hard-core" unemployed—and consideration must be given to an individual's capacity to benefit from the training and his probable ability to obtain employment and perform satisfactorily on the job upon completion of training. Employment services,

including counseling and testing, are used to select the best qualified individuals for ARA training. By the end of June 1963, State employment services had conducted nearly 55,000 screening and counseling interviews and had administered more than 18,000 aptitude and proficiency tests to prospective ARA trainees.

More than 9,000 trainees were enrolled in ARA training courses in fiscal year 1963. Of these and the more than 3,000 trainees who were carried over from the previous fiscal year, nearly 9,000 completed their training during the year. About 70 percent of these graduates obtained employment, mostly in training-related occupations.

During the fiscal year, 317 projects to provide ARA training to 13,900 individuals were approved by the Secretary of Labor, bringing the total number of projects to 480 and the total number of trainees to 23,000 since the beginning of the program. By the end of June 1963, ARA training had been made available to eligible residents of 42 States, American Samoa, and Puerto Rico.

During the year, USES, in cooperation with State employment services in Rhode Island, Indiana, Michigan, Pennsylvania, West Virginia, and Wisconsin, and six colleges and universities, started work on a followup study of a selected group of ARA graduate trainees. The study was designed to determine, for a group of training courses selected at random, the extent of improvement in the labor market position of the trainees, and to identify factors which contributed to the success of the training program. The study will be completed in the fall of 1964.

Under the Manpower Development and Training Act, some 1,500 projects for about 57,700 trainees had been approved in 49 States, the District of Columbia, Puerto Rico, and the Virgin Islands by the end of fiscal year 1963. Allowance and training cost estimates for these projects totaled about \$71 million, according to preliminary reports, with nearly two-thirds earmarked for expenditure in fiscal 1964. Preliminary data indicated that by June 30, 1963, over 30,000 trainees, more than half of the approved trainee total, had already started training in about 1,075 projects.

About 70 percent of the 6,300 trainees who had completed MDTA courses through mid-May had obtained employment as of June 30, almost wholly in training-related occupations. State employment services accounted for 8 out of 10 job placements among these trainees.

More than three-fifths of the MDTA trainees were men. With MDTA programs focused on meeting the needs of primary wage earners, over three-fourths of the men and about two-fifths of the women were heads of families or households. About three-fourths of the men obtained employment after completion of training, as compared with close to three-fifths of the women.

Nearly half of the MDTA trainees were drawn from the ranks of the long-term unemployed, i.e., unemployed for 15 weeks or more. Nearly one-fifth of the trainees had been jobless for 52 weeks or more. Although the long-term unemployed had somewhat more difficulty in obtaining

employment, even after successful completion of training, than those who had had a shorter span of joblessness, MDTA training appeared to contribute significantly to relatively sizable job placement rates among these workers.

About 4 out of every 10 of the MDTA trainees had not completed high school; 1 out of 10 had only a grade school education or less. Successful completion of MDTA courses appeared to help in reducing trainee placement difficulties regardless of previous level of education.

Generally, older MDTA trainees experienced greater difficulty in finding jobs than trainees in younger age groups; however, MDTA programs appeared to contribute appreciably to relatively high placement rates in all age brackets.

Nearly three-tenths of the MDTA trainees were approved for training in skilled occupations, over one-fourth semiskilled, and close to one-fourth in clerical and sales occupations. Principal occupations in which training was approved included general machine operators, automobile mechanics, stenographers, typists, clerk-typists, licensed practical nurses, welders, auto body repairmen, aircraft subassemblers, electronics mechanics, solderers, nurse aides, and orderlies.

Through June 30, 1963, in connection with the selection of unemployed persons for training, local public employment offices conducted about 345,000 screening interviews and 98,000 counseling interviews, administered 57,700 General Aptitude Test Batteries, 55,200 specific aptitude tests, and 6,200 proficiency tests. During the year, local offices referred more than 39,000 individuals to MDTA training.

Community Employment Development

In the majority of the Nation's larger communities, local public employment offices during fiscal year 1963 cooperated with development organizations to retain existing industries, to assist those desiring to expand, and to attract new employers to the area. A preliminary review of a national survey indicated that local employment offices were cooperating with three-fourths of the more than 4,000 organizations (concerned with community development) which were in existence in 1963.

As a part of its regular operations, a local employment office obtains information on employment trends, unemployment problems, demand-supply relationships, occupational shortages and surpluses, and manpower requirements and resources. Because of the availability of such data, the local office is usually the first agency to recognize existing or developing employment problems and to alert the community to them. Helping community leaders to understand and anticipate the consequence of economic and technological changes on the local labor market is a basic function of the community employment program. The program provides for USES participation in community employment development organizations by assigning local office representatives to serve as members of, or manpower consultants to, such organizations. In this way, the total

resources of the local office are made available to the local group in the development of programs to prevent or alleviate unemployment.

The smaller communities program has proved to be an effective vehicle for the extension of employment services to rural counties remote from existing public employment offices. The demand from such areas for employment services was met in some States by smaller communities mobile teams, composed of State employment service personnel who move from one rural county to another at the invitation of local employment office managers and community leaders. During fiscal year 1963, techniques were developed to assist the mobile team in counseling and testing rural people, particularly youths; in placing individuals in available jobs; and in preparing an inventory of the occupational potential of the local work force for use by the community in attracting new industry. This information was used also in determining training needs and training potentialities for ARA and MDTA training programs. The inventory program provided local offices with detailed occupational information on thousands of individuals who previously had not been in contact with the employment service.

Services were provided to 33 rural areas in 10 States in fiscal year 1963. A total of 27 States indicated an interest in initiating the smaller communities program in fiscal year 1964.

Manpower Mobilization Planning

During fiscal year 1963, plans were developed for a "built-in" manpower readiness in those geographic areas which will be most likely to feel the manpower impact of an enemy attack on this country. The major technique used in the project is the identification of already-functioning groups of workers with peacetime missions closely related to the type of survival activity for which there is likely to be a demand. Other arrangements included agreements between employers and employees to insure their immediate availability for emergency assignment and for any necessary training, including the reorientation of their activity toward a postattack environment.

International Manpower Services

General orientation programs were provided by the Bureau for 436 foreign visitors to acquaint them with the role of the United States Employment Service and the Unemployment Insurance Service in the American labor market. About 100 of the participants visited local employment offices to observe how services were provided to workers and employers.

Intensive programs of 3- to 12-month duration were developed for 30 employment service technicians from 11 different countries. These participants, under grants from the Agency for International Development or the International Labor Organization, were specialists who came to learn U.S. techniques in such functions as labor market analysis, selection and placement, counseling, occupational analysis, and manpower planning.

Two technical manuals, "Techniques for Determining Manpower Skill Needs and Training Requirements" and "Demographic Techniques for Manpower Planning in Developing Countries," were completed for the Agency for International Development and were distributed to AID missions throughout the world.

Employment Service Tools

Organization and Management

Improvement of the organization and management of the public employment offices in the 55 largest metropolitan areas continued to be of major concern. Technical work concerned with this improvement was continued in 41 of these areas in fiscal year 1963 and was started in 10 other areas. Although the rate of progress in reorganization during 1963 was limited by budget considerations, a systematic program was undertaken of assisting State agencies in the review of metropolitan area local office operations. During the first year of this program, reviews were made in 5 of the 55 largest metropolitan areas.

A continuing plan of action to increase the effectiveness of management and operations of public employment services was launched with Bureau evaluations of one agency's State office and two large local offices. Technical assistance and training were provided the State agency in correcting deficiencies found through the evaluations.

In connection with the overall improvement program, a "Handbook of Local Office Organization," the first of a series relating to State administration and local office management, was completed during fiscal year 1963, and development was started of some of the other handbooks in this series, including evaluation, planning, and supervision.

Occupational Analysis

The third edition of the "Dictionary of Occupational Titles" (DOT) will provide current information on jobs in the U.S. economy. By yearend, 97 percent of the editing of job definitions was completed; outlines of the new classification structure were organized; and 50 percent of the individual jobs were classified. Volume I contains job definitions of several thousand new jobs and many changes which have occurred in jobs since the 1949 edition of the DOT. The definitions reflect alterations in occupational techniques resulting from recent changes in industry and in industrial processes. Volume II contains the new classification structure which provides two arrangements of occupations to be reflected in a single code system to serve the needs of placement and counseling. A conversion table relates the present and the new classification systems. The new Dictionary should be available for use early in fiscal 1965.

An intensive industry-by-industry survey of jobs was made by the eight occupational analysis field centers in California, the District of Columbia, Michigan, Missouri, New Jersey, North Carolina, Washington, and Wis-

consin, to determine the existence of, and to provide current analyses for, all jobs. A major effort was started to keep currently abreast of the continuous job changes taking place in industry.

In addition, a number of new projects were started in fiscal year 1963 to provide job information to meet specific needs: a study to determine the nature and extent of job information needed in providing placement services to professional workers; a study to determine the effects of automation on the job structure of an industry—printing and publishing, and others; and a project to update job descriptions for "Occupations in Electronic Data-Processing Systems," originally published in 1959.

Programed training materials for analysis of physical demands and working conditions requirements of jobs were completed and tested by the training of about 50 staff members. The test demonstrated the superiority of the new method over the lecture-type training process formerly used.

Test Development

To meet increasing demand for test-selected workers with potentialities for learning occupational skills, USES accelerated research in the development of aptitude test batteries. This research, conducted in cooperation with employers, trade associations, unions, and joint apprenticeship committees, included occupations for which training courses were established under the Manpower Development and Training Act and the Area Redevelopment Act, as well as occupations requiring formal apprenticeship and those which had emerged as a result of technological changes. In all, new USES aptitude test batteries based on the General Aptitude Test Battery were developed for 50 occupations, including occupations in the personal service and automatic data processing fields and in the air transportation and iron and steel industries. Research was undertaken on other occupations, including those in the atomic energy field and electronics and printing industries.

Greater use was made of the Spanish edition of the USES General Aptitude Test Battery (BGPA—Bateria General de Pruebas de Aptitud) to meet needs of Cuban refugee centers and employment service offices throughout the country. To permit its more efficient use, test research on cultural effects was undertaken which will entail the testing of approximately 1,000 employed persons in Puerto Rico.

In the United States, in response to demand for use of the General Aptitude Test Battery for educational-vocational counseling of students in lower high school grades and for use with dropouts from these grades, USES initiated a series of studies in 1958 to determine (1) effects of maturation upon aptitude scores during the high school years, and (2) relationship between scores on the GATB taken in lower high school grades and subsequent performance in high school and in occupations and college 2 years after high school graduation. During fiscal year 1963, progress was made in analysis of data for the maturation and high school followup studies, and data collection continued for occupational and college followup studies.

The 19 State employment security agencies participating in the studies were successful in identifying the employer or the college attended by individuals in the sample 2 years after high school graduation.

A study was begun during fiscal 1963 to determine usefulness of 9th and 10th grade norms on the GATB for predicting performance in vocational high school printing training and in printing occupations after high school graduation. Data for the study are being collected in four high schools in three States. This study should serve as a basis for extension to other vocational areas.

Work progressed on a complete revision being made of the USES typing, dictation, and spelling proficiency tests which are administered to more than 600,000 persons each year. Six forms of a new 5-minute typing test were released for operational use in local employment service offices. Separate norms for manual and electric typewriters were developed for the new test. Work also continued on development of new dictation test forms. Preliminary work was completed on development of a written proficiency test for electronic technician jobs.

Area Labor Market Information

Greater use was made in fiscal year 1963 of area labor market information collected as a part of the operations of the employment security program. A major factor in this expanded use was passage of the Public Works Acceleration Act which authorized the expenditure of \$900 million in Federal funds for initiation and acceleration of public works projects in redevelopment areas and in areas designated by the Secretary of Labor as having had substantial unemployment for 9 of the preceding 12 months.

Requests were received from Members of Congress, the Area Redevelopment Administration, and other Federal agencies, State and local officials, community development groups, and civic organizations for special area labor market surveys to determine eligibility for assistance. Reports on such surveys were submitted by State employment security agencies for about 450 additional labor market areas during fiscal 1963. Of these, 112 were recommended by the Secretary of Labor as eligible for designation under both the Public Works Acceleration Act and the Area Redevelopment Act. More than 200 other areas were recommended for designation under the accelerated public works program alone.

In connection with the annual review required under the Area Redevelopment Act, some 28 areas were recommended for termination of eligibility under ARA.

At the beginning of the fiscal year, 51 major areas and 198 smaller areas were classified as "areas of substantial unemployment." Unemployment was persistent in 19 of these major areas and 104 of the smaller areas. In addition, a total of 394 very small areas had been identified as having "substantial and persistent unemployment." All areas with persistent unemployment problems were recommended to the Department of Commerce for designation as redevelopment areas.

The number of substantial unemployment areas declined during the year to 39 major areas (17 persistent) and 174 smaller areas (102 persistent) in June 1963. Among areas moving to a moderate unemployment rating was the key automotive center of Detroit—the first time this area was off the substantial unemployment listing since 1957.

The list of "very small areas" of substantial and persistent unemployment expanded during the year to a total of 469 by June 1963. Additions to this list are based in part on the extent to which such areas are called to the attention of the USES for special surveys and do not necessarily reflect a recent worsening of the local unemployment situation.

The following table compares the yearend (June 1963) classifications of 150 major labor market areas with those for May 1963 and June 1962.

	June 1963	May 1963	June 1962
Total, all groups (major areas).....	150	150	150
Group A (overall labor shortage).....	0	0	0
Group B (relatively low unemployment).....	16	9	10
Group C (moderate unemployment).....	95	98	89
Group D (substantial unemployment).....	28	31	42
Group E (substantial unemployment).....	9	8	6
Group F (substantial unemployment).....	2	4	3

The USES area classifications are also used to assign special preference to areas of high unemployment in the award of Federal procurement contracts under Defense Manpower Policy (DMP) No. 4. Such preference resulted in the award of defense contracts—which would otherwise have gone elsewhere—to firms located in areas with high unemployment in the amount of \$78.5 million during the first three quarters of fiscal year 1963 (fourth-quarter data not yet available). In all, areas of substantial unemployment received close to \$17 billion in defense contracts during this period. Firms in areas with relatively persistent unemployment are also eligible for assistance in the form of Small Business Administration loans at reduced interest rates.

During fiscal 1963, the manpower phases of 79 overall economic development plans (comprehensive analyses made by redevelopment area committees of local assets, needs, and the means for achieving economic recovery) were reviewed in detail. The total number of these plans reviewed since passage of the Area Redevelopment Act was thus increased to 143. A special report procedure was developed during the year to provide bimonthly information to ARA on current employment and labor requirements in firms receiving or directly benefiting from ARA loans and grants. Nearly 16,600 workers were employed in June 1963 in 160 firms benefiting from ARA assistance. These firms were expected to employ 53,200 workers when in full operation.

Occupational Information

The "Guide to Local Occupational Information" published early in fiscal 1963 provided a ready reference to local guides and area skill surveys

completed since 1956. It stimulated efforts among State agencies to expand the preparation of individual occupational guides which present information on job duties, employment opportunities, training and experience requirements, methods of entry and promotional opportunities, and wages and working conditions in particular labor markets.

Area skill surveys, analyzing current and future demand and supply for an entire area, by occupation, were completed by 16 States for 25 labor market areas during the fiscal year. By yearend, a total of 145 skill surveys had been completed since the program's initiation in 1956. Counselors, school administrators, and industry and other community leaders utilize these surveys as a guide to manpower planning. A variation on the area skill survey, the training needs survey, was developed during the year to meet the needs of MDTA and ARA training programs.

The 1963-64 edition of "Job Guide for Young Workers" was well received. Issued in March 1963, the entire first run for the Bureau of 45,000—the largest ever published—was exhausted before the end of the fiscal year, and an additional 25,000 copies were sold directly through the Government Printing Office. To meet the expected demand for 1964, a new printing of 15,000 copies was ordered. The guide provides information for more than 100 entry occupations frequently held by young people with a high school education or less, and contains data on the duties and characteristics of each job, qualifications required, employment prospects, advancement opportunities, and methods of entry.

The President's Committee to Appraise Employment and Unemployment Statistics (Gordon Committee) cited absence of a series on unfilled jobs as "one of the more conspicuous gaps in our labor force information." Exploration into the feasibility of developing job vacancy data was launched and will be continued during fiscal 1964. Vacancy data can provide economic insights, aid in determining local training needs, and help in job counseling and placement.

Industry Analysis

Manpower surveys were prepared for the missiles, spacecraft, and aircraft industry and the footwear industry. These studies, based largely on establishment reports submitted by State employment security agencies, reviewed employment trends, economic outlook, and other significant manpower developments within the industries. The missile, spacecraft, and aircraft survey—the fourth of a series on the aerospace industry—became one of the Nation's principal sources of manpower information covering about 20 industries engaged in aerospace work. Three other surveys—bituminous coal mining, department stores, and tires and tubes—were in final draft at fiscal yearend.

The scope of the industry manpower survey program at the close of the fiscal year was being expanded considerably to meet increasing need for more detailed industry-occupational information on manpower development and automation impact. Supplemental questionnaires were designed for

special industries scheduled for survey in the first half of fiscal year 1964 to determine the impact of technological change on the industries' occupational composition, occupational opportunities for on-the-job training, and extent to which workers displaced from the industries participated in MDTA and ARA training programs.

Labor Market Operations Research

More than 50 special studies were undertaken by 25 State employment security agencies during the fiscal year to provide labor market information needed for policy formulation, program planning, and evaluation. These studies included analyses of local employment office data on characteristics of, and services provided to, jobseekers; services to individual firms in terms of results obtained with respect to job orders received and placements made; channels used by workers to obtain jobs and channels through which employers recruit workers; and new hires and placements, by size of firm and industry.

A monthly report was developed during the year to analyze employment service activities in depth and to present information on labor market conditions affecting the employment service program.

FARM LABOR SERVICES

Farm placement and related services are provided by the employment security agencies of the 50 States, Puerto Rico, and the Virgin Islands. In fiscal year 1963, the Office of Farm Labor Service in the Bureau of Employment Security was reorganized as a full operating service, reporting direct to the Bureau Administrator.

During the year, the Bureau and State employment security agencies concentrated their efforts in farm labor service on more effective utilization of domestic agricultural workers, improving living and working conditions of migratory farmworkers, reducing need for supplemental foreign workers, and preventing adverse effect on the wages and working conditions of domestic farmworkers in areas where Mexican and other imported foreign workers were used. To accomplish these objectives, the annual worker plan was strengthened to provide continuous employment for intra-area and out-of-area workers; efforts were made to improve working and living conditions (housing, wages, transportation) for migrant farmworkers; and improvements were made in selecting workers for out-of-area referral at peak crop seasons, in collecting and validating employment and wage information, and in certification procedures for the admittance of aliens seeking permanent entry under the Immigration and Nationality Act.

The continuing rapid advance of technology and farm mechanization had a significant effect on recruitment of agricultural workers. It disrupted established migratory patterns, decreased the demand for seasonal farmworkers, and made employers more demanding with respect to workers'

skills. It highlighted the importance of training unskilled workers—displaced as a result of the technological revolution in agriculture—for higher skilled jobs.

Domestic Farm Labor

Farm Placements

Total agricultural employment continued its long decline—averaging 5.0 million per month in fiscal year 1963, compared with 5.4 million the previous year, according to the Bureau of Labor Statistics. The 1963 total included 1.7 million hired farmworkers, approximately the same as in the previous year. Decreases were reported in the number of farm operators and unpaid family workers, who totaled 2.5 million and 900,000, respectively, compared with 2.7 million and 1.0 million in 1962.

The same technological advances which have been responsible for declining farm employment in the past were at work in fiscal year 1963. For example, 70 percent of the cotton harvest was handled by machine, compared with 59 percent the year before. Also, greatly increased use was made of chemical sprays to kill grass and weeds in row crops. These and other changes in production methods eliminated thousands of seasonal jobs or shortened periods of employment. The rate of unemployment in agriculture ranged as high as 19 percent during the year, substantially higher than in nonagricultural industries in all except peak harvesting months.

Those recruited by local employment offices for farm jobs ranged from year-round workers to migrants, from urban youth to housewives, and from reservation Indians to Puerto Rican contract laborers. As a part of their service to agricultural employers and to relieve potential labor shortages, public employment offices also provided information service and assistance in planning schedules to operators of custom grain combines and mechanical cottonpickers.

Further reflecting the rapid technological change in agriculture, local employment offices reported a total of 7,923,543 farm job placements in fiscal year 1963, down more than a million from the 9,028,451 total for the year before. During 1963, local office staff made 401,717 visits to agricultural employers; increased referrals of registered applicants selected from the files; registered more workers for migrant labor jobs; and curtailed mass referrals of unregistered applicants. Although use of farmworkers from local sources increased in 1963, recruitment of labor through the intrastate and interstate clearance system continued to be a large-scale activity. In California alone, more than 60,000 nonlocal domestic farmworkers were employed in a single month.

Better utilization of local labor was reflected in increased day-haul operations, a method by which local labor is transported to farm jobs on a daily basis. In calendar year 1962, the number of workers transported on peak days through day-haul activities reached nearly 320,000.

An "established" day-haul pickup point is one that is set up but is not supervised by the State employment security agency; an "operated" day-haul pickup point is both set up and supervised by the agency. While the number of towns with State-operated day-hauls decreased slightly to 717 in 1962, the number of established day-haul points increased by 60 to 1,466, with an overall increase of 3,400 persons transported on peak days. Since 1958, the number of day-haul workers transported from established points has risen by nearly 25,000, reflecting better coverage of areas distant from the local office.

Agriculture as a source of employment for youth made gains during the year, and day-haul continued to be the major method for using youth in farm employment. State agency-operated day-haul points for youth only were set up in 11 percent more towns in 1962 than in the previous year. State agency-established day-haul points showed even greater advances. The number of youths transported on peak days increased by 33 percent to 15,420. Thousands of other young people participated in joint youth-adult day-hauls or were referred as workers to fill regular farm jobs for which they were qualified.

Over 2,000 youths were placed in live-in farm jobs during vacation periods. Live-in programs usually involved recruitment of two types of workers—city youth with no farm experience and vacationing agricultural students. A live-in pilot project in a Colorado beet area demonstrated that youths can do as well as, if not better than, the migrants usually employed for this work.

By means of "Farm Employment Days," local employment offices helped farmworkers wanting jobs to meet farm employers needing help. One thousand such days were held in 1962. Because of the growing need for individually selected skilled workers, 37 percent more offices used this device for effecting placements.

Over 35,000 Indians from 11 States were recruited for off-reservation farmwork in 1962.

The use of Puerto Rican contract workers reached a peak of 12,900 in August 1962, and then dwindled to insignificance from September to March. Under agreements with the Commonwealth of Puerto Rico, workers were brought in for farmwork along the Atlantic seaboard from Massachusetts to Florida, with New Jersey using the largest number of workers.

Migratory Farmworkers

In calendar year 1962, a total of 10,051 migrant groups and crews, representing 176,670 individuals, were scheduled for successive farm jobs under the annual worker plan. Group contacts increased 9 percent over 1961. In the Florida-itinerary phase of the annual worker plan, farm labor personnel and employers from 13 States met with crew leaders for pooled interviews at designated locations and interviewed 717 groups and crews, representing 33,879 workers. A number of Texas crews whose work had

taken them across the Gulf States to the citrus groves in Florida participated in the itinerary for the first time.

In fiscal year 1963, new procedures were adopted for identifying migrant workers by name, address, and social security number on the manifest covering each group of workers referred for interstate farm employment. This identification, which in most cases also indicated sex of worker, provided information on labor source and potential new recruitment sources. It was a first step in assembling information—necessary for selective placement—on individual migrants as to those who report as scheduled, perform satisfactorily, and remain on the job until it is completed.

In an effort to attract out-of-State workers to Florida to substitute for contract workers from the West Indies, Florida farm labor representatives, in a controlled experiment, went to Georgia, Louisiana, Mississippi, South Carolina, and Tennessee to recruit for the winter season. Also, citrus growers agreed to improve working conditions.

Most farm labor information centers, which are located strategically to serve migrant workers, reported increases in the number asking for information about farm labor demand and supply. At the end of June 1963, a total of 8,860 migrants had passed through the Hope, Ark., information center since its opening in the spring. This total compared with 7,468 at the same time in the previous year. Sikeston, Mo., reported 6,024 compared with the previous year's 5,643; Little Creek, Va., reported a slight drop—13,799 compared with 13,935 in 1962.

Continued attention was given during the year to implementing the Secretary's regulations (20 CFR 602.9) relating to the use of public employment service facilities in the interstate recruitment of agricultural workers, to insure that wages offered were no less than those found prevailing among workers similarly employed within the area of employment. The Bureau worked with State employment security agencies to insure consideration of employer and worker complaints relating to these regulations. A number of States passed legislation to improve housing, transportation, and other living and working conditions affecting migratory workers.

Pilot programs in Elizabeth City and Hendersonville, N.C., which were being carried on by cooperating Federal agencies concerned with providing improved services to migratory workers and their families, completed the first year of operation, and services were expanded.

The Bureau participated with State employment security agencies, and other Federal agencies and offices, in developing programs under the Manpower Development and Training Act and the Area Redevelopment Act to train unemployed and underemployed rural workers for both farm and nonfarm occupations. The occupations for which such workers were trained included farm machinery operation and maintenance, vineyard and tree pruner, general farmhand, dairy hand, forester aid, cattle rancher, and irrigator. By the end of the fiscal year, a total of 95 such projects, with 2,075 trainees, had been approved by the Bureau.

In the first training class composed exclusively of migrant farmworkers' one group was trained to be general farmhands; the other, combination welders.

The Office of Farm Labor Service made a nationwide survey of the scope of agricultural mechanization and other technological activities in high labor-using crops. The purpose of the study was to determine how the farm labor force was affected and what training should be provided for farmworkers under the Manpower Development and Training Act.

Legislative Action

By the end of fiscal 1963, six bills on migratory labor, sponsored by Senator Harrison A. Williams, Jr. (N.J.), had passed the Senate and had been sent to the House. The proposed legislation provided for educational opportunities, day care for children, sanitation facilities, regulation of child labor, required crew leader registration, and a national advisory council on migratory labor.

A major breakthrough in legislative action with respect to living and working conditions was made in September 1962 with the passage of the Migrant Health Act (P.L. 87-692). Funds were appropriated by the 88th Congress to help establish family health services clinics under the act and to carry out other health projects for migratory workers and their families.

Foreign Farm Labor

When qualified domestic farmworkers are not available to meet peak seasonal needs of agriculture, growers may request use of foreign workers. However, the Bureau's regional offices will not approve foreign-worker quotas for States until employment security agencies inform them that there are no available domestic workers and that the employment of the foreign workers will not affect adversely the wages and working conditions of U.S. workers.

Use of contract foreign workers as temporary supplemental labor on U.S. farms continued to decline in fiscal year 1963. Average monthly employment of these workers, at 62,000, was 9,000 below the previous year's average. The greatest number reported to be working at any one time in fiscal 1963 was 127,000, about 43 percent fewer than in 1962; the lowest number was 30,200.

The decline in use of Mexican nationals which began in 1959 and continued through fiscal 1963 accounted for nearly all of the decrease in use of foreign workers. Average employment of Mexican contract workers dropped from 60,000 in fiscal 1962 to 51,000 in 1963; peak employment, from 209,000 to 111,000. Rapidly expanding mechanization in cotton harvesting, particularly in Texas, was a principal cause for the decreased demand.

During the year, 195,525 Mexican nationals were contracted under the authorization of the Agricultural Act of 1949 (Public Law 78) and the international agreement with Mexico. They worked in 20 States for

approximately 30,500 farm employers. California led other States in their use, by a substantial margin. These "braceros" were used principally in cotton, tomatoes, citrus fruits, strawberries, and lettuce. In all, 29,097 of these workers were recontracted during the year and 203,496 were returned to Mexico, including workers who were already in the United States under contracts executed during fiscal 1962.

Bureau-operated reception centers at Hidalgo, Tex., and Nogales, Ariz., were closed during the latter part of the year because of the substantial reduction in number of Mexican nationals being received for processing and referral to employers.

The decreased number of Mexican nationals brought into the United States in fiscal 1963 under Public Law 78 was partially offset by the entry of more Mexican immigrants with permanent visas (so-called "green-card workers"). An estimated 33,000 to 38,000 of these persons worked in California agriculture at peak season in the fall of 1962; they comprised about one-fourth of the State's total domestic agricultural work force at peak.

During fiscal year 1963, the Department of Labor, in accordance with section 212(a)(14) of the Immigration and Nationality Act, was consulted for certification purposes only if 25 or more workers requested visas for entry to work with a single employer. However, during 1962, procedures were developed, to become effective July 1, 1963, providing that each employer desiring one or more foreign workers for permanent employment in the United States must obtain from the public employment service a job-offer endorsement, thus giving that office an opportunity to fill the jobs with domestic workers. The endorsement, stating that the person offering the jobs is the employer in fact and that the work represents bona fide year-round employment, was designed to help the Department of State, in considering whether a visa should be issued, to determine that the prospective immigrant would not become a public charge.

Employment of permanent visa holders who live in Mexico and commute to jobs across the border was the subject of litigation during fiscal year 1963. The issue before the court was whether the Attorney General and the Commissioner of Immigration and Naturalization could be required to exercise their discretion to change the status of commuter aliens from immigrant to nonimmigrant and to deny them the right to commute (*Texas State AFL-CIO et al. v. Robert F. Kennedy et al.*). The decision of the U.S. District Court on April 11, 1963, was that they could not be required to do so. The plaintiff appealed the decision to a higher court.

Employment of West Indians averaged 9,000 throughout fiscal 1963, virtually the same as in the previous year, but peak employment of these workers increased sharply from 12,000 to 14,500. Peak employment of Canadians in the United States, used principally for Maine's potato crop, was 8,700 in 1963, slightly more than in 1962. Other foreign farmworkers employed in the United States were Japanese (about 1,200), Filipinos (100), and Basque sheepherders (1,100).

Compliance Activities

To insure compliance with the Migrant Labor Agreement and the Standard Work Contract, and to investigate complaints and other matters relating to the Mexican labor program, Bureau representatives made the following investigations in fiscal year 1963:

- Housing: 9,311 inspections; deficiencies found in 3,236 cases, about one third.

- Central restaurant facilities: 2,010 inspections; deficiencies, 364, or 18 percent of installations.

- Vehicles used by employers to transport Mexican workers: 6,025 inspections; deficiencies on first inspection, 1,200, or 16 percent.

- Payrolls and records: 36,189 inspections; violations, 2,882. Prompt action was taken to effect settlement of amounts due Mexican workers.

- Complaints: 3,157 investigations; violations, 1,286. A total of \$210,767 was collected on behalf of Mexican workers as a result of investigations and inspection activity. Forty-one employers were declared ineligible to employ Mexican contract workers because of serious violations of the agreement and work contract.

As of June 30, 1963, the U.S. Government, in its capacity as guarantor of the work contract, paid \$82,206 under the guarantee provision of the Migrant Labor Agreement with Mexico. At the end of the fiscal year, \$39,860 had been recovered from defaulting employers. Total losses attributed to death, insolvency, and other causes amounted to \$3,847. Of the outstanding balance, \$22,023 was pending collection through litigation and \$16,474 through administrative action.

Wage Program

Under the Migrant Labor Agreement with Mexico, Mexican nationals may not be paid less than the rate specified in the Standard Work Contract or the rate determined by the Secretary of Labor to be prevailing among domestic workers doing similar work in the area of employment, whichever is higher. Based on wage surveys conducted by State employment security agencies, the Secretary made 1,076 prevailing wage determinations in fiscal year 1963 covering 1,181 wage-finding classes in 18 States. Reflecting the sharp decline in Mexican contract worker employment, 20 percent fewer determinations were issued in fiscal year 1963 than the 1,395 made in 1962.

Action was taken to prevent the employment of foreign agricultural workers on the east coast (principally workers from the British West Indies and Bahamian Islands) from adversely affecting the wages and working conditions of U.S. workers similarly employed. Public hearings were held in Boston, Miami, Trenton, and Winchester, in November and December of 1962, to get the views and comments of interested parties. As a result, wage standards were issued for each of the 11 States in which there had been significant foreign worker employment. The prescribed hourly

rates ranged from 75 cents and 80 cents in Virginia and West Virginia, respectively, to 95 cents in Florida and \$1 in New York, New Jersey, and all of the New England States.

After a long period of general stability, wage rates in areas of Mexican worker employment showed an upward movement beginning in 1960. This uptrend received strong impetus from adverse effect determinations issued in the spring of 1962 applicable to the 24 States in which Mexican workers had been employed in 1961. The hourly rates involved ranged from 60 cents in Arkansas to \$1 in 16 States. The impact of the actions was immediate. During the entire 1963 fiscal year, wage rate increases occurred in about 38 percent of the cases for which comparisons could be made with prior year levels.

The strength of the uptrend in wage rates in areas using Mexican workers was indicated by results of a study of activities in the seven States which accounted for virtually all of the Mexican contract worker employment. Rates in these activities were about 12.5 percent higher than in 1958. During 1961, they rose by about 3 percent over 1960 levels, while in 1962 there was a further increase of more than 4.6 percent.

UNEMPLOYMENT INSURANCE

The Federal-State unemployment insurance system provides workers with partial compensation for wages lost during periods of involuntary unemployment. It acts as a stabilizing influence on the economy by sustaining purchasing power during downward swings of the business cycle and provides some of the impetus needed for the recovery phase. In fiscal year 1963, about 47.0 million workers in commerce, industry, and government, including the Armed Forces, were covered under the system. A total of 815,000 railroad workers were covered under a separate unemployment insurance system administered by the Railroad Retirement Board.

Each State has its own unemployment insurance law and its own benefit fund. Benefits for unemployed Federal workers and ex-servicemen are financed through direct Federal appropriations but are paid by the States, as agents of the Federal Government, on the basis of the State law. In fiscal year 1963, about 2.4 million employers were subject to State unemployment insurance taxes, and they paid about \$3.0 billion in such taxes. In Alabama, Alaska, and New Jersey, employees as well as employers paid UI taxes.

Benefits of \$2.9 billion were paid to 6.5 million insured workers for 86 million weeks of unemployment during fiscal year 1963. Of total benefits, \$2,789 million was paid out of State funds and \$152 million out of Federal appropriations to former Federal civilian employees and military personnel following their separation from the Armed Forces.

In addition to the above benefit payment operations, the machinery of the UI system was utilized for the payment of allowances under two Federal

programs—the Area Redevelopment Act of 1961 and the Manpower Development and Training Act of 1962. The latter began operations early in fiscal 1963.

Training allowances under the Area Redevelopment Act are equal to the average weekly unemployment insurance benefits in a particular State. During fiscal 1963, programs initiated under the act resulted in the payment of \$2,739,090 and involved some 9,450 trainees. Generally under the Manpower Development and Training Act, allowances are geared to the State unemployment benefit rates and may include subsistence and transportation allowances where a trainee must leave his regular place of residence. Subsistence payments during retraining fill a need which cannot be met in most cases by the unemployment insurance system. In many States, unemployment insurance benefits are denied to persons attending a full-time course of instruction, since trainees are not considered to be available for work. Even where unemployment benefits may be paid during vocational training, many potential trainees will have exhausted their right to them before training is completed. Approximately 22,000 workers approved for training under the Manpower Development and Training Act received allowances totaling \$7,788,845 in fiscal year 1963.

Under the Trade Expansion Act of 1962, responsibilities of the Federal-State UI system were expanded to include payment functions. The act provides for payment of allowances to workers who are separated from employment in industries determined by the U.S. Tariff Commission to have been affected adversely by U.S. trade agreements with other nations.

Amendments to UI laws during the 1963 State legislative sessions ranged from increases in the maximum weekly benefit amount and adjustments of the taxable wage base and maximum tax rates to more effective financial indicators and measures for reserve fund adequacy. There was a marked tendency toward higher or more difficult qualifying requirements in terms of increases in the required wages or weeks of work and more stringent disqualifications which changed or reduced benefit entitlement for reasons of separation from, or refusal of, work without good cause or receipt of other income, such as old-age and survivors insurance or payments from employers' pension plans.

The Bureau in its role of adviser and the States as operators of the UI program took the following actions, among others, to improve operations: (1) Widening the scope and improving the planning and methodology of UI research studies; (2) initiating improved procedures in the claim operations and adjudication processes; (3) increasing the use of automatic data processing systems; and (4) making general improvements in administrative organization and management. The Federal Administration introduced to the Congress proposals for improving the Federal-State UI program.

These and other developments affecting the unemployment insurance program are described in the following sections.

State Benefit Financing

For the second successive year since 1957, yearend reserves increased—\$6.2 billion on June 30, 1963, compared with \$5.8 billion the year before, a rise of 6.9 percent. The higher reserve fund balance resulted primarily from the recent trend toward higher tax rates and the rise in aggregate taxable wages. Tax collections reached an alltime high of \$3.0 billion in fiscal 1963—10.9 percent above the level a year earlier. This increase resulted not only from the provisions in State laws setting up higher tax schedules to bring tax income to more adequate levels but also from legislation in some States increasing tax rates. Benefit payments totaled \$2.8 billion for each of fiscal years 1962 and 1963. As a net effect of all financial transactions during the year—benefit payments, collections, interest earned on reserve funds, and loan transactions—total revenues for the year ended June 30, 1963, exceeded total disbursements by \$398.8 million, as compared with a net accretion of \$59.7 million during the previous fiscal year.

Aggregate State unemployment insurance reserve funds at the end of fiscal 1963 amounted to an estimated 5.0 percent of taxable wages, as compared with 4.7 percent the year before. A common measure of fund adequacy is provided by comparing reserves (expressed as a percent of total wages) with the highest consecutive 12-month UI benefit payments (also expressed as a percent of total wages) experienced during the last 10-year period. On this basis, aggregate unemployment insurance reserves on June 30, 1963, representing 2.9 percent of total wages, amounted to 1.42 times the highest consecutive 12-month cost rate in the immediately preceding 10 years, about the same ratio indicated at the end of the previous year. A reserve level equal to at least $1\frac{1}{2}$ times the highest consecutive 12-month cost rate is considered as a minimum level of adequacy. Twenty-four States had reserves of less than $1\frac{1}{2}$ times the high cost rate, and four States had a multiple of 4.0 or more.

The temporary increase in the Federal tax to finance benefits under the Temporary Extended Unemployment Compensation Act of 1961 was reduced by the Congress for calendar year 1963 because TEUC costs were lower than had been expected. The increase of 0.4 percent was reduced to 0.25 percent, making the overall Federal rate on 1963 wages 3.35 percent before offset for State unemployment compensation taxes, instead of 3.5 percent. The tax is payable by January 31, 1964.

The Federal unemployment account, built up and maintained from available excess Federal tax collections over administrative expenses, is the source of funds for non-interest-bearing advances to States with low reserve funds. This account had a balance of \$59.4 million on June 30, 1963. Prior to fiscal year 1960, three States (Alaska, Michigan, and Pennsylvania) had borrowed from the loan fund a total of \$233,765,000. By means of the automatic provisions of the law which increase Federal

unemployment taxes for employers in the States which have borrowed, Alaska began repayment to the loan fund in fiscal year 1962; Michigan, in fiscal year 1963. At the end of fiscal year 1963, Alaska, with a total indebtedness of \$8,765,000, had repaid \$449,647; Michigan had repaid \$7,153,713 of its \$113 million advance.

State Legislation

There was substantially less activity in State unemployment insurance legislation during fiscal year 1963 than in 1959 or 1961. The enactments—other than those to increase the maximum weekly benefit amount—tended to restrict the payment of benefits in one way or another, through higher qualifying requirements and more stringent disqualifications or by reduction of the weekly payment to individuals who also receive retirement payments. No significant legislation affecting coverage of workers was enacted. Legislation enacted in 18 States related to financing of unemployment insurance with respect to the taxable wage base, maximum tax rates, and reserve fund adequacy.

The most restrictive State bill to be enacted would impose a waiting period of 7 to 13 weeks if the claimant had wages in his base period of \$6,000 to \$9,000 or more. The amendment specified that it would not become effective if, prior to January 8, 1964, the Secretary of Labor found it to be out of conformity with Federal requirements.

Ten States increased the maximum weekly benefit by amounts ranging from \$1 to \$7. Two of them provided for automatic adjustment of the maximum weekly benefit in accordance with changes in average wages. Increases in the maximum benefit also became effective in seven other States that had previously adopted similar provisions for automatic adjustment of the maximum. In reverse action, Wyoming reduced its maximum benefit by setting it at a smaller percentage of average wages.

Formula changes were made in three States, all of which had previously based the weekly benefit amount on high-quarter wages. Oregon adopted an annual-wage formula, and Ohio and Vermont changed to a formula based on average weekly wages—computed, in the latter State, on the basis of the 20 weeks of highest earnings. Other significant changes included repeal of the Wyoming dependents' allowance provision and, in Ohio and Wyoming, reduction of the weekly benefit amount payable to interstate claimants.

At the end of fiscal year 1963, maximum basic weekly benefit amounts ranged from \$16 in Puerto Rico to \$53 in Wisconsin and \$55 in California and Hawaii. Twenty-four States, with 57.2 percent of the covered workers, had a maximum of \$40 or more, and in six States, with 28.6 percent of the covered workers, the maximum was \$50 or more. Eleven States, with 13.9 percent of covered workers, still had a maximum benefit of less than \$35. (In States which provide dependents' allowances, the "basic" weekly benefit is the amount for a claimant with no dependents, as defined by law.)

Maximum basic weekly benefit amount, June 30, 1963	Number of States	Percent of covered workers (calendar year 1962)	
		Percent	Cumulative percent
\$50-\$55.....	6	28.6	28.6
\$45-\$49.....	10	9.6	38.2
\$40-\$44.....	8	19.0	57.2
\$35-\$39.....	17	28.9	86.1
\$30-\$34.....	10	13.3	99.4
Under \$30.....	1	.6	100.0
Total.....	52	100.0	

In most States, the weekly benefit represented about one-half of the weekly wage for those workers who qualified for less than the maximum benefit amount. As shown in the following table, the small increases in the maximum weekly benefits effected during 1963 did not keep pace with increases in wages. In only 11 States, with 7.1 percent of the covered workers, did the maximum benefit represent 50 percent or more of average weekly wages. (Comparable figures the year before were 12 States, including California, with 17.3 percent of covered workers.) In calendar year 1962, over half of the claimants in 22 States were receiving the maximum weekly benefit and, in 14 of these States, 60 percent or more received the maximum benefit. Many of these workers were earning more than double that amount when they were working.

Maximum basic weekly benefit amount, June 30, 1963, as a percent of average weekly wages in calendar year 1962	Number of States	Percent of covered workers (calendar year 1962)	
		Percent	Cumulative percent
64.....	1	0.4	0.4
50-64.....	10	6.7	7.1
45-49.....	10	35.7	42.8
40-44.....	14	27.9	70.7
35-39.....	12	23.1	93.8
30-34.....	4	2.0	95.8
Under 30.....	1	4.2	100.0
Total.....	52	100.0	

Higher or more difficult qualifying requirements were adopted in nine States. Of these, two required a specified number of weeks of employment. There were, however, no accompanying improvements in the duration of benefits. Two States changed from uniform duration for all eligible claimants to a formula providing benefits equal to a fraction of the claimant's base-period wages, up to a maximum of 26 weeks. Colorado reduced its maximum weeks of benefits and the fraction for computing each individual's entitlement.

As shown in the following table, 10 States, with 26.0 percent of the covered workers, provided uniform duration. In the other States, which

varied the duration of benefits with a worker's base-period wages, the maximum duration ranged from 22 to 39 weeks. Forty-eight States, with 96.3 percent of covered workers, provided a maximum potential duration of 26 weeks or more.

Maximum duration in weeks	Number of States	Percent of covered workers (calendar year 1962)	
		Percent	Cumulative
Uniform duration:			
30.....	1	7.0	7.0
26.....	8	18.4	25.4
12.....	1	.6	26.0
Variable duration:			
39.....	1	.9	26.9
36.....	1	.5	27.4
34.....	2	2.9	30.3
30.....	3	5.6	35.9
28.....	1	1.3	37.2
26.....	31	59.7	96.9
24.....	2	2.0	98.9
22.....	1	1.1	100.0
Total.....	52	100.0	

Legislation enacted in nine States provided more restrictive disqualifications for voluntary leaving without good cause, discharge for misconduct connected with the work, or refusal of suitable work. The amendments in Colorado substituted for the usual type of disqualification a system of benefit awards varying with the circumstances of the claimant's separation from work. Following a trend established in recent years, two States adopted provisions to reduce the weekly benefit payment by the prorated amount of the claimant's old-age insurance benefit or payment received under an employer's retirement plan. At the end of the fiscal year, 15 States provided for reduction of the unemployment benefit if the claimant received old-age insurance, and 32 States, for receipt of payments under employers' pension plans.

Laws relating to the financing of unemployment insurance were enacted in 18 States. Three States (Idaho, Michigan, and Vermont) increased the amount of wages on which contributions are based to \$3,600; one State (Tennessee), to \$3,300; and another (Utah) increased its tax base from \$3,000 to \$4,200. Fourteen States at the end of the fiscal year had a tax base above the \$3,000 limit provided in the Federal Unemployment Tax Act.

Increases in maximum possible tax rates to provide greater equity in the sharing of benefit costs were enacted in 10 States in 1963. These increases brought to 33 the number of States providing rates above 2.7 percent. Twenty-two of the 33 States had a maximum rate of 4.0 percent or higher, with the highest set at 7.2 percent.

Provision of graduated above-standard rates for employers with negative balances tends to reduce inequities in the tax burden among employers by requiring those with high cost experience (deficit account employers) to pay a larger share of their benefit costs. Three States (Michigan, New Hampshire, and New York) enacted such a provision.

Measures were enacted by Arkansas, Utah, and Vermont to use total wage ratios (rather than taxable wage ratios) as indicators of reserve fund adequacy, either for signaling the suspension of reduced rates or to effect higher tax rate schedules.

Federal Legislation

Attention was focused on the Federal-State unemployment insurance program as unemployment continued at a high level and workers experiencing long-term unemployment rose in number. To fill gaps in the protection afforded the unemployed and to make the program more responsive to changes in the economy, the Administration proposed the following permanent improvements: Providing a permanent program of Federal unemployment adjustment benefits for the long-term unemployed with substantial past employment; broadening coverage; strengthening the financing by increasing the wage base to \$5,200 and providing equalization grants to those States whose unemployment cost rate is above a specified amount; increasing the weekly benefit amount under State unemployment insurance laws up to a maximum which is to start for 1966 and 1967 at 50 percent of State average weekly wages in covered employment, and to increase by 1970 to 66½ percent of State average weekly wages; and not denying benefits to an otherwise eligible individual when he is taking training with the approval of the employment security agency.

Because long-term unemployment is a national problem, the Administration's proposals included a program of Federal unemployment adjustment allowances for the long-term unemployed who have had long and substantial attachment to the labor market. These benefits would be payable to individuals who had been unemployed for at least 26 weeks, had exhausted their State benefit rights, and had worked at least half of a specified 156-week period preceding their benefit year. These benefits would be paid over a 3-year period at the State weekly benefit amount for a potential period of from 13 weeks, for a worker who just meets the qualifying requirements, to 26 weeks, for a worker who had worked for two-thirds of the 156-week period.

The Federal unemployment adjustment allowances and the equalization grants to States would be financed by an increase of 0.3 percent in the Federal unemployment tax.

Federal Programs

In connection with payment of allowances under the Area Redevelopment Act and the Manpower Development and Training Act, the Bureau's Unemployment Insurance Service was concerned principally with proper administration, with reviewing and improving operating procedures of the 50 State agencies, the District of Columbia, and Puerto Rico, and with prevention of improper, duplicate, or excessive payments. Under the Trade Expansion Act signed by the President on October 11, 1962, the

Bureau is responsible for payment of adjustment allowances. A worker's eligibility for such allowances is based upon a substantial amount of employment in a recent period and total or partial separation from employment which has been determined by the U.S. Tariff Commission to have been affected adversely by increased imports resulting from concessions granted under trade agreements. Trade readjustment allowances are payable for up to 52 weeks of unemployment at a weekly rate which is the lesser of 65 percent of the worker's average weekly wage during a specified period, or the average weekly manufacturing wage as published by the Bureau of Labor Statistics.

An additional 13 weeks may be payable to workers who are 60 or more years of age when separated from adversely affected employment. Up to 26 additional weeks may be paid to an eligible worker to permit him to complete training which began prior to his having received 52 weeks of allowances or prior to the end of his benefit period. Transportation and subsistence allowances are payable under the Trade Expansion Act to workers adversely affected who are taking training provided by the Area Redevelopment Act or the Manpower Development and Training Act at a training facility which is not within commuting distance of the trainees' homes. Relocation allowances are provided to cover the expense incurred by an adversely affected worker in moving himself, his family, and household effects to a location where he has obtained new employment.

State employment security agencies, acting as agents of the United States under agreements with the Secretary of Labor, were made responsible for processing claims and paying allowances, from Federal funds appropriated by Congress, to workers eligible under the act. However, at the end of fiscal year 1963, no funds had been appropriated for the payment of such allowances.

Following passage of the Trade Expansion Act, the Bureau's Unemployment Insurance Service developed specifications for regulations and agreements; issued operational procedures as a guide for State agencies; made plans for training meetings for State agency staff members; and initiated trade readjustment allowance notices to inform State agencies of industry, firm, and worker petitions filed with the U.S. Tariff Commission and the findings on petitions acted upon by the Commission. Up to June 30, 1963, the Commission had made no affirmative findings on petitions filed.

Research and Information

To make the unemployment insurance program more effective in lessening hardships of unemployment, there was a recognized need in fiscal 1963 for examining the way the program functioned, the impact it had on claimants, and its role in the Nation's economy. In response to this need, the number and scope of UI research projects undertaken by the States were expanded greatly. Coverage, benefit entitlement, and exhaustion experience were among the principal areas investigated.

Interest continued in the employment, unemployment, and earnings experience of agricultural workers. One State (Nebraska) completed its survey findings during the 1963 fiscal year, and one more (Washington) began planning to conduct such a survey. These studies, and the three completed in fiscal year 1962 by Arizona, Connecticut, and New York, were based on a methodology recommended by the Bureau.

Eight States (Alaska, Florida, Maryland, Mississippi, Missouri, Nevada, New Hampshire, Vermont) and the District of Columbia studied benefit entitlement to develop a factual basis for evaluating qualifying requirements in State laws, and one State (Oklahoma) published the results of its study. These studies involved the compilation, for samples of covered workers, of a quarterly record of earnings in covered employment over a 3-year period. Analyses of the data in these studies will shed considerable light on varying degrees of labor force attachment among workers and will help in developing more adequate tests for insured status.

By the end of fiscal year 1963, seven States (Arizona, Florida, Massachusetts, North Carolina, New Jersey, Pennsylvania, Washington) had established continuous wage and benefit histories of workers and claimants. This information was obtained as a byproduct of records already available. Worker and claimant histories, which show individual employment patterns by industry over several years, provide data for analyzing employment and benefit experiences of workers.

In fiscal 1963, three States (Massachusetts, Minnesota, Wyoming) and Puerto Rico studied the labor market experience of beneficiaries who had exhausted their benefit rights. In addition to clarifying problems of the long-term unemployed, these studies, based on a Bureau guide, will answer many questions relating to extent of benefit duration. A number of States developed plans for conducting studies in fiscal year 1964.

Other research completed or in process during fiscal year 1963 included studies on the adequacy of the weekly benefit amount; successive benefit-year claimants, disqualifications, and nonmonetary determinations; and temporary disability insurance.

The major research activity of the Bureau in fiscal year 1963 was the task of tabulating, summarizing, analyzing, and publishing the data collected in fiscal year 1962 on beneficiaries under the Temporary Extended Unemployment Compensation Act. This study involved about 175,000 claimants throughout the Nation. In fiscal year 1963, the Bureau published four more reports in the TEUC series "Family Characteristics of the Long-Term Unemployed," bringing to six the number published to date. The reports indicated that the majority of TEUC beneficiaries had characteristics similar to those of workers generally, were the main support for themselves and their families, and were firmly attached to the labor force. Workers classified in the study as secondary wage earners also demonstrated a substantial employment history. The findings confirmed the need for establishing the TEUC program to assist the long-term unemployed.

Plans were made for another report on TEUC exhaustees which would combine the results of all four surveys with State and national data.

Besides the family characteristics study, 13 States continued with special supplementary studies covering both TEUC and regular UI program claimants. During the year, data were tabulated for studies to be published in fiscal year 1964 of household adjustments and financial resources of TEUC claimants during their unemployment; of the labor force status of TEUC claimants 3 months after they had used up all of their benefits; and of family characteristics, adjustments, and resources of regular UI program claimants.

High levels of unemployment which prevailed in most States during the last 5 years resulted in higher cost rates and focused attention on the need for more adequate and related financial taxing provisions.

The following financing areas were those most frequently explored by State agencies during fiscal 1963: (1) Estimation of levels of benefit costs over a period of future years (availability of estimates of payout levels is a first step in more realistic planning of the program's tax income); (2) measures and indicators of reserve fund adequacy; (3) impact on taxes of limitations on the taxable wage base and the maximum tax rate; (4) impact on taxes of different experience rating techniques under varying economic conditions; and (5) impact upon tax income of benefit costs that do not enter into the rating process. (Costs in the case of item 5 include benefit payments not charged to any employer and benefit payments charged to employers who already are paying the maximum tax rate.)

To make research more helpful to the unemployment insurance program, the Bureau encouraged State agencies to develop a continuous program which would use their resources in an integrated fashion and would relate research to all other areas of the unemployment insurance program.

Administration

In a long-range program to strengthen administration of the unemployment insurance program, the Bureau worked with State agencies in the following special areas: Improving organization, management, and supervision; reducing tax delinquency; eliminating deficiencies in the claims adjudication process; speeding up the benefit payment process and reducing overpayment errors; and installing automatic data processing equipment to reduce administration costs.

The separation of claim services and employment services in large metropolitan areas made operationally feasible a direct line of authority and responsibility from the top unemployment insurance executive in the State agency to the local claims office. Thus, program-oriented management techniques were installed which were not possible under joint claims and employment operations.

In considering techniques for reducing tax delinquency, the Bureau and State agencies agreed that field audits should be made of firms which, by

their past records, were most likely to become delinquent in the filing of reports and the payment of taxes. The audits should not be based on a random selection of firms.

Assistance was given the States in training personnel in better fact-finding and decision writing for the claims adjudication process. Cooperative effort was also made to reduce the time lapse in holding appeals hearings and in issuing decisions.

Because of the volume of claims and the many processes which enter into making a benefit payment, there are inevitably some processing errors and some checks issued in the wrong amount, thus requiring review and correction. Techniques were developed, and will be tested, for using machine processes. If these techniques are applied successfully, payments will be expedited, many errors will be prevented, and claims personnel—freed from most manual clerical functions—will have more time for concentrating on claims interviews and determining eligibility for benefits.

Enormous quantities of data are collected, processed, and used in the administration of the unemployment insurance program. Until recently, use of electronic data processing equipment, because of its cost, was feasible in only the large States. With the development of smaller, less costly systems, 17 States have made installations, 7 of them in the past year. Eight other States plan installations of such equipment in fiscal 1964, and seven expect to increase the capacity of present systems. Many original tabulating equipment installations, set up for purposes of processing tax returns and claims, have been applied to other functions, such as fraud detection, statistical analysis, and management analysis.

APPENDIX TABLE 1.—Selected employment service activities, U.S. totals for fiscal years 1956-63, by State for fiscal year 1963

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	5,957,990	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
1960-61.....	10,605,108	1,783,310	1,799,730	5,591,089	9,004,319
1961-62.....	10,413,532	2,020,549	2,176,709	6,506,008	9,028,451
1962-63.....	11,045,696	2,088,332	2,300,436	6,632,252	7,923,543
Alabama.....	148,759	20,418	38,379	116,874	72,755
Alaska.....	18,000	3,466	8,013	9,906	281
Arizona.....	128,000	18,716	20,782	112,956	707,610
Arkansas.....	155,625	28,719	33,461	106,726	258,486
California.....	1,483,561	203,465	227,782	797,060	273,961
Colorado.....	135,596	20,107	30,802	96,765	85,587
Connecticut.....	180,680	32,766	29,438	100,844	11,457
Delaware.....	18,254	4,273	3,605	6,992	7,302
District of Columbia.....	70,904	19,244	21,549	51,708	0
Florida.....	245,452	31,496	53,515	252,309	131,465
Georgia.....	195,056	33,063	46,523	153,630	125,812
Guam.....	1,668	4	81	1,251	0
Hawaii.....	41,562	5,010	6,416	14,361	2,772
Idaho.....	53,988	10,178	10,609	40,381	130,923
Illinois.....	429,693	85,028	106,133	211,737	88,349
Indiana.....	269,678	35,462	62,925	100,683	52,867
Iowa.....	102,281	19,764	31,858	87,773	31,565
Kansas.....	101,839	23,122	26,097	89,567	17,460
Kentucky.....	152,967	37,244	55,651	67,909	101,792
Louisiana.....	144,384	22,805	31,919	85,782	243,773
Maine.....	48,483	13,306	12,123	23,334	9,884
Maryland.....	166,955	26,957	24,429	87,912	116,093
Massachusetts.....	326,072	61,901	45,856	172,754	48,460
Michigan.....	615,641	81,121	89,015	174,832	138,516
Minnesota.....	190,342	24,590	52,152	102,968	45,009
Mississippi.....	140,700	39,000	41,278	108,826	1,332,731
Missouri.....	239,403	43,619	57,456	102,724	189,740
Montana.....	53,637	19,056	19,655	35,820	33,213
Nebraska.....	58,295	17,411	23,645	63,129	29,044
Nevada.....	42,863	5,589	8,393	36,324	9,071
New Hampshire.....	43,604	9,754	7,966	17,397	4,458
New Jersey.....	338,735	46,443	39,598	149,009	134,193
New Mexico.....	61,894	12,563	15,427	49,388	20,629
New York.....	940,232	210,594	121,494	836,877	125,402
North Carolina.....	237,968	43,213	66,138	157,620	588,953
North Dakota.....	30,127	6,122	13,026	29,745	18,092
Ohio.....	612,410	124,329	148,402	243,009	201,247
Oklahoma.....	131,067	31,461	38,918	160,369	32,588
Oregon.....	127,679	34,856	28,120	78,333	442,991
Pennsylvania.....	596,869	182,026	115,602	253,582	270,377
Puerto Rico.....	152,067	32,169	24,400	45,990	12,885
Rhode Island.....	55,091	13,207	12,227	32,537	316
South Carolina.....	108,802	11,580	33,656	87,779	152,662
South Dakota.....	31,437	7,490	9,849	26,288	12,808
Tennessee.....	154,297	28,979	61,514	114,605	669,909
Texas.....	721,972	134,354	131,146	502,480	571,391
Utah.....	61,641	14,384	28,941	51,395	28,461
Vermont.....	22,396	2,441	4,026	15,919	1,468
Virginia.....	156,801	41,368	45,294	108,749	48,580
Virgin Islands.....	2,245	1,001	545	1,450	9
Washington.....	186,803	38,990	48,086	88,146	240,389
West Virginia.....	81,890	22,122	17,362	44,381	3,479
Wisconsin.....	206,292	48,052	66,015	108,186	34,654
Wyoming.....	23,039	3,934	2,784	15,181	8,624

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, June 30, 1963*

State	Size of firm		Minimum benefits			Maximum benefits		
	Mini- mum number of workers	Minimum period of time ¹	Weekly amount ²	Annual amount ³	Minimum qualify- ing wages	Weekly amount ²	Annual amount ³	Minimum qualify- ing wages
								High quarter
Alabama.....	4	20 weeks.....	\$9	\$111.00	\$221.00	\$331.50	\$32.00	\$319.01
Arizona.....	3	20 weeks.....	10	100.00	75.00	300.00	910.00	890.01
Arkansas.....	15	10 days.....	15	112.50	450.00	450.00	910.00	2,727.01
California ⁴	1	Not specified ¹	25	*300.00	150.00	450.00	910.00	2,625.01
Colorado.....	4	20 weeks.....	14	140.00	105.00	420.00	450.00	2,888.01
Connecticut.....	3	20 weeks.....	10-14	*120.00-138.00	130.00	300.00	450.00	3,744.00
Delaware.....	1	20 weeks.....	13	130.00	130.00	300.00	450.00	3,450.00
District of Columbia.....	1	At any time.....	8-9	138.00-175.00	120.00	270.00	450.00	3,512.17
Georgia.....	4	20 weeks.....	8	120.00	120.00	270.00	450.00	3,350.01
Hawaii.....	1	At any time.....	5	130.00	120.00	270.00	450.00	3,350.01
Idaho.....	1	At any time.....	17	*120.00	37.50	150.00	450.00	3,350.01
Illinois.....	4	20 weeks.....	10	*170.00	365.00	720.00	450.00	1,650.00
Indiana.....	4	20 weeks.....	10	*200.00	187.50	750.00	450.00	1,118.01
Iowa.....	4	20 weeks.....	10	100.00	200.00	300.00	450.00	1,118.01
Kansas.....	4	20 weeks.....	10	100.00	200.00	300.00	450.00	1,118.01
Kentucky.....	4	20 weeks.....	10	100.00	200.00	300.00	450.00	1,118.01
Louisiana.....	4	20 weeks.....	10	120.00	75.00	300.00	450.00	1,118.01
Maryland.....	4	At any time.....	10-12	260.00-312.00	102.01	300.00	450.00	1,118.01
Massachusetts ⁴	1	13 weeks.....	10-16	234.00-312.00	175.00	700.00	450.00	1,118.01
Mississippi.....	1	20 weeks.....	8	85.00	130.01	288.00	450.00	1,118.01
Missouri.....	4	20 weeks.....	8	85.00	130.01	288.00	450.00	1,118.01
Montana.....	4	20 weeks.....	15	195.00	285.00	427.50	450.00	1,118.01
Nebaska ⁴	4	20 weeks.....	12	132.00	200.00	600.00	450.00	1,118.01
Nevada.....	4	20 weeks.....	8-12	80.00-120.00	60.00	240.00	450.00	1,118.01
New Mexico.....	1	Not specified ¹	10	180.00	150.00	300.00	450.00	1,118.01
North Dakota.....	4	20 weeks.....	15	270.00	150.00	600.00	450.00	1,118.01
Oklahoma.....	4	20 weeks.....	10	100.00	75.00	300.00	450.00	1,118.01
Pennsylvania.....	1	At any time.....	10	300.00	120.00	320.00	450.00	1,118.01
Puerto Rico.....	4	At any time.....	7	84.00	50.00	150.00	450.00	1,118.01
South Carolina.....	4	20 weeks.....	10	100.00	180.00	300.00	450.00	1,118.01
South Dakota.....	4	20 weeks.....	12	192.00	250.00	600.00	450.00	1,118.01
Tennessee.....	4	20 weeks.....	12	144.00	285.01	432.00	450.00	1,118.01
Texas.....	4	20 weeks.....	6	*102.00	112.50	700.00	450.00	1,118.01
Utah.....	1	Not specified ¹	10	220.00	175.00	700.00	450.00	1,118.01
Virginia.....	4	20 weeks.....	12	120.00	112.50	450.00	450.00	1,118.01
Wyoming.....	1	Not specified ¹	10	150.00	250.00	748.00	450.00	1,118.01

A. High-quarter formula

See footnotes at end of table.

APPENDIX TABLE 2.—*Significant provisions in State unemployment insurance laws, June 30, 1963—Continued*

State	Size of firm		Minimum benefits			Maximum benefits		
	Minimum number of workers	Minimum period of time ¹	Weekly amount ²	Annual amount ³	Minimum qualifying wages		Annual amount ²	Minimum qualifying wages
					High quarter	Base period		
B. Annual-wage formula								
Alaska.....	1	At any time.....	2 10-15	150.00-225.00	-----	500.00	1, 170.00-1, 820.00	-----
Maine.....	4	20 weeks.....	9	234.00	-----	400.00	884.00	4,000.00
Minnesota.....	1	20 weeks ¹	12	216.00	-----	520.00	988.00	2,900.00
New Hampshire ⁴	1	20 weeks.....	13	338.00	-----	600.00	1,170.00	3,000.00
North Carolina.....	4	20 weeks.....	12	*312.00	-----	550.00	*910.00	3,600.00
Oregon ⁴	1	Not specified ¹	20	233.00	-----	700.00	1,144.00	3,520.00
Washington.....	1	At any time.....	17	297.00	-----	800.00	1,260.00	3,925.00
West Virginia.....	4	20 weeks ¹	12	312.00	-----	700.00	910.00	3,630.00
C. Average-weekly-wage formula								
State	Size of firm		Minimum benefits			Maximum benefits		
	Minimum number of workers	Minimum period of time ¹	Weekly amount ²	Annual amount ³	Minimum qualifying employment and wages		Annual amount ²	Minimum qualifying employment and wages
					Weeks of employment	Base-period wages		
Florida.....	4	20 weeks ¹	\$10	\$100.00	20	\$400.00	\$858.00	52
Michigan ⁴	4	20 weeks.....	2 10-12	95.00-114.00	14	210.14	858.00-1,560.00	\$3,328.52
New Jersey.....	4	20 weeks.....	10	128.00	17	255.00	1,800.00	39
New York.....	1	Not specified ¹	40	280.00	20	300.00	1,800.00	35
Ohio.....	3	At any time.....	2 10-13	200.00-290.00	20	400.00	1,092.00-1,378.00	\$3,430.35
Rhode Island.....	1	At any time.....	10-13	120.00-156.00	20	400.00	936.00-1,248.00	\$2,980.00
Vermont.....	3	20 weeks.....	40	*290.00	20	400.00	*1,092.00	32
Wisconsin.....	4	20 weeks ¹	11	137.50	18	\$288.00	1,802.00	20
								\$4,680.45

*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 2 amounts are given, higher includes dependents' allowances. Higher figure for minimum weekly benefit amount includes allowance for one dependent; in Michigan for one dependent child or two dependents other than a child; in Ohio, the amount shown is payable only if there is a working spouse, otherwise \$8 is payable for either dependent spouse or 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' allowances, high-quarter wages of over \$860 are required (Nevada). Amount shown is one-fourth of base-period wages, because eligi-

bility for maximum annual benefits requires more than 4 times high-quarter wages needed for maximum weekly benefit (Indiana and Oklahoma).

⁴ Effective September 20, 1963, in California; September 29, 1963, in Massachusetts; September 6, 1963, in Michigan; October 19, 1963, in Nebraska; April 1, 1964, in New Hampshire; October 20, 1963, in Ohio; and January 1, 1964, in Oregon.

⁵ Qualifying requirements apply to basic benefits only. For claimants with maximum dependents, high-quarter wages of \$1,263.26 are required in Illinois; high-quarter wages of \$1,072.51 and base-period wages of \$3,534.11 in Iowa; wages of \$4,002.39 and 39 weeks in Michigan.

⁶ Qualifying wages shown yield benefits shown. Alternative qualifying wage of \$240 in 1 quarter and \$125 in another would yield weekly benefit of \$10 and annual benefits of \$34.

⁷ And 19 weeks of employment (Utah); 28 weeks (Wyoming).

⁸ Or 15 weeks in preceding 32 weeks and 40 weeks in preceding 104 weeks at average wage of \$15 or more (New York); 14 weeks in preceding 52 weeks and 55 weeks in preceding 104 weeks at average of \$16 or more (Wisconsin).

APPENDIX TABLE 3.—*Claims, beneficiaries, amount, and duration of benefits under State programs, U.S. totals for fiscal years 1953-63, by State for fiscal year 1963*

[Note: 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 ¹	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 ³
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	22.3
1954-55.....	8,011,125	6,473,650	5,405,252	73,516,903	25.05	13.6	20.6	1,773,748	29.4
1955-56.....	7,045,280	5,556,629	4,457,710	51,805,215	26.33	11.6	19.9	1,023,751	29.0
1956-57.....	7,511,029	6,064,003	5,012,919	58,117,279	27.53	12.8	20.9	1,094,146	22.0
1957-58.....	11,298,540	9,170,732	7,802,338	100,175,637	30.08	12.8	20.9	1,788,743	25.7
1958-59.....	9,001,602	7,061,581	6,044,804	93,105,779	30.33	15.4	22.1	2,436,510	34.7
1959-60.....	9,204,619	7,247,575	6,154,226	76,729,214	31.68	12.5	21.3	1,478,819	25.1
1960-61.....	11,120,150	8,902,094	7,732,954	106,550,377	33.84	13.8	21.6	2,131,821	31.4
1961-62.....	9,204,423	7,146,254	5,988,127	84,279,579	34.02	14.1	21.9	1,967,099	27.8
1962-63.....	9,207,711	7,383,394	6,198,793	81,330,989	35.08	13.1	21.5	1,593,048	26.2
Alabama.....	136,057	90,163	73,462	1,046,443	25.85	14.2	21.3	28,003	37.2
Alaska.....	15,951	11,169	10,131	163,198	37.26	16.1	24.5	2,004	26.7
Arizona.....	66,607	41,777	34,845	398,467	31.61	11.4	19.3	7,623	22.6
Arkansas.....	94,317	62,598	50,063	563,460	23.30	11.3	19.0	13,084	26.2
California.....	1,065,624	836,371	721,860	9,947,417	42.43	13.8	22.2	184,913	26.4
Colorado.....	162,997	49,091	36,569	596,351	42.77	15.5	22.2	9,139	25.5
Connecticut.....	165,902	133,620	95,798	1,252,393	37.13	13.1	19.9	27,016	29.8
Delaware.....	21,434	18,391	15,338	185,116	37.82	12.1	20.4	4,259	22.8
District of Columbia.....	32,690	23,002	18,625	272,498	35.98	14.6	23.9	4,288	25.0
Florida.....	217,428	123,119	110,905	1,254,542	27.95	11.3	16.2	40,104	30.3
Georgia.....	169,050	122,469	98,469	924,086	27.39	9.4	14.7	32,464	32.4
Hawaii.....	31,340	23,261	20,720	294,560	38.66	14.2	26.0	4,098	18.2
Idaho.....	34,452	24,604	21,971	244,670	36.41	11.1	15.2	6,388	30.5
Illinois.....	440,340	360,093	312,748	3,786,238	38.17	12.1	18.4	94,024	30.5
Indiana.....	202,040	173,093	140,944	1,435,330	31.38	10.2	13.9	46,094	31.4
Iowa.....	36,831	46,475	36,040	405,199	30.37	11.2	16.4	9,954	24.7
Kansas.....	39,709	46,475	42,380	459,310	36.37	10.8	19.6	9,154	23.1
Kentucky.....	132,285	86,673	68,633	802,200	31.67	13.0	20.8	19,998	28.8
Louisiana.....	137,210	101,891	84,031	1,112,764	30.39	17.1	20.8	27,752	44.2
Maine.....	26,389	50,420	44,405	459,948	23.55	11.4	19.9	7,435	11.8
Maryland.....	138,841	118,195	105,092	1,472,779	31.18	14.0	26.0	25,125	23.0
Massachusetts.....	338,240	312,632	276,278	3,711,240	37.71	13.5	21.9	65,973	25.1
Michigan.....	415,198	373,650	290,629	2,915,786	35.60	10.0	18.2	70,005	22.3
Minnesota.....	121,345	106,252	90,844	1,303,599	29.82	14.4	22.8	22,622	25.7

Mississippi.....	76,866	51,894	41,854	517,153	23,62	12.4	20.0	11,702	27.9
Missouri.....	223,961	156,339	131,220	1,396,654	32.71	10.6	19.8	27,383	21.0
Montana.....	30,502	25,232	19,256	219,373	30.94	11.4	18.3	6,058	27.0
Nebraska.....	33,068	30,897	26,724	308,640	30.95	12.0	18.2	6,262	24.6
Nevada.....	26,748	18,577	15,876	177,616	38.05	11.2	19.5	3,511	24.2
New Hampshire.....	40,707	34,552	34,552	257,806	30.30	10.0	25.7	2,416	11.5
New Jersey.....	402,340	362,426	310,144	4,183,126	39.04	13.5	20.7	79,733	27.4
New Mexico.....	33,407	25,737	21,342	297,483	30.12	13.9	24.8	4,275	20.4
New York.....	1,197,981	1,012,707	846,429	12,313,602	38.31	14.5	26.0	159,827	20.2
North Carolina.....	225,913	170,328	156,700	1,683,194	22.93	10.7	24.4	26,328	16.5
North Dakota.....	14,774	10,161	9,572	130,299	31.75	13.6	24.0	1,355	14.2
Ohio.....	421,157	366,399	304,802	4,401,335	41.20	14.4	26.0	70,749	22.6
Oklahoma.....	93,322	52,207	45,761	683,078	26.49	14.9	23.1	14,135	32.3
Oregon.....	108,497	77,132	60,302	751,244	34.93	12.5	21.1	14,409	22.8
Pennsylvania.....	718,523	593,284	531,544	8,353,675	32.62	15.7	30.0	114,721	21.6
Puerto Rico.....	88,897	58,384	49,229	581,777	14.00	11.4	12.0	33,300	81.8
Rhode Island.....	70,845	61,186	51,283	610,470	30.65	11.9	20.0	11,291	22.5
South Carolina.....	99,119	68,480	49,558	578,103	25.91	11.7	19.7	16,821	36.9
South Dakota.....	13,537	11,853	10,864	120,828	30.32	11.1	15.5	2,904	31.8
Tennessee.....	190,317	139,203	103,851	1,405,003	24.35	13.5	20.8	34,410	34.6
Texas.....	321,065	233,550	189,086	2,361,361	29.52	12.5	16.6	79,488	44.4
Utah.....	34,240	29,436	23,881	285,881	36.05	12.0	18.9	5,595	25.9
Vermont.....	19,561	15,482	12,972	179,806	30.22	13.9	26.0	2,418	20.8
Virginia.....	102,549	77,227	58,081	563,862	26.57	9.7	14.2	20,158	33.3
Washington.....	176,192	137,902	118,601	1,612,298	32.37	13.6	25.2	23,897	21.1
West Virginia.....	102,748	70,850	66,573	888,362	23.06	13.3	25.4	14,881	21.6
Wisconsin.....	154,821	142,508	127,970	1,235,652	40.64	9.7		43,314	35.7
Wyoming.....	16,722	13,158	12,527	169,714	43.55	13.5	18.7	3,588	29.4

¹ To reflect more nearly different individuals who filed claims during fiscal year, data include intrastate new claims and transitional claims and interstate new claims taken as agent State. UCFE initial claims are included for years 1955-59.

² Represent new claims with sufficient wage credits.

³ Represent claimants receiving first payment in benefit year.

⁴ Total, part total, and partial unemployment.

⁵ For fiscal years 1961, 1962, and 1963, based on first payments for 12-month period ending on December 31. For prior years, based on first payments for 12 months ended March 31.

⁶ Excludes Wisconsin; comparable data not available.

⁷ Includes claims filed by interstate claimants in the Virgin Islands (16).

⁸ 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.

⁹ 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 1953-63, by State for fiscal year 1963¹

Year and State	Subject em- ployers as of June 30	Covered em- ployment as of June 30	State collections		Interest on State ac- counts in trust fund (000)	Benefits paid ²		State reserves for benefits June 30, 1963 ³	
			Amount ⁴ (000)	Average em- ployer rate ⁵ (percent)		Amount (000)	Percent of taxable wages ⁶	Amount (000)	Percent of taxable wages ³
1952-53	1,551,177	37,081,119	\$1,367,806	1.45	\$188,587	\$912,898	0.9	\$8,577,745	8.6
1953-54	1,580,679	35,402,182	1,246,230	1.30	208,841	1,588,846	1.6	8,442,080	8.6
1954-55	1,618,301	36,842,558	1,142,009	1.12	186,874	1,759,876	1.8	8,011,358	8.0
1955-56	1,894,968	39,527,320	1,328,722	1.18	186,907	1,282,452	1.2	8,243,525	7.6
1956-57	2,045,776	40,347,139	1,537,127	1.32	211,967	1,504,471	1.3	8,514,696	7.5
1957-58	2,084,542	39,030,074	1,500,397	1.31	199,651	2,875,492	2.6	7,417,380	6.7
1958-59	2,151,603	40,601,190	1,675,286	1.32	179,133	2,790,236	2.4	6,708,819	5.9
1959-60	2,151,603	41,137,151	2,164,757	1.71	182,213	2,356,113	2.0	6,691,003	5.6
1960-61	2,296,686	40,855,559	2,361,279	1.88	196,359	3,509,225	2.9	5,744,775	4.8
1961-62	2,333,192	42,232,747	2,709,253	2.02	165,182	2,777,591	7.2	5,804,454	7.4
1962-63	2,357,954	42,205,162	3,005,409	2.36	183,620	2,788,542	7.2	6,203,213	7.4
Alabama	22,006	543,025	36,455	1.89	1,673	26,539	1.8	57,831	4.0
Alaska	4	28,910	7,528	2.76	0	5,900	2.8	4,946	2.3
Arizona	16,763	268,144	12,415	1.42	1,965	12,404	1.5	63,793	7.9
Arkansas	34,130	302,942	11,487	1.43	915	12,643	1.7	28,496	3.7
California	327,433	4,190,798	487,090	3.08	18,827	452,595	3.0	608,711	4.0
Colorado	16,828	371,510	15,100	1.34	1,614	23,655	2.0	47,793	4.4
Connecticut	34,306	805,212	49,849	2.10	4,947	45,184	2.0	162,118	7.0
Delaware	9,236	127,830	10,198	2.46	4,366	6,734	1.6	13,653	3.3
District of Columbia	19,116	296,702	8,348	0.94	1,997	9,696	1.3	63,784	8.6
Florida	47,743	999,218	47,406	1.84	3,724	33,513	1.2	128,695	4.7
Georgia	26,817	799,320	30,330	1.40	4,452	23,079	1.1	148,107	7.0
Hawaii	11,786	168,281	6,015	1.25	540	10,236	2.3	15,654	3.5
Idaho	15,051	129,231	8,745	2.45	790	9,223	2.5	24,893	6.8
Illinois	90,258	2,666,854	175,198	2.20	11,623	145,350	1.8	387,976	4.8
Indiana	33,133	1,112,812	44,275	1.31	4,261	142,685	1.3	138,932	4.2
Iowa	23,669	451,988	10,629	1.23	3,243	11,698	1.0	104,139	8.3
Kansas	18,952	361,045	13,173	1.23	1,924	16,298	1.6	98,607	5.9
Kentucky	22,737	470,127	27,968	1.83	3,046	26,844	2.1	96,633	6.3
Louisiana	28,692	561,380	20,687	1.83	3,023	10,297	2.0	24,132	4.4
Maine	8,827	189,541	11,427	1.98	750	10,287	1.9	104,139	4.4
Maryland	53,161	734,227	64,586	3.21	2,905	44,184	2.6	181,621	5.1
Massachusetts	106,152	1,510,959	127,126	2.61	5,809	129,329	2.6	243,084	3.7
Michigan	58,013	1,784,784	164,457	2.98	3,034	100,080	1.9	27,766	1.4
Minnesota	44,640	736,271	90,923	1.52	1,047	38,082	1.6	34,747	4.7
Mississippi	13,103	289,457	16,142	2.02	1,018	11,940	1.9	197,408	7.0
Missouri	36,792	678,913	43,200	1.51	6,123	42,372	1.5	20,157	6.0
Montana	10,056	112,054	5,483	1.59	657	6,775	2.0		

Nebraska.....	12,695	241,247	8,643	1,209	9,355	1.4	38,175	5.6
Nevada.....	8,447	106,570	10,289	637	6,591	1.7	22,499	5.8
New Hampshire.....	7,149	156,045	7,115	746	7,326	1.7	23,723	5.5
New Jersey.....	66,087	1,619,303	136,215	9,620	156,800	3.2	296,908	6.1
New Mexico.....	17,861	162,408	6,288	1,130	8,790	1.8	34,916	7.3
New York.....	379,327	5,104,171	516,255	33,563	443,953	2.9	1,100,209	7.2
North Carolina.....	36,038	968,363	40,024	5,838	37,144	1.4	189,816	7.4
North Dakota.....	6,072	70,039	5,176	182	4,089	2.0	5,871	2.9
Ohio.....	102,566	2,389,607	151,101	3,737	177,560	2.5	101,038	1.4
Oklahoma.....	19,388	385,909	20,739	1,083	17,650	1.6	38,293	3.3
Oregon.....	38,990	414,321	38,397	1,655	25,282	3.1	57,311	1.7
Pennsylvania.....	195,894	2,922,902	269,038	1,740	258,157	3.1	139,859	1.7
Puerto Rico.....	8,653	294,450	15,043	1,294	11,640	2.2	45,112	8.6
Rhode Island.....	21,681	245,102	19,853	1,143	17,542	2.4	37,889	5.2
South Carolina.....	14,935	459,321	14,817	2,302	14,634	1.2	76,957	6.4
South Dakota.....	6,032	79,958	3,110	480	3,609	1.5	14,796	6.1
Tennessee.....	24,018	700,322	34,023	2,011	33,071	1.7	65,001	3.4
Texas.....	78,388	1,866,298	49,942	7,442	68,045	1.3	231,536	4.4
Texas.....	18,174	200,635	9,597	1,176	10,103	1.8	37,540	6.6
Vermont.....	5,178	75,294	3,608	290	5,352	2.5	8,011	3.7
Virginia.....	29,454	772,561	27,469	3,260	14,389	.7	112,025	5.4
Washington.....	61,652	630,554	53,258	6,190	51,295	2.6	199,678	10.0
West Virginia.....	12,907	312,790	28,232	1,359	19,764	1.9	47,803	4.6
Wisconsin.....	34,817	929,442	39,022	6,048	48,996	1.9	189,323	7.5
Wyoming.....	9,535	62,015	3,906	1,153	7,317	3.8	2,988	1.5

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

² Adjusted for voided benefit checks and transfers under interstate combined wage plan.

³ 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 U.S. Treasury.

⁴ Data represent contributions, penalties, and interest from employers and contributions from employees in three States. Adjusted for refunds and for dishonored contribution checks.

⁵ Data represent calendar years 1962 to 1963 preceding the fiscal year specified.

⁶ 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 of earnings in all States except 12. A \$3,600 taxable wage base became effective in Nevada on Jan. 1, 1954; in Delaware on Jan. 1, 1955; in Rhode Island on Jan. 1, 1956; in Hawaii, Massachusetts, and West Virginia on Jan. 1, 1962; in Idaho on Jan. 1, 1963; and in Michigan on Mar. 31, 1963. In Alaska, the wage base was increased to \$3,600 effective Jan. 1, 1955, to \$4,200 effective Jan. 1, 1957, and to \$7,200 effective Jan. 1, 1960. In Oregon, the wage base was increased to \$3,600 effective Jan. 1, 1956, and to \$3,800 effective Jan. 1, 1960, if the Fund Reserve Ratio is under 6 percent as determined on August 31 of the preceding year. In California, the wage base was increased to \$3,600 effective Jan. 1, 1960, to \$3,800 effective Jan. 1, 1962, and in Tennessee, the wage base was increased to \$3,300 effective Jan. 1, 1963.

⁷ The reserve ratios and benefit ratios for fiscal year 1963 are estimated on the basis of taxable wages for 12 months ending on Dec. 31, 1962.

⁸ Represents preliminary data as of December 1962; includes private industry and State and local government employees.

APPENDIX TABLE 5.—Selected data on unemployment compensation for Federal employees, U.S. totals for January-June 1955 and fiscal years 1956-63, by State for fiscal year 1963

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
1960-61.....	2,606,313	162,268	33,860	32,341	97,234	59,152,940	34.05
1961-62.....	2,673,139	148,514	30,429	29,093	86,585	54,725,914	35.13
1962-63.....	2,663,448	153,463	29,811	28,347	88,111	56,378,292	36.75
Alabama.....	67,239	4,246	859	811	2,191	1,252,371	29.47
Alaska.....	14,863	1,375	341	307	1,252	788,889	36.83
Arizona.....	24,073	2,276	312	273	1,159	467,333	32.42
Arkansas.....	16,585	1,635	340	253	854	347,605	25.88
California.....	281,764	18,229	4,941	4,646	13,527	12,815,408	46.92
Colorado.....	40,635	2,490	392	403	1,243	892,439	41.61
Connecticut.....	19,271	668	147	130	386	268,953	38.60
Delaware.....	4,641	196	39	22	77	46,141	40.22
District of Columbia.....	217,956	3,136	848	1,103	3,020	2,340,947	40.17
Florida.....	58,249	3,609	562	386	1,544	599,893	29.81
Georgia.....	67,386	3,435	630	526	1,935	870,665	31.71
Hawaii.....	28,215	1,257	311	392	1,114	913,613	43.66
Idaho.....	8,995	1,274	210	211	893	469,867	38.78
Illinois.....	122,781	6,319	1,171	1,108	3,340	2,104,865	36.52
Indiana.....	38,247	1,625	294	226	887	394,186	33.01
Iowa.....	20,416	396	64	69	238	98,300	27.41
Kansas.....	25,281	1,266	226	215	831	418,318	37.07
Kentucky.....	33,802	3,729	713	626	2,391	1,140,567	34.88
Louisiana.....	26,807	2,217	427	342	1,057	541,592	30.19
Maine.....	9,485	748	132	109	361	140,880	23.38
Maryland.....	82,206	3,290	494	497	1,422	874,675	33.51
Massachusetts.....	77,832	3,296	865	1,035	2,039	2,192,219	40.17
Michigan.....	54,925	3,997	513	459	1,878	766,222	32.51
Minnesota.....	31,351	1,562	339	338	1,085	529,292	27.98
Mississippi.....	19,313	2,285	358	332	1,159	442,050	25.33
Missouri.....	60,379	3,068	400	377	1,337	645,813	32.27
Montana.....	11,924	1,481	221	202	890	349,611	32.45
Nebraska.....	19,596	1,611	107	127	461	206,056	31.11
Nevada.....	7,471	705	90	80	327	162,985	38.54
New Hampshire.....	14,368	515	99	130	429	240,444	34.60
New Jersey.....	67,181	4,698	821	638	2,063	1,423,189	42.71
New Mexico.....	27,002	2,086	291	277	1,004	477,168	32.48
New York.....	215,097	13,419	2,211	1,940	5,413	4,189,469	41.52
North Carolina.....	38,071	2,706	462	422	1,448	568,389	25.29
North Dakota.....	8,616	395	87	72	254	111,224	29.56
Ohio.....	105,720	3,582	837	1,214	4,073	2,481,449	39.30
Oklahoma.....	48,006	1,490	401	307	983	519,335	26.96
Oregon.....	25,436	2,749	388	358	1,438	666,782	35.69
Pennsylvania.....	145,941	9,030	2,071	1,743	3,827	2,980,494	32.18
Puerto Rico.....	9,387	899	258	240	547	368,092	29.55
Rhode Island.....	14,412	826	221	231	591	432,879	35.84
South Carolina.....	28,909	1,853	286	259	1,037	407,233	29.88
South Dakota.....	11,167	1,571	87	98	429	156,104	30.50
Tennessee.....	40,194	4,344	808	713	2,182	1,064,656	28.39
Texas.....	132,582	6,794	1,291	1,359	4,559	2,303,675	32.22
Utah.....	31,677	1,816	438	387	1,453	761,549	37.59
Vermont.....	3,578	223	42	36	105	64,233	33.09
Virginia.....	89,863	2,872	392	248	1,128	460,682	30.39
Virgin Islands.....	765	26	5	3	9	3,722	23.74
Washington.....	55,767	9,115	1,432	1,375	4,241	2,606,732	35.35
West Virginia.....	12,487	948	172	138	405	151,804	20.55
Wisconsin.....	25,664	1,635	273	272	1,107	537,961	38.07
Wyoming.....	5,929	480	96	132	488	319,272	44.98

¹ Excludes temporary Christmas assistants of the Post Office Department prior to 1957. Includes these workers 1957-63.

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 payment.

⁷ Includes 13,941 employees not distributed by State.

APPENDIX TABLE 6.—Selected data on unemployment compensation for ex-service-men,¹ U.S. totals for October 1958–June 1959 and fiscal years 1960–63, by State for fiscal year 1963

Year and State	Initial claims	Average weekly insured unemployment	Average weekly number of beneficiaries	First payments	Total amount paid	Average weekly benefit amount ²
October 1958–June 1959...	249,231	55,479	50,409	160,224	\$52,953,457	\$20.35
1959–60.....	321,737	49,927	47,255	186,513	76,845,421	30.38
1960–61.....	375,680	67,694	64,836	239,271	107,143,380	30.90
1961–62.....	293,567	49,414	47,728	177,333	79,338,065	31.27
1962–63.....	343,477	57,881	54,908	211,139	95,991,913	32.67
Alabama.....	7,638	1,437	1,317	4,588	2,017,364	29.25
Alaska.....	472	84	85	319	159,235	34.90
Arizona.....	4,048	444	427	2,003	721,651	32.06
Arkansas.....	4,128	710	625	2,631	933,310	28.08
California.....	36,498	6,207	5,837	25,188	12,548,667	36.74
Colorado.....	3,879	601	530	2,057	1,035,804	36.73
Connecticut.....	3,057	327	292	1,709	501,258	31.99
Delaware.....	741	95	86	416	159,576	35.11
District of Columbia.....	1,630	258	246	969	438,824	33.78
Florida.....	9,879	1,306	1,253	5,733	2,015,901	30.86
Georgia.....	5,063	823	787	3,276	1,334,330	32.46
Hawaii.....	1,400	232	219	907	419,925	35.94
Idaho.....	1,925	234	228	1,133	418,494	31.68
Illinois.....	13,495	1,875	1,817	7,648	3,304,964	33.66
Indiana.....	7,223	1,080	967	4,222	1,680,738	30.97
Iowa.....	2,317	322	315	1,540	496,656	30.19
Kansas.....	3,028	388	373	1,827	672,918	34.34
Kentucky.....	6,344	1,529	1,426	4,846	2,430,635	32.65
Louisiana.....	5,581	1,138	1,074	3,416	1,897,865	33.62
Maine.....	2,302	314	289	1,562	499,744	31.10
Maryland.....	6,636	691	747	3,152	1,264,955	32.23
Massachusetts.....	7,040	1,166	1,303	4,395	2,468,395	35.92
Michigan.....	18,188	3,153	2,931	10,589	4,439,276	29.32
Minnesota.....	6,187	1,165	1,183	4,281	2,260,418	34.21
Mississippi.....	3,070	430	388	1,577	565,912	27.64
Missouri.....	6,513	991	1,055	4,435	1,759,732	31.39
Montana.....	1,394	182	177	823	291,744	30.94
Nebraska.....	1,042	121	130	668	215,377	31.69
Nevada.....	1,083	89	83	462	161,297	36.75
New Hampshire.....	1,248	139	141	806	271,758	36.09
New Jersey.....	9,910	1,409	1,331	5,895	2,533,840	36.48
New Mexico.....	2,888	383	353	1,243	584,885	31.26
New York.....	23,964	3,452	3,133	13,630	5,371,553	32.95
North Carolina.....	5,645	843	855	3,684	1,424,541	31.28
North Dakota.....	1,180	267	234	893	385,307	31.49
Ohio.....	18,509	3,778	3,190	11,361	5,565,823	33.56
Oklahoma.....	3,634	863	819	2,961	1,232,083	28.64
Oregon.....	5,036	594	562	2,684	916,518	31.30
Pennsylvania.....	28,612	6,653	6,284	18,434	10,800,706	32.34
Puerto Rico.....	3,153	1,411	1,321	2,390	2,259,762	33.13
Rhode Island.....	1,859	280	282	1,223	468,026	31.76
South Carolina.....	3,330	504	475	2,029	776,904	31.08
South Dakota.....	873	127	140	679	227,111	31.13
Tennessee.....	6,869	1,451	1,340	4,382	1,998,678	28.35
Texas.....	16,778	2,538	2,831	11,029	4,837,453	32.47
Utah.....	1,719	301	268	1,197	461,166	32.87
Vermont.....	821	115	107	495	180,995	31.05
Virginia.....	4,508	604	500	2,313	949,730	31.05
Virgin Islands.....	9	3	3	7	5,032	33.55
Washington.....	15,213	1,682	1,632	7,339	3,102,745	35.43
West Virginia.....	6,584	1,538	1,410	4,189	2,005,529	26.53
Wisconsin.....	8,567	1,439	1,378	5,238	2,339,107	32.70
Wyoming.....	767	117	132	566	277,796	38.86

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

² Includes payments for partial unemployment.

APPENDIX TABLE 7.—*Disqualifications under State programs, by issue, U.S. totals for fiscal years 1955-63, by State for fiscal year 1963*
 [Note: Data for fiscal years 1955-59 include activities under the programs of unemployment compensation for Federal employees and represent an unduplicated count for both programs]

Year and State	Total disqualifications ¹	Voluntary quit		Misconduct		Not able or not available		Refusal of suitable work	
		Number	Per 1,000 new spells of insured unemployment ²	Number	Per 1,000 new spells of insured unemployment ²	Number	Per 1,000 claimant contacts ²	Number	Per 1,000 claimant contacts ²
1952-53.....	1,133,528	354,014	37.7	108,983	11.6	474,937	8.6	94,395	1.7
1953-54.....	1,447,793	485,844	35.0	172,646	12.5	557,890	7.0	80,974	1.0
1954-55.....	1,579,408	439,195	34.1	181,534	14.1	667,343	7.7	86,566	1.0
1955-56.....	1,388,478	393,652	36.2	136,699	12.6	604,326	8.8	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	.7
1958-59.....	1,843,837	518,516	35.5	192,693	13.2	810,853	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
1960-61.....	2,222,401	628,538	34.7	231,691	12.8	968,265	7.3	80,954	.9
1961-62.....	2,181,822	625,145	42.6	218,426	14.9	941,675	8.8	95,325	.6
1962-63.....	2,247,796	651,427	44.6	222,438	15.2	981,896	9.4	86,605	.8
Alabama.....	14,804	8,757	59.6	2,519	17.1	3,274	2.5	212	.2
Alaska.....	3,463	643	30.5	223	10.6	1,599	7.8	110	.5
Arizona.....	15,424	7,084	81.8	1,981	22.9	4,927	9.2	468	.9
Arkansas.....	17,116	6,874	67.0	2,240	21.8	5,054	6.9	604	.8
California.....	268,152	99,185	58.0	29,218	17.1	80,358	6.5	14,746	1.2
Colorado.....	25,579	13,205	145.0	9,952	49.5	4,185	5.7	1,604	2.2
Connecticut.....	37,361	9,952	41.8	2,919	12.3	21,419	12.3	1,340	.8
Delaware.....	3,384	1,073	32.8	729	22.3	1,763	3.2	136	.6
District of Columbia.....	9,320	2,241	57.2	1,919	49.0	4,144	12.7	237	.7
Florida.....	25,391	9,912	43.9	4,784	21.2	8,904	5.2	1,047	.6
Georgia.....	61,519	25,619	150.7	9,005	53.0	15,574	12.7	1,011	.8
Hawaii.....	8,688	2,342	65.8	879	24.7	4,396	11.8	446	1.2
Idaho.....	5,211	1,465	33.7	374	8.6	2,030	6.4	475	1.5
Illinois.....	142,734	18,818	29.1	12,668	19.6	78,607	15.4	4,337	.8
Indiana.....	28,492	8,342	25.1	3,645	10.9	9,946	5.2	1,102	.6
Iowa.....	8,339	5,784	81.1	1,551	21.7	873	1.6	110	.2
Kansas.....	15,646	2,562	30.1	1,456	16.9	8,194	13.8	370	.6
Kentucky.....	13,010	7,421	60.2	2,086	17.1	2,986	4.0	517	.7
Louisiana.....	15,697	7,229	43.5	3,100	18.7	3,221	2.5	832	.6
Maine.....	11,857	3,802	48.1	702	8.9	3,381	5.5	618	1.0
Maryland.....	44,711	12,935	60.4	6,593	30.8	12,388	7.1	4,802	2.8
Massachusetts.....	24,442	7,286	35.4	7,286	10.6	21,037	4.3	2,386	.5
Michigan.....	83,385	30,620	48.0	7,790	12.2	30,415	8.0	2,136	.6
Minnesota.....	36,751	12,688	74.6	4,110	24.2	12,808	8.5	1,566	1.0
Mississippi.....	12,362	5,245	59.2	1,737	19.6	3,920	5.6	915	1.3

Missouri.....	30,825	16,732	48.8	6,160	18.0	6,322	3.0	743	4
Montana.....	7,331	3,836	93.4	791	19.3	1,763	6.1	287	1.0
Nebraska.....	7,435	2,452	51.1	1,360	28.3	3,055	19.3	24	1
Nevada.....	6,203	2,023	52.5	895	23.2	2,549	10.6	306	1.3
New Hampshire.....	5,903	2,632	47.1	661	11.8	1,616	4.4	432	1.2
New Jersey.....	83,702	20,724	31.1	8,899	13.4	41,523	8.7	2,308	1.0
New Mexico.....	7,928	3,215	56.8	1,557	27.5	2,786	7.7	370	1.0
New York.....	452,380	72,644	29.1	4,972	2.0	280,859	17.0	11,896	7
North Carolina.....	35,935	21,889	60.1	6,512	17.9	5,885	2.8	1,631	3
North Dakota.....	2,373	19,473	29.6	82	5.1	1,114	6.5	57	3
Ohio.....	101,189	19,653	25.4	17,315	23.1	47,859	8.0	2,958	0
Oklahoma.....	21,929	11,904	126.8	2,474	27.3	5,945	7.6	717	3
Oregon.....	19,357	4,652	26.9	1,832	7.7	9,751	9.4	437	1
Pennsylvania.....	220,432	30,710	21.2	13,067	9.0	132,450	12.1	11,977	1.2
Puerto Rico.....	5,629	3,916	8.6	303	3.6	3,465	4.6	120	1.2
Rhode Island.....	11,593	3,916	30.3	1,247	9.7	5,370	6.9	939	9
South Carolina.....	29,694	17,347	173.9	5,966	59.8	5,472	7.0	726	3
South Dakota.....	2,653	1,169	61.8	284	15.0	815	5.0	498	1.4
Tennessee.....	25,474	9,645	53.0	5,674	31.2	2,700	1.8	4,266	1.7
Texas.....	101,680	47,968	133.2	19,284	53.5	30,138	9.8	558	1.7
Utah.....	7,960	2,331	43.5	570	10.6	2,874	7.2	157	7
Vermont.....	3,110	2,052	65.4	349	11.1	461	2.0	157	7
Virginia.....	16,400	5,043	42.0	2,840	23.6	8,104	14.2	413	7
Washington.....	34,074	5,340	16.5	1,606	5.0	23,643	11.2	706	3
West Virginia.....	14,512	5,902	52.2	959	8.5	4,838	7.1	372	0
Wisconsin.....	30,427	8,186	37.4	2,897	13.2	4,479	2.6	1,470	9
Wyoming.....	3,139	1,020	41.2	363	14.7	1,567	10.2	77	5

¹ In addition to the four issues shown, includes miscellaneous disqualifications which do not apply in all States but excludes labor dispute disqualifications. The largest excluded item is failure to meet reporting requirements, which totaled 207,719 disqualifications in 1963.

² Based on new intrastate claims, less transitional claims, multiplied by the percent

eligible on monetary determinations, plus initial interstate 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.

⁴ Less than one per 1,000 claimant contacts.

OFFICE OF MANPOWER, AUTOMATION, AND TRAINING

RESPONSIBILITIES

The Office of Manpower, Automation, and Training is responsible for the planning, research, and evaluation of Labor Department activities in support of the employment assistance program. The program is designed to meet the manpower needs of a changing and expanding industry and of possible national emergencies.

The Office has a number of major responsibilities which are summarized in the following paragraphs. The Office is organized into three main functional areas: the Planning, Research, and Evaluation Division; the Manpower Development and Training Division; and the Manpower Information Division. The Office is also responsible for the coordination of manpower activities with other Federal, State, and local agencies.

OFFICE OF MANPOWER, AUTOMATION, AND TRAINING

1. To provide leadership in planning an overall program of manpower research and evaluation, and, within its jurisdiction, to coordinate and conduct research and evaluation in support of the program.

2. To provide leadership in planning an overall program of manpower research and evaluation, and, within its jurisdiction, to coordinate and conduct research and evaluation in support of the program.

3. To provide leadership and support of the manpower program by providing technical assistance, information, and advice to the public and to the private industry, and by providing a framework of research and evaluation in support of the program.

4. To provide the manpower program, including the development of manpower research and evaluation, and to coordinate the program with the private industry and the public.

5. To provide technical assistance in the development of the manpower program, including the development of research and evaluation in support of the program.

6. To provide technical assistance in the development of the manpower program, including the development of research and evaluation in support of the program.

7. To provide technical assistance in the development of the manpower program, including the development of research and evaluation in support of the program.

OFFICE OF MARPOWER,
AUTOMATION, AND TRAINING

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RESPONSIBILITIES

The Office of Manpower, Automation, and Training is responsible for the planning, research, and evaluation of Labor Department activities under the comprehensive manpower program. This program is designed to meet the manpower problems of a changing and expanding economy and of possible national emergencies.

OMAT has been in existence since June 1962, when it superseded the Office of Automation and Manpower, created the year before in the Office of the Secretary. In February 1963, OMAT, along with the Bureau of Employment Security and the Bureau of Apprenticeship and Training, became part of the Department's new Manpower Administration.

In carrying out its responsibilities, including those assigned under the Manpower Development and Training Act of 1962 and the Area Redevelopment Act of 1961, the Office performs the following functions:

1. Develops and recommends plans for a comprehensive manpower program to guide departmental activity and provide leadership to other governmental agencies, employers, labor unions, and other organizations dealing with manpower problems.
2. Provides leadership in planning an overall program of manpower research and statistics; and, utilizing its own staff and those of other departmental and outside organizations, conducts a research program aimed at obtaining solutions to manpower problems.
3. Obtains understanding and support of the manpower program by providing technical manpower information to the public and special groups; by fostering the activities of the Committee on Specialized Personnel, the National Manpower Advisory Committee, and local advisory committees; and by providing a clearinghouse of automation and manpower materials and information.
4. Evaluates the manpower program, determining on a regular and systematic basis the extent to which the program is bridging the gap between performance and objective, and recommends action.
5. Provides technical assistance to foreign countries in the area of manpower planning and development.
6. Develops guidelines for the apportionment of Manpower Development and Training Act funds among the States.

OMAT's major operating segments are the Office of Manpower and Automation Research, responsible for the planning, development, and

conduct of a comprehensive manpower research program; and the Office of Manpower Development, responsible for program planning and policy development in the field of occupational training and for interpretive, appraisal, and evaluative functions.

RESEARCH

Efforts of the research staff during the early part of fiscal year 1963 were heavily concentrated on preparation of the first "Manpower Report of the President," a comprehensive presentation to the country of the basic manpower problems confronting the United States today. Problems were analyzed, their significance assessed, and general direction was given for corrective programs and policies.

At the same time, the research staff sought to promote manpower research throughout the country by means of its own studies and contractual research.

During fiscal year 1963, OMAT negotiated contracts for 31 projects, 23 with academic, private, and other non-Federal organizations and 8 with other government agencies, including the Bureau of the Census in the Department of Commerce and the Bureau of Employment Security and Bureau of Labor Statistics in the Department of Labor.

Representative of OMAT's contractual research are studies on the nature and extent of automation, effects of private pension plans on mobility of workers, costs and benefits of retraining programs, European experience in retraining the unemployed, employment trends in the mixed economy, types and sources of vocational training, decisions of the unemployed to forego offered retraining, shifts of blue-collar workers to white-collar jobs, employment of older workers, retraining needs of retired military personnel, attitudes and motivations of MDTA trainees, improvements of key labor force data, methods of forecasting demands for emerging new technicians, and problems of rural youth.

TRAINING

While Government-assisted vocational training is not a new feature of American life, the Manpower Development and Training Act (and the Area Redevelopment Act) introduced a new dimension in the training to be carried out under this legislation. This is the requirement that "before selecting a person for training, the Secretary shall determine that there is a reasonable expectation of employment in the occupation for which the person is to be trained."

MDTA Training

Although considerable preparatory work was required to establish a new program of such magnitude, the first training classes got underway in

September 1962. Training under the MDTA falls into three general categories: institutional, on-the-job, and demonstration projects.

The existence of a nationwide network of public employment offices and the availability of public vocational education facilities made possible the rapid implementation of the first type or "institutional" segment of the training program, i.e., training conducted in a traditional classroom setting. The basic operating responsibility for developing and approving the second category, on-the-job training projects, rests with the Bureau of Apprenticeship and Training. OMAT is responsible for the development of the third category, which seeks to devise and test pre-training services and techniques for job development and placement. This category includes projects to explore new approaches to reach, motivate, and train the so-called "hard-core" unemployed, who present particularly difficult training problems because they often lack sufficient educational background to meet the prerequisites for and participate in most training programs. The projects offer a wide range of specialized services and training, which in some cases include basic educational instruction.

By the end of fiscal year 1963, over 1,600 training projects for nearly 60,000 trainees had been approved in 49 States, the District of Columbia, Puerto Rico, and the Virgin Islands. Most of these projects were developed by the Federal-State employment security system and vocational education agencies and were of the "institutional" or in-school type, but 117 projects were designed to provide on-the-job training for some 1,600 workers. While all eligible jurisdictions except Louisiana and Guam were participating in the training program, the 12 most active States—each with approved institutional projects for over 1,500 trainees—accounted for about one-half of all projects and 60 percent of the trainees committed to such projects (see table 1).

Of the 18 contracts signed to conduct demonstration manpower projects in fiscal year 1963, 17 dealt in whole or large part with youth problems. The total funding for these contracts amounted to \$3,381,365, of which \$2,922,778 went specifically for special services related to skill training. Such special services included new methods of occupational aptitude testing, personal and vocational counseling, individually constructed on-the-job training programs, intensive job development, and follow-through counseling and supervision. In addition to these services, many projects also provided institutional skill training arranged by the Department of Labor's Federal-State employment security system and the Department of Health, Education, and Welfare.

Demonstration manpower projects approved during the fiscal year were:

Projects approved.....	18
Involving extra-training services.....	9
Involving services and training.....	9
Individuals served.....	26,170
Involving extra-training services.....	25,500
Involving services and training.....	670

By the end of June 1963, some 30,000 unemployed and underemployed workers had actually been enrolled in institutional and on-the-job training courses tailored to equip them with labor market skills currently in demand. The smaller number enrolled, compared with the number approved for training, reflects the necessary timelag between project approval and beginning of training as well as the practice of setting up a series of small classes rather than training large groups simultaneously.

Characteristics of MDTA trainees, including data on family status, duration of unemployment, and educational attainment are shown in table 2.

Since the act carries no limitation on the kinds of jobs for which training may be provided, about 300 different occupations were represented in the projects approved during fiscal year 1963 (see table 3). The length of the training period ran from the 2-week minimum set by the act to 66 weeks, with average course duration of 23 weeks.

The largest single proportion of persons approved for training under the MDTA (28 percent) was for entry into skilled crafts, closely followed by semiskilled (26-percent) and clerical and sales occupations (23 percent). Projects for service occupations, which are of growing importance to the economy, accounted for 11 percent of the trainees. As might be expected, professional, technical, and managerial jobs—the occupational group showing the fastest growth in the economy—accounted for a relatively small proportion of trainees (9 percent). Training time for most occupations in this group is usually several years; MDTA courses are, for all practical purposes, generally limited to 52 weeks—the maximum number of weeks for which allowances may be paid under the act.

ARA Training

Though the Secretary of Commerce has the overall responsibility for the administration of the Area Redevelopment Act, the Secretary of Labor is responsible for the training and retraining provisions.

Substantial expansion in almost every phase of activity marked the second year of the occupational training program conducted under the ARA. Training was approved in 57 occupational categories other than those approved in 1962. In addition to expanding the range of occupations, courses were developed and successfully undertaken to meet the needs of such special applicant groups as former miners, farm laborers, and workers with little education. Considerable attention was also focused on the training needs of small communities and rural areas, and the establishment of district or area training centers.

Courses were started in new States and many new areas. Table 4 summarizes ARA training activities for fiscal years 1962 and 1963.

The statistical distribution of trainee characteristics showed little variation between the two years. There were considerable numbers of enrollees in both the middle and younger age groups; a sizable percentage had a grade school education or less; sizable proportions were among the

long-term unemployed; and, the majority were family breadwinners. The most notable difference in trainee characteristics between the two years was an 8 percent increase in the proportion of women trainees.

Most of the people being trained under the ARA during 1963, in terms of broad occupational groups, were in the semiskilled category. Next in number were those being trained for entry into the skilled occupations. Smaller numbers were training for clerical and sales work, service occupations, agricultural jobs, and the professional, semiprofessional, and technical occupations.

SPECIAL COMMITTEES

The National Manpower Advisory Committee was authorized by the act to advise the Secretary of Labor on administering the MDTA. It is composed of representatives of labor, management, agriculture, education, training, and the general public. One of the Committee's first recommendations was that manpower advisory committees be set up on a State and local area basis. This has been carried out to a great extent.

Advising the Secretary and the Manpower Administrator on all professional and specialized manpower aspects of the MDTA is the function of the Committee on Specialized Personnel. It is chaired by the OMAT Director and is composed of representatives of education, management, labor, professional societies, government, and other personnel experts.

The Coordinating Committee on Manpower Research is an intra-departmental committee composed of representatives of all departmental bureaus and offices that have manpower functions. It serves as a consultative and exchange forum for information and ideas on programs, activities, publications, and other facets vital to manpower research operations.

INFORMATION AND COMMUNICATION

In response to the requirement of the MDTA to "promote, encourage, or directly engage in programs of information and communication concerning manpower requirements, development, and utilization," OMAT launched during fiscal year 1963 a communications program that includes the preparation and dissemination of publications; participation in conferences, seminars, and similar discussions; development and use of exhibits and displays; and responses to inquiries.

Major publications during the year were the "Manpower Report of the President and a Report on Manpower Requirements, Resources, Utilization, and Training by the United States Department of Labor," the Secretary's report on research and training activities under the MDTA, a study on training for jobs in redevelopment areas, and two manpower series. Over 700,000 publications were distributed.

TABLE 1.—Institutional and on-the-job training projects approved under the Manpower Development and Training Act during fiscal year 1963, by State

State	Total approved		Institutional		On-the-job	
	Projects	Trainees	Projects	Trainees	Projects	Trainees
Total.....	1,603	58,713	1,486	57,086	117	1,627
Alabama.....	24	1,129	24	1,129	.....	.....
Alaska.....	3	110	3	110	.....	.....
Arizona.....	8	335	8	335	.....	.....
Arkansas.....	21	541	21	541	.....	.....
California.....	114	5,299	110	5,187	4	112
Colorado.....	14	290	14	290	.....	.....
Connecticut.....	65	3,173	64	3,165	1	8
Delaware.....	2	39	2	39	.....	.....
District of Columbia.....	10	785	10	785	.....	.....
Florida.....	21	820	21	820	.....	.....
Georgia.....	15	385	14	365	1	20
Guam.....	.....	.....	.....	.....	.....	.....
Hawaii.....	10	387	9	371	1	16
Idaho.....	3	80	3	80	.....	.....
Illinois.....	74	5,265	71	4,985	3	280
Indiana.....	23	1,113	23	1,113	.....	.....
Iowa.....	20	518	20	518	.....	.....
Kansas.....	21	624	21	624	.....	.....
Kentucky.....	65	1,612	59	1,584	6	28
Louisiana.....	.....	.....	.....	.....	.....	.....
Maine.....	42	1,208	41	1,198	1	10
Maryland.....	9	433	9	433	.....	.....
Massachusetts.....	60	1,330	60	1,330	.....	.....
Michigan.....	85	2,797	68	2,671	17	126
Minnesota.....	37	787	30	675	7	112
Mississippi.....	4	110	4	110	.....	.....
Missouri.....	55	2,174	55	2,174	.....	.....
Montana.....	16	237	16	237	.....	.....
Nebraska.....	13	310	13	310	.....	.....
Nevada.....	15	665	13	365	2	300
New Hampshire.....	16	726	13	692	3	34
New Jersey.....	61	2,462	57	2,441	4	21
New Mexico.....	8	360	8	360	.....	.....
New York.....	64	5,394	64	5,394	.....	.....
North Carolina.....	36	944	34	916	2	28
North Dakota.....	15	293	13	233	2	60
Ohio.....	92	2,418	81	2,265	11	153
Oklahoma.....	27	752	27	752	.....	.....
Oregon.....	15	525	14	505	1	20
Pennsylvania.....	113	3,432	112	3,382	1	50
Puerto Rico.....	62	1,270	62	1,270	.....	.....
Rhode Island.....	13	241	13	241	.....	.....
South Carolina.....	15	436	15	436	.....	.....
South Dakota.....	3	130	3	130	.....	.....
Tennessee.....	30	759	30	759	.....	.....
Texas.....	40	1,440	36	1,419	4	21
Utah.....	8	336	8	336	.....	.....
Vermont.....	6	140	6	140	.....	.....
Virginia.....	20	750	20	750	.....	.....
Virgin Islands.....	4	90	4	90	.....	.....
Washington.....	16	1,725	16	1,725	.....	.....
West Virginia.....	58	595	19	429	39	166
Wisconsin.....	21	779	21	779	.....	.....
Wyoming.....	11	151	4	89	7	62

TABLE 2.—Selected characteristics of persons enrolled in Manpower Development and Training Act projects, through June 30, 1963

	Total			Under 19 years			19-21 years			22-44 years			45 years and over		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Family status—total.....	29,802	18,974	10,828	1,613	846	767	5,594	3,490	2,104	19,376	12,913	6,463	3,219	1,725	1,494
Head of family.....	18,600	14,467	4,133	150	115	35	1,665	1,962	303	14,500	11,937	2,563	2,285	1,653	632
Other.....	11,202	4,507	6,695	1,463	731	732	3,929	2,128	1,801	4,876	1,576	3,300	934	72	862
Years of gainful employment—total.....	29,670	18,931	10,739	1,571	825	746	5,557	3,480	2,077	19,340	12,906	6,434	3,202	1,720	1,482
Less than 3.....	6,713	2,775	3,938	1,394	677	717	3,459	1,723	1,736	1,711	372	1,339	149	3	146
3-9.....	13,475	8,780	4,695	171	142	29	2,076	1,740	336	10,590	6,824	3,766	638	74	564
10 or more.....	9,482	7,376	2,106	6	6	0	22	17	5	7,039	5,710	1,329	2,415	1,043	772
Duration of unemployment—total.....	26,935	16,957	9,978	1,358	655	703	4,920	2,984	1,936	17,709	11,755	5,954	2,948	1,563	1,385
Less than 5 weeks.....	6,539	4,478	2,061	599	308	291	1,501	1,041	460	3,904	2,846	1,058	535	283	252
5-14.....	7,183	5,246	1,937	242	151	91	1,394	965	429	4,846	3,701	1,145	701	429	272
15-26.....	4,704	3,306	1,398	151	70	81	830	527	303	3,233	2,414	819	490	295	195
27-52.....	3,471	2,071	1,400	132	51	81	569	269	300	2,346	1,511	835	424	240	184
Over 52.....	5,038	1,856	3,182	234	75	159	626	182	444	3,380	1,283	2,097	798	316	482
School grades completed—total.....	29,882	19,035	10,847	1,615	847	768	5,606	3,502	2,104	19,440	12,959	6,481	3,221	1,727	1,494
Less than 8.....	891	704	187	23	17	6	73	61	12	577	454	123	218	172	46
8.....	2,256	1,701	495	89	67	22	188	144	44	1,473	1,182	291	506	368	138
9-11.....	8,914	6,074	2,840	486	303	183	1,605	1,150	455	5,955	4,147	1,808	988	474	394
12.....	15,100	8,930	6,170	997	453	544	3,280	1,902	1,378	9,555	6,021	3,534	1,298	554	714
More than 12.....	2,721	1,566	1,155	20	7	13	460	245	215	1,880	1,155	725	361	159	202
Number of dependents—total.....	27,319	16,728	10,591	1,571	820	751	5,344	3,232	2,052	17,525	11,191	6,334	2,879	1,425	1,454
0.....	10,250	4,072	6,178	1,371	686	685	3,593	1,919	1,674	4,396	1,393	3,003	890	74	816
1.....	4,966	3,154	1,812	118	66	52	846	585	261	3,128	2,029	1,099	874	474	400
2.....	4,607	3,318	1,289	55	41	14	553	490	93	3,511	2,452	1,059	458	305	153
3.....	3,361	2,694	1,667	18	18	0	243	222	21	2,801	2,173	628	299	251	48
4.....	1,985	1,647	338	3	3	0	56	53	3	1,758	1,448	310	168	143	25
5 and over.....	2,150	1,873	277	6	6	0	23	23	0	1,931	1,666	265	190	178	12

NOTE.—Total shown for each characteristic indicates number of trainees reporting that item.

TABLE 3.—Major occupational groups and selected occupations in approved institutional and on-the-job training projects under the Manpower Development and Training Act, cumulative through June 30, 1963

Occupational group and occupation ¹	Projects	Trainees
Total.....	2 1,603	2 58,713
Professional and managerial.....	172	5,286
Draftsman, mechanical.....	19	481
Nurse, practical, licensed.....	79	2,763
Other.....	74	2,042
Clerical and sales.....	305	13,270
Clerk, general office.....	19	607
Secretary.....	11	515
Clerk-stenographer.....	49	1,863
Stenographer.....	69	2,891
Typist.....	23	1,473
Clerk-typist.....	69	3,729
Salesperson, general.....	9	765
Other.....	56	1,427
Service.....	109	6,796
Cook.....	25	648
Waitress.....	7	725
Nurse aide.....	38	2,709
Psychiatric aide.....	5	690
Other.....	34	2,024
Agriculture and related.....	34	926
Craftsmen, operatives, and related occupations:		
Skilled.....	649	16,401
Sewer, hand (boot and shoe).....	7	417
Sheet metal worker.....	15	531
Welder, arc.....	15	569
Welder, combination.....	54	1,795
Automobile mechanic (entry).....	141	3,189
Automobile body repairman.....	66	1,430
Electronics mechanic.....	41	1,245
Other.....	310	7,225
Semiskilled.....	327	15,366
Sewing machine operator.....	38	2,959
Stitcher, machine (boot and shoe).....	7	522
Machine operator, general.....	113	4,988
Solderer.....	8	1,070
Electronics unit assembler.....	9	567
Subassembler.....	1	1,300
Other.....	161	3,960
Apprentices and unskilled.....	6	268

¹ Arranged in order of "Dictionary of Occupational Titles" code numbers.

² One project (Missouri 59) was approved with a total of 400 trainees in 7 different occupations. As the project did not specify the number of trainees approved in each occupation, this project and its trainees appear only in the total.

TABLE 4.—Summary of selected statistical data on Area Redevelopment Act training programs, fiscal years 1962 and 1963

Item	Total, 1962 and 1963	1963	1962 ¹	Percent increase, 1962 and 1963
Projects.....	453	306	147	108
Trainees.....	22,388	13,314	9,074	47
Courses.....	647	361	286	26
Occupations.....	2 146	109	89	22
States.....	2 44	40	35	43
Redevelopment areas.....	2 212	180	114	58

¹ For the period November 1962-June 1963.

² Represents cumulative unduplicated count (for fiscal years 1963 and 1962).

BUREAU OF EMPLOYEES' COMPENSATION

Annals of the Bureau of Employees' Compensation for 1934, published by the Federal Bureau of Compensation, shows the work of the Bureau during the year. The report contains a large amount of statistical data, and is published in the form of a book. It is published by the Bureau of Employees' Compensation, and is available to the public. The report is published in the form of a book, and is available to the public. The report is published in the form of a book, and is available to the public.

BUREAU OF EMPLOYEES' COMPENSATION

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BUREAU OF EMPLOYEES' COMPENSATION

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BUREAU OF EMPLOYEES' COMPENSATION

Nearly a quarter of a million work injuries were reported during 1963 under the Federal workmen's compensation system. The total of 219,210 reports, including 565 death cases, was 12 percent greater than in the previous year. The upsurge emanated in large measure from judicial clarification of jurisdiction under the Longshoremen's and Harbor Workers' Compensation Act in respect to new ship construction. Federal civilian employment coverage rose 2 percent to an average strength of 2,524,000 for the year. This is an increase of nearly 6 percent over the average 1957-59 level. The total number of employees covered in the event of a work injury is estimated to be about 3.5 million.

The principal private employment groups covered by the act include those performing offshore stevedoring, shipbuilding and repair work in maritime jurisdiction, work at defense bases and certain other areas outside the continental United States and on the Outer Continental Shelf, certain civilian employees of nonappropriated fund instrumentalities of the Armed Forces, and employees of private enterprise in the District of Columbia.

Civilian Federal coverage extends to civil officers and employees of the United States who suffer personal injuries while in the performance of duty. Included in this category are persons who serve without compensation or for nominal compensation, where acceptance or use of such services is authorized by an act of Congress, or where provision is made by law for payment of the travel or other expenses of such persons. It extends also to employees of the government of the District of Columbia, other than members of the police and fire departments. Subject to special conditions and limitations, it is applicable also to members of the Coast Guard Reserve, Civil Air Patrol, and Reserve Officers Training Corps.

Mounting costs brought total benefit expenditures under the Federal Employees' Compensation Act to \$68.1 million in fiscal year 1963. This is equivalent to an increase of 6.4 percent, with direct medical costs increasing sharply over the previous year. These benefits are paid from appropriations made by Congress. Evaluation of cases closed under private employment coverage, exclusive of the cost of medical care, reached \$17.9 million. This is an increase of nearly 4 percent from the year before. All compensation benefits authorized under private employment jurisdiction are paid by the employer directly or through his authorized insurance carrier, but the cost of administration is borne by the Federal Government.

A high proportion of the cost under both programs arises from long-continuing disability and fatal injury cases. Under the regular civilian Federal employee program, the \$11.2 million expended for compensation to dependents in nearly 10,000 fatal cases accounted for 22 percent of the total

expended for that group. Under the private employment jurisdiction, the high injury hazard of much of the work results in many high-cost dismemberments and functional losses. At the end of the fiscal year, 29,771 cases were being compensated under the several Federal workmen's compensation programs, nearly a thousand more than the year before. Included are 11,675 fatal cases, constituting 39 percent of the continuing cases.

The Bureau completed during 1963 its program for decentralization of the adjudication and servicing of claims arising under the Federal Employees' Compensation Act. The Bureau's district office at Honolulu was assigned jurisdiction, beginning February 11, 1963, over cases arising out of the injury of Federal employees stationed in Hawaii and at other locations in the Pacific; thus it has jurisdiction over the adjudication of all claims under the Federal workmen's compensation laws arising out of the injury or death of covered employees occurring in the Pacific district. There are now 9 district offices servicing both Federal civilian and the private employment groups, and there is continued empirical evidence that the local adjudicatory system, together with continuing improvements in administrative techniques, has achieved substantial reductions in the time required to bring economic aid to the injured. Review of 4,057 cases adjudicated during the first half of the year disclosed that 73.2 percent of the cases were certified for payment within 5 workdays after reaching the local district claims branch. Three district offices attained records in excess of 80.0 percent.

FEDERAL EMPLOYEE WORK INJURIES

The 109,213 work injuries reported by civilian Federal employees in fiscal 1963 established a 17-year record high. The total is 10 percent greater than the average of 99,138 cases for the 3-year base period of 1957-59. However, despite this increase in new cases, the frequency rate of injury shows a slight decline for the third successive year, and at 7.74 injuries per million man-hours is the lowest for this employment since 1955. Although fewer deaths were reported, there were 177 awards granted in fatal cases, 9 more than in the previous year. Scheduled awards for permanent injury also increased, from 1,805 to a total of 1,822.

Although white-collar and clerical-type occupations predominate in the 2.5 million civilian Federal employment, there is a hard-core level of nearly 700,000 blue-collar workers whose duties in many instances encompass intrinsically high-risk occupational injury hazards. Both on a rate and a magnitude basis, operation of the postal service is one of the principal sources of civilian Federal work injuries. A study of 40,950 nonfatal disabling work injuries shows 26 percent of the total involved injuries to letter carriers and others in the postal service engaged in the collection and delivery of mails. Mail clerks ranked next with 10 percent of the total, followed by mail handlers, who accounted for 6 percent of the disabling injuries.

During the year, 135,000 cases under the Federal Employees' Compensation Act were serviced through the facilities of the Bureau. This service included providing medical, hospitalization and surgical care, disability compensation, vocational rehabilitation, survivor benefits, and burial expenses. The largest expenditure for benefits was for disability compensation for regular civilian Federal employees, amounting to \$30 million, or 44 percent of the \$68.1 million disbursed for benefits in fiscal year 1963. Death compensation payments amounted to \$26.2 million, or 38 percent of the total; these payments included \$15 million to families of military reservists who died in line of duty while on active or training duty in time of peace prior to January 1, 1957, and \$11.2 million for dependents of civilian employees who died as a result of occupational injuries and diseases. Medical treatment and supplies cost \$9.9 million, or 14.4 percent of the total. Other disbursements amounting to nearly \$2 million were for disability and death benefits payable in several special classes of cases including those arising out of the emergency relief work programs and civilian war hazards, as well as for injured members of the Civil Air Patrol and the Reserve Officers Training Corps.

Using the 3-year base period 1957-59, administrative research during the year disclosed many significant changes in 1963. Average employment coverage showed an increase of 5 percent, and the wage base upon which compensation benefits are computed in newly reported cases rose 21 percent. The annual total of cases reported climbed sharply, up nearly 11 percent. Total disbursements for benefits during the year, including compensation payments in long-continuing disability and fatal cases and reopened cases, increased by 10 percent. The cost of providing medical treatment, hospitalization, and allied restorative supplies and services was up more than 25 percent over the base period. Actuarial evaluations of the ultimate total direct cost to the Government for the average nonfatal disabling work injury to a civilian Federal employee rose from \$489 in the base period to \$581. This was an increase of 19 percent. Comparable studies for approved fatal cases showed a rise of 23 percent, from an average total cost of \$48,879 in the 1957-59 base period to \$60,127.

In keeping with statutory requirements, U.S. medical facilities are used as far as practicable in providing medical treatment to beneficiaries. The facilities of the U.S. Public Health Service are used to a large extent in localities where they are available, as are hospitals of the Army, Navy, Air Force, and Veterans' Administration. About 3,000 physicians in private practice are designated to provide medical care in areas where no Federal medical facilities are available.

As in the past, the objective of the medical care program is to provide all treatment and related services needed by the injured employee to obtain maximum recovery from the effects of his work injury. Advances in new prosthetic appliances have been adopted as they have proved their worth, such as an artificial leg which permits the foot portion to bend at the ankle when walking.

In San Francisco, arrangements have been made with the U.S. Public Health Service to have interns and residents on the orthopedic service detailed periodically to the local district compensation office for training in the techniques of the medical care program and the evaluation of disability. This program, which provides valuable insight to the intern and resident and a better understanding of compensation problems, will be extended to other areas.

An overall review of 4,720 serious injury cases was made during the year for possible vocational rehabilitation of the injured worker or job reassignment. Wage-earning evaluations for the purpose of establishing the compensation rate were issued in 1,129 partial disability cases. A total of 188 employees completed vocational training and were returned to suitable employment. Fifty-one of these employees required retraining in essentially new work skills. An additional 50 eligible beneficiaries were pursuing approved vocational training programs. The most frequent types of serious disabilities requiring vocational rehabilitation efforts continue to arise out of injuries to the spine and back, amputations, and combinations of orthopedic and other work-related injury conditions. The more seriously injured often require the services of a comprehensive rehabilitation center to meet their individual needs in areas of physical restoration, work-tolerance evaluations and development, prevocational assessment, and extensive job training.

During the year, the Bureau paid compensation benefits in the sum of \$20.7 million on account of injuries and deaths occurring after December 1, 1960. This is the actual amount disbursed and does not represent the total cost of compensation benefits for these injuries, because additional benefits in many of the more serious cases will be payable in future years. Statements were forwarded to executive departments and agencies showing the amount to be included in their annual budget estimates for fiscal year 1965 to repay the compensation fund for the cost of benefits paid from this fund on account of their employees during fiscal year 1963. This represents the second full fiscal year under this law. Total billings to June 30, 1963, under this provision amount to \$36.8 million.

PRIVATE EMPLOYMENT WORK INJURIES

The decision of the U.S. Supreme Court on June 4, 1962, that the Longshoremen's and Harbor Workers' Compensation Act was applicable to workers employed in new ship construction on navigable waters resulted in a substantial increase in the number of injuries reported to the Bureau under that act. Prior to the decision in the *Donovan v. Avondale* and *Calbeck v. Travelers* cases, it had been generally accepted that new ship construction was validly covered under the State workmen's compensation statutes. As anticipated, this decision resulted in a substantial increase in the number of injuries reported to the Bureau under the Longshoremen's Act. During 1963, a total of 72,472 cases were reported, including 27,675 alleged work

injuries to workmen doing offshore stevedoring. The total for other harbor workers was 44,797, including new ship construction; this reflects a 103 percent increase over the total of 22,115 for the previous year. The total number of injuries to longshoremen decreased 6 percent. Evaluation of disability and death benefits in cases closed under this act in 1963 showed an expenditure of \$13.1 million. This is an increase of 5 percent over 1962. At the end of the year, 17,611 cases remained open, including 5,993 in which compensation was being paid to beneficiaries. The remaining 11,618 cases were awaiting more complete information, investigation, formal hearings, court action, third-party settlements, and similar administrative action. At the end of the fiscal year, there were 288 insurance companies approved to insure compensation liability under this act, and 232 employers had qualified as self-insurers.

The second largest group under private employment coverage subject to Federal jurisdiction are the nearly 300,000 employees of private enterprise in the District of Columbia. With 29,923 cases reported during 1963, nearly 1 in 10 such employees suffered a work injury. Compensation benefits in cases closed during the year are evaluated at \$2.7 million, a sharp increase over the \$2.1 million costs for the previous year. On June 30, 1963, 1,170 employees were receiving disability benefits, and in 276 cases the families of fatally injured employees were receiving survivors benefits. Authority was granted to 164 insurance companies to insure workmen's compensation liability under the District of Columbia compensation law, and 55 employers qualified as self-insurers.

The principal remaining groups of employees covered in private employments include (1) civilian workers employed at military bases and other areas outside the United States in the service of Government contractors, with 2,399 injuries reported this year; (2) employees on the Outer Continental Shelf, exploring and developing natural resources, 1,495 injuries; and (3) civilian employees within the continental United States and U.S. citizens and permanent residents of a State or territory employed outside the continental limits at military post exchanges, motion picture services, and related activities paid from nonappropriated funds, 3,708 injuries. Included in the first group are certain employees of contractors with the United States engaged in public work outside the United States and in the performance of contracts in foreign areas approved by the Agency for International Development under the Mutual Security Act, as well as employees engaged in services for American employers providing welfare services for the Armed Forces outside the United States.

The local administration of this program is conducted through 14 district offices. Each office is under the supervision of a Deputy Commissioner who is responsible for the administration of the law within his district in accordance with regulations and policies of the Bureau. During 1963, the staff of these offices conducted 35,378 personal interviews with claimants and employers or their representatives, held 13,660 informal conferences relating to claims, and arranged 3,467 independent medical

examinations. The Deputy Commissioners completed 459 formal hearings in respect to claims.

Forty-one seriously injured employees were assisted in completing vocational rehabilitation and were returned to suitable employment. On June 30, 1963, there were 8,521 families or individuals receiving compensation benefits under these several Federal compensation acts affecting employees of private industry. The total comprised 5,993 longshoremen and harbor workers, 1,446 employees of private industry in the District of Columbia, and 1,082 workmen under the jurisdiction of the Defense Base Act, the Outer Continental Shelf Lands Act, and the Nonappropriated Fund Instrumentalities Act. Included in this group were 1,167 families of workmen who were fatally injured in the course of their employment.

Compared with the previous year, personal interviews with claimants and others in respect to individual cases were up 11 percent, informal conferences were 4 percent more numerous, and the number of formal hearings was 9 percent greater. Independent medical examinations advanced more than 30 percent. Cases being compensated at the end of the year reached a level 8 percent above the year before.

TABLE 1.—Operations under the Federal Employees' Compensation Act,¹ July 1, 1958, to June 30, 1963

Item	Average 1957, 1958, and 1959	Fiscal year				
		1959	1960	1961	1962	1963
A. Injury cases reported:						
Nonfatal.....	98,485	101,140	104,690	104,295	105,635	108,862
Fatal.....	653	388	375	378	405	351
Total.....	99,138	101,528	105,065	104,673	106,040	109,213
Index.....	100	102	106	106	107	110
B. Employment coverage (average; excludes reservists):						
C. Casualty rates:²						
Frequency per million man-hours.....	8.12	8.10	8.52	8.36	8.03	7.74
Severity per million man-hours.....	553	601	508	594	539	530
Cost per \$100 payroll.....	\$0.25	\$0.23	\$0.24	\$0.26	\$0.24	\$0.24
Cost per employee.....	\$11.70	\$11.73	\$12.39	\$14.74	\$14.35	\$13.63
D. Number of injury cases reported by establishment:						
Executive Office of the President.....	56	57	74	83	68	73
Department of State.....	329	338	306	407	454	547
Department of the Treasury.....	1,817	1,759	1,748	1,630	1,706	1,803
Department of the Army.....	12,276	11,845	11,242	10,749	11,015	11,507
Department of the Air Force.....	10,498	10,902	10,422	10,298	10,034	10,315
Department of the Navy.....	5,698	5,813	5,803	6,035	5,756	5,568
Department of Justice.....	938	852	1,041	1,068	840	956
Post Office Department.....	43,946	46,024	48,157	48,350	48,984	49,082
Department of the Interior.....	3,993	3,844	3,857	4,014	3,780	4,890
Department of Agriculture.....	5,573	5,924	6,534	7,753	8,469	7,872
Department of Commerce.....	1,812	1,760	2,866	1,386	1,061	1,105
Department of Labor.....	93	103	109	121	141	147
Department of Health, Education, and Welfare.....	1,166	1,221	1,293	1,281	1,553	1,847
General Services Administration.....	1,810	1,865	1,798	1,647	1,716	1,984
District of Columbia Government.....	824	920	1,062	1,075	887	1,213
Tennessee Valley Authority.....	1,165	1,098	1,107	1,265	1,323	1,392
Veterans' Administration.....	4,614	4,612	4,241	4,032	4,584	4,401
Federal Aviation Agency.....	502	474	1,048	1,117	1,241	1,456
National Aeronautics and Space Administration.....	2,028	1,726	1,862	1,713	1,783	2,074
All other agencies.....	99,138	101,528	105,065	104,673	106,040	109,213
Total.....	99,138	101,528	105,065	104,673	106,040	109,213

See footnotes at end of table.

TABLE 1.—Operations under the Federal Employees' Compensation Act,¹ July 1, 1958, to June 30, 1963—Continued

Item	Fiscal year					
	Average 1957, 1958, and 1959	1959	1960	1961	1962	1963
E. Final disposition of injury cases:						
Minor injury cases.....	53,316	55,032	59,674	60,060	60,026	62,682
Disability 1-3 days.....	12,498	12,846	13,962	13,072	13,289	13,237
Covered by leave.....	20,312	20,463	20,663	18,326	18,850	19,761
Compensated, nonfatal.....	12,164	12,509	12,960	12,911	12,605	12,728
Compensated, fatal.....	356	328	288	287	247	221
No dependents, fatal.....	41	7	21	12	17	17
Disapproved.....	2,920	3,134	3,580	3,337	3,195	3,586
All other.....	2,751	2,404	2,112	1,570	1,877	1,846
Total.....	104,358	106,723	113,290	109,575	110,104	114,018
Index.....	100	102	109	105	106	109
F. Number of cases being compensated at the end of fiscal year:						
Nonfatal.....	9,796	10,305	9,982	9,941	10,070	10,613
Fatal.....	10,409	10,075	9,945	9,864	9,733	9,612
G. Number of cases in which fatal awards were made during year:						
Number of widows.....	486	211	153	206	132	167
Number of children.....	796	361	222	301	199	241
Number of parents.....	35	19	8	9	2	5
Number of brothers and sisters.....	9	7	3	1	1	2
Number of other dependents.....	1			1		
Total number of dependents.....	1,327	598	386	518	334	415
Average number of dependents per case.....	2.4	2.4	2.4	2.3	2.0	2.3
H. Three basic averages (excludes reservists):²						
Average evaluation per fatal case.....	\$48,879	\$50,708	\$54,269	\$57,937	\$58,022	\$60,127
Average evaluation per nonfatal disabling injury.....	\$489	\$408	\$485	\$502	\$575	\$581
Average days lost per nonfatal disabling injury.....	42	40	37	37	40	45
I. Disbursements:						
Disability compensation.....	\$22,720,119	\$24,008,245	\$24,106,794	\$25,403,289	\$27,066,783	\$30,031,505
Death compensation.....	(29,008,629)	(35,330,364)	(25,193,834)	(26,339,628)	(26,793,003)	(26,190,439)
Federal employees.....	8,431,777	8,606,312	8,590,216	10,277,815	10,954,184	11,230,679
Reservists.....	20,576,852	26,724,052	16,603,618	16,061,713	15,838,819	14,959,760
Medical treatment and supplies.....	7,564,444	7,932,370	8,702,130	8,441,746	8,103,612	9,870,922
Miscellaneous costs.....	346,820	387,821	378,771	360,203	332,607	342,107
Enemy action, Public Laws 784 and 896.....	(1,300,481)	(896,942)	(762,186)	(630,134)	(611,885)	(607,138)
War Hazards Act, Public Law 784.....	117,689	100,699	120,071	89,284	54,615	55,227
War Claims Act, Public Law 896.....	1,182,792	796,243	642,115	540,850	557,270	551,911

Civilian war benefits.....	25,672	20,599	19,208	20,031	19,391	27,597
Emergency relief acts.....	630,436	596,214	550,960	796,212	852,415	844,057
Civil Air Patrol.....	46,048	53,417	59,534	49,389	49,989	70,179
Reserve Officers Training Corps.....	2,649	7,934	15,735	7,664	16,252	9,239
Maritime war risk.....			141,387	127,753	149,393	141,391
Total.....	\$61,645,318	\$69,253,906	\$59,930,539	\$62,175,949	\$63,995,330	\$68,134,584
J. Amount charged establishments under Public Law 86-767; 74 Stat. 909 (thousands).....				\$2,929	\$13,162	\$20,700
K. Emergency relief cases still active:						
Nonfatal.....	172	160	153	150	141	129
Fatal.....	1,123	1,075	1,026	978	949	896

¹ Excludes emergency relief acts except where specifically indicated; includes reservists of the Armed Forces, except where specifically excluded.

² Frequency 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, averages, and totals in C, H, and J are preliminary for 1963.

TABLE 2.—Operations under the Longshoremen's and Harbor Workers' Compensation Act, and extensions thereof, July 1, 1958, to June 30, 1963

Item	Average 1957, 1958, and 1959	Fiscal year				
		1959	1960	1961	1962	1963
A. Injury cases reported:						
Nonfatal.....	100,997	89,204	87,097	88,012	89,072	109,783
Fatal.....	163	188	205	181	162	214
Total.....	101,160	89,392	87,302	88,193	89,234	109,997
Index.....	100	88	86	87	88	109
B. Kinds of employees injured:						
Longshoremen.....	33,168	29,663	31,359	29,182	29,461	27,675
Harbor workers.....	35,043	24,069	20,143	22,710	22,115	44,797
Defense base workers.....	4,866	5,320	4,136	3,929	3,234	2,399
District of Columbia private employees.....	26,392	27,988	27,546	27,832	29,569	29,923
Outer Continental Shelf.....	1,306	1,132	1,264	1,335	1,425	1,495
Nonappropriated Fund.....	1,240	1,240	2,854	3,205	3,430	3,708
Total.....	100,775	89,392	87,302	88,193	89,234	109,997
C. Final disposition of injury cases:						
Number of cases closed (includes reclosures):						
Longshoremen's and Harbor Workers' Compensation Act.....	70,698	57,929	55,350	58,169	56,874	76,076
District of Columbia Workmen's Compensation Act.....	27,218	28,906	27,885	29,167	30,212	31,185
Defense Base Act.....	4,973	5,208	4,676	4,152	3,122	2,451
Outer Continental Shelf Lands Act.....	1,313	1,257	1,328	1,373	1,556	1,520
Nonappropriated Fund Act.....	1,000	1,000	2,676	3,293	3,320	3,425
Total.....	104,202	94,300	91,915	96,154	95,094	114,657
Evaluation of cases closed (excluding medical):						
Longshoremen's and Harbor Workers' Compensation Act.....	\$10,979,362	\$13,404,955	\$12,545,584	\$12,744,882	\$12,461,093	\$13,062,788
District of Columbia Workmen's Compensation Act.....	1,592,612	1,683,545	1,713,960	2,017,017	2,115,142	2,722,961
Defense Base Act.....	980,407	1,265,109	2,033,381	1,169,709	1,613,731	1,151,970
Outer Continental Shelf Lands Act.....	254,699	429,779	602,472	575,741	809,452	708,503
Nonappropriated Fund Act.....	9,914	9,914	60,861	168,202	194,915	218,413
Total.....	13,807,080	16,793,302	16,956,258	16,675,551	17,194,333	17,864,635

D. Number of fetal awards made during the year:

Longshoremen and harbor workers.....	55	41	63	32	97	44
District of Columbia private employees.....	22	31	21	12	18	20
Defense base workers.....	9	4	2	10	21	30
Outer Continental Shelf Lands Act workers.....	3	5	0	0	10	5
Nonappropriated Fund Act workers.....		1	0	0	0	2
Total.....	80	82	86	77	146	101

E. Number of cases still active:

Longshoremen and harbor workers.....	14,761	15,152	16,161	14,814	15,836	17,611
District of Columbia workers.....	3,275	3,312	4,065	3,799	4,375	4,425
Defense base workers.....	1,427	1,624	1,301	1,365	1,681	1,706
Outer Continental Shelf Lands Act workers.....	356	1,364	426	513	511	649
Nonappropriated Fund Act workers.....		263	545	588	827	1,237
Total.....	19,819	20,715	22,498	21,079	23,230	25,628
Index.....	100	105	114	106	117	129

F. Kind of insurance coverage:

Insurance companies:						
Longshoremen's and Harbor Workers' Act.....	281	284	283	281	284	288
District of Columbia Act.....	139	142	147	150	158	164
Defense Base Act.....	87	93	96	99	108	112
Outer Continental Shelf Lands Act.....	89	97	98	102	112	120
Nonappropriated Fund Act.....		111	115	119	128	131
Self insurers:						
Longshoremen's and Harbor Workers' Act.....	257	254	240	236	227	232
District of Columbia Act.....	65	64	63	58	55	55
Defense Base Act.....	16	14	9	9	11	9
Outer Continental Shelf Lands Act.....	10	10	6	8	8	9
Nonappropriated Fund Act.....						

TABLE 3.—Appropriations and expenditures, fiscal years 1959-63

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 funds available	Net expenditures
Year ending June 30:					
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
1961.....	3,702,200	3,701,537	2,238,219	63,000,000	62,175,949
1962.....	4,133,057	4,122,878	2,610,760	64,000,000	63,995,330
1963.....	4,329,630	4,329,383	2,728,738	68,149,685	68,134,584

TABLE 4.—Trust fund accounts for fiscal years 1959-63, Longshoremen's and Harbor Workers' Compensation Act

	1959	1960	1961	1962	1963
Balance, July 1.....	\$811,242.46	\$733,150.04	\$691,717.27	\$591,180.53	\$590,582.49
Receipts, fiscal year.....	27,095.80	27,929.24	25,327.47	25,842.83	30,144.22
Unaccrued investment yield on redeemed securities.....	-8,400.00	-11,039.00	-2,920.80	-----	-1,559.00
Total.....	829,938.26	750,040.28	714,123.94	617,023.36	619,167.71
Expenditures:					
Purchase premium.....	-----	128.00	890.00	-----	-----
Purchase accrued interest.....	-----	-----	-----	-----	-----
Repayment to insurance carrier.....	1,000.00	-----	-----	-----	-----
Compensation, section 8(f).....	4,057.20	4,057.20	3,468.44	3,747.60	7,147.95
Compensation, section 8(g).....	8,225.20	17,912.30	17,785.54	18,817.03	18,031.91
Prosthetic appliances.....	7,234.83	5,148.34	8,052.31	3,876.24	5,679.54
Transportation.....	-----	-----	-----	-----	-----
Reimbursement to salaries and expenses.....	76,270.99	31,077.17	92,747.12	-----	*112,860.00
Discount on purchase of investments.....	-----	-----	-----	-----	-----
Total.....	96,788.22	58,323.01	122,943.41	26,440.87	143,719.40
Balance, June 30.....	733,150.04	691,717.27	591,180.53	590,582.49	475,448.31

*For fiscal years 1962 and 1963.

TABLE 5.—Trust fund accounts for fiscal years 1959-63, District of Columbia Compensation Act

	1959	1960	1961	1962	1963
Balance, July 1.....	\$123,704.01	\$127,095.56	\$129,040.70	\$133,298.98	\$139,001.09
Receipts, fiscal year.....	5,907.60	7,625.24	9,557.96	9,691.84	8,881.16
Total.....	129,611.61	134,720.80	138,598.66	142,990.82	147,882.25
Expenditures:					
Compensation, section 18(b).....	677.71	577.72	577.72	533.28	488.84
Compensation, section 8(g).....	-----	-----	292.86	1,235.38	1,443.24
Compensation, section 8(f)(1).....	-----	-----	-----	-----	2,819.15
Prosthetic appliances.....	1,838.34	4,948.78	4,375.70	2,208.94	3,668.40
Transportation.....	-----	-----	-----	-----	-----
Purchase accrued interest.....	-----	-----	-----	-----	-----
Discount on purchase of investments.....	-----	-----	-----	-----	-----
Purchase premium.....	-----	153.60	53.40	12.13	-----
Total.....	2,516.05	5,680.10	5,299.68	3,989.73	8,419.63
Balance, June 30.....	127,095.56	129,040.70	133,298.98	139,001.09	139,462.62

EMPLOYEES' COMPENSATION APPEALS BOARD

The Employees' Compensation Appeals Board is the appellate forum for a Federal employee who wishes to appeal from a decision of the Bureau of Employees' Compensation involving a claim arising under the Federal Employees' Compensation Act for a work-incurred injury or disease.

For the 10th consecutive year, the Board has reduced the number of pending cases, as reflected by the following table:

Cases pending at end of fiscal year

1953.....	453
1954.....	341
1955.....	181
1956.....	170
1957.....	152
1958.....	140
1959.....	135
1960.....	132
1961.....	130
1962.....	117
1963.....	103

The Board closed the 1963 fiscal period with 103 cases. Fifty cases were not in posture for determination since they were awaiting pleadings by the parties or other preliminary action. Of the remaining 53 cases, 42 have been "decided" in executive session and were in the process of preparation of opinions. The Board has reduced the average time lapse between the date of filing of the appeal to the date of closing to a new low of 4.4 months.

A revision of the Board's rules and regulations became effective December 8, 1962. The procedures were brought up to date, but only minor substantive changes were made.

EMPLOYEES' COMPENSATION APPEALS BOARD

The Employees' Compensation Appeals Board is the appellate forum for a Federal employee who wishes to appeal from a decision of the Bureau of Employees' Compensation involving a claim arising under the Federal Employees' Compensation Act for a work-injury or disease.

For the sixth consecutive year, the Board has released the number of pending cases, as reflected by the following table:

Cases pending at end of fiscal year

1977	422
1976	441
1975	481
1974	479
1973	452
1972	440
1971	433
1970	430
1969	417
1968	402

The Board closed the 1977 fiscal period with 103 cases. Fifty cases were not in process for determination since they were awaiting findings by the parties or other preliminary action. Of the remaining 53 cases, 41 have been "decided" in executive session and were in the process of preparation of opinions. The Board has released the average time lapse between the date of filing of the appeal to the date of filing of a new law of 4.4 months. A revision of the Board's rules and regulations became effective December 3, 1968. The procedures were brought up to date, but only minor substantive changes were made.

BUREAU OF INTERNATIONAL LABOR AFFAIRS

The planning and execution of the development of the Bureau of International Labor Affairs have been a major task of the Department of Labor in the role of maintaining the U.S. Government's position in the field of international labor and employment. The Bureau has been a major force in the development of the U.S. Government's position in the field of international labor and employment.

The Department's activities in the international field are guided by the Executive Order of Labor for International Affairs, and are carried out in the Bureau of International Labor Affairs. The world's labor and employment are guided by the Department's policy of international labor and employment.

BUREAU OF INTERNATIONAL LABOR AFFAIRS

The Bureau of International Labor Affairs is a major force in the development of the U.S. Government's position in the field of international labor and employment. The Bureau has been a major force in the development of the U.S. Government's position in the field of international labor and employment.

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In developing the Department's policy, the Bureau of International Labor Affairs has provided the full realization of U.S. support for labor and employment and has been a major force in the development of the U.S. Government's position in the field of international labor and employment. The Bureau has been a major force in the development of the U.S. Government's position in the field of international labor and employment.

During the past few years, the Bureau of International Labor Affairs has been a major force in the development of the U.S. Government's position in the field of international labor and employment. The Bureau has been a major force in the development of the U.S. Government's position in the field of international labor and employment.

The Department's position in the field of international labor and employment is a major force in the development of the U.S. Government's position in the field of international labor and employment. The Bureau has been a major force in the development of the U.S. Government's position in the field of international labor and employment.

BUREAU OF INTERNATIONAL LABOR AFFAIRS

BUREAU OF INTERNATIONAL LABOR AFFAIRS

The pressing and evolving needs in the developing nations of the world have placed increasingly heavy responsibilities on the Department of Labor in its role of initiating the U.S. Government's policy formulation regarding labor and manpower aspects of foreign affairs, and in providing widely varied technical assistance in the labor and manpower area.

The Department's activities in the international field are directed by the Assistant Secretary of Labor for International Affairs, and are centered in the Bureau of International Labor Affairs. The wealth of expert knowledge and experience developed by the Department in a wide range of domestic labor activity supports the international activities of the Department and permits the Assistant Secretary for International Affairs and the Secretary of Labor to play a significant role in the planning and development of broad foreign labor policies for the Government of the United States.

Labor abroad is a crucial factor in the political and economic policies of the United States. Improving the living and working standards of workers in the developing countries is a primary aim of U.S. foreign policy and a major goal of all the economic and technical assistance programs of the United States. One method of accomplishing this is by strengthening the democratic labor institutions in the free world, for they are constantly endangered by totalitarian elements which seek to control or influence them.

In discharging its responsibilities, the Bureau of International Labor Affairs has provided for (1) utilization of U.S. overseas labor attachés and reporting and technical officers for expert factual and analytical reporting concerning the political, economic, and social problems of foreign labor; (2) research, by a Washington staff, on worldwide labor and manpower developments which affect U.S. foreign policies and operations, plus a publications program to acquaint interested governmental and nongovernmental officials with these developments; (3) formulation of effective foreign policies responsive to the particular labor and manpower situations in countries and regions; and (4) effective utilization of a variety of specific governmental action programs.

During the 1963 fiscal year, the Secretary signed an interagency agreement with the Agency for International Development providing for increased participation by the Department in planning and implementing AID's overseas programs. The agreement has resulted in increased activities of the Department in technical labor and manpower fields in support of the U.S. foreign aid program.

The Department's participation in the "unified Foreign Service" was strengthened. The labor attaché program was expanded, with new positions created in several African and Latin American countries. In

addition, the Department is represented on the Foreign Service Board of the State Department, which has the responsibility for implementing the recommendations of the Herter Committee, established by the President to suggest personnel and administrative reforms in U.S. Government service.

Further adjustments were made in the organization of the Bureau of International Labor Affairs so that it could respond more effectively to the Department's increasing participation in the Government's foreign labor activities. The Bureau was particularly strengthened in the areas of tariff and trade expansion programs, foreign trade union visitors, labor and manpower aspects of country development, overseas technical assistance work, overseas labor information programs, and administrative support of functions essential to the success of these programs.

POLICY FORMULATION

In its advisory capacity to the President and the Secretary of State, and in its role of assisting in development of foreign policy as it relates to labor and manpower aspects of foreign affairs, the Department of Labor draws heavily upon overseas labor specialists and departmental area and research staff.

To an ever increasing extent, the Government is utilizing the specialized resources of the Department. Frequently this work has involved the Secretary of Labor, Under Secretary, and Assistant Secretary for International Affairs in activities in Washington and overseas.

The Secretary and Assistant Secretary were in attendance at the Middle Level Manpower Conference at Puerto Rico and the Inter-American Conference of Labor Ministers for the Alliance for Progress at Bogotá, Columbia. The Under Secretary and the Deputy Assistant Secretary for International Affairs served as representatives of the Department at the OECD meetings at Paris. And again this year, the Assistant Secretary led the U.S. Delegation to the annual International Labor Conference at Geneva, and served as the U.S. representative at four sessions of the Governing Body of the International Labor Organization.

In the field of Bureau policy formulation activities, geographic area specialists plan and provide guidance designed to assist in formulating and attaining U.S. labor and manpower foreign policy objectives and develop and implement action proposals and programs for specific countries and geographic areas. They participated during 1963 in various international meetings such as the 47th International Labor Conference, the 17th session of the United Nations General Assembly, and the Conference of Inter-American Ministers of Labor at Bogotá, Colombia.

OVERSEAS SUPPORT

During the year, the Department of Labor cooperated with the State Department in strengthening the labor attaché corps. Eight new labor

attaché posts were established to deal more effectively with significant political and economic labor developments, particularly in Africa. There are now 65 labor attachés in the U.S. Foreign Service.

The Labor Department made available to the Agency for International Development many of its experts for overseas service in such fields as manpower planning, vocational and apprenticeship training, labor statistics, and employment service operations. A new program to develop technical labor experts for overseas employment was begun. Technical experts in labor and manpower fields are assigned abroad by AID, and these experts assist less-developed countries to improve their labor and manpower programs and institutions.

The Department cooperated in training and "backstopping" overseas officers for the United States Information Agency, which expanded its corps of labor information officers during the year. Specialized labor information officers are assigned abroad by the USIA. Through various informational media such as the press, Voice of America, speeches and films, these officers seek to present a true picture of how American workers fare in this country's free society, and how free trade unions function to the benefit of the workers.

RESEARCH AND PUBLICATIONS

The Bureau of International Labor Affairs follows activities in the field of international trade union developments. It collects, analyzes, and disseminates data on international and foreign labor organizations, prepares functional studies in the international labor field, including monographs on international trade secretariats, and maintains liaison on these subjects with other U.S. Government agencies, American trade unionists, and representatives of the international trade union movement.

The Division of Foreign Labor Conditions of the Bureau of Labor Statistics carries on an active research and publications program which emphasizes the economic aspects of labor abroad. The activities of this unit are coordinated closely with the research activities of the Bureau of International Labor Affairs.

Because of the considerable increase in the importance of the work being done by non-Communist international trade union organizations—and particularly the increased activity of the international trade secretariats—the Department's research, publishing, and analytical work in respect to these organizations has been accelerated. The results of this work are important not only to American unions, employers, and the public at large but also to the governmental agencies concerned with foreign policy formulation and operations.

During the year, the Bureau published a monograph on the Miners' International Federation, as part of its series on international trade secretariats, and a revised edition of its trade union directory for Africa. Trade union directories for Asia and for the International Federation of Christian

Trade Unions were brought up to date and revision of the directory for the International Confederation of Free Trade Unions was begun.

SPECIFIC ACTION PROGRAM

The following action programs of the Bureau of International Labor Affairs are directed toward achievement of U.S. foreign policy goals:

Foreign Economic Policy

ILAB represents the Department and provides the staff work for the Department's participation in the interdepartmental formulation of U.S. Government positions in foreign economic matters. Major emphasis during the year was on developing the trade and tariff program under the Trade Expansion Act of 1962. In preparation for the sixth major international tariff conference under the General Agreement on Tariffs and Trade, to be opened in Geneva in 1964, ILAB participated in the interagency committee structure set up under the act to advise the President and his Special Trade Representative. ILAB represents the Department on the Trade Staff Committee and its subcommittees and has coordinated the Department's consideration of the problems before these committees. In addition, the Assistant Secretary for International Affairs represents the Department in the Trade Executive Committee, and the Secretary is a member of the Cabinet-level Trade Expansion Act Advisory Committee. Within the Department, ILAB has arranged for assistance in planning and carrying on the research necessary for the formulation of the Department's position on economic problems related to the reduction of trade barriers.

In further connection with the work of the GATT, the Bureau participated in its 20th session in November 1962, in the Meeting of Ministers in May 1963, and in the work of Committee III on Expansion of Trade of the Less-Developed Countries, and has participated in the work of a task force dealing with technical problems of conforming the U.S. tariff rates under GATT to the new U.S. revised tariff schedules, effective in August 1963.

The Bureau has liaison staff assigned to represent the Department in the United Nations Economic Committee, which prepares U.S. positions on matters of economic affairs brought up in the U.N. Economic and Social Council. Of particular interest is ILAB's representation of the Department on the interagency steering group which is preparing for U.S. participation in the U.N. Trade and Development Conference scheduled for the spring of 1964, and which will be largely concerned with trade problems of the less-developed countries.

ILAB continued to participate during the year in the work of the Inter-Agency Textile Administrative Committee which administers the long-term cotton textile arrangement providing for voluntary restraints on the flow of cotton of the OECD Trade Committee as well as the Cabinet-level U.S.-Japan Joint Trade Committee on Economic Problems.

ILAB has also studied and reported on developments in other problem commodity areas, and has prepared numerous reports to the Congress and the Budget Bureau regarding labor implications of proposed legislation in the field of tariffs and trade.

Exchange of Persons

The Bureau coordinates the Department's participation in programs for the training of foreign nationals and cultural exchange and has primary responsibility for maintaining the Department's relationships on such matters with the sponsoring agencies. Foreign visitors are assigned to the various parts of the Department according to their interests and program objectives.

The Department had primary responsibility for arranging programs for 713 foreign visitors arriving during the year. Of these, 495 came under the program of the Agency for International Development, 200 under the cultural exchange program of the Department of State, 8 under the United Nations program, 7 under the ILO program, and 3 under the Army program. Three hundred and forty-three came from the American Republics, 171 from the Far East, 131 from the Near East and South Asia, 37 from Europe and 31 from Africa. Included were 526 trade unionists, 155 government representatives, 24 from management, and 8 from other organizations. In addition, 553 visitors were referred from other agencies, private organizations, foundations, and embassies. Among the visitors were 17 top government leaders including the Ministers of Labor of Bolivia, Chile, Colombia, Mauritania, and the Philippines, as well as the Chief Minister of St. Lucia.

The Bureau played a major role in the Japanese labor exchange program, carried out under the cultural exchange program of the Department of State. This enhanced the opportunity for improving understanding between the peoples of the United States and Japan and for the development of relationships between the trade unionists of the two countries.

A 6-week course in union administration and operation was held at St. John's College in Annapolis, Md., as part of the Bureau's "Union in Action" program. One week of the course covered the objectives and implementation of the Alliance for Progress for Latin America.

ILO and Other International Organizations

The activities of the International Labor Organization, oldest of the U.N. specialized agencies, were spurred to an accelerated pace when the General Assembly designated the 1960's as the United Nations Development Decade and called upon the specialized agencies to cooperate in accomplishing the tasks set for the decade.

The task of promoting balanced economic and social development moved forward on four fronts, namely, standard-setting activities, research,

operational activities, and promotional and educational action. The task of the Department in supplying technical information, experts, and reports increased in proportion to the greater activity of the ILO.

The year ended with an ILO membership of 108 countries, an increase of 6 from the preceding year. Reflecting this increase, the annual International Labor Conference in June 1963 was the largest ever held. At midsession the number of delegates and technical advisers reached a record of 1,087. The U.S. delegation, headed by Assistant Secretary of Labor George L-P Weaver, maintained a consistent, and forthright position despite an unprecedented and turbulent session occasioned by protests against the presence of the delegation of the Republic of South Africa. The U.S. Government delegation maintained the position, with respect to South Africa, of defending the right of any accredited delegate to speak (including that of the delegate from South Africa), while at the same time making clear its unqualified detestation of the system of apartheid practiced by the Government of South Africa.

Throughout the period of disturbance, the U.S. delegation played a major role, serving as a bridge between the Secretariat of the Conference and the African, Latin American, Asian, and Western European groups.

Though the dramatic African "walkout" held the limelight, the real accomplishments of the Conference included adoption of the final texts of a convention and recommendation concerning the protection of workers against unguarded machinery and a recommendation laying down standards with respect to termination of employment. In addition, preliminary drafts of international instruments dealing with hygiene in shops and offices and benefits in the case of industrial accidents and occupational diseases were approved as a basis for a second discussion at the International Labor Conference to be held in June 1964.

The government, worker, and employer delegates at the Conference met in separate electoral colleges on June 13, 1963, to select 38 elective members of the Governing Body—12 each from the employers' and workers' groups and 14 from governments (together with 10 deputies from each of the 3 groups). This was the first Governing Body election following the effective date of the Instrument of Amendment, which increased the size of the Governing Body from 40 to 48 members (24 government, 12 worker, and 12 employer). Ten of the government members represent nonelective States of Chief Industrial Importance, including the United States.

Employer delegates to the Governing Body were elected from Sweden, Peru, Federal Republic of Germany, Argentina, Lebanon, Nigeria, United Kingdom, United Arab Republic, India, United States, Pakistan, and France. Worker delegates were elected from Pakistan, India, Federal Republic of Germany, Nigeria, United Kingdom, Tunisia, United States, Canada, Australia, Switzerland, Denmark, and Mexico.

The Conference adopted a net expenditure budget of \$16,388,799. It also adopted an expert study, submitted by the Committee on the Application of Conventions and Recommendations, dealing with discrimination

in employment, based on documentation from 138 countries. One of the conclusions to be drawn from the study is that discrimination in one form or another is to be found in every country of the world.

The United States participated in four Governing Body sessions (153rd, 154th, 155th, and 156th) during the fiscal year. Assistant Secretary Weaver served as the U.S. Government delegate at these sessions. The Governing Body took the following significant actions:

1. Approved proposals concerning the Inter-American Vocational Training, Research and Documentation Center.
2. Approved the establishment of an International Center for Advanced Training in Turin and authorized the Director-General to proceed to this end.
3. Established a continuing advisory committee on strengthening ILO action in the field of discrimination in employment and occupation.
4. Accepted the report of a Commission of Inquiry examining the Complaint of Portugal concerning the Observance by Liberia of the Forced Labor Convention, 1930.
5. Approved proposals for the Preparatory Technical Conference on Employment Policy to be held in 1963.
6. Approved reports by the Committee on Conditions of Work in the Fishing Industry and the International Symposium on the Medical Inspection of Labor.
7. Adopted 3 resolutions pertaining to the participation of South Africa in the work of the ILO.

Other ILO meetings were held in Geneva during the year. The 7th session of the Metal Trades Committee met from September 17 to 28. From October 1 to 17, there took place the Meeting of Experts on the Assessment of Manpower Requirements for Economic Development. The Tenth International Conference of Labor Statisticians was in session from October 2 to 12. The Meeting of Consultants on Indigenous and Tribal Populations was held October 15 to 26. The Tripartite Technical Meeting for the Printing and Allied Trades met from November 12 to 23. From November 19 to 24, the Advisory Committee of the ILO International Institute for Labor Studies pondered the problems of that institution. The Fifth Asian Regional Conference was held in Melbourne from November 26 to December 8. From December 3 to 8, the Panel of Experts on Cooperation was in session. Immediately thereafter, from December 10 to 14, there met the Committee of Experts on the Determination of the States of Chief Industrial Importance. The year 1962 was closed with the meeting of the Committee on Conditions of Work in the Fishing Industry from December 10 through 19.

The third session of the Board of the International Institute for Labor Studies was held on February 20. The Committee of Experts on the Application of Conventions and Recommendations held its 33rd session from March 25 to April 6. Then followed, from April 18 to 29, the Interna-

tional Symposium on the Medical Inspection of Labor. From May 6 to 17, the ILO Textiles Committee held its 7th session.

The Department of Labor participated in these meetings, prepared background material for the guidance of delegates, and assisted in their selection and briefing.

The Division of Regional Economic Organizations was created in the Bureau in April 1963 to handle the increasing emphasis on labor and manpower in those regional organizations of which the United States is a member: the Organization for Economic Cooperation and Development (OECD), the North Atlantic Treaty Organization (NATO), the Economic Commission for Latin America (ECLA), and others. The OECD made a formal examination of U.S. manpower policies and programs during 1963.

Through representation on U.S. delegations and participation in the interdepartmental formulation of U.S. Government positions, the Department contributed to U.S. representation in United Nations agencies dealing with social matters, such as the Commission on Human Rights, the Social Commission, the Population Commission, the Economic and Social Council, and the General Assembly's Third Committee (Social, Cultural, and Humanitarian Affairs).

International Exhibitions

The Department of Labor arranges and carries out labor participation in the Government's special international exhibits program in international trade fairs under the auspices of the United States Information Agency. Department operations in support of the primary psychological and informational goals of the program are directed at communicating to foreign workers and students an accurate picture of the American worker in this society.

The heart of Department activity toward reaching these goals is a carefully selected labor mission conducting "people-to-people" activities on a schedule arranged to assure maximum popular contact. Missions also travel to various parts of each country in order to expand their activities. They are reinforced by exhibits, visual aids, and literature on labor in America.

In fiscal year 1963, labor activity in the field of international exhibitions continued to expand. Labor mission members, in most cases speaking the language of the area, participated in eight international fairs in Latin America, Europe, Africa, and Southeast Asia. Of a total of 32 labor mission members, 14 were drawn from the American trade union movement and 14 from the Labor Department. In addition, the Department furnished four technical supervisors who worked with the Department of Commerce field staff in setting up and operating American fairs.

Approximately 300,000 pieces of specially translated foreign language literature on American workers and trade unions were distributed during the year through labor missions. This included translation into Serbo-Croat, Spanish, German, French, Turkish, and Indonesian. An estimated

10,000 copies of Labor Department publications in English were also distributed to labor ministries, schools, trade unions, and selected individuals.

A typical operation was that in Buenos Aires, Argentina, where a labor mission worked within the American "solo" fair held in October 1962. Formal meetings were held with representatives of 40 Argentine trade unions representing all shades of the national political spectrum. The mission collected and turned over to USIA 2,000 requests for further information on American labor while distributing 95,000 brochures. At that fair, related trips were made to three major industrial centers in the interiors, and mission members lectured at the Buenos Aires faculty of law. The labor exhibit at the fair encouraged visitors to ask questions that were answered mechanically and with pictures.

BUREAU OF LABOR-MANAGEMENT REPORTS

BUREAU OF LABOR-MANAGEMENT REPORTS

BUREAU OF LABOR-MANAGEMENT REPORTS¹

The fourth year of the Bureau of Labor-Management Reports (BLMR) was marked by an increase in civil and criminal prosecutions under the Labor-Management Reporting and Disclosure Act. The number of violations reaching litigation rose to 147 from 76 in 1962. The total number of possible violations opened for investigation remained about the same as in the preceding year, and voluntary compliance effected settlement of 90 percent of all violations.

The increase in litigation does not appear to indicate a higher incidence of willful violations. In part, it is due to a better understanding of the law by those having rights under it. Thus, complaints alleging failure of employers to file required reports increased by 15 percent and there was a significant increase in the number of union members' complaints alleging violations of the provisions governing union officer elections. In both categories there was an increase in court actions. In part, increased litigation resulted from improved investigative techniques for revealing violations and for developing evidence if prosecution is warranted.

Investigation of challenged elections and supervising reruns made a major demand on BLMR manpower. Several required assignment of compliance officers from a number of area offices simultaneously, because they originated with organizations covering a broad geographic jurisdiction.

The Bureau entered a new field of activity in 1963 by conducting 104 investigations which were delegated to it by the Department's Office of Welfare and Pension Plans under the enforcement authority vested in the Secretary of Labor under the amended Welfare and Pension Plans Disclosure Act.

As in preceding years, the Bureau cooperated with other law enforcement agencies in pursuance of the Government's corrupt-practices program. In 20 such projects, 160 investigations were conducted, aimed at elimination of racketeering and illegal practices in labor-management relations.

In the fiscal year 1963, the Bureau received and processed 62,860 reports, including labor information and financial reports, terminal reports of labor organizations, trusteeship reports (opening and termination of trusteeships and special financial reports), union officer and employee reports, and employer and labor relations consultant reports. The format of all of these reports has been refined to provide essential information and at the same time make them simple to prepare. For example, more than 77 percent of the reports filed are on a single letter-size page.

¹ On August 21, 1963, functions of this bureau were transferred to the Office of Labor-Management and Welfare-Pension Reports in the newly established Labor-Management Services Administration.

The technical assistance program, organized to advise persons subject to the act how to comply with its provisions, included an extensive workshop schedule, with special emphasis on election procedures, and emphasized direct contacts with union officials to establish mutual understanding between those with obligations under the act and those responsible for administering it. Compliance officers conducted 689 workshops attended by 18,835 persons.

TABLE 1.—*LMRDA alleged violations, by type and status, fiscal year 1963*

Type of alleged violation (and section of act)	Alleged violations			Reason for closing investigations		
	Total	Active	Closed	Not action-able	Voluntary compliance	Legal action
Total, all alleged violations ¹	2 4, 871	1, 951	2, 920	1, 483	1, 290	3 147
Failure to provide copies of agreements (sec. 104).....	104	17	87	15	72	0
Inadequate reports to BLMR under title II.....	3, 369	1, 414	1, 955	927	987	41
Reports of labor organizations (sec. 201).....	2, 257	864	1, 393	569	701	33
Retention of records (sec. 206).....	3	0	3	0	0	3
Reports of union officers and employees (sec. 202).....	303	160	143	99	44	0
Reports of employers and labor consultants (sec. 203).....	806	390	416	259	152	5
Trusteeships (secs. 301, 302, and 303).....	74	30	44	30	13	1
Illegal election procedures (sec. 401).....	179	49	130	74	41	15
Breach of fiduciary responsibilities by union officers (sec. 501).....	575	251	324	246	0	78
Embezzlement ⁴	471	250	221	143	0	78
Other.....	104	1	103	103	0	0
Inadequate bonding of union officers or employees (sec. 502).....	349	117	232	93	138	1
Illegal loans to, and payments of fines of, union officers or employees (sec. 503).....	10	8	2	2	0	0
Ineligible persons holding union office (sec. 504).....	42	14	28	25	0	3
Under Communist prohibition ⁴	11	1	10	10	0	0
Under convict prohibition ⁴	30	13	17	15	0	2
Applicability of parole board exemption.....	1	0	1	0	0	1
Bribery and extortionate picketing ⁴ (sec. 602).....	3	3	0	0	0	0
Criminal contempt (sec. 608).....	1	1	0	0	0	0
Illegal discipline of union members (sec. 609).....	1	0	1	1	0	0
Deprivation of members' rights through violence (sec. 610).....	51	19	32	24	0	8
Miscellaneous ⁴	9	3	6	5	1	0
Welfare and pension.....	104	25	79	41	38	0

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 These totals do not include violations of section 201 which were corrected by the assistance of international unions; these violations were previously included because they were corrected by use of the compliance staff.

³ Includes legal action taken by Department of Justice after that agency had received a complaint.

⁴ 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.

⁵ 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.

With the cooperation of international unions, the Bureau obtained more than 1,500 delinquent reports from their subordinate units with a consequent substantial reduction in the number referred for field investigation.

Field offices handled 2,257 alleged violations in this category, compared with 3,019 in the preceding year.

Investigative procedures were improved to obtain better results while reducing the time required for financial investigations and in the preparation of investigation reports.

Stress on work planning and effective manpower utilization, coupled with the introduction of automatic data processing, enabled BLMR to reduce its staff by not filling vacancies. When the Bureau's 1964 budget was approved, the House Appropriations Subcommittee in its report recognized the effective management represented by reduction of personnel by 7 percent with no reduction in workload.

The special report on union trusteeships, required by Congress to be submitted on the basis of the first 3 years' experience under the act, was completed and published. A comprehensive study of union election procedures in the light of experience derived from several hundred election investigations was being completed.

Individuals and private agencies are encouraged to use the Bureau's data resources for research in the industrial relations field. The Industrial Relations Research Association will publish a 10-chapter volume in 1964 on LMRDA and its administration. There is growing interest by students and others in BLMR's disclosure files, now fully decentralized to area offices. In 1963, more than 18,000 files were examined, compared with about 9,000 in 1962.

REPORTS AND DISCLOSURE

The Bureau progressed during the year toward mechanical processing of data on the more than 52,000 financial reports filed annually by labor organizations.

As the year ended, mechanical checks of the 1962 reports were being prepared to identify organizations delinquent in filing reports. Later, all reports are to be subjected to a computer audit for the identification of reporting errors and deficiencies.

Financial reports received in the 1963 fiscal year were submitted on the revised and simplified LM-2 and LM-3 forms. The LM-3 report now consists of a single page. It is used by about 40,000 of the 52,000 reporting organizations; the more detailed LM-2 report is required only from organizations with annual receipts of \$30,000 or more.

Use of the computer for analyzing reports will permit more efficient programing of desk audits by quickly and economically identifying files where a detailed examination is indicated. Heretofore, such audits have been made manually on a random selection basis. Under the new system, the mechanical audit will disclose deficiencies and the desk audit will determine what steps are necessary to obtain correct reports, either by correspondence or by referral to field offices for direct contact with the organization.

An extensive program was conducted during the year to obtain reports from local organizations delinquent in filing one or more financial reports. In this program, the Bureau obtained the full cooperation of international labor organizations which assisted by correspondence and through their staff representatives in obtaining more than 1,500 reports.

The Bureau has continued its program of technical assistance to union officers who are charged with the responsibility of preparing financial reports. This has been achieved principally through meetings with financial secretaries and treasurers. Conducted by compliance officers from each area office, the meetings are generally held during the first 3 months of the year, when four-fifths of the organizations are preparing their annual financial reports. One issue of the "BLMR Guide," a Bureau publication, was devoted to the subject of financial reporting, with emphasis on the errors most commonly found in reports. It was mailed to all organizations.

During fiscal 1963, initial reports were received from 2,742 labor organizations, and the report files of 2,656 organizations were closed by termination or cancellation. The total of active files for labor organizations on June 30, 1963, was 52,323.

A second edition of the "Register of Reporting Labor Organizations" is in final stages of preparation. It will list all unions that have filed reports and are currently active.

Special Reports

The Bureau emphasizes advice to all union officers and employees, employers, and labor relations consultants of their reporting requirements if they engage in certain transactions or enter into certain arrangements affecting labor-management relations. A proposed form for reporting by union officers and employees was published in the Federal Register in October 1962. A final draft of the form is being prepared. This will complete the issuance of forms for all who are required to report under the act.

The Bureau received 134 consultant agreement and activities reports (LM-20) in the past year and 388 employer reports (LM-10). In the same period, 162 union officer and employee reports were filed in letter form.

The Secretary filed suit in five cases to obtain reports from employers or employer consultants.

In the first two cases, a Chicago employer, Olson Rug Company, Inc., and a consultant, the Illinois State Detective Agency, Inc., were defendants. The Bureau's investigation revealed that the detective agency had been hired by the company to obtain information on union activities of its employees.

When both refused to file reports, a civil suit was filed charging them with failing and refusing to file reports on the "agreement or arrangement whereby the . . . agency undertook to supply the company with in-

formation concerning the activities of employees . . . in connection with a labor dispute."

The court action was settled in August 1962, when both firms consented to a court order to submit the required reports.

The Cascade Employers Association, Inc., of the Pacific Northwest was charged for failing to report an agreement with an employer to help the firm combat union organization by the International Brotherhood of Teamsters. Three officials of the Cascade company were also named in the suit. One had allegedly made a speech to company employees urging them to reject the union.

Although the employer submitted a report outlining his part in the agreement with the Cascade Employers Association, the latter and its officials repeatedly turned down the Bureau's requests for the submission of consultant reports.

In another case, agents of the Wallace Detective Agency in Portland, Oreg., allegedly were placed in plants of Harvey Aluminum, Inc., in Torrance, Calif., and The Dalles, Oreg., to identify and report employees who favored unionization of the plants by the United Steelworkers of America. Both the company and the agency refused to file reports required of them by sections 203(a) and 203(b) of the LMRDA; court action was instituted to obtain the reports.

Another action involved National Welders Supply Co., Inc., and Robert E. Lee and two detective agencies he owns, all located in Charlotte, N.C.

Unlike the other court actions, all involving a failure to file reports and all filed in the U.S. District Court for the District of Columbia, legal proceedings were taken against National Welders and Lee in the U.S. District Court for the Western District of North Carolina alleging that both defendants had filed erroneous and incomplete reports.

The Carolina firms were charged with inaccurately reporting the agreements under which Lee persuaded employees of the company in regard to exercising their collective bargaining rights, and with obtaining information about their activities and those of the International Union of Operating Engineers.

Disclosure Files

During the year, 18,605 public disclosure files were examined, compared with about 9,000 in the preceding year. Reproductions of 7,867 reports were supplied in the current year, compared with 2,100 in 1962.

Of those who requested disclosure files, 14 percent identified themselves as workers and about 8 percent as employers or representatives of employer associations. Another 8 percent of the requests were from attorneys. About 5 percent were from newspapers and magazines. Several newspapers used files in area offices as a source for a series of articles on unions in their locality.

The files were used also by students engaged in research or classroom studies, Federal, State, and local law enforcement agencies, and individuals who declined to identify themselves.

Research

The act authorizes the Secretary to use the information contained in reports for statistical and research purposes. In this connection, the Bureau currently is updating its series of union financial data; the first study was published in 1961. The new study will publish detailed data from the second and third cycles of annual financial reports.

The research program assists the enforcement activities of the Bureau by making special studies required for court cases. An analysis of union officer eligibility provisions in union constitutions was a major point in evidence in a case where the court set aside an election on the basis that unreasonable qualifications had been imposed by a local union in determining eligibility of candidates.

The Bureau also continued its program of encouraging and assisting universities, foundations, and individuals in their research in all areas related to the act. During the year, the BLMR Research Kit, outlining opportunities available through use of the Bureau's facilities, was revised and distributed to institutions interested in the field of labor-management relations.

For example, the Bureau has cooperated with the Industrial Relations Research Association, which has undertaken a major study of the administration of the act. This will be known as the "IRRA Volume on the Landrum-Griffin Act" and will be edited by Philip Taft of the Department of Economics, Brown University; Martin Estey, University of Pennsylvania; and Martin Wagner, University of Illinois.

TABLE 2.—BLMR technical assistance clinics, fiscal year 1963

State	Number	Attendance	State	Number	Attendance
Alabama.....	5	184	Montana.....	11	235
Alaska.....			Nebraska.....	8	137
Arizona.....	1	13	Nevada.....	3	118
Arkansas.....			New Hampshire.....		
California.....	15	538	New Jersey.....	5	225
Colorado.....	9	252	New Mexico.....	1	20
Connecticut.....	3	162	New York.....	44	1,463
Delaware.....	1	12	North Carolina.....	18	375
District of Columbia.....	3	183	North Dakota.....	9	108
Florida.....	27	424	Ohio.....	45	864
Georgia.....	35	547	Oklahoma.....	23	606
Hawaii.....	2	46	Oregon.....	14	356
Idaho.....	9	241	Pennsylvania.....	28	836
Illinois.....	33	880	Rhode Island.....		
Indiana.....	41	681	South Carolina.....	7	93
Iowa.....	34	726	South Dakota.....	5	57
Kansas.....	25	427	Tennessee.....	11	281
Kentucky.....	24	638	Texas.....	27	1,787
Louisiana.....	16	494	Utah.....	2	95
Maine.....			Vermont.....		
Maryland.....	3	105	Virginia.....	17	657
Massachusetts.....	8	465	Washington.....	8	266
Michigan.....	5	184	West Virginia.....	9	114
Minnesota.....	11	164	Wisconsin.....	25	469
Mississippi.....	19	252	Wyoming.....	4	36
Missouri.....	29	1,586	Puerto Rico.....	7	233
			Total.....	689	18,835

TRUSTEESHIPS

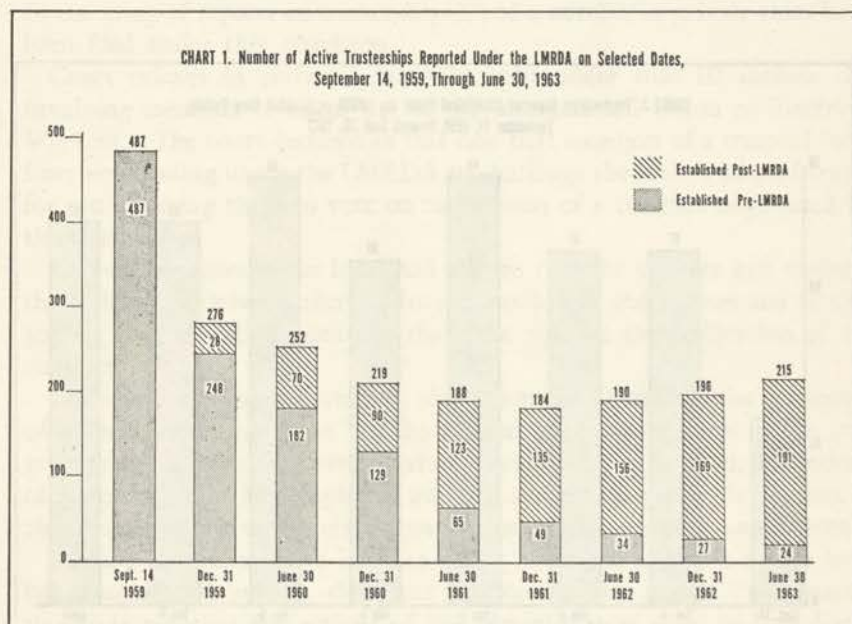
Title III of the LMRDA deals with union trusteeships. Its purpose is to rid the labor movement of the abuses of union trusteeships disclosed in the McClellan Committee investigations prior to the law's enactment, and at the same time to protect the right of parent labor organizations to assume control over a subordinate union's affairs whenever necessary to do so.

Periodic reports are required upon the establishment of a trusteeship and while the trusteeship is in effect; a terminal report is required on the trusteeship's dissolution. In enacting legislation governing the scope and use of trusteeships, the Congress also asked the Secretary of Labor for a report at the end of 3 years' experience in administering the provisions of title III.

A report entitled "Union Trusteeships" was submitted in September 1962. The Secretary's report was accompanied by a detailed study on the effect of the trusteeship provisions of the act, the most comprehensive study ever made of union trusteeships.

The study disclosed that on September 14, 1959, the effective date of the act, 487 subordinate labor organizations, or less than 1 percent of all reporting organizations, were under some form of trusteeship imposed by a parent body.

Chart 1 shows the total number of active trusteeships on selected dates beginning with September 14, 1959, and the number established before and after the passage of the act. The number of active trusteeships on June 30, 1963, was 215. All but 24 were established following the passage of the act.

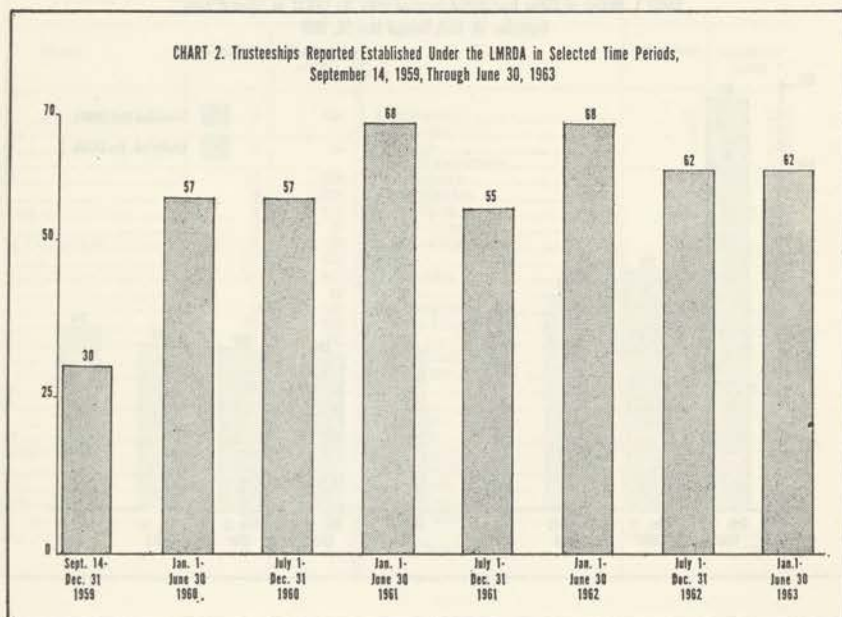


During the fiscal year, 124 trusteeships were established by parent labor organizations over subordinate bodies, indicating a continuation of the relatively stable rate of imposition which has prevailed since the provisions of title III have been in force (chart 2). During this period, 99 trusteeships were terminated.

The Secretary's report drew the following conclusions on the 3-year administration of title III:

- The malpractices disclosed by the McClellan Committee are no longer found to exist to any significant extent.
- While the law has proved effective in preventing abuses in the imposition of trusteeships, it has not substantially hindered unions from establishing trusteeships.
- Many national union constitutions have been amended to provide greater safeguards against unnecessary suspension of autonomy.
- With few exceptions since passage of the act, parent labor unions have imposed trusteeships sparingly and only as a last resort in an effort to maintain the stability and security of their organizations.
- The trade union movement has cooperated in voluntarily correcting violations of the trusteeship provisions.
- The Department has never had to go to court to get a trusteeship removed from over a subordinate union.

These conclusions, with one exception, still stand. Since the report was filed, the Department has proceeded to court to get a trusteeship lifted from one subordinate union. On June 28, 1963, the Department filed suit



against the American Guild of Variety Artists (AGVA), after unsuccessful efforts to obtain a voluntary lifting of a trusteeship imposed over the Guild's Philadelphia Branch.

The suit charged that AGVA placed its Philadelphia Branch under trusteeship in October 1959 and had not lifted its suspension of autonomy since that time. The complaint maintained that continuation of the trusteeship was not necessary for a purpose allowable under the act. First restricting the activities of the branch's executive committee, AGVA later suspended all of its powers and duties. Thus, the suit in effect charged that the parent body had been running all of the affairs of the branch for more than 3 years. During that period, the branch had not been represented by a local-elected executive committee.

Section 304(c) of the LMRDA provides that after the expiration of 18 months a trusteeship is presumed invalid in any court proceeding under section 304 and must be discontinued unless the parent union can show by clear and convincing proof that its continuance is necessary for a purpose allowable under the law.

BLMR initiated an investigation of the trusteeship after receiving complaints from members of the Philadelphia Branch that AGVA's continuance of the trusteeship was unlawful.

While BLMR has opened 262 investigations into trusteeship cases of all types since the LMRDA's enactment, the AGVA suit is the first instance where the Department was forced to take legal action under title III. However, the law also permits individual union members to bring civil suit under title III (except in matters arising under section 301 pertaining to the filing of reports on trusteeships), and a number of private suits have been filed under this provision.

Court rulings in private actions brought under title III include one involving members of Local 945 of the International Union of Electrical Workers. The court declared in this case that members of a trustee local have no standing under the LMRDA to challenge the trustee administrator for not allowing them to vote on ratification of a contract negotiated by the trustees.

Laid-off members of the local had alleged that the trustees had violated the rights of members under the local constitution and bylaws and section 303(a)(1) of the act by denying them the vote on the ratification of the contract.

The court concluded, however, that trusteeship suspends the autonomy of a local union and that "if the normal processes of local union self-government continue to prevail after a trusteeship is created, the efforts of a trustee might be completely nullified and would make him subject to the control of the very body he was appointed to supervise and govern."

Finding the plaintiffs to have no rights under the LMRDA or the local constitution and bylaws, the court maintained that it was "unnecessary to decide whether the actions of the administrators were in compliance with the act."

Other court rulings under the act's trusteeship provisions include the following:

- Actions to terminate a trusteeship may be brought by individual union members only after violations of title III have been determined to exist by the Secretary.¹ However, another court took the view that members need not invoke the aid of the Secretary of Labor, but can bring direct private suits if they desire.²

- Congress did not deny a labor organization the right to merge local unions, nor has it curbed or limited such right.³

- An international union has no power, since the enactment of the LMRDA, to impose a trusteeship in the absence of its constitution or bylaws providing therefor. Further, the international has no standing, acting through a purported trusteeship, to question the validity of dissolution of an affiliate which was dissolved before the constitution was amended to permit trusteeships.⁴

- An international union found to have violated the LMRDA in imposing a particular trusteeship was enjoined from continuing to administer the local in question, and the trustee was ordered to turn over all records to the elected officers of the local.⁵

UNION ELECTIONS

Title IV of the LMRDA prescribes minimum standards for labor organizations in electing officers.

More than 52,000 organizations, most of which are local unions, are subject to these provisions. Since the LMRDA fixes a maximum term of 3 years for local officers and, in practice, many locals set terms of 1 or 2 years, there undoubtedly have been many more than 52,000 local union elections held during the time the law has been in effect.

Although investigation of alleged violations of the law in connection with elections has been a major demand on the Bureau, the number of elections challenged has been small in relation to the total conducted.

To minimize the possibilities of inadvertent noncompliance with the election requirements, the Bureau has made dissemination of information about title IV a major part of its technical assistance program. Nearly 250,000 copies of the pamphlet "Electing Union Officers" have been distributed. A number of international unions have sent copies to each of their locals. Many have been distributed at union meetings and conventions. One issue of the "BLMR Guide," mailed to all reporting organiza-

¹ *Flaherty v. McDonald, et al.*, U.S.D.C., S.D. Calif., January 5, 1960, F. Supp. 300, 45 LRRM 2456; see also 45 LRRM 2690, 40, L.C. 66,514.

² *Executive Board, Local 28, Teamsters v. Electrical Workers (I.B.E.W.)*, 184 F. Supp. 649 (U.S.D.C. Md. May 11, 1960).

³ *Brewery Bottlers & Drivers Union, Local 1345 v. International Brotherhood of Teamsters*—202 F. Supp. 464 (U.S.D.C., E. Dist. N.Y.; 1962); 49 LRRM 2714, 44 L.C. 17,458.

⁴ *Flight Engineers International Association, AFL-CIO, Calif. Chapter v. Continental Air Lines, Inc.*, 297 F. 2d 397 (9 Cir.; 1961), 49 LRRM 2951, cert. denied, 369 U.S. 871, 82 S. Ct. 1141, 50 LRRM 2170.

⁵ *Robert Parker, et al. v. International Brotherhood of Teamsters, et al.*, U.S.D.C. W.D.N.C., Civil Action No. 1741, January 25, 1963.

tions during the year, featured articles on election provisions. A coupon offer in two issues of the "Guide" calling attention to technical assistance aids on election procedures produced requests for information from more than 1,200 unions.

Hundreds of special presentations on the election provisions have been made to union representatives by compliance officers at workshops. In arranging such meetings, the Bureau has had the cooperation of central labor councils, building and construction trades councils, and many international unions.

A union member who questions the conduct of an election must first process his complaint through internal channels provided by his own organization. If the member either exhausts his available internal union remedies or invokes such remedies for 3 calendar months without receiving a final decision, he may, within 1 calendar month thereafter, file a complaint with the Secretary of Labor. Such complaints are referred to the BLMR for investigation. If the investigation uncovers evidence of violations of the act which the Secretary believes may have affected the election outcome, the union is asked to remedy the violations voluntarily. In some instances, this voluntary compliance takes the form of a constitutional amendment or other measures on the part of the union which are designed either to correct the violation in the challenged election or to insure that a similar violation will not occur in future elections. In most cases, however, the voluntary compliance is in the form of a rerun election supervised by the Bureau, pursuant to an agreement with the union. Although voluntary compliance has been achieved in most instances, where it has not the Secretary has filed suit in a U.S. district court to have the election set aside.

The Bureau conducted 134 investigations of election complaints during the year. Of these, nine were closed because no title IV violations were disclosed. In addition, 60 were closed because there was no reason to believe the violations had affected the election outcome.

Unions voluntarily reran 14 elections under BLMR supervision during the year, and there were 16 other cases where voluntary compliance was achieved. Determinations were issued in these cases.

The Secretary filed 15 election cases in court during the year. BLMR supervised 11 elections resulting from court actions after the Secretary filed suit to set aside the original election on the basis of a BLMR investigation.

One court-directed rerun election involved the Marine Cooks and Stewards Union, whose members vote when their ship is in port. This required BLMR compliance officers to be stationed at a polling place in each of five port cities where ballots could be cast during the months of November and December. Additionally, the court ordered that some means of voting be provided for members who had "no access . . . to a designated polling place during the period of the election." These members were provided absentee ballots and procedures had to be developed for their use, since it was the first time absentee voting had been permitted.

The court-ordered rerun election for officers of the Cleveland Area District Council of Carpenters also required a large-scale effort. It involved supervising 37 separate elections, including primary and final balloting by 18 council affiliates, and then the vote by the elected delegates to select officers of the council.

Some of the civil actions filed by the Secretary under title IV produced judicial interpretations of the election provisions that have general application.

A U.S. district court, in an election case involving Packinghouse Workers Local 804 in Puerto Rico, held that an organization of agricultural workers was subject to the LMRDA because it came within the interstate commerce definition of the act. The court did not deny the union's contention that it was not within the jurisdiction of the National Labor Relations Act, but found that the LMRDA jurisdiction was broader.

A U.S. district court in Texas made the first interpretation of the "reasonable qualifications" clause of section 401(c) of the act relating to the right of labor organizations to establish eligibility rules for union officers. A Bureau investigation of a challenged election in the International Brotherhood of Teamsters Local 577 disclosed that most members of the local were ineligible to run for office under a union rule that dues must be paid on or before the first day of the month they were due, without any grace period for continued good standing. Any lapse in such first-of-the-month payment during 24 months preceding nominations would disqualify a member as a candidate. A special study of union constitutions by BLMR was accepted by the court as evidence that this was an exceptionally stringent rule for eligibility, and the judge declared it unreasonable. The decision noted that the Teamsters had modified the rule in a constitutional amendment that was adopted after the election was challenged.

Suit was filed against Amalgamated Local Union No. 355 in New York alleging violations of LMRDA through failure to hold an election of local officers within a 3-year period. Following filing of the suit, the independent union held an election and sought dismissal of the action. This was denied by the court, which held: "The filing of a complaint under the procedure outlined by Congress sets in operation governmental machinery. To that point the LMRDA gives the labor organization the opportunity to correct and remedy the violations. Beyond that point the right of the government to investigate the breakdown of the democratic process is clear. It is not within the power of the labor union to deprive the government of its right by compliance. The interest of the public goes beyond adherence to the form. The interest of the public has been called into play by the failure of the local to act. The substantial right of the Secretary cannot be capriciously brushed aside." The court ordered the election rerun under BLMR supervision.

The U.S. District Court for the Southern District of New York ordered Local 88 of the International Organization of Masters, Mates, and Pilots to "refrain from imposing any restrictions on the right of 'Probationary

Members' in good standing . . . to vote and have their ballots tallied in future elections of officers," thus giving support to the Department's interpretation as published in 29 CFR 452.10: ". . . a union may not create special classes of nonvoting members."

Two election investigations have placed before the courts an issue involving timely access to records. The statute provides for the completion of an election investigation within 60 days. In one case, the Secretary filed suit within the 60-day limit, but sought leave to amend the complaint at a later date because compliance officers had been denied records considered essential to a complete investigation. At yearend, a suit was pending to enforce delivery of the information being withheld. In another case, the Secretary's suit was filed several days after the 60-day limit because, the complaint alleged, a series of delaying tactics employed by the union made it impossible to complete the investigation within the time limit.

At the close of the fiscal year, several suits were pending under title IV in which eligibility qualifications for union office were being challenged as unduly restrictive.

ENFORCEMENT

The goal of BLMR is to attain voluntary compliance with the LMRDA, to have violations remedied where possible by voluntary action, and to resort to prosecution only where willful violations occur. To this end, the Bureau conducts an extensive technical assistance program, meeting with persons subject to the act individually and in groups to explain the law, and distributing numerous publications describing in detail the act's provisions and the regulations issued under it.

Special Investigations Program

A special investigations program has been continued in coordination with other law enforcement agencies. It is an undertaking of broad exploratory inquiries into labor-management relationships where there is reason to believe illegal practices exist. The primary objective is to identify and expose to appropriate prosecution any individuals who prey upon the trade union movement for personal gain, or who, under the guise of unionism, exploit disadvantaged workers.

The 20 projects active in fiscal year 1963 have involved 4 of the 5 regions and 17 area offices. This effort has developed 264 possible violations of the LMRDA by organizations and individuals. In addition, numerous matters have been referred to other Federal agencies as probable violations of Federal law within their province, and several violations of State law have been brought to the attention of local authorities. In several instances where violations of LMRDA are joined with violations of the National Labor Relations Act, as in the failure to report or false reporting connected with prohibited payments by employers to union officers,

the entire investigation has been conducted by BLMR at the direction of the U.S. Attorney.

Basic Violations Program

This program embraces the enforcement of the several provisions of the act designed to guarantee to union members their rights. These provisions include the right to see a copy of the collective bargaining agreement; to have access to the annual financial report; to have disclosed any transactions or relations between an employer and union officials that might affect the members' interests; to have disclosed an employer's use of third-party persuasion or spying in connection with organizing or collective bargaining; to have union property protected by acceptable fiduciary practices by adequately bonded union officers and employees; and to free expression regarding the affairs of the union without interference by threat, coercion, or violence.

A total of 4,711 alleged basic violations were available for investigation during the fiscal year. In this period, 1,409 were closed because the allegations were unsupported; 1,249 were closed by voluntary compliance. Legal action was taken on 132 basic violations, compared with 67 in fiscal 1962. (These totals do not include civil suits in election cases.)

Litigation

As a result of the various enforcement programs, the 147 violations leading to litigation (table 1) resulted in 126 criminal actions and 21 civil actions.

One of the earliest investigations undertaken by the BLMR, and one that had nationwide ramifications, involved the top officers of the independent Bakery and Confectionery Workers' International Union, an organization which had been expelled from the AFL-CIO on charges of corruption.

On May 24, 1963, James G. Cross, former president of the union, was sentenced to 1 to 3 years in prison by the U.S. District Court of the District of Columbia for embezzling \$70,000 from the union. He had been convicted of embezzlement in 1959, in violation of the D.C. Code; obstruction of justice in 1959; conspiracy to embezzle in 1960; and embezzlement of \$35,000 from the union in violation of section 501(c) of the Labor-Management Reporting and Disclosure Act.

Judge Alexander Holtzoff gave Cross 1 to 3 years on each of the 4 counts, to run concurrently.

Also sentenced were two former vice presidents of the Bakery Workers' Union who had pleaded guilty to being accomplices to the conspiracy and had testified against Cross. Lester Crawford received a 1- to 3-year suspended sentence, was placed on probation for 5 years, and was ordered not to engage in union activity during this period. Frank H. Mykalo received a similar sentence, but was ordered to serve the first 6 months in prison.

Earlier, Peter H. Olson, secretary-treasurer of the union, who had pleaded guilty to embezzling \$35,000, was sentenced to 1 to 4 years, with sentence suspended and 4 years' probation. James Landriscina, a vice president of the union, charged with conspiracy to embezzle, received a suspended jail sentence, a fine, and probation. Cross and Landriscina had been charged with giving \$35,000 of the misappropriated funds to the union's attorney, Milton M. Levin, to use to influence the outcome of Cross' 1959 perjury trial. Levin, however, converted the money to his own use, in violation of the D.C. Code, and has been tried and convicted for grand larceny.

In Detroit, a Federal grand jury indicted a union business agent for conversion of union funds to the use of another person, making false entries in the books and records, and conspiring to commit the offense. This case is of interest because it arises from sustained efforts by the BLMR to gain access to the books of this and another local of the Teamsters in Pontiac, Mich. Both locals refused to permit the inspection by the Bureau, and declined to honor subpoenas served on them. The locals initiated court action in October 1960, when they filed a motion to suppress the Labor Department's subpoenas.

The district court ruled the subpoenas to be too broad and stated that the Secretary of Labor had to show probable cause for his investigation. The Sixth Circuit Court reversed the district court's ruling and the U.S. Supreme Court later declined to review the decision. The locals were ordered to open their books to BLMR representatives.

Inspection of the Pontiac local's books uncovered evidence which led to the indictments of the local's president and secretary-treasurer, the former on a charge of embezzling \$500 and making false entries in the union's books, and the latter with 12 counts of embezzling \$2,085 and an additional 12 counts of making false entries in union records.

A BLMR investigation in Cleveland, Ohio, resulted in an 11-count indictment of a registered public accountant for making false entries in union records and embezzling \$6,100 of funds of the Cleveland Cement Masons Union, Local 404.

The prohibition of the use of physical or verbal coercion to deprive a union member of his right to express his views on business before a union meeting applies to "any person," not only against union officers or agents or those acting on their behalf, the Seventh Circuit Court ruled on June 5, 1963.

By so ruling, the court upheld the sentences which a trial court, the Federal District Court for Northern Indiana, had imposed on two members of the Bridge, Structural and Ornamental Iron Workers.

Donald Roganovich and Victor Santangelo were found guilty of having willfully through use of force and violence restrained, coerced, and intimidated Robert Robbins at a meeting of Local 395 of the Iron Workers in Hammond, Ind. They were sentenced to serve a 1-year term of imprisonment and to pay a fine of \$100 each. The jail sentences were suspended and probation of 1 year was imposed.

In the appeal, the defendants contended that Congress intended to safeguard members only from "so-called 'bosses and racketeers' " and not to create any rights in individual members standing alone or in relation to other individual members. The court, however, considered the language of the act clear and unambiguous. It gives "every member" a "right . . . to express . . . his views" regarding "any business properly before the meeting."

Five Philadelphia Teamsters were convicted by a jury of using force and violence and threats of violence to keep 12 union members away from a meeting of Teamsters Local 161. Three were sentenced to 2 years' imprisonment and fined \$2,000, one was fined \$3,000, and received a 2-year sentence and a year of probation, and a fourth received a 2-year sentence, 2 years' probation, and a \$3,000 fine. Charges against a sixth man were dismissed.

A former financial secretary for a local union in Zanesville, Ohio, was indicted on six counts: (1) Embezzling \$2,521.88, (2) falsifying records, (3) destroying records, (4 and 5) false reports, and (6) failure to bond. He was the first individual to be indicted for failure to obtain the required bond under section 502 of the LMRDA.

The act bars from union office or acting as a labor relations consultant any person convicted of certain crimes for 5 years after conviction or the end of imprisonment.

The U.S. Board of Parole upheld this section in May 1963, when it denied the application of Peter J. Postma for a certificate of exemption from the convict-officer provisions of the law.

Postma had applied for the certificate so that he might hold a position of business agent of Teamsters Local 294 in Albany, N.Y. He had been an official of the local at various times, and served time in prison for extorting money from employers in return for labor peace. His most recent stay in prison ended on March 30, 1960, and he had been under mandatory release supervision until January 1961.

The position he sought was one he held for some years prior to his conviction in 1956 on charges of extortion from 11 trucking companies.

Harry Serio, business agent of Teamsters Local 478 in Newark, N.J., was given a 6-month suspended sentence for serving as a union official while subject to the LMRDA prohibition against ex-felons holding union office; he had been convicted in May 1962.

A Federal grand jury in Detroit indicted a former union business agent for serving as a labor relations consultant. The indictment was on three counts, covering employment by three Detroit firms.

Communists are also barred from holding union office within 5 years after having left the party, and the constitutionality of this phase is now being tested in the courts.

In 1962, Archie Brown, a member of the executive board of a local union in San Francisco, who was convicted of violating the LMRDA prohibition against Communists or ex-Communists holding union office, was sentenced to 6 months in prison.

He appealed the verdict, and in February 1963 the American Civil Liberties Union entered the case as a friend of the court, challenging the constitutionality of the LMRDA. The ACLU took the position that section 504 is unconstitutional because it presumes that Congress has the power to regulate political activity without showing that there is clear and present danger of substantial harm from the activity. It questions the district court's interpretation which held that such a showing is not necessary under that section because Congress conclusively determined that a member of the Communist Party who is a union officer is a "clear and present danger."

TITLE I—RIGHTS OF UNION MEMBERS

Many inquiries received by the Bureau in 1963, as in prior years, concerned title I of LMRDA. However, the Secretary of Labor has authority to deal directly only with complaints under section 104 of title I, granting members and nonmembers alike the right to see copies of collective bargaining agreements affecting their status as employees. All other complaints arising under this title may be brought to litigation only through private suits.

Title I provides that every member of a labor organization shall have equal rights and privileges within his union to attend membership meetings, participate in the deliberations and voting on the business of such meetings, nominate candidates, and vote in any election or referendum. Exercise of these rights is subject to reasonable rules and regulations imposed by the union under its constitution and bylaws. Other provisions relate to the members' rights of freedom of speech and assembly, their right to sue the organization under certain circumstances, their right to vote on dues rates and initiation fees, and their right to protection from improper disciplinary action.

Since the enactment of LMRDA, 137 private suits have been reported. Some significant judicial interpretations of the act have resulted.

A U.S. circuit court of appeals has given a broad construction to the section restricting union disciplinary powers. In *Salzhandler v. Caputo* (U.S. Court of Appeals, Second Circuit, New York), the court set aside disciplinary penalties imposed on a member (a former financial secretary) which it found to be based on criticism he had expressed orally and in writing of another union officer, which the defendants claimed to be libelous.

The court held that the Labor-Management Reporting and Disclosure Act "protects the union member in the exercise of his right to make such charges without reprisal by the union; that any provisions of the union constitution which make such criticism, whether libelous or not, subject to union discipline are unenforceable; and that the act allows redress for such unlawful treatment."

The court found that the charges "related to the handling of union funds; they concerned the way the union was managed. The Congress decided that it is in the public interest that unions be democratically governed and toward that end that discussion should be free and untrammelled and that reprisals within the union for the expression of views should be prohibited. It follows that although libelous statements may be made the basis of civil suit between those concerned, the union may not subject a member to any disciplinary action on a finding by its governing board that such statements are libelous."

In another action, a U.S. district court found a title I suit relationship to responsibilities imposed on union officers in title V of the act. In *Nelson v. Johnson* (U.S. District Court, District of Minnesota), a group of union members had sued to set aside disciplinary penalties and the case was settled by stipulation. Subsequently a membership meeting of the local union voted to reimburse the members for legal expenses incurred in the action. However, the president and treasurer refused to pay the claim. The members then sued a second time under sections 501 (a) and (b) of the LMRDA.

The trial judge held the members' complaint was sustained under the act's provisions defining fiduciary responsibilities of union officers. In his decision, the judge declared: "... men of modest means were persecuted and they fought back. They incurred heavy financial costs to vindicate intangible rights belonging to themselves and others. There was no financial advantage to be reaped—only risks to be run. The other members showed their appreciation of the benefits conferred by awarding the petitioners their attorney's fees. The assertion of these rights was thereby encouraged."

Congressional intent has not been interpreted by the courts as providing a "catch-all" for dissatisfied union members, but only an assurance of the rights enumerated. For example, while the right to nominate candidates in union elections is protected, the right to be a candidate is held to be covered in title IV, section 401(e), and cannot be enforced in an action brought by the aggrieved member in a U.S. district court. Similarly, the right to participate in the deliberations and vote on business before membership meetings does not extend to matters of business which would not come before membership meetings.

In other title I cases, it has been held that a court is without jurisdiction under title I to enjoin a union election in which a union member has been nominated for office but denied a place on the ballot; the right of such member is governed by section 401(e), enforceable by the Secretary of Labor. A court has ruled that the making of undue noise while a member spoke at a meeting, the failure to maintain an orderly meeting by the means available, and the invitation by an executive board member to "step outside" constituted interference with and an infringement on the members' rights under sections 101(a)(1) and 101(a)(2).

Under section 104, a court has ruled that a member has the right to receive from his union a copy of the collective bargaining agreement, but does not have a right of action against the union seeking that the agreement be carried out. A circuit court of appeals has ruled that where the making of a collective bargaining contract is, under the rules of the union, the exclusive prerogative of the officers, such contracts do not become the subject matter of elections or referendums.

A Federal court has held that section 101(a)(1) permits a union to create substantive and procedural restrictions on the members' right to vote, but it may not do so arbitrarily or indefinitely so as to establish permanent classes of membership not entitled to an equal right. A circuit court of appeals ruled that the action of the international increasing its minimum dues by convention action under section 101(a)(3)(b) can be enforced by an affiliated local union without first submitting the question of a dues increase to a vote of its members under provisions of section 101(a)(3)(a). A circuit court of appeals has ruled that "any person," not only a union official, who uses physical or verbal coercion to deprive a union member of his right to express his views on any business before a union meeting may be brought to Federal court for violating the member's right under section 101(a)(2) of the LMRDA.

ADMINISTRATION AND MANAGEMENT

The Bureau's field organization consists of 5 regional offices, each with 3 professional employees, 24 area offices, and 9 resident offices which serve as an operating base for 1 or 2 compliance officers. Five new resident offices were authorized during the year in Cincinnati, Ohio; Grand Rapids, Mich.; Indianapolis, Ind.; Jacksonville, Fla.; and Louisville, Ky.

More than 80 percent of the employees engaged in compliance, enforcement, and technical assistance programs are in field offices. These offices conduct investigations, explain the law to those affected by it, represent BLMR at meetings and conventions, supervise rerun elections, maintain contact with labor and management representatives and law enforcement agencies, and conduct workshops to explain the union officer election provisions of the act and teach labor and management officials how to comply with reporting requirements.

In the national office, an automatic data processing system was programmed during the year and will become fully operational early in fiscal 1964. A major reorganization of reports processing activities was completed as part of the adjustment to automated procedures. The changes simplified supervision and control by effecting unified responsibility for reports processing and establishing a controlled, continuous-flow, belt-line handling of the reports from receipt to distribution of copies to area offices. Formerly, the procedure involved three different Bureau divisions.

BUREAU OF LABOR STANDARDS

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BUREAU OF LABOR STANDARDS

For nearly three decades, the programs of this agency have been directed to a single objective: raising labor standards and extending them to all who work for substandard wages and under substandard conditions. Sound labor standards which respond realistically to the needs of workers are essential to the Nation's economic progress and security. Moreover, decent labor standards are an expression of society's conscience. They are answers to deep and demonstrated needs of the workers. At the same time, they promote efficient production and improve employee morale. Generally, they have followed the industrial development of the country, changing with industrial change.

The standards safeguarding American workers from the hazards of their work are a case in point. This year marked a dual observance in the work of industrial accident prevention—the 50th anniversary of the Department of Labor and of the safety movement in this country. The Department in the past half century and the Bureau of Labor Standards since its creation in 1934 have contributed to improved standards of work for the safety and health of employees. Fifty years ago, an estimated 18,000 to 21,000 workers' lives were lost each year. In 1962, with a work force twice the size, producing more than four times as much, there were 13,700 occupational deaths.

Despite progress in job safety, the President of the United States on April 3, 1963, expressed concern over the "individual tragedies and the economic waste of the Nation's manpower resulting from nearly 14,000 deaths and 2 million disabling injuries in the workplaces of our country." He directed the Secretary of Labor to organize a President's Conference on Occupational Safety to be held in Washington in 1964. The Bureau of Labor Standards has been assigned the task of organizing the Conference and a program to examine current standards of safety, and other areas of accident prevention. A 40-member advisory committee, appointed by the Secretary, met on June 13, 1963, to guide the Bureau in Conference organization.

LABOR LEGISLATION AND ADMINISTRATION

State agencies responsible for administering laws and programs for the improvement of working conditions continued to experience problems in 1963 arising from such factors as automation and other advances in industrial technology, increasing mobility of the labor force, decentralization of industry, and the shift in many States from an agricultural to an industrial

emphasis. The States made increasing use of the Bureau's technical services.

All 50 States, Puerto Rico, and the District of Columbia were given technical advice and assistance by the Bureau in the field of labor legislation and administrative practices during the fiscal year. In addition to State labor agencies, assistance was extended to Members of Congress, Federal agencies, national and State management and labor organizations, civic and church groups, international bodies, colleges and schools, and other interested groups and individuals. Types of assistance given covered such fields as workmen's compensation, migratory agricultural labor, child labor, wages and hours, wage payment and wage collection, industrial relations, discrimination in employment, occupational safety and health, and regulation of private employment agencies.

Assistance to States

General Working Conditions

As in past years, the Bureau's technical services were geared to subjects of particular interest to the States, with special emphasis on migratory farm labor, workmen's compensation, child labor, wage payment and wage collection, minimum wages, and safety. For example, the Bureau gave technical assistance and information to 47 States in the field of migratory farm labor; to 39 States on workmen's compensation; to 49 States on child labor; to 41 States on wages; and to 24 States on occupational safety. This included assistance to 40 State legislative councils or committees.

The Bureau, acting jointly with the Women's Bureau, developed revised drafts of the "Suggested Language for a State Bill Establishing a Fixed Minimum Wage" and the "Suggested Language for a State Bill Establishing a Fixed Minimum Wage and Wage Boards." As has long been customary in developing such draft language, a committee of State minimum wage administrators was set up. For purposes of this revision, the committee was composed of representatives from Rhode Island, the District of Columbia, Connecticut, California, North Carolina, and New York. It reviewed the suggested language and made recommendations for changes on the basis of the latest experience of the States. The committee met with representatives of the Bureau, the Solicitor's Office, the Women's Bureau, and the Wage and Hour and Public Contracts Divisions. The revised draft containing the suggestions made at the committee meeting will be made available to the States as a guide for strengthening existing laws or for new legislation.

A revision of the "Suggested Language for a State Occupational Safety and Health Bill" was also prepared by the Bureau and submitted to a committee of the International Association of Governmental Labor Officials for its consideration and approval. This suggested language will likewise be made available to the States to serve as a guide in adopting new legislation or in improving existing safety legislation.

The revision of the "Suggested Language for a State Wage Payment and Wage Collection Law" which was begun in 1962 was completed this year and copies were distributed among all the States for their guidance in considering such legislation. This draft was used by a number of States in presenting proposals to their State legislatures in 1963. Hawaii, in amending its law this year, followed the draft bill very closely.

To provide the States with more adequate and more prompt technical services, the Bureau expanded its Division of State Services by establishing four new regional offices of the Division to supplement one established earlier in San Francisco, Calif. The new offices are located in Chicago, Ill., Kansas City, Mo., Dallas, Tex., and Atlanta, Ga. With this increased field staff it was possible for the Bureau to give more than 2,000 technical services to the States in 1963.

Services given included assistance to Oklahoma, North Carolina, and Virginia on a sanitary camp code for migratory agricultural workers; to Colorado, Indiana, North Dakota, and Texas on improvements in their child labor laws; to Ohio on major changes needed in wage payment and wage collection law; to Illinois on the analysis and drafting of a proposed minimum wage law; to Hawaii, New York, and Oregon on amendments to strengthen the law regulating private employment agencies or on information to assist in the administration of this law; to Maryland on prevailing wage law; to Michigan, Missouri, New Mexico, and Wyoming on safety rulemaking authority; to Rhode Island on overtime pay provisions and hours of work laws and regulations; to Colorado on revision of four minimum wage orders; to Mississippi on the establishment of a State labor department; to Maryland on ways and means of strengthening the existing State labor department; and to South Carolina and Tennessee on developing supporting material for a minimum wage law.

The Bureau gave considerable technical assistance to the Secretary's Conference of State Labor Commissioners, held in Washington, D.C., in February 1963, after a lapse of several years.

Bureau staff members participated in or serviced many other conferences and meetings, including those of the President's Committee on Youth Employment, the President's Commission on the Status of Women, the President's Committee on Employment of the Physically Handicapped, Conference on Equal Employment Opportunity, Annual Conference on Aging, Annual Convention of National Association of State Labor Relations Agencies, National Child Welfare Commission of the American Legion, West Virginia State Committee on Children and Youth, and a Statewide Conference on Working Women in Minnesota.

The Bureau continued to give technical assistance to the International Association of Governmental Labor Officials and the International Association of Industrial Accident Boards and Commissions. It serviced committees of these associations and helped to plan convention programs. The secretary-treasurer of each association is an official of the Bureau.

Analysis of Labor Law

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 1963, the legislatures of 47 States and Puerto Rico met in regular sessions. Approximately 3,300 bills concerning labor standards were recorded and indexed, with the more important analyzed and summarized. Almost 600 of these bills were enacted into law. Significant advances in legislation during 1963 included action in the fields of workmen's compensation, migratory agricultural labor, wages, child labor and youth employment, and discrimination in employment. The first anti-injunction act to be passed since 1947 was adopted by Hawaii. For the first time in 5 years, a "right to work" law was passed. Wyoming became the 20th State to have such a law.

Workmen's compensation improvements included increased weekly benefits for all or some types of benefits in 19 States. Most of the increases were for \$2, \$3, or \$4 a week. Medical benefits were strengthened in 11 States. Time limits applicable to radiation diseases were liberalized in six States (Arkansas, Georgia, Iowa, Kansas, North Carolina, and South Carolina), and in Nebraska for all occupational diseases. In the field of wage legislation, five States increased the statutory minimum hourly rates. The new rates, some of which do not go into effect until 1964 or 1965, range from 70 cents to \$1.25. Three States (New Hampshire, Hawaii, and Vermont) strengthened their wage payment and wage collection laws.

Eleven States passed laws relating specifically to agricultural workers. These included laws in North Carolina and Oklahoma to regulate migratory labor camps.

Standards for employment of younger workers during school hours were improved in Colorado, Wyoming, and Texas. The minimum age in Colorado for such employment was raised from 14 to 16 years; in Wyoming, 16 years was set for the first time; and Texas raised the minimum age from 12 to 14 years and also brought agriculture under coverage of its child labor law.

Proposals to prohibit discrimination in employment on the basis of race, creed, color, or national origin were successful in four States (Hawaii, Iowa, Vermont, and Indiana).

A considerable number of Federal bills concerned with labor standards were evaluated by the Bureau, and background material was supplied to a number of the congressional committees working on the legislation.

Workmen's Compensation

The Bureau stepped up its services this year in the field of workmen's compensation as the result of the increasing demand for technical assistance in this field. A six-member Advisory Committee on Workmen's

Compensation, composed of representatives of labor, management, and the public, was appointed by the Secretary of Labor to assist the Bureau in planning and developing a comprehensive study of the administrative procedures and practices of workmen's compensation agencies. One section of this study, "Medical Care Under Workmen's Compensation," was completed by Dr. Earl Cheit, of the University of California, and published as Bulletin 244 of the Bureau. This is one of the most popular workmen's compensation bulletins ever issued by the Bureau. Substantial progress has been made in determining the other areas to be covered by this study and in making specific arrangement for special workmen's compensation consultants to assist in the study. The Bureau also continued to provide considerable technical assistance to the subcommittee of the Council of State Governments which is preparing suggested language for a workmen's compensation law.

Preliminary planning, in cooperation with the U.S. Atomic Energy Commission, was begun on a proposed intensive study of ionizing radiation injuries and the problems involved in their coverage under workmen's compensation laws. This project is the result of congressional hearings conducted in 1962 on a proposed Federal workmen's compensation law for radiation injuries.

Emphasis was given during the year to the rehabilitation aspects of workmen's compensation laws. Staff members participated in two national institutes on rehabilitation and cooperated with the Bureau of Employment Security, the President's Committee on Employment of the Handicapped, and the Office of Vocational Rehabilitation in promotion of State seminars on rehabilitation.

The Bureau's facilities for providing technical assistance and information on workmen's compensation laws and procedures were made available to State workmen's compensation agencies, State legislative committees, the Social Security Administration, Atomic Energy Commission, Departments of Interior and Agriculture, congressional committees and Members of Congress, Library of Congress, U.S. Chamber of Commerce, American Federation of Labor and Congress of Industrial Organizations, United Mine Workers of America, International Brotherhood of Boilermakers, insurance companies, American Medical Association, universities and schools, United Nations Advisory Board on Compensation Claims, and other interested groups, organizations, and individuals.

The Bureau gave technical assistance to the following: the Florida and Kentucky workmen's compensation agencies, on claims filing and office operating procedures; a Colorado legislative study group, on occupational diseases; an Illinois State senator, regarding the problems involved in ionizing radiation cases; a Wisconsin workmen's compensation advisory committee, on methods of protection for injured workers of uninsured employers; the International Brotherhood of Boilermakers, on recommended loss of hearing provisions under workmen's compensation laws; Congressmen from New Mexico and Rhode Island, on improvements needed in their

State workmen's compensation laws; the New Jersey Consumers League, on experience of States with coverage of heart diseases and newsboys and time limits in filing claims; and the Governor's office and State AFL-CIO in California, regarding reorganization of the workmen's compensation agency to provide more effective supervision of workmen's compensation cases and the establishment of a rehabilitation unit within the workmen's compensation agency.

In the international workmen's compensation field, the Bureau's chief workmen's compensation consultant served as the technical adviser to the U.S. delegation to the International Labor Conference in Geneva. He participated in the study and discussion centering on a possible revision of international workmen's compensation standards. Prior to the Conference, Bureau technicians prepared the U.S. position paper on this subject.

Technical assistance given to the International Association of Industrial Accident Boards and Commissions included planning for its 48th annual convention in Indianapolis and participation in it. The various committees were supplied with background materials for the preparation of their reports to the convention, and convention proceedings were prepared by the Bureau and issued as Bulletin 254. In addition to the national convention, the Bureau also assisted the association in planning two regional meetings during 1963—an eastern meeting in New York and a central meeting in Chicago. Staff members participated in both meetings.

Migratory Labor

The two pilot community projects for migratory farmworkers initiated last year by the Bureau, in conjunction with the Bureau of Employment Security, for Hendersonville and Elizabeth City, N.C., demonstrated the effectiveness of such programs and are being continued. These community programs—put into operation prior to the arrival of the migratory workers—represent a concerted effort by all of the public and private agencies, voluntary organizations, and individuals concerned with improving the working and living conditions of migrant workers, particularly with respect to education, recreation, community acceptance, and child care. Each program functions through a citizens' committee whose members represent the various participating agencies and organizations, and all activities are coordinated by an executive secretary. A Bureau representative maintains close liaison with the projects. On the basis of the successful experience with these two projects, the Bureau developed and published Bulletin 258, "A Guide to Community Efforts To Improve Conditions for Agricultural Migrants." This bulletin is intended to promote and to facilitate the development of similar programs in other communities.

Technical services and assistance on migratory labor problems were given in 1963 to 27 State migratory labor committees and to 283 different church and civic organizations in 46 States. Field consultants and other Bureau staff members participated in many national, regional, and State

conferences on migratory labor. These included meetings of the Advisory Committee on Economic Life of the United Presbyterian Church in the USA, for which a Bureau consultant served as technical adviser; the Northern California-Nevada Council of Churches and the Migrant Ministry in California, Montana, Oregon, and Idaho; the Department of Migrant Ministry of the National Council of Churches; the Migratory Labor Committee of the Eastern Section of the Council of State Governments; and the annual National Farm Labor Conference.

Other migratory labor service included assistance to the Muscatine, Iowa, Migrant Labor Council in initiating and providing day-care centers and schools for migrant children; in Kansas, to the State Board of Health, Kansas State University Extension Service, and the Ministerial Alliance for the establishment of school programs and day-care services for migrant children; in Missouri, to the United Church Women for establishing, for the first time, a migratory labor committee and program; and in Michigan, to two church groups in consolidating and strengthening their migratory labor activities. In addition, a Bureau representative promoted a conference of Jewish, Protestant, and Catholic groups to consider a coordinated migratory labor program in the Midwest.

Publications and Special Reports

In the field of general labor law, the following bulletins were prepared: "Annual Digest of State and Federal Labor Legislation for 1961 and 1962," Bulletin 253; "Labor Laws and Their Administration," 1962 proceedings of the 45th Convention of the International Association of Governmental Labor Officials, Bulletin 251; "Housing for Migrant Agricultural Workers, Labor Camp Standards," Bulletin 235 (revised); "State Anti-Injunction Laws: A Brief Discussion of Major Provisions," Bulletin 250; "Map Series: State Laws Regulating Private Employment Agencies," Bulletin 252; and "Workmen's Compensation Problems," 1962 proceedings of the 48th Convention of the International Association of Industrial Accident Boards and Commissions, Bulletin 254.

Some 13 fact sheets containing brief summaries of various types of labor laws were revised in 1963 and distributed. Eight tables were also revised. These related to age discrimination; minimum age in agriculture, during school hours, in manufacturing, outside school hours, and under alcoholic beverage control laws; nightwork hours for minors; and State regulation of weightlifting.

Approximately 80 special reports or charts were prepared on State labor laws. Four extensive special reports were prepared for the President's Commission on the Status of Women and the President's Committee on Youth Employment. A number of special articles were also prepared for various periodicals and yearbooks, such as the Monthly Labor Review, U.N. Yearbook on Human Rights, Encyclopedia Britannica Yearbook, Newsletter of the National Farm Labor Committee, Inter-American Manual on Social Security Institutions, and Medical Economics.

YOUTH SERVICES AND EMPLOYMENT STANDARDS

A major responsibility of the Bureau is the protection of young workers and the development of programs to improve the employability of youth, thereby assisting them to make a successful transition from school to work. The dimensions of employment and related problems affecting the Nation's youth are clear: Young workers under 25 will account for almost half of the increase in the labor force in the 1960's, and competition is stiffened as the result of changing jobs and job requirements. Occupations for which employees will be needed will be those requiring education and training; a high school education will barely meet minimum entrance requirements for most jobs. There will be no increase in the number of jobs for the unskilled.

Child Labor Standards

As a continuing action, the Bureau develops and revises child labor standards to insure protection of young workers and employment opportunities for youth. The 1963 fiscal period constituted the first full year of operation of the amended Child Labor Regulation No. 3, which became effective in June 1962. This regulation, governing the employment of minors aged 14 and 15 outside school hours, was revised to set forth occupations which these minors may or may not perform in retail, food service, and gasoline establishments. The Bureau was called upon to analyze new situations resulting from the amendment and it consulted with the Office of the Solicitor and the Wage and Hour and Public Contracts Divisions in preparing interpretations on the application and intent of the revised regulation.

The Bureau frequently receives complaints to the effect that child labor laws interfere with employment opportunities for young workers. During the year, the publication "Teenagers *Can* Be Hired," which contains examples of jobs for young workers, was revised to include additional employment opportunities under Regulation No. 3. Among those using the revision extensively are guidance and counseling personnel, school officials, offices of vocational rehabilitation, and hospital administrators.

Forty-five States, the District of Columbia, and Puerto Rico renewed cooperative agreements under which State employment certificates are accepted as proof of age under the Fair Labor Standards Act. These jurisdictions reported to the Bureau that 1,071,965 employment certificates were issued for minors 14 through 17 years of age going to work under State and Federal child labor laws. This represents an approximate increase of 20 percent over the number issued in 1961. The increase may be due to extended coverage of the Fair Labor Standards Act to retail establishments.

The Bureau also continued to render technical assistance to States on forms, instructions, and explanatory bulletins dealing with child labor laws.

This past year, many officials from State labor departments visited the Washington office of the Bureau for such assistance. The merits of employment certificate systems were also explained to foreign visitors from Ceylon, the Philippines, and Indonesia.

Youth Employment Hazards

Safeguarding young workers from the hazards of employment is an area of vital concern to the Bureau. To lessen the chance of injury to young workers, the Bureau specialists conduct investigations which serve as the basis for hazardous occupations orders. These orders, which the Secretary issues under provisions of the Fair Labor Standards Act, set an 18-year minimum age for employment in certain occupations he declares to be hazardous. The Bureau encourages States to adopt similar legislation to protect young workers who are employed outside the coverage of the Fair Labor Standards Act.

Hazardous Occupations Order No. 17 became effective during the year, setting an 18-year age minimum for employment in most excavation operations. A previous order, No. 10, which applies to meat processing machines, was amended to extend coverage to retail and service establishments and to allow for the employment of apprentices and student-learners. In addition, an investigation was begun to determine the advisability of amending the order to cover meat patty machines, which have come into use in recent years.

Another investigation conducted by the Bureau concerned the application of Hazardous Occupations Order No. 8 (metal forming machines) to eye-letting and riveting machines. As a result, the order is now interpreted to cover these machines. The Bureau also conducted a survey to determine the advisability of amending Order No. 7 (operation of hoisting apparatus) to permit the employment of minors under 18 as operators on automatic and signal control passenger and freight elevators. As a result, it was decided that an amendment was not warranted.

During the year, the Bureau invited State labor commissioners to comment on needed hazardous occupations investigations and revisions of existing orders, and to advise on the extent to which the States have used Federal orders as patterns for State orders. A continuing service consists of advising other government agencies, school systems, employers, and trade associations, as well as the Wage and Hour and Public Contracts Divisions of the Department of Labor, on the applicability of orders to specific work situations.

Youth safety publications are an important phase of the Bureau's efforts to protect young workers. "Farmwork, Safety, and You," suggested as a discussion guide for youth leaders, teachers, work supervisors, and others to use in reviewing farm safety practices with employed youth, has been widely distributed and used. The Bureau also developed a general safety leaflet for farm-employed youth which outlines work hazards and suggests

safe work practices, and a leaflet featuring plans and suggestions for demonstration of a how-to-lift model which can be built and displayed in schools. In addition, the Bureau made its quarterly farm-safety news service available to county agricultural extension agents for use in their local newspaper and radio work.

Community Services

A high degree of priority was placed during the fiscal year on programs to aid communities in developing the employability of youth and in solving the many-faceted employment problems of young people. Realizing that both remedial and preventive steps must be taken at the local level, the Bureau established 11 regional offices throughout the country, with a regional youth consultant in each office.

The consultants assist in promoting sound child labor standards and general safety standards for youth. They also help communities and local groups to improve and expand youth services, to organize youth committees and develop youth projects, to conduct forums on youth problems, and to hold conferences designed to stimulate the interest of young people in getting an education.

Aware of the vast potential of the many organizations concerned with youth, the Bureau has solicited support and cooperation of numerous national organizations and their regional, State, and local counterparts in an effort to solve overall youth problems. Many of these organizations have cooperated by alerting their membership to the Bureau's youth program and services, and through distribution of many of the Bureau's youth-related publications.

Another major activity has centered around the report of the President's Committee on Youth Employment, "The Challenge of Jobless Youth," and its recommendations. This year's meeting of the Bureau's Advisory Committee on Young Workers dealt exclusively with the question of the Bureau's role in implementing the recommendations of the Committee's report. Further, in response to this report, a major Bureau function has been to analyze the characteristics of the total group of unemployed, out-of-school youth, so as to devise programs aimed at the specific groups—rural youth, Negroes, Puerto Ricans, Indians, and other disadvantaged youth.

As part of a special effort to devise programs aimed at specific youth, the Bureau has been working in close cooperation with the Bureau of Indian Affairs. This joint endeavor has concentrated upon the development of a series of workshops designed to improve the employability of Indian youth by acquainting teachers, counselors, and pupils in Indian schools with the need not only for more adequate job preparation, but the increasing variety of jobs that need to be filled.

Still another area of special concern is the Appalachian South, an area beset with many problems directly or indirectly affecting youth. The main problems of limited education and unemployment and their inter-relationship have resulted in undernourishment, impaired health, sub-standard housing and clothing, emigration, and low morale. Approximately 13 percent of the population in this area migrates every 10 years, principally to the Midwest and the North. These migrants, especially the youths among them, are educationally and vocationally unprepared to adjust to new ways of living. The Bureau is therefore directing special efforts to this area.

The Bureau participated in meetings and work of other Federal agencies concerned with youth; including the Subcommittee on Transition from School to Work of the Interdepartmental Committee on Children and Youth; the President's Committee on Youth Employment; the President's Committee on Juvenile Delinquency and Youth Crime; and the Labor Department's legislative program sponsored by the President's Commission on the Status of Women. In addition, the Bureau gathered, analyzed, and adapted data on successful youth programs now operating in certain communities, and collected material pertinent to the problems of youth employability and youth employment opportunities for use by communities, State governments, national agencies, Federal agencies, and other organizations. To further facilitate the exchange of such information, the Bureau also established a clearinghouse service on programs to meet the problems of youth.

Promotional and educational materials are also prepared by the Bureau in an effort to further its program. During the year, the Bureau responded to numerous requests for information and prepared reports and articles on several aspects of youth employability and the promotion of employment opportunities and favorable working conditions. For example, an article was prepared for the Britannica Book of the Year on some of the more important developments in child labor and youth employment in the United States and throughout the world. An article for the Journal of Negro Education, a series of articles describing the overall youth services and employment standards program, and an article for the Occupational Outlook Quarterly were also prepared. Work has commenced on a series of profiles describing youth employability problems of various communities and steps taken to solve such problems. First in the series will be a profile on the city of Cincinnati, Ohio, to be published jointly with the Bureau of Employment Security.

The preparation of publications relating to youth employability continues to be an important aspect of the Bureau's work in this area. The manual "Design for Community Action," which reviews current youth employment problems and describes a community action approach to the solution of these problems, met with an exceptionally good response. The Bureau

has published, in addition, a series of leaflets designed for distribution by community groups, organizations, and schools. "For the Good of Your Community" stresses the value of volunteer work to both the student and his community. A leaflet addressed to youth, "School—Or What Else," and a companion leaflet addressed to parents, "Keep Them in School," both giving facts on the value of education, were published this year.

Special Studies

In support of its youth programs, the Bureau reviewed and analyzed 1960 decennial census data by State and cities, as a basis for geographic mapping of school and labor force enrollment. Special studies, relating general national data to specific communities, were also prepared for use by regional youth consultants working in local communities.

There were other special studies and projects conducted as needed, to provide current facts relating to youth employment and unemployment, and statistics to show trends, opportunities, and problems in this area. Such materials utilized as the basis for reports and publications emanating from the Bureau were also distributed, upon request, to various national, State, and local agencies and organizations interested in youth employment.

OCCUPATIONAL SAFETY

Annually, some 13,500 American workers are killed and 2 million disabled as the result of injuries incurred at their place of work. Aside from the human tragedy and needless suffering involved, this annual toll has been estimated, when allowance is made for future loss of potential work-time due to deaths and permanent impairments, to entail some 166 million man-days of disability. Stated another way, about 535,000 workers would have to be employed for a year to equal this loss.

The Bureau cooperates with a number of organizations, public, private, and professional, which comprise the safety movement in this country. Basically, the Bureau furthers the safety of American workers by conducting safety training for State safety personnel, unions, longshore and harbor workers, and Federal employees. It assists States, unions, and other interested groups in the technical aspects of developing safety codes, and develops and publishes technical information relating to accident prevention. The Bureau also establishes and enforces safety standards in the longshore and ship repair industries, and serves as a center of technical information to States, employers, unions, and the general public on various aspects of accident prevention. Its services also extend to organization of the President's biennial Conference on Occupational Safety, as well as to the Federal Safety Council, which seeks to maintain effective safety organizations in Federal agencies.

Services to States

Training

Safety specialists of the Bureau conducted training during the year for 2,503 persons who were enrolled in 107 courses. Most of these courses were of 30 hours' duration. An additional 1,184 persons participated in 26 special training sessions of less than 6 hours' duration. Courses covered such subjects as organization and administration, mechanical and physical hazards, and chemical and environmental hazards. In an advanced group of courses, the subjects dealt with chemical products, radiation, low voltage electricity, and construction. The courses made use of nearly 100,000 training aids.

Geographical distribution of safety training courses

Training group	Number trained	Number of courses	Jurisdictions
State personnel.....	1,152	56	Georgia, Illinois, Iowa, Kansas, Kentucky, Maryland, Missouri, North Carolina, Puerto Rico, Rhode Island, Texas, Virginia, Washington, West Virginia.
Private industry personnel under sponsorship of State labor departments.	751	30	Alabama, District of Columbia, Hawaii, Idaho, Illinois, Kentucky, Louisiana, Nevada, North Carolina, Pennsylvania, Texas, West Virginia, Wyoming.
State and private industry personnel and public employees.	600	21	Alabama, Alaska, Idaho, Illinois, Kentucky, Montana, Nevada, New Mexico, North Carolina, Utah, Washington.
Total.....	2,503	107	

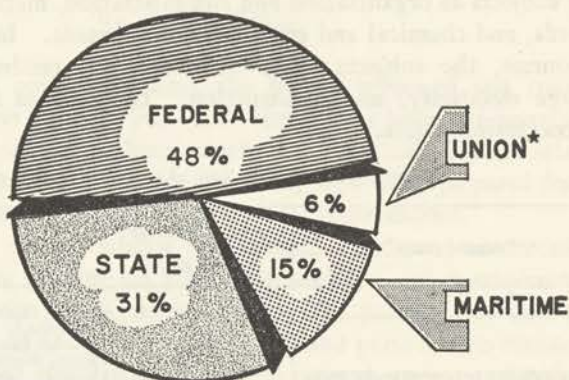
Among the new training aids developed to improve the quality of the Bureau's safety training were 276 new slides which cover 24 specific safety subjects, 2 "How To Inspect" charts, a booklet listing government-loaned safety film sources, special training reference material for use in the radiation and occupational disease courses, and a supervisory safety training subject flow chart.

Technical Consultation

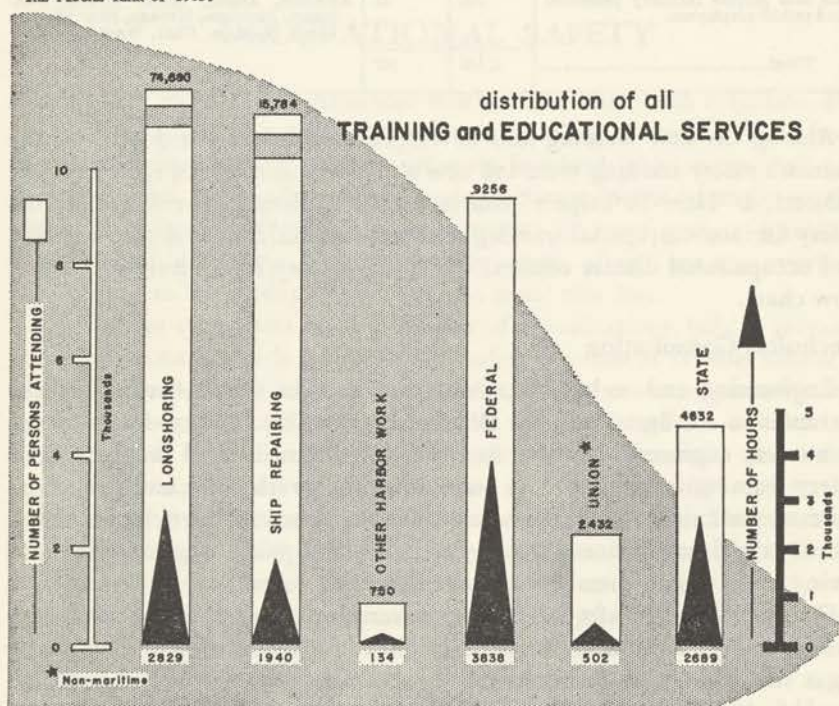
Engineering and technical consultation services were provided in 285 instances to the States and the District of Columbia. These included 152 of a safety engineering nature, 81 involving discussion and programing of safety training sessions, and 52 concerning the availability and use of the Bureau's technical safety resources. Bureau personnel participated in 54 meetings and conferences called by industry and public organizations and civic groups. Staff members addressed 21 State meetings.

During the year, 187 safety award certificates were issued in North Carolina and 1 in Rhode Island. The Bureau assisted Illinois in organizing a safety program for State employees, and it developed and provided the U.S. Conference of Mayors with 1,000 "Municipal Employee Safety Program" packets.

DISTRIBUTION OF SAFETY TRAINING SERVICES



PERCENTAGE BREAKDOWN OF THE FORMAL TRAINING SERVICES PROVIDED BY THE OFFICE OF OCCUPATIONAL SAFETY FOR THE FISCAL YEAR OF 1963.



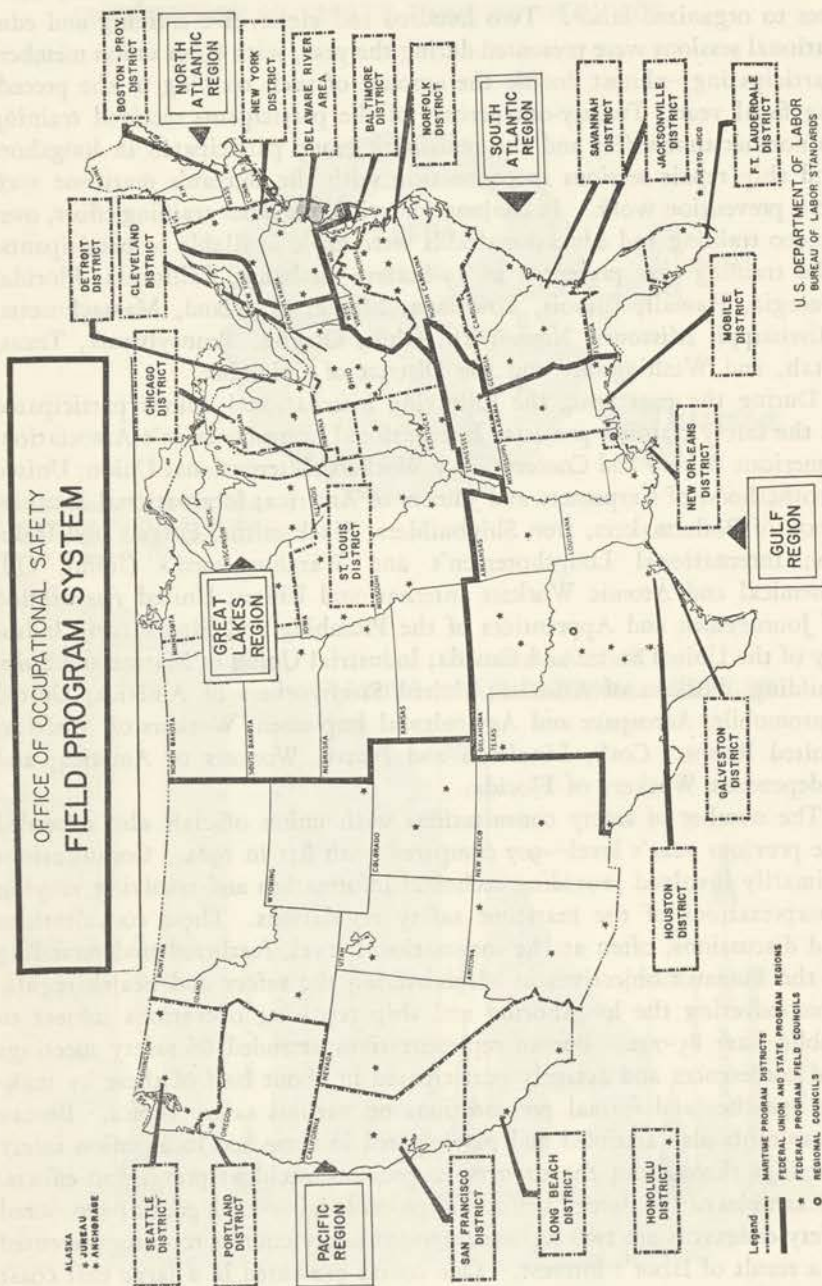
Services to Unions

The Bureau continued to extend its technical and training safety services to organized labor. Two hundred and eighty-five training and educational sessions were presented during the year, with 8,051 union members participating—almost double the amount of such training in the preceding fiscal year. Twenty-one percent of the participants received training in nonmaritime safety and the remaining group participated in longshore and ship repair sessions in connection with the Bureau's maritime accident prevention work. In conjunction with this labor training effort, over 30,000 training and educational aids were made available to participants. The training was presented in 19 States—Alabama, California, Florida, Georgia, Hawaii, Illinois, Louisiana, Maine, Maryland, Massachusetts, Mississippi, Missouri, New York, Ohio, Oregon, Pennsylvania, Texas, Utah, and Washington—and the District of Columbia.

During the past year, the following international unions participated in the safety training projects: International Longshoremen's Association; American Bakery and Confectionery Workers' International Union; United Brotherhood of Carpenters and Joiners of America; International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers; International Longshoremen's and Warehousemen's Union; Oil, Chemical and Atomic Workers International Union; United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada; Industrial Union of Marine and Shipbuilding Workers of America; United Steelworkers of America; United Automobile, Aerospace and Agricultural Implement Workers of America; United Rubber, Cork, Linoleum and Plastic Workers of America; and Independent Workers of Florida.

The number of safety consultations with union officials also exceeded the previous year's level—907 compared with 841 in 1962. Consultations primarily involved providing technical information and resolving varying interpretations of the maritime safety regulations. These consultations and discussions, often at the international level, furthered understanding of the Bureau's objectives in administering the safety and health regulations covering the longshoring and ship repairing operations subject to Public Law 85-742. Bureau representatives attended 66 safety meetings and conferences and actively participated in about half of these by making speeches and formal presentations on various safety topics. Bureau consultants also attended and participated in some 200 local union safety meetings throughout the country to promote accident prevention efforts.

Examples of the Bureau's efforts to promote labor-management-sponsored safety endeavors are two top management safety courses recently presented as a result of labor's interest. One course presented in a large east coast shipyard was attended by some 70 high-ranking company officials. Another was a 30-hour training institute held in Houston, Tex.; it was



sponsored by the International Brotherhood of Boilermakers, with top management representatives from all of the principal shipyards in the vicinity invited.

Maritime Safety

Under the authority vested in the Secretary of Labor by Public Law 85-742, amending section 41 of the Longshoremen's and Harbor Workers' Compensation Act, the Bureau has completed its third year of administering the maritime safety program. From field offices in 22 port cities, the Bureau's staff carries this program to employers of maritime labor on the navigable waters in some 100 ports throughout the United States.

Fewer violations were cited on the larger number of vessels inspected in fiscal year 1963, as compared with the previous year. It has been necessary to initiate legal or formal administrative action against some companies.

Consultative services to labor and management were increased by 17 percent over the previous year. The number of ships inspected went from 19,000 to over 25,000, an increase of some 33 percent. The number of recommendations made, as well as the number adopted, more than doubled. The demand for training appears to be increasing. Fifty-three maritime safety courses were presented during the year for 2,135 students. Training in ship repairing was up. Participation in safety meetings in both programs more than doubled, and twice as many safety publications and training aids were provided to labor and the industry.

Summary of maritime safety program activities for fiscal year 1963

Type of services	Longshoring	Ship repairing	Other harbor work
Consultations.....	6,411	*3,568	295
Evaluation surveys.....	212	223	23
Accident investigations.....	319	193	14
Complaint investigations.....	175	52	3
Ships inspected.....	16,799	*7,976	419
Violations:			
Cited.....	1,585	*1,295	217
Immediately corrected.....	1,284	*805	192
Recommendations:			
Made.....	2,818	*1,127	433
Immediately corrected.....	2,224	*1,020	324
Training:			
Number of sessions.....	492	*410	6
Number in attendance.....	9,926	*7,291	45
Safety meetings:			
Number of meetings.....	468	334	20
Number in attendance.....	13,124	7,952	721
Number of publications distributed.....	37,619	*21,636	555

*Includes shipbuilding activity.

Maritime injury frequency rates are compiled by the Department's Bureau of Labor Statistics from man-hours and injury data submitted by individual employers, as required by the regulations. These rates are based only on man-hours of exposure aboard ship and do not include the less-hazardous work performed by company employees in shops, offices,

and other shoreside environments which make up the total employment in the respective industries.

Longshoring

The longshoring national injury rate for calendar year 1962 showed a 14 percent decrease—108.2 disabling injuries per million man-hours of exposure, as compared with 125.3 in 1961.

The Department's regulations governing accreditation of persons to perform, and standards and procedures to be followed in testing, inspecting, and certificating ships' cargo handling gear, became effective on June 27, 1963. Certification of gear on U.S. vessels which are not inspected by the Coast Guard must be carried out by persons accredited under the Department's regulations. Such vessels include all heavy lift barges and vessels with cargo gear on the inland waterways. A number of agencies and companies have applied for and been given accreditation.

Through the gear certification requirements, the standards of certification of gear on vessels coming into U.S. ports have greatly improved and, more important, the number of vessels with visibly unsafe or defective gear has been reduced to a minimum.

A spirit of mutual cooperation prevailed in the Bureau's work with foreign governments (through the State Department and directly) on questions involving conditions aboard vessels. As the sole U.S. agency exerting control, even though indirect, over cargo gear on foreign vessels, the Bureau now is recognized in matters relating to reciprocal acceptance by foreign governments of the gear certification of U.S. vessels.

To assist the States in their safety work on the piers, the Bureau suggested that a dock code be developed through American Standards Association procedures. As a result, the association initiated a project (MH-9 on Dock Safety) to guide companies and municipal and State governments in providing safety standards for longshoring in piers and terminals. Members of the Bureau staff serve as secretary and chairman of a technical subcommittee.

The control of explosives or other dangerous articles or substances and combustible liquids on board vessels is a matter within the jurisdiction of the U.S. Coast Guard. Upon the Bureau's recommendation, based on experience with its longshore program, regulations covering the packaging and treatment of castor beans and pomace to minimize exposure to the allergic content and eliminate the toxic hazard were included in the Coast Guard regulation amendments this year. This is of particular significance in that these are the first products placed among the hazardous articles solely on the basis of their effects on an individual.

Shipyards

The national injury frequency rate for ship repair work showed a decrease of 10.5 percent from the previous year. The 1962 rate was 34.9 and that for 1961 was 39.0.

As of January 1, 1963, shipbuilding and shipbreaking work on the navigable waters by employers who had any employees engaged in maritime work were brought under the reporting requirements in accordance with the Supreme Court's decision in the cases of *Calbeck v. Travelers* and *Donovan v. Avondale*, which broadened the scope of the act.

Regulations covering shipbuilding went into effect on February 21, 1963. These regulations apply to shipbuilding afloat, in dry docks, in graving docks, and on marine railways.

Extensive additions and amendments to the safety and health regulations for ship repairing and shipbuilding have been developed. These will appear in the Federal Register as proposals upon which a public hearing will be held. Hearings on proposed regulations for shipbreaking will follow the ship repairing and shipbuilding hearings.

In recognition of current problems of fire and explosion hazards in ship repairing, and to meet the problems created by many new chemical cargoes, solvents, and preservatives, particular attention has been paid to these areas in the proposed amendments. A comprehensive course in flammable and toxic hazards was prepared and conducted for the field staff, who in turn will use the material in presenting the training to supervisors and other employees in the industry. The Bureau has worked closely with the National Fire Protection Association and the Gas Hazards Committee of the American Bureau of Shipping in strengthening NFPA standards for gas freeing the vessels under repair.

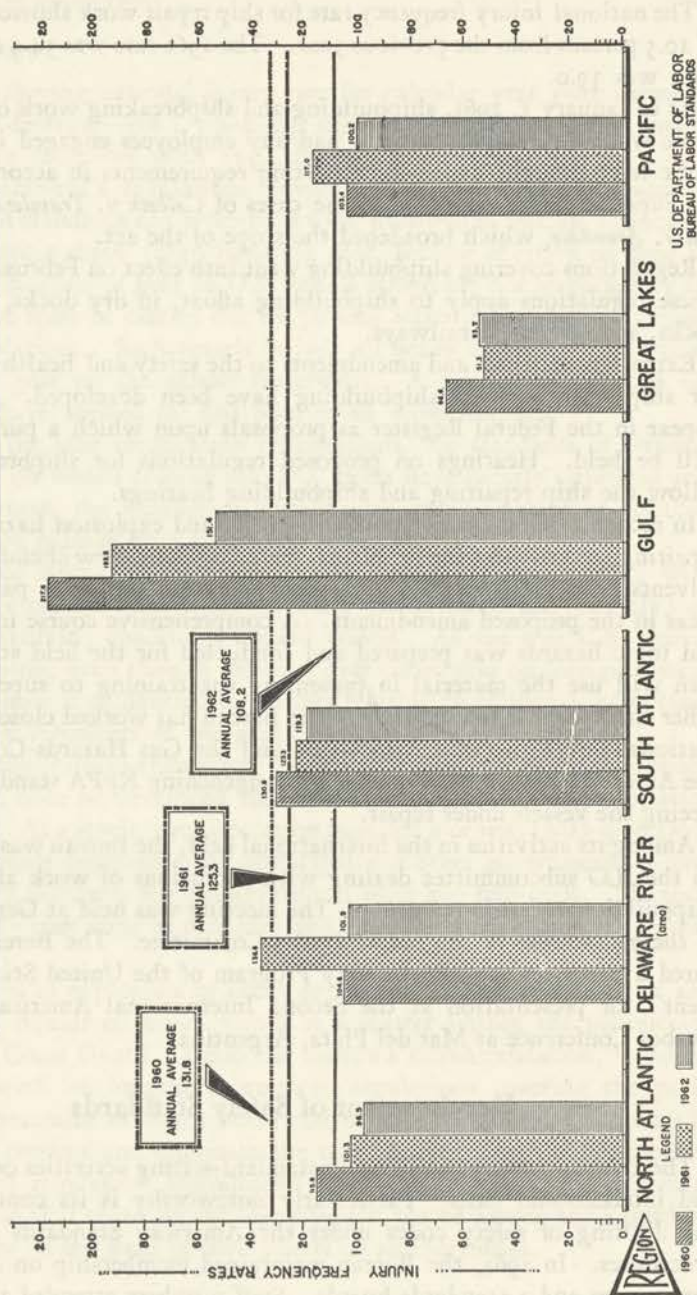
Among its activities in the international field, the Bureau was represented on the ILO subcommittee dealing with conditions of work and safety in shipbuilding and ship repairing. The meeting was held at Geneva as part of the 7th session of the Metal Trades Committee. The Bureau also prepared a paper on the "Port Safety Program of the United States Government" for presentation at the Second International American Port and Harbor Conference at Mar del Plata, Argentina.

Development of Safety Standards

The Bureau participates in many standard-setting activities on a national and international basis. Particularly noteworthy is its contribution to the drafting of safety codes under the American Standards Association procedures. In 1963, the Bureau maintained membership on 44 technical committees and 3 standards boards. Staff members attended 24 meetings of committees or boards; 39 ballots were cast on matters brought before these committees or boards; and 18 technical reviews were made of committee reports.

REGIONAL DISTRIBUTION of ANNUAL INJURY EXPERIENCE LONGSHORING WORK-INJURY FREQUENCY RATES

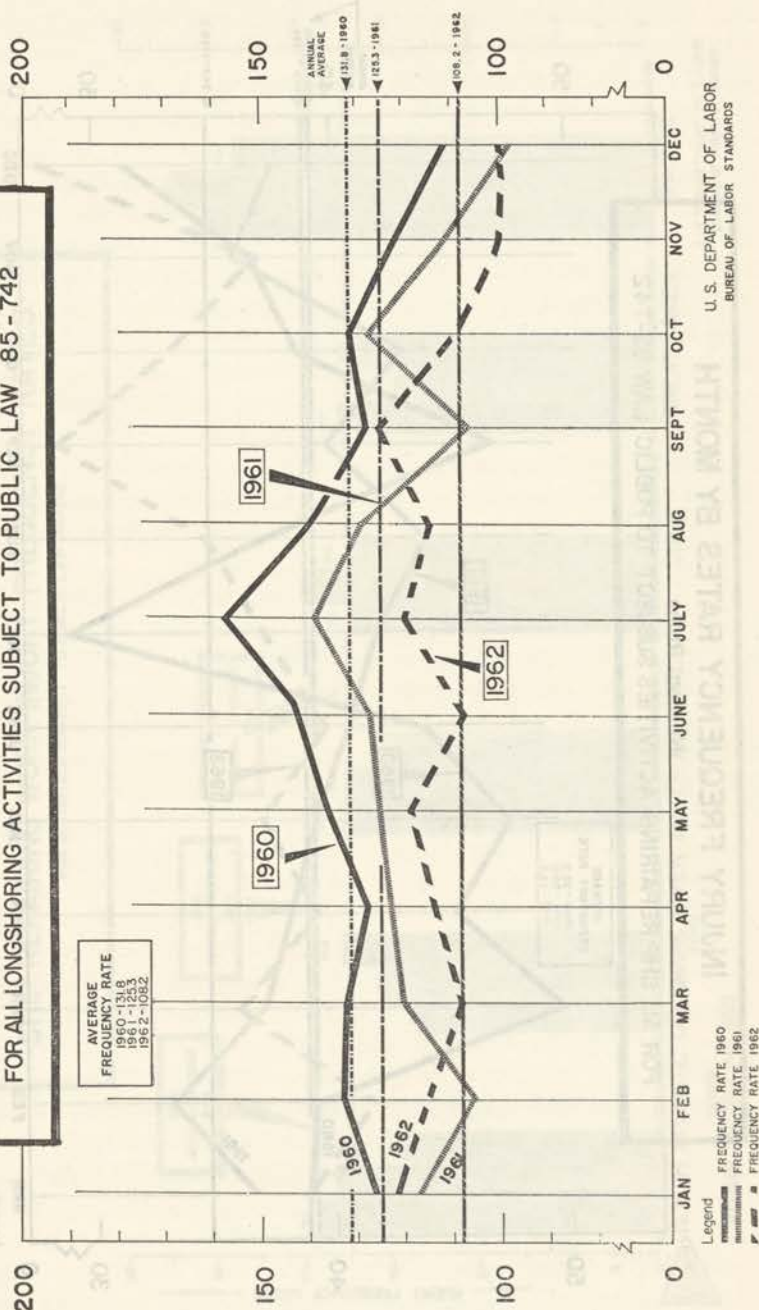
FOR ACTIVITIES SUBJECT TO PUBLIC LAW 85-742



INJURY FREQUENCY RATES BY MONTH

National Rates

FOR ALL LONGSHORING ACTIVITIES SUBJECT TO PUBLIC LAW 85-742

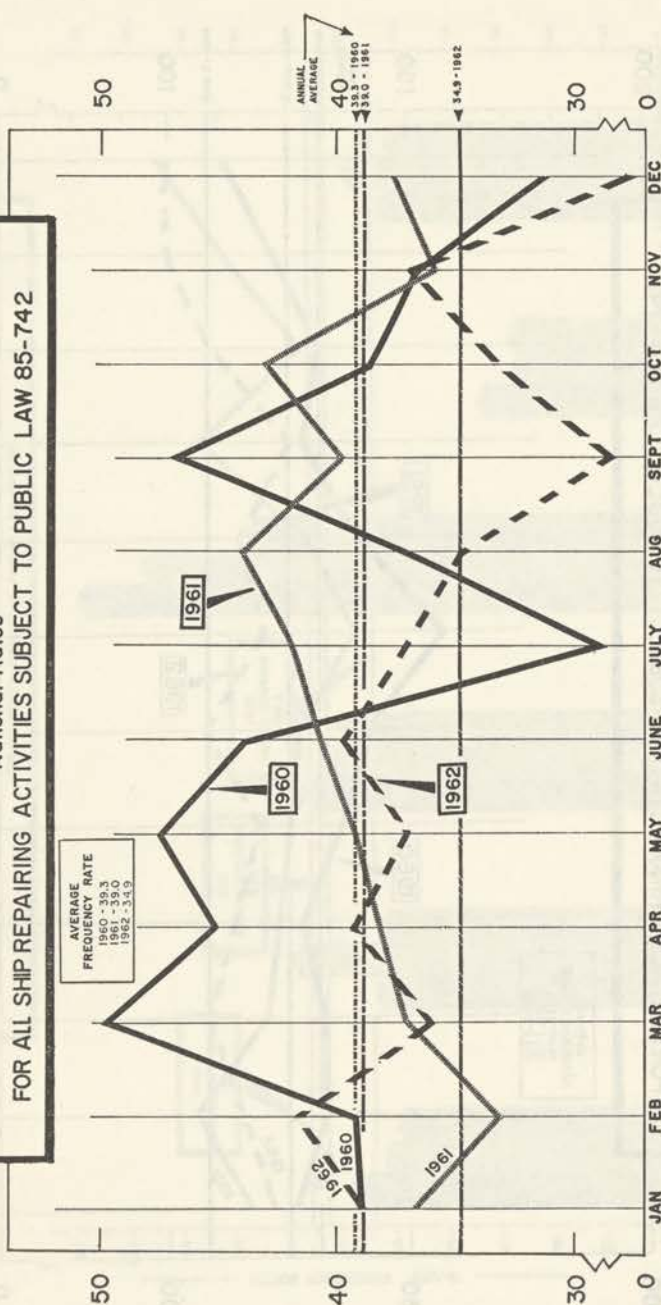


U. S. DEPARTMENT OF LABOR
BUREAU OF LABOR STANDARDS

INJURY FREQUENCY RATES BY MONTH

National Rates

FOR ALL SHIP REPAIRING ACTIVITIES SUBJECT TO PUBLIC LAW 85-742



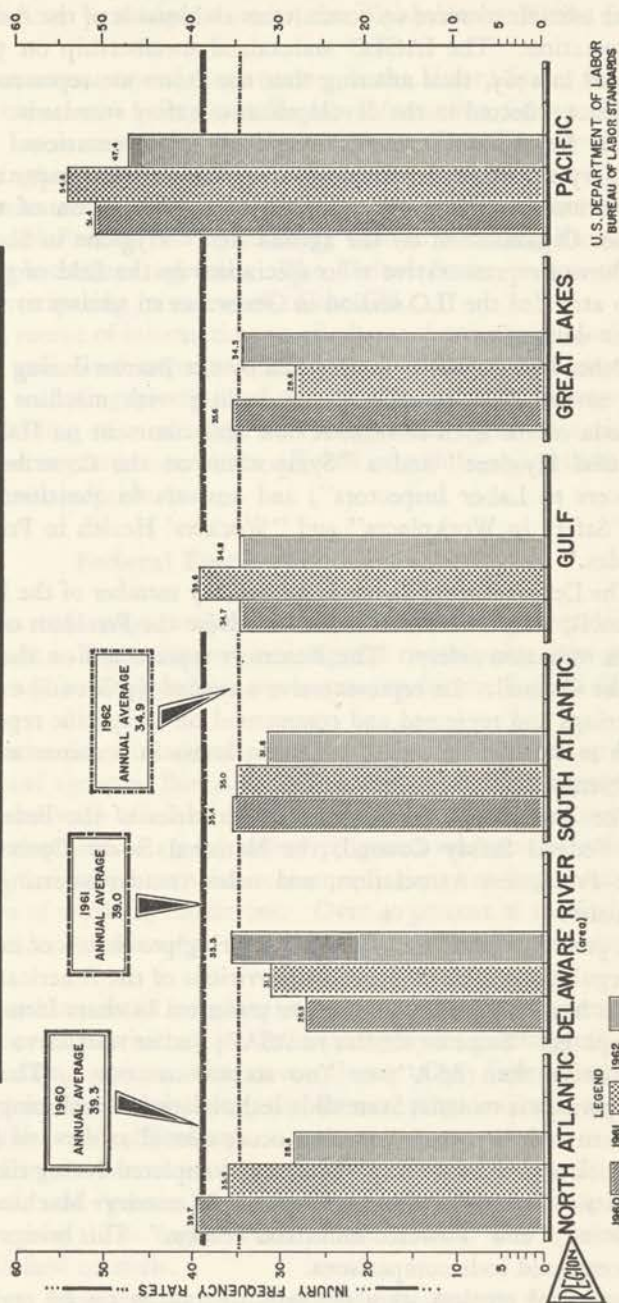
U. S. DEPARTMENT OF LABOR
BUREAU OF LABOR STANDARDS

Legend
FREQUENCY RATE 1960
FREQUENCY RATE 1961
FREQUENCY RATE 1962

REGIONAL DISTRIBUTION of ANNUAL INJURY EXPERIENCE

SHIP REPAIRING WORK-INJURY FREQUENCY RATES

FOR ACTIVITIES SUBJECT TO PUBLIC LAW 85-742



The Bureau provides the secretariat of the International Association of Governmental Labor Officials. In this capacity, the Bureau recommends State officials to serve on committees and boards of the American Standards Association. The IAGLO maintained membership on 53 committees or boards in 1963, thus assuring that the States are represented and their experience reflected in the development of safety standards.

The Bureau also promotes standards for international use. It assumed primary responsibility for developing the position paper to guide the U.S. Government delegation attending the 47th session of the International Labor Organization on the agenda item "Hygiene in Shops and Offices." A Bureau representative who specializes in the field of industrial hygiene also attended the ILO session in Geneva as an adviser to the U.S. Government delegation.

Other ILO activities undertaken by the Bureau during the year included the review of a position paper dealing with machine guarding on the agenda of the 47th session; review and comment on ILO reports on "Industrial Hygiene" and a "Symposium on the Contribution of Medical Officers to Labor Inspectors"; and answers to questionnaires on matters of "Safety in Workplaces" and "Workers' Health in Printing and Allied Trades."

The Department of Labor is a statutory member of the Federal Radiation Council, which was established to advise the President on matters dealing with radiation safety. The Bureau is represented on the Working Group of the Council. Its representative attended 65 Council or Working Group meetings and reviewed and commented on 11 specific reports dealing with such matters as control of radiation levels in uranium mining and fallout problems due to weapons testing.

The Bureau also participated in activities of the Federal Fire Council, the Federal Safety Council, the National Safety Council, the National Fire Protection Association, and other standards-setting or promotional agencies.

A project, started in 1960, of comparing provisions of existing State laws or regulations with comparable provisions of the American Standard Safety Codes has continued. Results are presented in chart form in the following groupings: "Same or similar to ASA"; "more restrictive than ASA"; "less restrictive than ASA"; or "no statute or code." The purpose of the comparison is to assist State code technicians in developing an adequate and modern code structure covering occupational safety and health.

Work on five code comparisons was completed during the 1963 fiscal year: "Textile Safety," "Power Presses," "Laundry Machinery," "Window Cleaning," and "Powered Industrial Trucks." This brings to 16 the number of completed code comparisons.

Technical services were rendered to four States by reviewing proposed safety codes under development. The States, and the codes reviewed, were: Delaware, industrial sanitation; Rhode Island, construction; Florida, floor

and wall openings; and Kentucky, woodworking. The Bureau also reviewed and commented on proposed revision of the Department's safety and health regulations promulgated under the Walsh-Healey Public Contracts Act.

The Bureau also acts as one of three centers in the United States for the International Occupational Safety and Health Information Center (CIS), a branch of the International Labor Organization. The CIS provides a worldwide clearinghouse service that abstracts and disseminates safety and health documents. During fiscal 1963, Bureau safety personnel abstracted 38 items of Federal, State, or safety standards-setting literature initiated by nongovernment agencies. The United States is one of 38 countries now participating in the work of the CIS.

The Bureau is a source of information on all phases of occupational safety. It answered 135 individual requests during the year for information on specific problems, including questions on the toxicity of various substances, weightlifting, guarding of machinery, and many other areas of accident prevention. These requests came from officials of public and private organizations and from individuals.

Federal Employee Safety

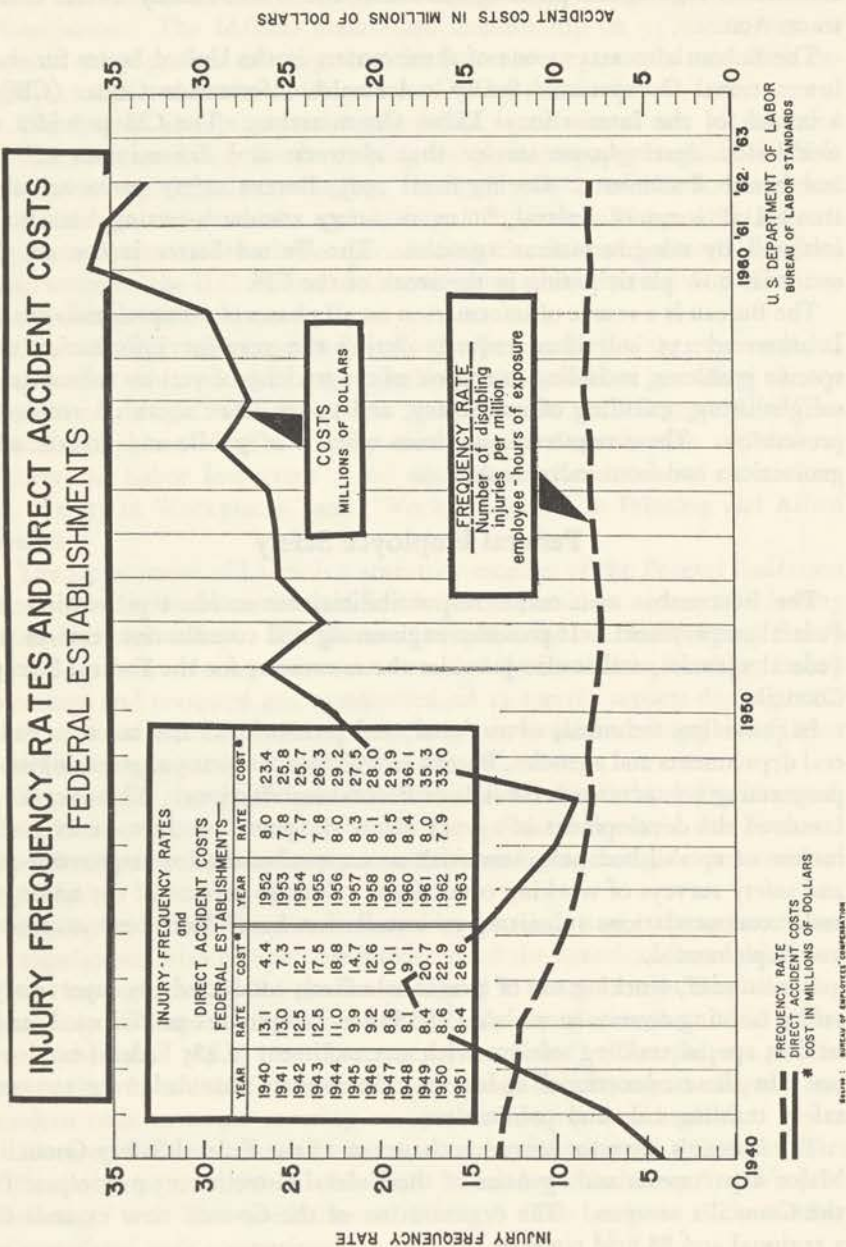
The Bureau has two major responsibilities for accident prevention in Federal employment. It provides engineering and consultative services to Federal agencies, and it also provides the secretariat for the Federal Safety Council.

In providing technical, educational, and promotional assistance to Federal departments and agencies, Bureau technicians made 205 engineering and programing contacts with officials of Federal installations. These services involved the development of agency safety programs where none existed, review of established programs with recommendations for improvement, and safety surveys of working conditions. Over 40 percent of the findings and recommendations submitted to installation heads have been accepted and implemented.

Bureau staff, working out of 5 regional offices, conducted 165 supervisory safety training courses in which 4,480 Federal employees participated, and held 13 special training sessions with an enrollment of 485 Federal employees. In these educational endeavors, the Bureau provided over 150,000 safety training aids and publications.

The Bureau's Director serves as chairman of the Federal Safety Council. Major departments and agencies of the Federal Government participate in the Council's services. The organization of the Council now extends to 3 regional and 88 field councils.

In the past year, Bureau safety personnel made 86 contacts with Federal Safety Council field councils. They attended 164 Council meetings and formally participated in 111 of these meetings. Also, consultants made 24 speech presentations at other special meetings and conferences.



Annually, the President issues awards to the Federal agencies which have made the most progress in the conduct of employee safety programs. The Council, which sets the criteria for the competition, supervised the judging of the 1962 agency performance. The awards, presented by the Vice President, were won by the Navy Department, General Services Administration, and U.S. Atomic Energy Commission. In addition, the following agencies were cited for "honorable mention" performance in 1962: Department of the Air Force, Department of Commerce, and Railroad Retirement Board.

During the year, the Council sponsored the 17th Annual Federal Safety Conference, held in Chicago and attended by some 500 officials of the Federal Government from Washington, D.C., and field installations.

The Bureau was involved in the organization of more than 100 meetings of the Council's advisory board, coordinating committee, and operating divisions. It prepared a "Guide for the Development of Management Safety Policy Statements"; a "Standard for the Prevention of Refrigerator Entrapment"; and "Safe Practices for Life Preserver Protection On and About the Water." The Council approved a resolution in support of the National Driver Register Service, and introduced an accident abstract service for the use of all Federal agencies.

The Bureau provides the engineering and administrative staff for the Department of Labor's safety program. Bureau and office heads of the Department appoint a safety officer to represent them at the quarterly meetings of the Departmental Safety Committee. The re-establishment of a seat-belt program for privately owned automobiles was one of the projects undertaken during the year. All Labor Department vehicles are presently equipped. Safety engineering surveys of buildings contemplated for Department occupancy, plus continuing evaluation of accident reports, were other concerns of this program.

Safety Publications

At the close of the fiscal year, 16 bulletins in the Bureau's "Safety in Industry" series were available. Four of these—"Mechanics for the Safety Man," Bulletin 239; "Rigging Cargo Gear," Bulletin 240; "Chlorine Handling in Stevedoring Operations," Bulletin 241; and "Maintenance and Safety," Bulletin 246—were printed and distributed during the year. In addition, three new bulletins were prepared, printed, and distributed. They are: "The Fundamentals of Accident Prevention," Bulletin 247; "Using Injury Statistics," Bulletin 255; and "Static Electricity," Bulletin 256.

The success of the "Safety in Industry" series has been exceptional. As of June 1, 1963, 395,000 copies of new or revised bulletins had been printed for free distribution. The Government Printing Office has sold over 70,000 copies since the series was initiated in 1960. During the year, the Bureau received more than 2,600 requests for copies of "Safety in Industry"

bulletins and other publications. Requests came from industries, unions, trade and professional associations, and other government agencies. They are used as text materials by several State universities and for safety training courses conducted by the Bureau of Labor Standards.

INTERNATIONAL COOPERATION

Training

The Bureau provided training during the year for more than 400 foreign officials who came to the United States from some 30 countries to study labor laws and their administration and industrial safety and hygiene. These visitors came under the auspices of the AID, ILO, and U.N. Some 45 who studied here came for intensive training and the remainder for periods of from 3 months to 1 year. Courses of study for these officials, and their field visits, were provided for and arranged by Bureau personnel. Also, Bureau instructors conducted labor law and safety courses 2 days a week during the year for foreign officials studying primarily in other areas of Department work.

The Bureau furnished 6 weeks of industrial safety training for three officials from Saudi Arabia who were brought to the United States by the Arabian American Oil Company for a year of study at New York University. Twenty-six representatives of the Ministry of Labor in Cyprus attended a 1-week safety seminar in that country conducted by a Bureau staff member under the auspices of AID and the Cyprus Government. The Bureau also participated in planning and presenting a program of training in U.S. labor laws and administration to groups of State Department Foreign Service officers preparing for assignment to other countries. Their assignments involved labor attaché or labor reporting duties.

The Bureau receives valuable assistance from many agencies—State labor departments, industrial establishments, trade unions, and other public and private organizations which act as hosts to visitors and give them an opportunity to study specific programs and operations. For example, the Department of Labor of Puerto Rico has furnished training facilities for Spanish-speaking visitors.

Technical Information

The Bureau was requested by the Agency for International Development to expand its technical inquiry service to include information in the area of public safety. Thus, in addition to responding to an increased number of industrial safety and hygiene inquiries, the Bureau has provided information on traffic safety, fire prevention, and other related subjects. Altogether, in 1963, the Bureau conducted research and replied to some 368 technical inquiries on industrial and public safety. The inquiries came from labor attachés, former U.S. training participants, foreign governments, industries, and organizations and covered such subjects as the

manufacture of metal products, margarine, plastics, tile, shoes, ink, and charcoal. They also covered meatpacking, railroad operations, highway and dam construction, and agricultural activities. They were received from 56 different countries, the greatest number coming from Brazil, Yugoslavia, Spain, Dominican Republic, Mexico, Venezuela, and Honduras.

Bureau participation in activities of the International Labor Organization increased during the fiscal year, particularly in the preparation of U.S. position papers and assignment of staff to technical committees of the ILO. International consultants in the Bureau coordinated the preparation of position papers utilizing the expert services of all Bureau technicians. Those developed in 1963 dealt with the prohibition of sale, hire, and use of inadequately guarded machinery; hygiene in commerce and offices; and benefits in the case of industrial accidents and occupational diseases. A safety technician of the Bureau's international staff served as a member of the U.S. delegation on the technical committee which considered machine guarding at the ILO's 47th session. Bureau specialists also reviewed four other position papers and two informational inquiries from the ILO and added technical data within the scope of the Bureau's concern.

The Bureau initiated a project for the translation of some 150 American safety standards into Spanish and Portuguese. This is part of an overall project for the translation of commodity standards for use in developing Latin American countries. The project includes contractual arrangements with Mexican and Brazilian organizations where the translations will be completed. Technical staff of the Bureau will then review the standards prior to printing and distribution.

Consultant Services

A Bureau staff member completed a 6-month assignment in Colombia in September 1962. This project was sponsored by the United Nations under its technical assistance program. It involved giving assistance to the National Planning Commission of the Colombian Government in formulating a national wage policy. The policy complements the country's 10-year plan for economic and social development and has as its objective assuring the workers of a fair share of the fruits of increased productivity.

The Agency for International Development sponsored technical safety assistance to the Dominican Republic. For a period of 6 weeks, a Bureau staff member worked with officials of the Dominican Secretariat of Labor in the organization of a national safety and hygiene council.

In 1963, the Bureau participated in two international world trade fairs. One was held in Djakarta, Indonesia, where the theme of the U.S. labor exhibit was "Training and Safety—Technical Skills for Progress." An estimated 500,000 persons attended and a Bureau technician conducted safety seminars in conjunction with the fair. The other fair was held in Zagreb, Yugoslavia. In addition to managing the safety exhibit, a Bureau representative conducted 10 seminars on industrial safety, attended by 229 technicians and inspectors.

BUREAU OF LABOR STATISTICS

In the most far-reaching study of the Bureau's activities in the field of labor statistics, the Bureau of Labor Statistics continued its policy of broad statistics relating to the labor force, employment, earnings, wages, prices, industrial relations, working conditions, productivity, and industrial research. These studies are of fundamental importance in many areas of public and private administration. In 1944, the Bureau's statistical activities continued work in these categories, and it also provided many specialized statistical studies for the use of the Department of Labor and other Government agencies.

Among the notable events of the year was the completion of the report of

the Bureau's study of the economic situation of the unemployed which was published in the Bureau's work in the following year, and plans were made for the study of the economic situation of the unemployed.

BUREAU OF LABOR STATISTICS

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These studies by the Bureau are continued from previous years, and the Bureau's study of the economic situation of the unemployed was published in the Bureau's work in the following year, and plans were made for the study of the economic situation of the unemployed.

The results of the Bureau's work are shown in the form of regularly published reports, as well as in a series of bulletins on special subjects. In large part, the Monthly Labor Review is a summary of the Bureau's work in the field of labor statistics.

GENERAL FUNCTIONS

Statistical Activities

The Bureau's study of the economic situation of the unemployed was published in the Bureau's work in the following year, and plans were made for the study of the economic situation of the unemployed.

BUREAU OF LABOR STATISTICS

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As the major factfinding agency of the Federal Government in the field of labor economics, the Bureau of Labor Statistics continued to publish basic statistics relating to the labor force, employment, unemployment, wages, prices, industrial relations, including work stoppages, productivity, and industrial hazards. These statistics are of fundamental importance in many areas of public and private decisionmaking. In addition, the Bureau undertook extensive analytical work in these subject-matter fields, and provided many specialized research studies for the use of the Department of Labor and other Government agencies.

Among the notable events of the year was the issuance of the report of the President's Committee to Appraise Employment and Unemployment Statistics. Some of the recommendations of this Committee were reflected almost immediately in the Bureau's work in the manpower field, and plans were made to implement many of its long-range recommendations. A study in depth was undertaken of salary structures in private enterprise for professional, administrative, technical, and clerical employees, and plans were developed for a survey of employer expenditures on fringe benefits for white-collar personnel. The revision of the Consumer Price Index, a 5-year project, neared completion.

Data collected by the Bureau are obtained from business enterprises, unions, workers, and Government agencies on a voluntary basis. Most information is collected under a pledge of confidence, which is strictly observed. The reputation of the Bureau is reflected in the high degree of cooperation it achieves in its data collection activities.

The results of the Bureau's work are issued in the form of regularly published reports, as well as in a series of bulletins on special subjects. Its major periodical, the Monthly Labor Review, is widely recognized as a basic publication in the field of labor economics.

GENERAL FUNCTIONS

Technical Assistance

The Bureau continued to provide guidance on statistical problems to other bureaus of the Department and to other governmental agencies. It assisted the President's Committee on Equal Employment Opportunity in developing analytical statistics from the compliance report filed by Federal contractors and subcontractors, who provide employment data by occupation, race, and sex. Technical advice was provided by the Bureau, and the reports were tabulated by the Social Security Administration to

show rates of minority group employment by industry, metropolitan area, State, and size of establishment. The Bureau provided a descriptive analysis of these preliminary data, and prepared a report which was used by the Committee on Equal Employment Opportunity in reporting to the President on operations under the program. Advice and technical help were also given with respect to other reports being collected on racial breakdowns of employment and union membership.

Bureau representatives and the Bureau of the Budget cooperated with employer and union organizations in the development of improvements in the Standard Industrial Classification. The Department's new Office of Manpower, Automation, and Training was assisted in the technical aspects of developing appropriate reporting plans to measure progress and accomplishments in training activity. Technical assistance was furnished for reports associated with the Presidential Railroad Commission and for the publication of the Bureau of the Budget's Federal Statistical Directory.

During the year, several activities were directed toward the improvement of statistical techniques and operating efficiency. The procedure of developing seasonal factors by the BLS seasonal factor method was revised. A new computer program was developed for applying the method on a relatively small computing system. Application by the new system resulted in reducing the time required to process a series to about one-tenth the time previously required. Some 2,700 series were processed by the Bureau's facility during fiscal year 1963. A complete description of the BLS method and the new computer program was published so that other organizations may take advantage of the materials developed by the Bureau.

Field Operations

A sixth regional office was opened in Cleveland, Ohio, during the year; it covers the four State areas of Kentucky, Michigan, Ohio, and West Virginia.

Public interest in Bureau data continued to expand. The regional offices reviewed 369,000 inquiries for specialized information, an increase of 70,000 over fiscal 1962, and issued numerous releases containing data on specific regions, States, and cities. Federal, State, and local agencies were assisted in programs directed to such problems as retraining, vocational guidance, automation, school dropouts, and unemployment.

The Bureau cosponsored, together with the California Department of Industrial Relations and the University of California, the 21st Annual Interstate Conference on Labor Statistics. The conference was attended by Federal and State labor commissioners and statisticians, corresponding officials from Canada, and business and union representatives. The agenda included discussion of manpower, labor force, employment and unemployment statistics, industrial safety statistics, prices and living conditions, the uses of labor statistics as economic indicators, interarea wage comparison, economic growth, and the use of statistics in decisionmaking.

Publications

Demand for Bureau publications set a new record in fiscal year 1963. Subscriptions to both the Monthly Labor Review and the Occupational Outlook Quarterly rose to unprecedented levels, and a total of some 2.5 million copies of BLS publications and information materials were sold by the Bureau's regional offices or given away in response to requests.

Other highlights of the publications program included a special issue of the Monthly Labor Review on "Worker Security in a Changing Economy" in honor of the Department's 50th anniversary. Noteworthy bulletins and reports issued during the year included: income, education, and unemployment in the neighborhoods of 34 large cities; advance reports on family incomes and expenditures in 1960 (part of the 1960-61 survey of consumer expenditures); employee earnings in retail trade; a survey of unaffiliated local and single-employer unions; labor requirements for hospital construction; revised projections of the labor force to 1975; antidiscrimination provisions in union contracts; changes in railroad employment and occupations; output per man-hour in the tire and tube industry; characteristics of collectively bargained pension plans; salaries of professional, administrative, and technical employees; and labor law and practice in several foreign countries.

ADVISORY COUNCILS

The Bureau had the advantage, for the 16th year, of advice from and consultation with two advisory councils, one composed of economists from the business world, and the other of economists affiliated with organized labor.

The Business Research Advisory Council consisted of 41 members appointed by the Commissioner of Labor Statistics upon nomination by the National Association of Manufacturers and the U.S. Chamber of Commerce, together with 6 ex-officio members (former chairmen of the council). The council met with the Bureau three times during the year. In addition to council members, 68 other individuals served on committees with substantive interest in the measurement of total construction employment, economic growth, foreign labor conditions, manpower and employment statistics, consumer and wholesale prices, productivity and technological developments, wages and industrial relations, and work injuries. The individual committees met two or three times during the fiscal year.

The membership of the Labor Research Advisory Council was increased from 12 to 14 members, nominated by the American Federation of Labor and Congress of Industrial Organizations and approved by the Commissioner. All research directors of international unions represented in the AFL-CIO and the Railway Labor Executives' Association are invited to attend the general meetings of the council. The council held one meeting during the fiscal year; all of the committees of the council dealing with

particular aspects of Bureau program met at least once, for a total of seven committee meetings.

MANPOWER AND EMPLOYMENT ANALYSIS

The Bureau has the responsibility for the collection, analysis, and publication of current information on the labor force, employment, and unemployment. The Bureau's work in this general area also includes studies of the outlook for employment in specific occupations and industries. There are two basic sources for these data: (1) payroll reports from business firms to the Bureau giving monthly employment, hours, earnings and turnover data; and (2) a monthly survey of a national sample of households, conducted and tabulated by the Bureau of the Census.

Labor Force Statistics

The President's Committee to Appraise Employment and Unemployment Statistics published its comprehensive report in September 1962 recommending an extensive research program to improve the data in this field and proposing expansion in many directions. The Bureau was able to respond promptly to some of these recommendations. Thus, its monthly publications were enlarged to include additional basic data and some seasonally adjusted series. The publications involved are the Summary Release, giving the highlights of the household statistics on employment and unemployment, issued within 10 days of their collection by the Census Bureau; The Monthly Report on the Labor Force, issued one week later, presenting both household and payroll data, together with an analysis of major developments in the employment and unemployment situation; and Employment and Earnings, issued toward the end of the month, presenting detailed data on employment, hours, earnings, and labor turnover, as well as characteristics of the labor force. Special articles of a technical or substantive nature were added to the content of this third publication.

In line with the recommendations of the President's Committee, information from various special studies began to be presented to the press at the time the monthly data were released. Eight reports on particular aspects of the labor force were issued during the year in the series of Special Labor Force Reports. These included annual work experience of the population; family characteristics of workers; self-employment in the United States; a report on labor force and employment, 1960-62; multiple jobholders; educational attainment of workers; and employment of high school graduates and dropouts. In addition, revised long-term labor force projections to 1975 for the United States were published, and comparable projections for States were prepared for the "Manpower Report of the President."

Several new dimensions of labor force activity and problems were explored by means of pioneer surveys, the results of which were not available

by the end of the fiscal year: employment status of migrants before and after migration and reasons for migration; employment and unemployment experience of young people aged 16 to 21 who were not in school; and the extent and nature of formal job training received by the labor force. All of these studies were based on a national sample of households, and the information was collected and tabulated by the Bureau of the Census for the Bureau of Labor Statistics.

Valuable additional information about the labor force attachment of the unemployed, their pattern of employment over the past 5 years, their job attachment and financial resources was obtained from the first of a series of periodic surveys.

A study, "Income, Education, and Unemployment in Neighborhoods," was prepared from the 1960 Census of Population data and published for 36 large cities. These have been widely used, particularly by local groups, to pinpoint areas of poverty and unemployment.

With the expanding manpower program of the Department, demands on the Bureau for analytical and statistical services have multiplied greatly.

Employment, Hours, and Earnings

The current employment statistics and labor turnover programs are co-operative projects operated jointly by the Bureau and cooperating State agencies. Through arrangements with the States, the programs yield comparable national, State, and area statistics from a single survey. Employment, hours, and earnings series are now published for all 50 States and the District of Columbia. Employment series are available for 146 major areas, and hours and earnings series for 135 areas.

The cooperative labor turnover program showed further growth during its sixth year of existence. Forty-nine States and the District of Columbia now participate in this program. Labor turnover rates are currently being published for 42 States and 82 major areas.

Publication of "Employment and Earnings Statistics for States and Areas, 1939-62," BLS Bulletin 1370, was one of the most noteworthy developments during the year. This bulletin brings together for the first time all the employment, hours, and earnings series (annual averages) that are regularly published by the cooperating State agencies.

A companion volume, BLS Bulletin 1312-1, providing data on a national industry basis, will be issued shortly. This will update "Employment and Earnings Statistics for the United States, 1909-60."

A number of the recommendations for the improvement of the collection and presentation of the industry statistics, made by the President's Committee to Appraise Employment and Unemployment Statistics, were put into effect. These include such proposals as changes in the content, arrangement, and timing of publication of data. However, further technical research will be necessary before the other recommendations can be implemented. For example, a new sampling plan for the industry employment

statistics program has been developed in considerable industry detail. This plan provides for more adequate sampling of small establishments, and should considerably strengthen the samples for the expanding trade and service sectors. In the future, it should be possible to issue, as the committee recommends, employment, hours, and earnings data for industries which are not now presently published because of inadequate sample coverage.

Occupational Outlook Program

The Bureau completed work on the sixth edition of the "Occupational Outlook Handbook" and arranged for its publication in the autumn of 1963. The new edition, significantly extended in coverage, presents employment outlook for nearly 700 occupations.

Sales of the 1961 edition of the Handbook exceeded 41,000 by June 1963—a new record for the publication; more than 300,000 copies of reprints from the Handbook were sold. The Occupational Outlook Quarterly, the periodical that supplements the Handbook with information on current occupational developments and trends, gained increasing acceptance among vocational counselors and other subscribers, as evidenced by a 40 percent increase in sales between May 1962 and May 1963.

The Bureau began work on a bibliography listing various sources of career information for the use of counselors in student guidance.

A set of 35 millimeter color slides, based mainly on information contained in the new edition of the "Occupational Outlook Handbook," was developed for use in making presentations to counselors and others concerned with the career choices of the Nation's youth. The slides, entitled "Choosing Careers in a Changing Economy," deal with some of the changes expected in the population, labor force, and the overall structure of American industry and relate these changes to employment outlook in specific occupational fields.

Scientific and Technical Personnel

In recognition of the need for information on the employment of, and demand for, scientific and technical personnel, the Bureau, in cooperation with the National Science Foundation, has over the past several years carried out annual surveys of employment of engineering, scientific, and other technical personnel in private industry. Similar surveys have also been carried on to obtain statistics for State government agencies and for nonprofit organizations.

A study, "Scientists, Engineers, and Technicians in the 1960's—Requirements and Supply," consisting of long-range projections of demand for, and supply of, scientists, engineers, and technicians, and assessing the educational and training needs implied by these projections, was completed and scheduled for publication in late 1963 by the National Science Foundation.

The Bureau began work on a comprehensive manpower study designed to bring together and analyze all available information on technician occupations. Topics to be covered in the study include the problem of definition; the personal, family, and employment characteristics of persons in technician occupations; their educational background; the kinds of work they do; how they became qualified for their work; and their income. Also, analysis is planned of demand for, and supply of, technicians and the implications of projected trends in their employment. This report is scheduled to be completed in mid-1964.

Manpower Trends

The Bureau is continuing its pioneering work in projecting manpower trends by industry and occupation. This program, which developed from the needs of the occupational outlook program, but which is still operated on a limited basis, contributes information concerning present and future job opportunities.

The Bureau projections of industrial employment and occupational trends for the 1960's and early 1970's, which are being widely used as a tool by educators and others responsible for planning training programs and facilities, were revised on the basis of more recent data which became available as a direct result of the occupational outlook program and data from the 1960 Census. Information on the changing occupational needs of the economy is essential for more realistic training programs and can contribute to a better alignment between manpower needs and supply. The Bureau published several studies on changing occupational structure in various industries, including railroads and banking, and is currently preparing studies on other industries, including civil aviation and electronics manufacturing.

PRICES AND LIVING CONDITIONS

The 5-year Consumer Price Index revision program neared completion in 1963, and preliminary findings of some of the consumer expenditure surveys that were basic to the revision were published. An advisory committee was organized to assist in developing a comprehensive review of standard budgets for the city worker's family and the retired couple, as well as to advise on the need for other standard budgets. At the primary market level, work advanced on the preparation of industry sector wholesale price indexes and international price comparisons.

"Prices: A Chartbook, 1953-62," a comprehensive graphic interpretation of current and historical price and related trends, was published for the first time, and detailed plans were developed for issuing an analytical supplement in September 1963. Plans neared completion for the publication of seasonal factors for selected consumer and wholesale price indexes, representing the initial publication by the Bureau of seasonal factors for use in evaluating seasonal movements in the price indexes.

Consumer Prices and Price Indexes

The fourth year of the 5-year Consumer Price Index revision program brought the completion of basic expenditure surveys, final sample selection, continued experimentation with pricing and computation techniques, and preparations for publishing the first revised indexes early in 1964. The consumer expenditure surveys, which supply the facts needed to determine current buying patterns and, therefore, the basic weights for the items in the index "market basket," were completed. Samples were selected both of the commodities and services to be priced and of the retail establishments to be included in the pricing process. Preliminary price collection began for items never before represented in the Consumer Price Index, such as college tuition and legal fees.

In addition to the sample of 50 cities selected by probability methods to represent the urban population for the revised Consumer Price Index, the decision was made to include each metropolitan area with a 1960 population of 1 million or more. This called for the addition of six cities, four of which—Cincinnati, Houston, Kansas City, and Minneapolis-St. Paul—are represented in the present index, but were not in the original sample for the revised index. The other two cities are Milwaukee, for which BLS has been compiling a special index financed by that city, and San Diego, the only remaining city with a population of over 1 million. Beginning in 1966, it is expected that the six cities will be added to the index, and indexes will be issued for each city separately.

The Bureau was also called upon to prepare a number of special city indexes of consumer prices and comparative living costs. Published in May 1963 were the first consumer price indexes for Juneau and Ketchikan, Alaska, as well as place-to-place comparisons between prices in these two cities and Seattle. (The first indexes for Anchorage and Fairbanks, the other two Alaskan cities for which semiannual indexes were authorized by Congress, were published last year.) In addition, work began, at the request of the Atomic Energy Commission, on a consumer price index for Las Vegas and comparisons of living costs in that city with those in Los Angeles and San Francisco.

Living Conditions

Relatively little progress was made on the comprehensive program to study and report on American living conditions. Lack of resources resulted in postponement of most of the proposed analytical work based upon consumer expenditure surveys findings, as well as planning for the program of consumer information.

However, work proceeded intensively on the surveys of consumer expenditures, income, and saving in 1960 and 1961 which were made primarily to supply weight revision data for the Consumer Price Index. By the end

of the fiscal year, preliminary reports had been published summarizing basic 1960 data for each of the 23 metropolitan areas surveyed. Preparations were also well advanced for four regional reports covering the 16 smaller cities for which 1960 information had been obtained. Similar surveys covering rural areas, conducted jointly with the Department of Agriculture, were also completed. These findings, when combined with the results of the urban surveys, will enable estimates of current expenditure patterns to be made for the total U.S. population for the first time in more than 20 years.

An Advisory Committee on Standard Budget Research, composed of non-Federal personnel under the chairmanship of Dr. Gertrude S. Weiss, was organized and, by the end of the fiscal year, had prepared a report which made recommendations on the needs for various types of standard budgets, general concepts of the standard of living to be described by the budgets, and problems associated with estimating and publishing budget costs. Although the Bureau had completed interim revisions of the two standard BLS budgets—the City Worker's Family Budget and the Retired Couple's Budget—in fiscal year 1961, the basic concepts and quantities of goods and services used in compiling these budgets have not been completely re-examined and updated since before World War II.

Industrial Prices and Price Indexes

Significant advances were made toward the preparation of industry wholesale price indexes based on the Standard Industrial Classification System. The Wholesale Price Index is currently organized by commodity groupings, and the need for a set of industrial sector price indexes comparable with other statistical series has long been recognized. As part of this program, plans were developed to expand price collection to include those industries not now represented in the Wholesale Price Index. Research began on a number of conceptual problems in the construction of industry indexes.

A special project, sponsored by the National Science Foundation, which initially called for construction of an index of research and development costs for the Army and its contractors, has been expanded. All research and development costs will now be covered, including those incurred by the Government, universities, and private organizations. In the meantime, actual construction of the pilot index of Army research and development costs began in June 1963.

During the fiscal year, the Daily Spot Market Index was converted to a 1957-59 reference base from the former 1947-49 base; a final report was prepared on the impact on prices of the 1961 minimum wage amendments; and an intensive review was made of the current policy of handling volume rebates and discounts in the Wholesale Price Index.

WAGES, SALARIES, AND RELATED BENEFITS

A study in depth of salary structures in private enterprise for professional, administrative, technical, and clerical employees was begun by the Bureau in the last half of the fiscal year. The plans for this pioneering study were developed jointly by the Bureau of the Budget, the Civil Service Commission, and the Bureau of Labor Statistics. The interviews of company officials to obtain comprehensive information on the characteristics and administration of company compensation plans were essentially completed by the end of the fiscal year. The report, to be completed during fiscal year 1964, will provide information on the occupational coverage of each compensation plan, sizes of intergrade salary differentials and of the ranges and steps within pay grades, entry rate practices, and the basis for the timing of movement from one pay rate to another within a pay grade and from one pay grade to another. The study of salary structures represents an important supplement to the Bureau's annual survey of levels and trends in occupational salary rates. It will provide information on salary administration in private industry for use by the Federal Government in policy decisions required under the Federal Salary Reform Act of 1962.

The fourth annual survey of salaries in private industry for selected professional, administrative, technical, and clerical occupations was completed. National estimates of salary levels and distributions for all metropolitan areas combined were provided for a selected group of occupations and for defined grade levels within each occupation. Comparison of private and Federal pay is made possible by the matching of the survey occupations with corresponding jobs in the Federal classified service. The survey findings, by statute, are used along with other relevant factual information in the preparation of the President's annual report to the Congress, as required by the Federal Salary Reform Act of 1962. At the request of the Bureau of the Budget and the Civil Service Commission, separate surveys of salaries for the selected occupations included in the above nationwide study were made in Alaska, Hawaii, and Puerto Rico.

Annual studies of wage rates and salaries for a comprehensive list of occupations were completed in 80 standard metropolitan statistical areas and 2 smaller areas. The occupations studied were selected from office clerical, professional and technical, maintenance and powerplant, and custodial and material movement categories. These labor market studies provide information on the prevalence and characteristics of related wage benefits and work practices in addition to distributions of wage rates and salaries for the selected occupations. Among the related benefits and work practices studied in fiscal year 1963 were paid vacation, holiday, and sick leave plans; shift differentials; health, insurance, and pension plans; work schedules; minimum entrance rates; wage structure characteristics; and types of incentive pay plans. Reports are issued separately for each of the labor markets studied. The 80 metropolitan areas represent a statis-

tical sample of all standard metropolitan statistical areas. This makes possible the preparation of a national summary report providing estimates of occupational rates and salaries, related benefits, and work practices, for all urban employment. In addition, a number of special analytical studies are prepared each year.

Wage surveys covering representative occupations in the individual industries studied were completed in 11 manufacturing and 3 nonmanufacturing industries. Two of these, nonelectrical machinery and communications workers, are conducted annually. Most of the principal industries in the economy are studied at regular intervals of 3 to 5 years. Other industries studied in fiscal year 1963 were bituminous coal mining, cotton textiles, iron and steel foundries, leather tanning and finishing, motor vehicles, motor vehicle parts, synthetic textiles, women's and misses' coats and suits, women's and misses' dresses, wood household furniture, and woolen and worsted textiles. The industry wage studies provide distributions of straight-time average hourly earnings for all production workers and for the selected occupations, together with information on related wage benefits and work practices. Typically, the studies are nationwide in scope with separate data provided for broad geographic regions, selected areas of concentration of employment in an industry, and for appropriate industry characteristics, such as size of establishment, that may affect earnings levels.

The annual surveys of union wage scales and hours of work were completed for the construction, local transit, local trucking, and printing industries. Information was provided for 53 cities separately and estimates for all cities of 100,000 or more population on a nationwide and regional basis. The amounts of employer contributions to health, insurance, and pension funds were obtained in two of the studies, construction and local trucking. Special reports were issued each quarter, about 3 weeks after the reference dates, on union wage scales and employer contributions to insurance and pension funds for 7 major building trades in 100 cities throughout the country.

The program of studies for the Department's Wage and Hour and Public Contracts Divisions, designed to provide factual information for use in appraising the effects of the 1961 amendments to the Fair Labor Standards Act, was continued. These special-purpose studies included a survey of salaries of executive, administrative, and professional personnel in retail trade and a followup survey of earnings of nonsupervisory workers in retail trade, covering a June 1962 payroll period. An earlier survey for a June 1961 payroll period provided information for a period prior to the effective date of the 1961 amendments. Studies of earnings distributions for nonsupervisory workers were completed also in nine small metropolitan areas and for all nonmetropolitan areas in the South and North Central States. A special survey of earnings and methods of compensation for production workers was made in the shellfish industry on the Atlantic and Gulf coasts. Surveys specifically designed to provide information

for use in prevailing rate determinations by the Secretary of Labor under the Walsh-Healey Public Contracts Act were undertaken in a number of industries.

Monthly reports listing wage adjustments and changes in fringe benefits for major collective bargaining situations (defined as those involving 1,000 or more workers) were issued on schedule. Annual and quarterly statistical summaries covering the major adjustments and all adjustments in manufacturing were issued. Information is not obtained on situations covering fewer than 1,000 workers except in manufacturing industries.

Historical records of negotiated changes in wages, wage practices, and related benefits, typically covering all changes since the inception of bargaining, were maintained on a current basis for 40 key collective bargaining situations. These wage chronologies are kept up to date by the issuance of supplements as new negotiations are concluded.

The wage and salary index series for the following occupational groups were brought up to date: City public school teachers, women office workers and industrial nurses, skilled and unskilled plant workers, and selected occupational categories for the nonelectrical machinery industry.

In the program of studies of employer expenditures for fringe benefits, the final report was issued for the mining industries, covering calendar year 1960. Collection of data was completed for a study of the finance, real estate, and insurance industries, relating to calendar year 1961; and collection of data was begun for manufacturing industries, relating to calendar year 1962. At the request of the Bureau of the Budget and the Civil Service Commission, an interagency committee composed of representatives of these agencies and of the Bureau of Labor Statistics was established to develop preliminary plans for a study of employer expenditures for fringe benefits for white-collar workers in urban areas. This study will provide information on fringe benefit expenditures for white-collar workers to complement the information on salaries of professional, administrative, technical, and office clerical workers developed in the Bureau's annual salary survey for these groups.

INDUSTRIAL AND LABOR RELATIONS

The Bureau's new agreement analysis program, designed to cover all significant aspects of union contracts, was focused on some of the current trouble spots of collective bargaining. A comprehensive analysis of grievance and arbitration procedures was nearing completion at the year's end. In progress were studies of severance pay plans, management rights clauses, union-management cooperation, wage determination and administration clauses, and employment and income guarantees. A study of the characteristics of major agreements was completed and published. The annual calendar of major contract expirations and reopenings was published at the beginning of 1963.

Work was begun on a special study of severance pay plans in operation, undertaken by the Bureau in cooperation with the Department's Office of Manpower, Automation, and Training. This study involves mail questionnaires and field investigations, supplementing an analysis of collective bargaining provisions.

Various aspects of the private pension system were under study during the year. A study of unfunded pension plans, sponsored by the Social Security Administration, was virtually completed at the end of the year. A study of the features of pension plans affecting mobility was undertaken with the support of the Office of Manpower, Automation, and Training. Disability provisions and the levels of benefits and requirements for retirement were also being analyzed. All of these studies relate to the universe of private pension plans covering more than 25 persons.

In addition, digests of selected health and insurance plans and pension plans for salaried employees were completed and were awaiting publication at the end of the year. A digest of selected supplementary unemployment benefit plans was completed and published.

In the area of work stoppages, the Bureau issued its detailed analysis of 1961 strikes, completed its study of 1962 strikes, and published a summary in the *Monthly Labor Review*. A compilation of data on strikes by metropolitan area, 1952-61, was issued; the supply of this publication was soon exhausted and a revised report, incorporating 1962 data, was issued. A similar report bringing together data by State for the period 1927-62 was awaiting publication at the end of the year. A study of strikes by Government employees was published, and the Bureau's report on national emergency disputes under the Taft-Hartley Act was updated.

Work on the 1963 "Directory of National and International Unions in the United States," with its accompanying survey of union membership, was in progress at the year's end. During the year, lists of changes in union organizations and personnel were published, a listing of union conventions scheduled for the year was issued, and firsthand reports of several union conventions were published in the *Monthly Labor Review*. A revised, up-to-date edition of the "Brief History of the American Labor Movement" was in preparation.

Among the special projects for other government agencies undertaken during the year were the following: Preparation and delivery of a number of lectures on trade union structure for Department of the Navy personnel; reports, materials, and draft position papers for use at international conferences and by the International Labor Organization; special tabulations and participation in the work of the President's Committee on Corporate Pension Plans and for the subsequent review of the report of this Committee by the President's Committee on Labor-Management Policy; and special reports for the Agency for International Development. In addition, a substantial amount of staff time was devoted to the Department's longshore project.

PRODUCTIVITY AND TECHNOLOGICAL CHANGE

The Bureau's program of measuring productivity for the economy and for individual industries was expanded during the year to include additional industries. Its studies of automation and technological development provided insight into factors responsible for productivity changes and their impact on labor and industry. Attention was given to development of studies dealing with the impact of future technological changes in selected industries. New measures of unit labor costs and output per man-hour for all employees were developed. In process of completion were studies on the numerical control of machine tools and an overview of technological change in several significant industries.

Productivity Measurement

On an annual basis, the Bureau develops and publishes indexes of output per man-hour for the private economy and major sectors and for a number of selected industries. In addition to extending previously published series, the Bureau has continued to develop reports on this measurement for additional industries.

Indexes of output per man-hour of the private economy, and separately for agriculture and nonagriculture, cover the 1909-62 period. Beginning with 1947, indexes have been developed for the manufacturing and non-manufacturing sectors as well.

Productivity indexes for the selected industries covered 21 mining, manufacturing, and transportation industries. These indexes were extended during the year to cover the most recent period for which data are available. For most industries, indexes published included output per man-hour of all employees. Previously the indexes had covered production worker man-hours only.

During the past year, the report on output per man-hour in the tires and inner tubes industry was published, and the draft report for the gas and electric utilities industry, covering the years 1932-60, was prepared and reviewed by industry and labor officials. Reports for additional industries are near completion and will be reviewed shortly. The indexes for these and other new industries will be extended on an annual basis. The report for each new industry provides output per man-hour measures for all employees and for production workers, a description of the industry, a brief examination of the trends, and a technical note on procedures and sources.

The Bureau also extended the annual indexes of comparative labor and nonlabor cost, prices, and output per man-hour for the total private economy in the nonagricultural sector. Work continued on the development of unit labor and nonlabor cost measures for manufacturing and nonmanu-

facturing industries. A study was in process dealing with shifts of workers among major sectors of the economy.

Material was furnished to the Joint Economic Committee on output, labor costs, productivity, and other related factors concerning the steel industry. Work was started on a study of manpower utilization in the east coast and Gulf longshoring industry as a major part of the Bureau's role in a study provided for in the agreement ending a work stoppage in the industry in January 1963. Various special productivity measures were prepared for the Council of Economic Advisers.

Labor Requirements Studies

The Bureau's program in this field is designed to develop estimates of total labor requirements arising out of various types of construction. These studies provide information on both labor and material requirements on the construction site as well as the labor required in all the supporting activities needed to produce and transport construction materials. During the year, work was in progress on public, private, and college housing; Corps of Engineers projects; and highways.

The Bureau prepared estimates relating to the labor generating potential of Federal public works projects. This was done as part of a continuing project, in conjunction with the President's staff and the Budget Bureau.

Automation and Technological Change

The Bureau published a study entitled "Impact of Technological Change and Automation in the Pulp and Paper Industry," Bulletin 1347. Also published was a report on "Industrial Retraining Programs for Technological Change," Bulletin 1368. This was a study of retraining programs in four different kinds of establishments, dealing especially with the comparative performance of older and younger workers. A third report on "Impact of Automation in the Internal Revenue Service," Bulletin 1364, described manpower planning techniques and policies used by the Internal Revenue Service to cushion the impact of a large-scale conversion to automatic data processing on clerical employees throughout the Nation.

A supplement to Bulletin 1319, published last year as "Implications of Automation and Other Technological Developments: A Selected Annotated Bibliography," is nearing completion. It will add to the annotations of over 500 books, articles, reports, speeches, conference proceedings, and visual aids compiled in the published bulletin.

A study of the implications and outlook of numerically controlled machine tools was nearing completion. It will report on one of the more important innovations in the metalworking industry. Information will be contained about the effects of this development on employment, training and retraining, and occupational skills.

The first part of a two-stage mail survey on the technological outlook for automatic data processing in the insurance industry has been com-

pleted. Its purpose was to determine the number of companies with computers. The second stage of the questionnaire will be concerned with the type and extent of computer operations and future trends.

A brief review of important technological developments in about 25 major American industries was underway. It will contain special emphasis on impending changes and brief notes on possible manpower impacts.

Work also was begun on a new series of technological outlook studies covering the status, prospects, and manpower implications of important innovations in steel, textiles, and transportation industries. In process is a report on the experience of workers displaced from five plants as the result of technological change. This report, done in conjunction with other studies on automation and technological change, will contain an analysis of the experiences and personal history of the terminated workers.

INDUSTRIAL HAZARDS

The Bureau's long established program of technical research in the methodology of compiling work-injury statistics contributed substantially to two important forward steps in the field of injury and accident statistics. The Tenth International Conference of Labor Statisticians (ILO) adopted a recommended international standard for the compilation of work-injury statistics based primarily upon the procedures and techniques developed and applied in the Bureau. Similarly, in the United States, the American Standards Association (ASA) approved a new "American Standard Method of Recording Basic Facts Relating to the Nature and Occurrence of Work Injuries," which also was based primarily upon techniques developed and tested in the Bureau. Bureau personnel participated extensively in both the ILO and ASA committee work which led to the adoption of these standards.

The Bureau also participated actively in the work of the United States National Committee on Health and Vital Statistics in the development of a revision of the World Health Organization's international statistical classification of diseases, injuries, and causes of death. Bureau technicians served as members and consultants to the subcommittee on the classification of accidents, poisoning, and violence.

In its regular capacity of serving the American safety movement, the Bureau provided a wide range of statistical materials designed to promote interest in occupational safety and to guide accident prevention efforts into the most effective channels. Among the most significant reports issued during the year in this area were:

1. Estimates of the total volume of disabling work injuries and of the economic losses resulting from those injuries during 1962.
2. Four quarterly reports presenting monthly work-injury occurrence rates for a wide range of industries. These data permit interindustry comparisons of injury occurrence and provide measures of progress in accident prevention in individual industries.

3. Four quarterly reports presenting monthly injury occurrence rates in great geographic detail for activities subject to the safety requirements of the Longshoremen's and Harbor Workers' Act. These data are used directly in the planning and operation of the Federal program of promoting and enforcing safety in these activities.

4. Detailed major reports on the occurrence of work injuries in hotels and on the causes of accidents in structural steel fabrication. A report on the causes of accidents in sawmills was being printed at the end of the year.

In addition, major studies of the occurrence and/or causes of accidents to seamen, logging workers in three classifications of construction, and hotels were in progress.

ECONOMIC GROWTH STUDIES

The primary objective of the current phase of the research program on economic growth is to develop projections, under alternative assumptions, of the rate and patterns of growth. The projections will provide a framework for assessing a number of important economic problems, including problems of manpower utilization, over the next decade.

Because this program has important implications for many agencies of the Government, an interagency planning and coordinating committee has been established. The chairman of the committee is from the Council of Economic Advisers; other members come from the Departments of Labor and Commerce, and the Bureau of the Budget. Many elements of the projections are being developed by other agencies of the Government and by private research groups. The Bureau's responsibility in this program is to integrate the separate elements into a consistent and meaningful set of projections, within the guidelines established by the interagency coordinating committee.

The various aspects of economic growth covered in the research program are quite broad in scope, including trends in the labor force, employment, productivity, production, consumer expenditure patterns, government expenditures, investment expenditures, foreign trade, etc. The interaction of these factors on each other and their implications for overall economic growth and employment opportunities, as well as for growth in the component economic sectors and industries, are traced through interindustry and related methods of analysis.

During fiscal year 1963, major portions of the research to be incorporated into the projections were begun or continued and preliminary results of research have been completed in some areas.

In the consumer expenditure area, extensive developmental work on methods for estimating expenditures for individual consumer items was continued during the year at the Harvard Economic Research Project, Harvard University. The Bureau is working with the staff of the Harvard project on the task of using the results of this research to develop projections

of consumer expenditures for 1970. This work will continue into fiscal year 1964.

For Federal, State, and local government expenditure, considerable research has been done and is continuing on an analysis of the estimated expenditures by functional categories, i.e., education, highways, national defense, etc. This research, being conducted in part by the National Planning Association, will continue into fiscal year 1964.

In the foreign trade area, a program for estimating exports and imports was begun in fiscal year 1963 and is continuing. One phase of this work, which is being developed by the Office of Business Economics, Department of Commerce, is designed to estimate exports and imports in broad aggregate categories. Another phase, underway in the Bureau, will develop techniques for distributing these broad categories into the more detailed estimates needed to develop related industry production and employment estimates.

Work on capital-output ratios, as well as demand for residential construction, is underway in the Office of Business Economics. That agency is also responsible for the study of interindustry relationships for the base period of 1958. The base year study is nearing completion and research is proceeding at the Department of Agriculture, the Bureau of Mines, and the Harvard Economic Research Project on projections of interindustry relationships to 1970.

The Bureau is continuing its work on productivity and labor force projections which are key elements in the whole projection process.

Finally, work has been started on aggregate gross national product and component projections to develop some preliminary checks on balances between the expenditure and income sides of the projections.

INTERNATIONAL AFFAIRS

Labor monographs for seven countries (Bolivia, Ceylon, Cyprus, Colombia, Costa Rica, Guatemala, and Iraq) were published, and 14 other monographs on Latin American, European, and Asian countries were completed and made ready for publication or reproduction. The Bureau also prepared 4-page digests on 36 Asian countries and 1-page characterizations of the labor scene in 17 small Asian territories, for inclusion in the "Directory of Labor Organizations in Asia," which is to be issued jointly with the Department's Bureau of International Labor Affairs.

In addition, the Bureau published six substantial articles: two on the international comparison of unemployment, two on the international comparison of unit labor costs, and one each on labor controls in the Soviet Union and cultural activities of West European organized labor. The articles on the international comparison of unemployment were rated by the President's Committee to Appraise Employment and Unemployment statistics as "an important addition to our economic knowledge."

For use in the developing countries, a manual entitled "The Forecasting of Manpower Requirements" was published, and one on conducting a labor force survey was drafted. To facilitate the answering of inquiries, a 30-page bibliography was prepared of foreign labor publications issued by the Bureau since 1945.

The Bureau actively participated in the Technicians' Meeting of the Joint Working Group on the U.S.-Japan Wage Study (a project initiated at the first meeting of the Cabinet-level U.S.-Japan Committee on Trade and Economic Affairs, held at Hakone, Japan, in 1961). Officers or staff members of the Bureau also served on the U.S. delegations to the Tenth International Conference of Labor Statisticians (Geneva), a meeting of the U.N. committee of experts on cost-of-living differentials for U.N. employees (Santiago, Chile), the Fifth Asian Regional Conference of the ILO (Melbourne), and other international conferences or overseas activities, including the U.S. National Exhibition at Buenos Aires. In addition, position papers or briefing book materials were prepared for use by the U.S. delegations to the Inter-American Conference of Ministers of Labor (Bogotá), a meeting of the Manpower and Social Affairs Committee of the Organization for Economic Cooperation and Development (Paris), and other international meetings.

Services rendered to the Department of State included the detail of a Bureau officer as a Department of Labor member of the Foreign Service Selection Boards; briefing of Department of State officers by Bureau staff members after the staff members had returned from research trips to foreign countries; and preparation of (a) yearend evaluations of the labor reporting of officers in U.S. Foreign Service posts abroad, (b) appraisals of individual Foreign Service labor reports, and (c) papers setting forth guidelines for needed Foreign Service labor reporting.

In the Bureau's regular research and publication work in the field of foreign labor, a number of significant improvements were made, including the intensification of the effort to seek out and exploit special sources of data on foreign labor, and the inauguration of the practice of including in each monthly issue of *Labor Developments Abroad* comprehensive statistical tables (covering the labor force, wages, hours, prices, etc.) for two countries.

The Bureau continued to service requests from congressional committees for informational testimony and research memoranda on foreign labor; requirements of the Bureau of International Labor Affairs for program-related research data; and inquiries from business firms, trade unions, research organizations, and the public.

A peak was reached in the number of labor statisticians from developing countries who were trained in the Bureau's 1-year and shorter courses in the compilation and analysis of price statistics. At one point in the year, 22 such participants were enrolled under arrangements made with the Department of State, the Agency for International Development, the

United Nations, and other agencies. In addition, the staff aided in the orientation as regards the economic conditions of American workers of about 100 short-term foreign visitors each month. For use in this orientation work and for other uses, the Bureau drafted a seventh edition of the brochure entitled "Economic Forces in the U.S.A. in Facts and Figures."

Agreement was reached with the Agency for International Development and the competent authorities of Puerto Rico on the establishment of a program in Puerto Rico for training Latin Americans in labor statistics, under technical cooperation programs, beginning in January 1964.

BUREAU OF VETERANS' REEMPLOYMENT RIGHTS

REEMPLOYMENT RIGHTS

BUREAU OF VETERANS' REEMPLOYMENT RIGHTS

It is the primary responsibility of the Bureau of Veterans' Reemployment Rights to assist servicemen returning to civilian life in reestablishing themselves in their premilitary jobs. The ex-serviceman is entitled to restoration in the position he would have held had he not entered military service. He is also entitled to all the rights and benefits which flow from employment, including seniority, pay, insurance, vacation, and pension. This reemployment protection is granted to the members of the regular military establishments, as well as National Guardsmen, reservists, and rejectees.

During the fiscal year, the Bureau received approximately a quarter of a million requests for information or assistance from ex-servicemen through the Department of Defense referral procedure. As a result of these requests, basic reemployment rights information was furnished to about 250,000 ex-servicemen, as well as approximately 100,000 employers. These figures include the requests from 154,000 National Guardsmen and reservists who had been called into active duty because of the "Berlin crisis," the majority of whom were released during the month of August 1962. These requests were handled with no increase in the professional staff. The field staff voluntarily curtailed vacations, and put in many hours of work of their own time in order to handle this situation.

Workload for the year is indicated below:

	<i>Problems</i>	<i>Cases</i>
Carried over.....	4, 866	1, 113
Received.....	67, 774	8, 059
Closed.....	69, 811	5, 350
Pending.....	2, 829	3, 822

Included in the above table are 4,272 claims received from ex-servicemen who either failed to obtain the reinstatement they believed they were entitled to, or had some other substantive questions about their reemployment rights. This type of claim ranged from a simple basic reinstatement situation where the employer denied reemployment, to more complex questions of (a) seniority rights where the ex-serviceman although reinstated was not granted proper seniority, (b) wage increase where general increases had been granted to other employees, (c) promotional opportunities, (d) vacation entitlement, (e) pension rights, and (f) insurance benefits. The remainder were compliance reviews growing out of the Bureau's discovery program under the referral program.

The Bureau and Department of Defense continued their close cooperation. Near the end of the fiscal year, discussions were initiated toward a revision of the referral program. This revision would provide the Bureau with information about all separatees who left employment for military service, thus enabling the Bureau to improve its ability to offer aid to all servicemen having reemployment rights.

It is the primary responsibility of the Bureau of Veterans' Reemployment Rights to assist servicemen returning to civilian life in establishing themselves in their pre-military jobs. The serviceman is entitled to restoration in the position he would have held had he not entered military service. He is also entitled to all the rights and benefits which flow from employment, including seniority, pay, insurance, vacation, and pension. This reemployment protection is granted to the members of the regular military establishment, as well as National Guardsmen, reservists, and

During the fiscal year, the Bureau received approximately a quarter of a million requests for information or assistance from ex-servicemen through the Department of Defense referral procedure. As a result of these requests, basic reemployment rights information was furnished to about 400,000 ex-servicemen, as well as approximately 100,000 employers who include the requests from 14,000 National Guardsmen and reservists who had been called into active duty because of the "Berlin crisis." The requests in which were received during the month of August 1961. These requests were handled with no increase in the professional staff. The staff still voluntarily handled vacation, and put in many hours in work of their own time in order to handle this situation.

Workload for the year is indicated below:

Category	Number
General inquiries	4,100
Referral requests	4,100
Claims for benefits	4,100
Other	4,100
Total	16,400

Included in the above table are 4,100 claims received from ex-servicemen who either failed to obtain the reinstatement they believed they were entitled to, or had some other substantive question about their reemployment rights. This type of claim ranged from a simple basic reinstatement situation where the employer failed reemployment to more complex questions of (a) seniority rights where the ex-serviceman although reinstated was not granted proper seniority, (b) wage increase where general increases had been granted to other employees, (c) promotional opportunities, (d) vacation entitlement, (e) pension rights, and (f) insurance benefits. The remainder were complaints received growing out of the Bureau's discovery program under the referral program.

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The Department of Labor is now in receipt of numerous applications for the position of Chief Clerk of the Department of Labor, and is soliciting applications from all persons who are qualified to fill this position. The position is a permanent one, and the successful applicant will be required to perform the duties of a Chief Clerk of the Department of Labor, and to act as a liaison between the Department of Labor and the various agencies of the Federal Government. The position is a highly responsible one, and the successful applicant will be required to have a minimum of five years experience in the position of Chief Clerk of a Federal Department or Agency, and to have a minimum of five years experience in the position of Chief Clerk of a Federal Department or Agency.

WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS

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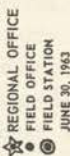
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Wage and Hour and Public Contracts Divisions



INTRODUCTION

The 1963 fiscal year marked the 25th anniversary of the enactment of the Fair Labor Standards Act. Signed into law on June 25, 1938, the act has promoted fair labor standards in covered employment, encouraged labor conditions essential to the maintenance of minimum standards of living necessary for the health, efficiency, and general well-being of workers, and eliminated unfair competition based on detrimental labor conditions.

These ends are being attained through the act's basic provisions, establishing minimum wages, maximum hours and overtime pay standards, and prohibiting oppressive child labor. Initially, requirements were applicable to employees individually engaged in interstate commerce or in the production of goods for interstate commerce, unless exempted by the law itself.

Starting with a minimum wage of 25 cents an hour in 1938, successive increases have culminated in a minimum rate of \$1.25 which will be applicable to all employees subject to the act in 1965, as a result of the Fair Labor Standards Amendments of 1961.

The 1963 fiscal year was the first full year of enforcement of the 1961 amendments, which had become effective September 3, 1961. Besides establishing new minimum wage requirements, the amendments provided the first major expansion in the act's coverage during its 25-year history. The statutory requirements were made applicable to employees in certain large enterprises engaged in or producing goods for interstate commerce. As a result, some 3.6 million employees were added to the 24 million who were already subject to the minimum wage provisions. About 2.2 million of the newly covered workers were in retail and service trades.

The minimum wage rates in effect at the end of fiscal 1963 were those which have applied under the 1961 amendments since September 1961, as the first step toward the attainment of the \$1.25 minimum for all covered workers. Employment which had been covered prior to the amendments remained subject to a minimum wage of \$1.15 an hour during the year, while employment brought under the minimum wage provisions for the first time by the 1961 amendments was compensable at a minimum rate of \$1 an hour.

The amendments had not affected the maximum hours and overtime pay standards for employees engaged in or producing goods for interstate commerce. Such workers, unless exempt, are due not less than one and one-half times their regular rates of pay for all hours worked in excess of 40 in a work-week. While the amendments provided for the attainment of this standard by September 1965 with respect to employment whose coverage was due to the 1961 revisions, this was to be achieved by steps which would not become operative until after the end of the 1963 fiscal year.

There were unprecedented back-wage disclosures during the year. As a result of the Divisions' activities, over \$49 million was revealed to be owed to more than 312,000 employees who had been paid less than was due them under the minimum wage or overtime pay requirements of the Fair Labor Standards Act or the Walsh-Healey Public Contracts Act. Employers agreed to pay over \$20 million to more than 176,000 employees.

Disclosures of illegal employment of minors in industry and agriculture were the highest in the course of the 25-year history of the Fair Labor Standards Act. More than 10,000 minors were disclosed working contrary to the act in nonagricultural employment, and almost 7,000 were found to be illegally employed on farms during school hours. The 1961 amendments to the Fair Labor Standards Act had extended the coverage of the child labor provisions, like that of the pay requirements, to certain large enterprises engaged in or producing goods for interstate commerce. The amendments did not, however, affect the basic child labor standards. These set a minimum age of 16 years for most employment, including work on farms during school hours. For employment in an occupation declared hazardous by the Secretary of Labor, 18 years is the minimum age. There is a 14-year minimum age for employment outside school hours in a limited number of jobs, for a limited number of hours, under regulated conditions.

Of less extensive application than the Fair Labor Standards Act, the Public Contracts Act applies generally to Government supply contracts in excess of \$10,000. The act does not set a statutory minimum wage, but requires payment to covered workers of minimum wage rates determined by the Secretary of Labor to be prevailing in industry. Not less than one and one-half times the employee's basic rate is due for hours worked over 8 in a day or 40 in a week. The employment of boys under 16 years of age or girls under 18 on covered contracts is forbidden. Also prohibited are homework and prison labor. The act requires that Government work be performed under safe and sanitary conditions.

Shortly before the end of the fiscal year a new basic labor standard was added to the Fair Labor Standards Act. This standard—equal pay for equal work regardless of sex—was provided by the Equal Pay Act of 1963. That act added a new subsection, 6(d), to the minimum wage provisions of the Fair Labor Standards Act. The new act applies in every establishment with employees who are subject to the minimum wage provisions of the Fair Labor Standards Act. It does not apply to any employee who is exempt from the minimum wage provisions of that act under its section 13. The new law requires payment of equal wages within the establishment to men and women doing equal work on jobs requiring equal skill, effort, and responsibility which are performed under similar working conditions. To allow time for adjustment to the new legislation, June 11, 1964, was made the effective date generally, with a further deferment in the case of employees covered by certain collective bargaining agreements.

During the latter part of the fiscal year, the Divisions devoted an increasing amount of time and effort in preparing for the administration of statutory provisions that would become effective in fiscal 1964. Preliminary planning and execution of programs were undertaken to acquaint the general public, and affected employers and workers in particular, with what would become new responsibilities and rights. Subject matter included the \$1.25 minimum hourly wage rate for employees engaged in or producing goods for interstate commerce, and the 44-hour maximum workweek standard for employees covered by virtue of the 1961 amendments, with the requirement that they be paid not less than one and one-half times their regular rates of pay for hours worked in excess of that standard. These provisions would become effective September 3, 1963.

Immediately after enactment of the equal pay law, the Divisions began preparing interpretative materials so that employers could start to determine what adjustments in pay practices might be required before June 11, 1964. Also, plans were developed for a public hearing to obtain the extensive factual information needed as a basis for developing a comprehensive interpretative bulletin to guide employers in complying with the new law.

Contributing to the Divisions' ability to administer efficiently and effectively a broad enforcement program, currently and in the future, were the continuing management improvement reviews of organization, policies, and procedures. The most significant changes, which will also result in better service to the public, were the major realignments in the jurisdictions of the Dallas and Birmingham regions and the establishment of a new regional office in Atlanta, Ga. The Divisions also opened new field offices at Montgomery, Ala., Tulsa, Okla., and Sioux Falls, S. Dak.

THE EQUAL PAY ACT OF 1963

In 1963, for the first time since its enactment, a new basic labor standard was added to the Fair Labor Standards Act. The act has always set three basic labor standards—minimum wages, maximum hours and overtime pay, and child labor provisions. The Equal Pay Act, enacted on June 10, 1963, provides a fourth—equal pay for equal work regardless of sex.

The Equal Pay Act adds to section 6 of the Fair Labor Standards Act a new subsection, 6(d), which prohibits wage discrimination on the basis of sex. The Equal Pay Act applies to every employer having employees who are subject to a minimum wage under section 6 of the Fair Labor Standards Act. The equal pay standard will become generally effective on June 11, 1964, but its application to employees covered by certain collective bargaining agreements may be further deferred until the termination date of the agreement, if not later than June 11, 1965.

The employer is required to pay equal wages to men and women doing equal work on jobs requiring equal skill, effort, and responsibility which

are performed under similar working conditions within any of his establishments in which employees subject to the minimum wage provisions of the Fair Labor Standards Act are employed. The employer may not reduce the wage rate of any employee to eliminate a prohibited wage differential based on sex. In addition, a labor organization representing employees of the employer may not cause or attempt to cause the employer to discriminate against an employee in violation of the equal pay provision; agents of the labor organization are also prohibited from doing so.

While the law was designed primarily to protect women from discriminatory pay practices, it affords the same protection to men.

The payment of wages at lower rates to one sex than to the other is not prohibited where the differential is based on a seniority system, a merit system, a system measuring earnings by quantity or quality of production, or on any other factor other than sex. However, any such system must be applied equally to men and women engaged in doing work subject to the equal pay standard. Employees specifically exempted from section 6 of the Fair Labor Standards Act under some provision of section 13 of that act are also exempted from the equal pay provisions.

The new law specifically provides that wages withheld in violation of the equal pay provisions will have the status of unpaid minimum wages or unpaid overtime compensation under the Fair Labor Standards Act. Accordingly, all enforcement provisions of that act and all the methods it provides for recovery of unpaid wages apply with respect to the requirements of the equal pay law.

ENFORCEMENT BY INVESTIGATION

Fiscal year 1963, the first full year of enforcement of the provisions of the Fair Labor Standards Amendments of 1961, was a year of signal accomplishment. It was a year of testing and refinement of the expanded investigation program developed to insure effective enforcement of the amendments, which increased the minimum wage for some 24 million previously covered employees and brought within coverage of the act for the first time some 3.6 million additional employees.

Virtually all phases of investigation activity increased in comparison with the previous year. The number of investigations conducted under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act rose from 44,115 to over 54,000. These investigations disclosed total underpayments of over \$49 million, an increase of approximately 44 percent from the previous year. In addition, approximately 7,000 more minors were disclosed to be employed in violation of the child labor provisions of the acts during fiscal 1963 than in 1962. The number of safety and health inspections under the Walsh-Healey Public Contracts Act rose from 3,982 to 7,317. There was also a substantial increase in the number of complaints received alleging violations of the acts.

Much of the increase in investigation results can be attributed to the increased minimum wage applicable to employment which was covered before the amendments, and to the extension of the law to certain large enterprises. Another factor was the refinement of scheduling and programming procedures to make possible the expenditure of a greater amount of investigative time in those areas where violations were most likely to exist. The productivity of the enforcement staff, as measured by the number of investigations, disclosure of underpayments, and investigation time, also increased.

Underpayments

The number of investigations completed in the 1963 fiscal year rose to 54,331, an increase of more than 10,000 over the 44,115 made in the previous year. In line with the greater number of investigations, the amount of underpayments disclosed reached an alltime high of \$49.1 million, a rise of 44 percent over the \$34 million found due in fiscal year 1962. (See chart 1 and appendix tables A and B.) While the number of investigations made this year was 23 percent greater than last year, the \$18,910,822 in minimum wage underpayments disclosed in fiscal 1963 represents an 84 percent increase over the minimum wage underpayments of last year. Investigations revealed a total of 165,350 employees who were paid less than the applicable minimum wage, an 86 percent increase over the 89,130 employees last year. The substantial increase in minimum wage underpayment disclosures was due to increased complaint investigation activity, higher legal minimum wages, and improved scheduling of investigations in the newly covered industries.

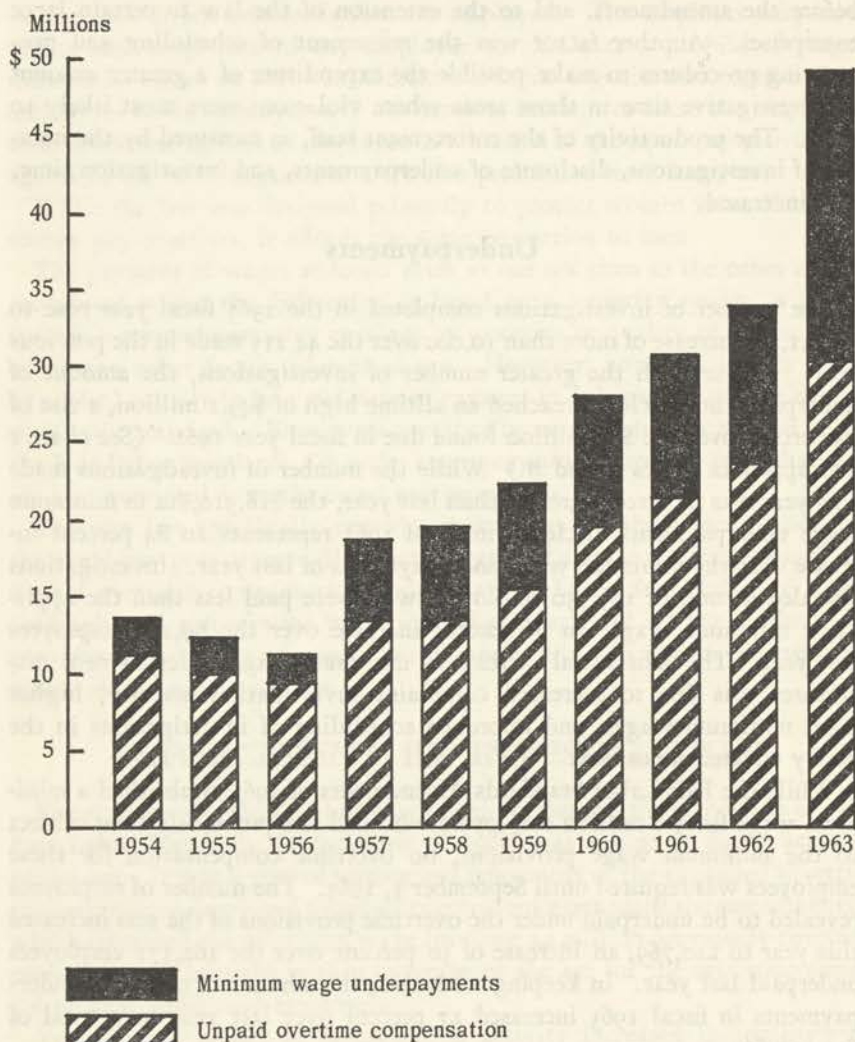
While the Fair Labor Standards Amendments of 1961 established a minimum wage for 3.6 million employees who had not previously been subject to the minimum wage provisions, no overtime compensation for these employees was required until September 3, 1963. The number of employees revealed to be underpaid under the overtime provisions of the acts increased this year to 210,769, an increase of 30 percent over the 162,571 employees underpaid last year. In keeping with this, the amount of overtime underpayments in fiscal 1963 increased 27 percent over last year to a total of \$30,199,804.

In all, investigations revealed a total of 312,428 underpaid employees in fiscal year 1963, with some employees due amounts under both the minimum wage and the overtime pay provisions of the acts. This compares with 212,608 such employees in the previous year. (See chart 2.)

Complaint and Other Investigation Activity

As a result of the increase in the number of complaints received and investigated, the trend toward the expenditure of a large proportion of

Chart 1. Amount of minimum wage and overtime underpayments disclosed,
fiscal years 1954-63

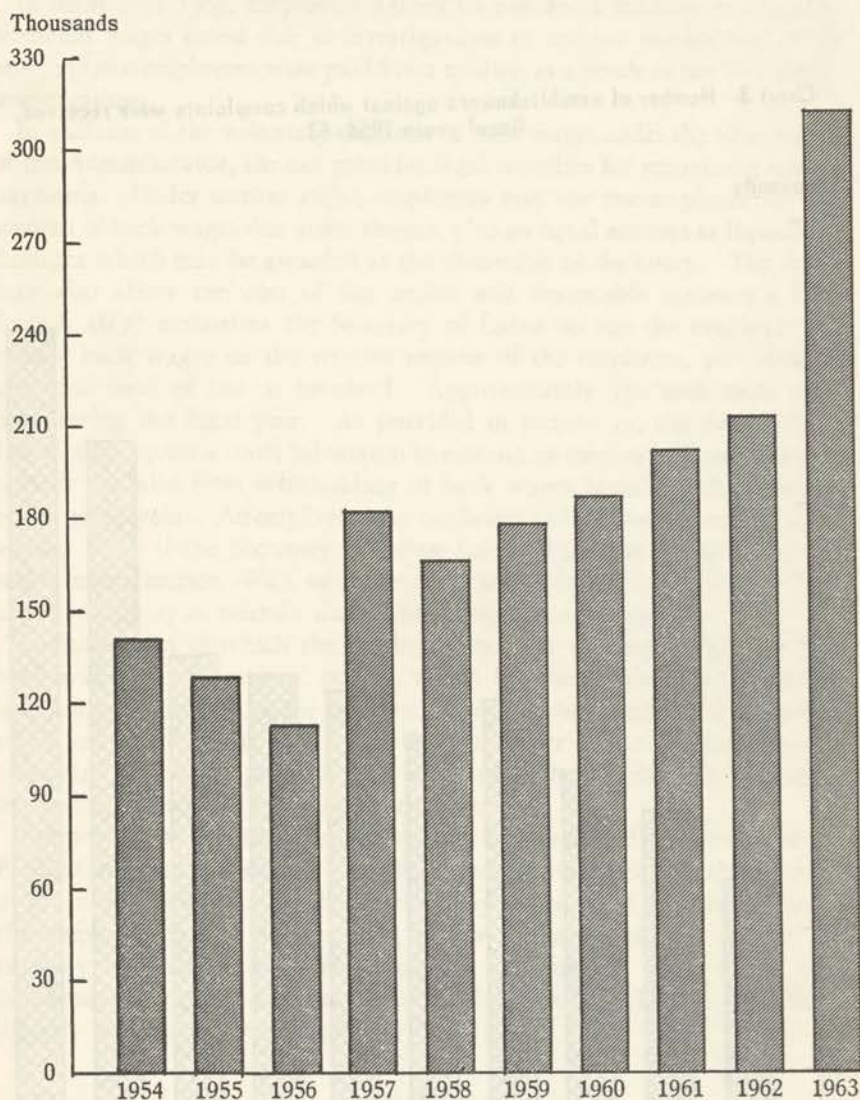


investigator time on complaint investigations¹ continued in fiscal year 1963.

A total of 18,932 complaints was received this fiscal year, an increase of 2,489, or 15 percent over last year. (See chart 3.) Just under 50

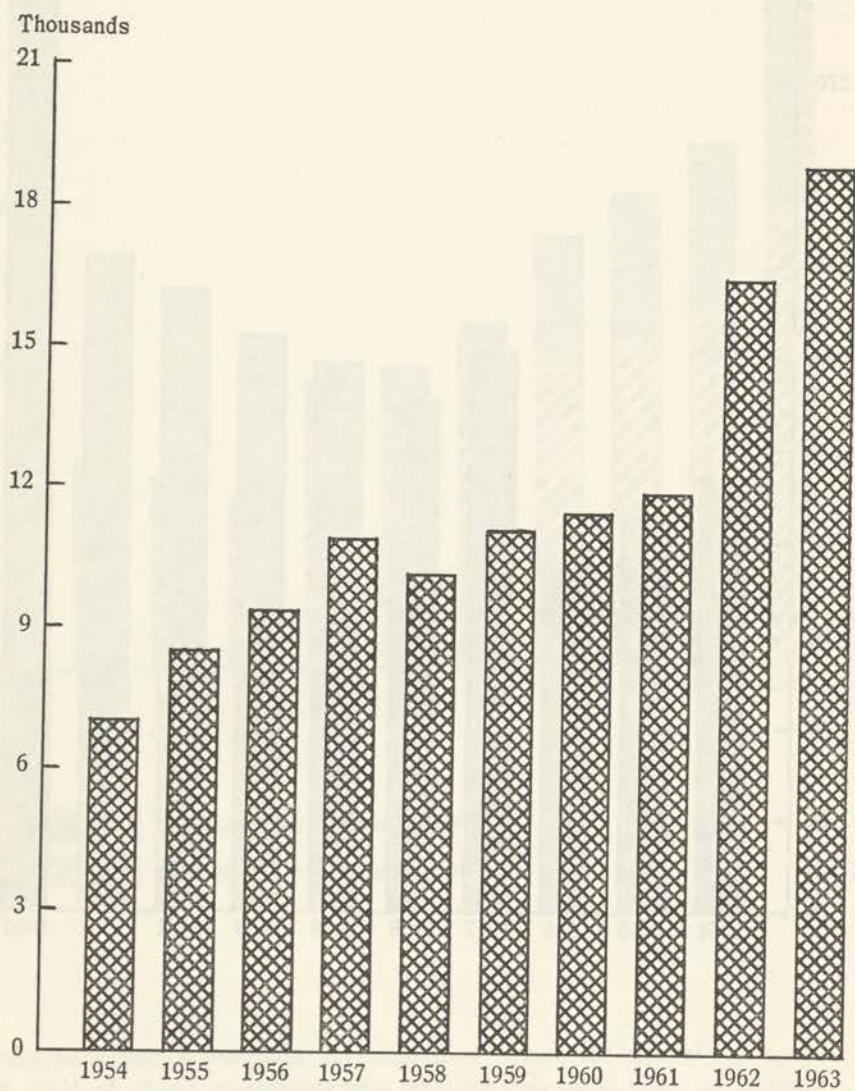
¹ A complaint case is one which involves an allegation from a source outside the Divisions indicating that one or more of the specific requirements of the Fair Labor Standards Act or the Public Contracts Act is not being observed with respect to employment in a particular firm. Some complaint cases contain complaints from more than one source and may involve many employees.

Chart 2. Number of underpaid employees disclosed,
fiscal years 1954-63



percent of total investigator time was spent in investigating these complaints. Investigation time not spent on complaints was used largely in investigations in types of establishments in which, even though a specific complaint had not been received, there were other reasons to believe serious violations were occurring.

Chart 3. Number of establishments against which complaints were received, fiscal years 1954-63



Back-Wage Payments

In fiscal year 1963, employers agreed to pay \$20.2 million in illegally withheld wages found due in investigations to 176,000 employees. Last year, 137,000 employees were paid \$16.2 million as a result of the Divisions' investigations.

In addition to the voluntary payment of back wages under the supervision of the Administrator, the act provides legal remedies for recovering underpayments. Under section 16(b), employees may sue the employer for the amount of back wages due under the act, plus an equal amount as liquidated damages which may be awarded at the discretion of the court. The court may also allow the cost of the action and reasonable attorney's fees. Section 16(c) authorizes the Secretary of Labor to sue the employer for unpaid back wages on the written request of the employee, provided no unsettled issue of law is involved. Approximately 350 such suits were filed during the fiscal year. As provided in section 17, the Secretary of Labor may request a court injunction to restrain an employer from violating the act and also from withholding of back wages found by the court to be due employees. An employee may not bring an independent action under section 16(b) if the Secretary of Labor has sued for the employee's back wages under section 16(c), or if the Secretary of Labor has filed an action under section 17 to restrain the withholding of back wages.

In those cases in which the employer does not voluntarily agree to pay back wages, the Divisions' policy, which has met with court approval, is to notify employees, as far as is practicable, of their rights under sections 16(b) and 16(c) of the Fair Labor Standards Act. The Divisions do not encourage or discourage employees to exercise these rights; the matter is left to the discretion of the employees involved.

Employers owing money to employees as a result of violations of the Public Contracts Act are liable to the Federal Government for the amounts of the underpayments. Such amounts may be withheld from money owed the employer by the Government, or the Government may sue for the recovery of illegally withheld wages in the courts. Back wages thus collected under the provisions of the Public Contracts Act are distributed directly to the employees involved.

Legal Actions

In all, 1,607 actions were filed in fiscal year 1963 under the Fair Labor Standards Act and the Public Contracts Act. Of the 1,469 civil actions, 1,219 were contested. Civil and criminal contempt proceedings were filed in 40 cases to enforce injunctions previously obtained. Forty-eight criminal prosecutions were instituted, resulting in fines totaling \$132,812 and \$16,417 in contempt proceedings, of which \$11,767 were in the nature

of compensatory fines. Thirty-six administrative proceedings were brought under the Public Contracts Act. In addition, 14 actions of other types were filed. A total of 1,515 legal action cases of all kinds were completed during the year.

Over \$2 million of the back wages recovered was a result of litigation activity under the Fair Labor Standards Act and the Public Contracts Act. Of this total, \$288,758 was due under the Public Contracts Act.

A total of \$241,500 was recovered for employees in 336 suits under section 16(c) of the Fair Labor Standards Act. This continues an upward trend in this type of action.

About \$740,933 was recovered for employees in 773 completed injunction actions, in 140 of which the Secretary of Labor also included a request pursuant to section 17 of the amended Fair Labor Standards Act to restrain the withholding of any unpaid minimum wages and unpaid overtime compensation found by the courts to be due under the act.

Child Labor Violations

Violations of the child labor provisions disclosed in investigations were at the highest levels since the Fair Labor Standards Act became effective. This was true with respect to both agricultural and nonagricultural establishments. The increased number of violations found in nonagricultural establishments reflects in large measure the impact of additional coverage provided under the 1961 amendments. Investigations in retail and service establishments, about 11 percent of the total nonagricultural investigations made, accounted for 26 percent of the total number of minors found illegally employed in nonagricultural establishments.

The increased disclosure of child labor violations in agriculture reflect careful planning of the investigation program. Much has been done to coordinate information on crops with the opening and closing of local schools, since this is the most likely time that minors under 16 years of age will be employed in violation of the act. Community support for this part of the program is also a factor in the increased findings. Many local school officials are anxious to keep their pupils in school and appreciate the effects of the act in helping achieve this goal.

Of the 10,348 minors found working illegally in nonagricultural establishments, 5,584, or 54 percent, were under 16 years of age, and 4,764, or 46 percent, were 16 or 17 years of age employed in hazardous occupations. (See appendix table C.) Of the 6,926 minors under 16 years of age found illegally working on 2,277 farms during school hours, 4,918, or 71 percent, were under 14 years of age, and 1,987, or 29 percent, were 14 and 15 years of age. (See appendix table D.)

The Public Contracts 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. A total of 70 minors were found employed contrary to this act.

Safety and Health Inspections

An intensified safety and health program was conducted under the Public Contracts Act. During the year, 4,720 first inspections were made to determine compliance with the act's safety and health provisions. The Divisions' personnel made 2,136 of these inspections in industrial establishments. State inspectors, in accordance with cooperative agreements with certain States, made 2,384 industrial establishment inspections, while the Federal Bureau of Mines, pursuant to an agreement with the Divisions, made 200 inspections of coal mines. In addition, 2,597 inspections were made to determine compliance with corrections required on first inspection. Serious safety and health violations were disclosed in 1,830 of 2,136 establishments inspected by the Divisions' personnel. The Federal Bureau of Mines reported that unsafe conditions were found in 88 mines. (See appendix table E.)

Discussions were continued with officials of certain cooperative-agreement States which had been conducting safety and health inspections. As a result, several of the cooperative agreements were terminated by mutual agreement. Inspections in such States are now being made by the Divisions' personnel.

Administrative hearings were held in 28 cases involving safety and health violations, 7 of which concerned coal mines. As a result of these hearings, 10 contractors, including 3 coal-mine operators, became ineligible to perform on Government contracts for a period of 3 years.

COMPLIANCE THROUGH EDUCATION

The Divisions continued their extensive efforts to spread public awareness of the Fair Labor Standards Amendments of 1961. As the year advanced, emphasis changed from stress on current standards which had been in effect since September 1961. The Divisions began preparation of a broad nationwide information and educational program, together with specific materials that would promote voluntary compliance with the requirements which were to become mandatory in September 1963.

Particular emphasis this year was directed toward the industries brought under coverage by the 1961 amendments. Cooperative educational programs were developed with the major trade associations and unions in these fields to assist employers in obtaining the broadest possible understanding of the act and their responsibilities, and to inform employees of their rights under the law.

Media materials concerned with various aspects of the laws administered by the Divisions were developed and disseminated through radio, press, and television to the public in general. Other educational materials were released through labor, trade, business, and industrial publications and periodicals to specific industries and directed to geographic areas. Cooperative educational and information programs were undertaken with Govern-

ment and non-Government agencies. Active liaison with Federal, State, and local governments, and labor, business, industrial, educational, service, and civic organizations was maintained and resulted in the duplication and reprinting of the Divisions' materials. New outlets and contacts were developed to obtain the broadest possible dissemination of educational materials promoting voluntary compliance.

In addition, speech material was developed for and used before national, regional, State, and local conventions, conferences, meetings, and educational seminars conducted by the Divisions' national and field personnel.

Recurring and continuing educational programs concerned with the child labor provisions received wide support from press, radio, and television. Awareness programs directed primarily to informing both employers of migratory farmworkers and the workers themselves about the act's restrictions on child labor in agriculture again were featured in the southeastern and southwestern parts of the Nation during the spring planting and harvesting seasons prior to migration of workers to the Northern and Midwestern States. These programs were supported by Federal and State organizations.

In anticipation of mandatory changes in the act taking effect in September 1963, the Divisions planned and developed major educational materials for dissemination in fiscal 1964. Included was a special brochure directing the attention of more than 1.1 million employers to the September changes. This publication contained the new official poster together with highlights of the forthcoming changes. In the closing days of the fiscal year, similar planning was underway with respect to the Equal Pay Act, which generally becomes effective in June 1964. Information materials highlighting the provisions of this legislation were released to the public.

INTERPRETATIONS AND REGULATIONS

The Divisions expanded their efforts to provide guidance to employers and employees as to their responsibilities and rights under the acts through issuance of interpretations and regulations. To this end, public proceedings and numerous discussions with labor and management took place during the past fiscal year.

"White-Collar" and Commission Employees

The proceeding begun during the previous year to consider changes in regulations, Part 541, issued under section 13(a)(1) of the Fair Labor Standards Act, was continued. This section provides a minimum wage and overtime pay exemption for executive, administrative, and professional employees and for outside salesmen—the so-called "white-collar" employee exemption. The proceeding began in March 1962 to consider possible changes in the minimum weekly salary requirements for exemption of employees covered by the act before the Fair Labor Standards Amendments of

1961. A hearing to consider changes in the regulations with respect to employees in retail and service industries was held during October 1962. The record of this proceeding, containing the results of wage surveys conducted by the Divisions, and data, views, and arguments presented by representatives of employers and employees, was carefully analyzed. At year's end, a tentative decision was ready for publication.

As considerable interest on the subject of management trainees in retail enterprises had developed during consideration of these exemptions, plans were made for a public proceeding to consider a possible overtime exemption for such employees.

Under the 1961 amendments, employment in certain large enterprises engaged in or producing goods for interstate commerce would be subject to a maximum workweek of 44 hours beginning September 3, 1963. However, section 7(h) provides an exemption from the overtime pay provisions for any employee of a retail or service establishment whose regular rate of pay is more than one and one-half times the applicable minimum hourly rate, and more than one-half of whose compensation, for a representative period, represents commissions on goods or services. Hearings were held in January 1963 relative to proposed changes in recordkeeping requirements under the act. Information obtained from this hearing will provide the basis for an interpretative position on the application of section 7(h) of the act.

"Regular Rate" and Related Subjects

Section 7(d) of the Fair Labor Standards Act permits the exclusion from the "regular rate," on which overtime pay is computed, of certain payments made to or on behalf of employees. Although prior approval of such payments is not required by the statute, it is frequently requested by employers. The recent trend in collective bargaining is to increase and liberalize the benefits available to employees in place of making direct wage increases. Not only have new types of benefits been added, but the dollar amounts of the benefits along with company contributions have been increased. In the case of supplemental unemployment benefit plans, this has meant larger benefits payable for longer periods, increased provision for short workweeks, and, in some cases, supplemental workmen's compensation, and relocation allowances for employees. In addition, plans which provide more vacation time with pay, supplemental retirement pay, or extended leave are becoming more common. Employers continue to request the Divisions' approval to exclude payments to such plans from the "regular rate."

In connection with the provisions in the amended act requiring newly covered employees to be paid overtime compensation for hours worked over 44 in a week on and after September 3, 1963, amendments or proposals were being prepared to the following interpretative bulletins and regulations:

1. Amendments to the retail bulletin, Part 779, concerning the overtime exemption provided by section 7(h) and proposed amendments to the

recordkeeping regulations, Part 516, describing the records to be kept by employers who utilize section 7(h).

2. Amendments to the bulletin on overtime compensation, Part 778, describing methods of computing overtime compensation for employees paid in whole or in part by commissions.

3. Proposals to amend regulations, Part 548, issued pursuant to section 7(f)(3) which permits the computation of overtime pay on an established basic rate, so as to provide another method of computing such a basic rate, and proposed additions to the recordkeeping regulations prescribing records to be kept by employers using an established basic rate.

Seasonal Industries

The Divisions commenced a program during the year to review all seasonal industry determinations issued under section 7(b)(3) of the Fair Labor Standards Act. This section provides a partial overtime pay exemption for employees employed in an industry found by the Administrator to be seasonal in nature. These determinations are being reviewed to see whether the current operational facts of the industry still warrant the application of the exemption. At the time the project was initiated, a total of 46 industries had been determined to be seasonal. By year's end, recommendations that the exemption be continued without change had been submitted for 10 industries; 3 industry determinations were revoked or in the process of revocation; and several other determinations were under consideration for amendment or revocation.

Public Contracts Act Administration

During the year, the Divisions continued to advise the public and contracting agencies with regard to coverage, applicable minimum wages, and various other aspects of the administration of the Public Contracts Act. The cumulative effect of issuing minimum wage determinations in many industries not previously covered by separate determinations resulted in numerous requests for decisions as to the applicability of wage determinations to specific products. Circular letters were issued to inform contracting agencies of new interpretations and policies and to assist them in the implementation of the act.

The regulation exempting export merchants from the requirement that they qualify as regular dealers was amended to eliminate the requirement that the contract bid upon must be paid out of grants or loans to the countries to which the commodities purchased were to be exported, or out of funds of such countries derived from other sources. However, the labor standards of the act continue to apply to export merchants having covered contracts.

Safety and Health Regulations

A comprehensive review of the safety and health standards for Federal supply contracts (regulations, Part 50-204), originally issued in December

1960, was conducted. This review, which included consultation with and analysis of comments from numerous management, labor, and standards development organizations, will result in certain general revisions of these regulations early in fiscal year 1964. The development of specific standards regarding radiation hazards also progressed and at the end of the fiscal year the standards were about to be published.

SPECIAL MINIMUM WAGE PROVISIONS

Certificated Workers

Section 14 of the Fair Labor Standards Act authorizes the employment of learners, apprentices, full-time students, certain messengers, and handicapped workers under certificates issued pursuant to regulations at special minimum wages below the applicable statutory or wage order minimum, to the extent necessary to prevent curtailment of employment opportunities. For each class of worker a separate regulation has been established which sets forth the terms and conditions governing the issuance of certificates and employment thereunder.

Learners

The regulations governing the issuance of learner certificates in the apparel industry were amended during the year. This action followed a public hearing in February and March 1962 and the subsequent publication of proposed amendments with opportunity for public comment. The final amendments became effective March 4, 1963.

Under the amendments, the period authorized at special minimum wages for the training of sewing machine operators, final pressers, and hand sewers was reduced from 480 hours to 320 hours. Also, issuance of certificates was discontinued for the manufacture of higher priced dresses and blouses and for the manufacture of rainwear.

In Puerto Rico and the Virgin Islands, learner rates continued to be revised upward where necessary to conform with increased minimum rates provided by new industry wage orders.

Before the end of the fiscal year, a series of informal conferences was begun with interested labor and management officials as part of a review of learner rates under the \$1.25 statutory minimum which becomes effective September 3, 1963.

A total of 1,922 learner certificates were issued, of which 191 were to plants in Puerto Rico and the Virgin Islands. As of the end of the fiscal year, 1,671 certificates were in effect authorizing the employment of an estimated maximum of 36,156 learners. (See appendix table F.)

Student-Learners, Student-Workers, and Apprentices

A total of 3,053 certificates, each authorizing the employment of a student-learner at special minimum rates, were issued during the fiscal year.

These certificates provide for the part-time employment training of students, typically high school students in their senior year, supplemented by and integrated with school instruction directly related to the job.

Also, 29 student-worker certificates were issued to educational institutions providing for the part-time employment of needy students in school-operated shops in order to enable the students to defray part of their school expenses.

The Divisions also authorized the employment of 479 apprentices at special minimum wage rates; 334 of these apprentices were in Puerto Rico.

Full-Time Students

The Fair Labor Standards Amendments of 1961 included a provision authorizing the issuance of certificates permitting the employment at special minimum wages of full-time students working outside their school hours in retail or service establishments.

The regulations governing the issuance of such certificates generally limit the employment of full-time students at special minimum wages to no more than 10 percent of the establishment's total hours of employment. Under these provisions, 2,639 certificates were issued during the fiscal year. The retail stores receiving the certificates employed about 94,000 workers, including about 12,000 full-time students.

Handicapped Workers

A total of 5,710 handicapped workers held certificates at the close of the fiscal year, a drop of 24 percent from the year before. Some 1,100 establishments employed workers under certificates; three-fifths of these establishments employed one certificated worker each.

Of the 5,710 certificated workers, 59 percent were employed in fresh shellfish plants brought under the act's minimum wage requirements for the first time by the 1961 amendments.

Adopted in the preceding year, temporary special certification standards for fresh shellfish plants were revised, effective April 1, and extended through March 1964, following a wage survey of the industry by the Bureau of Labor Statistics. Increases were made in the minimum hourly guarantee and in the piece rates paid to the certificated workers. The special standards were discontinued for clam plants. Certificates granted workers under the special standards declined 36 percent below the previous year.

State vocational rehabilitation agencies and the Veterans' Administration substantially increased their use of the authority to issue temporary handicapped worker certificates for on-the-job trainees whom they sponsor. A total of 273 temporary certificates were issued during the year, compared with 167 in 1962, and 101 in 1961.

Special certification procedures were developed on an experimental basis for school-work experience programs for academically retarded, mentally retarded, and physically handicapped children. There has been a grow-

ing interest throughout the country in programs combining special school classroom studies and actual work experience. The special conditions under which these programs are operated led to the initiation of the experimental certification program.

Sheltered Workshops

Nonprofit sheltered workshops holding certificates for the employment of handicapped persons at special minimum rates totaled 619 at the close of fiscal 1963; these shops served 34,441 handicapped persons as of the time of application for certificates. Compared with 1962, this is an increase of 37 certificated workshops and 1,570 handicapped clients as of the time of application.

The bulk of the increase in the number of certificated workshops consisted of those serving the mentally retarded. This has become the largest homogeneous group of shops, totaling 148 certificated shops serving approximately 4,500 clients.

After consultation with and upon advice of the Advisory Committee on Sheltered Workshops, the Divisions began a series of conferences with workshop officials to consider minimum floor rates for homogeneous groups of workshops. Also upon recommendation of the committee, the Divisions have developed an experimental program to permit on-the-job training in commercial industry for workshop clients while these clients remain employees of the workshop. This program is designed to facilitate placing clients in regular industry and to make for a more gradual transition for the client from the workshop into industry.

Puerto Rico, Virgin Islands, and American Samoa

Under the Fair Labor Standards Act, employees in Puerto Rico, the Virgin Islands, and American Samoa may be paid minimum wage rates at or below those applicable in the 50 States. Such special rates are established by industry wage orders issued by the Secretary of Labor on the basis of recommendations made by industry committees. These committees are equally representative of employers, employees, and the public, and the members are residents of the island and the States.

Subsequent to the increases in minimum wage rates directed by the Fair Labor Standards Amendments of 1961, under which all minimum wage rates in Puerto Rico and the Virgin Islands were advanced, industry committee activity in fiscal 1963 further raised minimum rates in these areas. All industries in Puerto Rico that had not already reached the applicable statutory minimum were reviewed during fiscal year 1963 under the biennial review program.

Twelve series of industry committees, composed equally of employer, employee, and public members, were convened during fiscal year 1963 and recommended rates both for workers covered on the basis of the act's provisions prior to the 1961 amendments and for workers covered for the

first time by reason of the amendments. Appendix table G shows the rates for all industries in Puerto Rico at the end of fiscal 1962 and those that were put into effect or recommended in fiscal 1963.

Almost two-thirds of the workers in Puerto Rico covered on the basis of the preamendment provisions were subject to a rate of \$1 an hour or more, under rates recommended or in effect as of June 30, 1963. Slightly more than one-third of the workers were subject to the statutory minimum of \$1.15 an hour. Six out of ten workers covered by reason of the 1961 amendments were required to be paid the statutory minimum of \$1 an hour. (See appendix table H.)

Minimum piece rates applicable to homeworkers were increased commensurate with the increase in the hourly rates.

No industry committees were convened for the Virgin Islands and American Samoa during fiscal year 1963; wage rates for these areas will be reviewed during the second half of this biennium. Appendix tables I and J show the rates for these areas as of June 30, 1963.

Public Contracts Act Wage Determinations

The level of unclassified Government procurement subject to the Walsh-Healey Public Contracts Act awarded during fiscal 1963 edged up slightly to reach a total of 95,505 supply contracts valued at more than \$2.1 billion. (See appendix table K.) These figures do not include a substantial volume of classified procurement subject to the act but not reported to the Divisions.

One of the primary objectives of the Public Contracts Act is to prevent the payment of substandard wages from becoming a competitive factor in the vast volume of procurement of Government supply contracts. To this end, the act provides that employees working on Government contracts be paid not less than the minimum wage found by the Secretary of Labor to be prevailing. (See appendix table L.) The standard procedure under the act for determining prevailing minimum wages in an industry is to convene a labor-management panel conference to explore the definition of the industry and other relevant problems and to work out plans for obtaining the necessary wage data, usually through a wage survey. Subsequently, all interested parties are afforded an 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 post-hearing 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 tentative decision based on the facts in the record. Interested parties are afforded an opportunity to submit comments and exceptions to the Secretary's proposed decision. After reviewing such exceptions, a final determination is issued.

During the fiscal year, final determinations were issued for six industries. These industries accounted for more than \$1.1 billion annually in unclassi-

fied Federal procurement subject to the Public Contracts Act. Total employment in these 6 industries amounted to around 700,000 workers, of whom about 375,000, or more than half, were engaged in occupations of the type generally covered by the act.

A redetermination was issued for the electric lamp industry, where a minimum hourly rate of \$1.65 became effective April 12, 1963, taking the place of a \$1.26 rate. A second redetermination was in the scientific, industrial, and laboratory instruments industry. The prevailing rate for electric indicating instruments and service test equipment was found to be \$1.35 an hour; all other products within the scope of the industry had a prevailing minimum of \$1.50. These rates became effective June 28, 1963, in place of a previous \$1.20 minimum.

Industries subject to wage determinations for the first time are electronic equipment, motors and generators, machine tools, and pumps and compressors; and the prevailing minimum rates established range from \$1.48 to \$1.80 an hour. A minimum wage determination of \$1.52 for the electronic equipment industry became effective May 4, 1963. The determination for the pumps and compressors industry which became effective June 11, 1963, provides a minimum rate of \$1.65.

In the motors and generators industry, the Secretary of Labor determined the prevailing minimum rate for the fractional horsepower branch to be \$1.48 and the nonfractional horsepower branch, \$1.73. These rates became effective October 24, 1962. However, a request for an injunction against the application of this wage determination, filed with the U.S. District Court for the District of Columbia on behalf of 11 manufacturers of motors and generators, was granted on April 5, 1963. The Government's appeal of this decision was being considered by the U.S. Court of Appeals for the District of Columbia Circuit at the close of the fiscal year. Meanwhile, at the request of the Government, the court of appeals stayed the order of the circuit court requiring the Secretary of Labor to rescind the wage determination; the wage determination, therefore, remains in effect during the interim period of litigation. The major issue involved in the court proceedings relates to the procedures followed in collecting and presenting wage data.

The machine tools industry wage determination, which became effective on May 23, 1963, provided for a minimum rate of \$1.65 an hour for blueprint machine operators and draftsmen and \$1.80 for all other covered workers. Shortly thereafter, a suit challenging the authority of the Secretary of Labor to issue 2 determinations for an industry was filed by 11 machine tool manufacturers with the District Court for the District of Columbia. This suit also alleges that the wage determination for covered workers other than blueprint machine operators and draftsmen is based on an inadequate wage survey. The petition of the 11 companies for a preliminary injunction was granted by the District Court on July 16, 1963. Under the court's ruling, the wage determination rates of \$1.65 and \$1.80

will continue to apply to all firms in the industry doing work subject to the Public Contracts Act, except those companies participating in the lawsuit.

ECONOMIC STUDIES

The Divisions continued during fiscal 1963 the expanded program of economic studies undertaken following the Fair Labor Standards Amendments of 1961, which became effective September 3, 1961. The following studies were initiated or completed during the year:

1. Report to the Congress under section 4(d) of the Fair Labor Standards Act:

In January 1963 the Secretary of Labor submitted to the Congress a report evaluating the initial effect of the minimum wages established under the 1961 amendments. The report included a series of studies conducted by the Divisions designed to measure the effects of the amendments on: (a) retail trade, (b) nonmetropolitan areas of the South and North Central regions, and (c) small metropolitan areas of the South. A special section of the report related to the influence of the changes in the minimum wage on general wholesale price levels.

The report stated that the adjustment to the changes in the act which became effective in 1961 was made under generally favorable economic conditions. The recovery from the 1960-61 recession had begun before enactment of the amendments and since that time the economy has expanded. On the other hand, in two respects the initial adjustments to the 1961 amendments took place under conditions less favorable to ease of adjustment than conditions in 1956, when the previous change in the minimum wage became effective. Unemployment has remained at a higher level than in 1956, and price levels have remained stable while 1956 was characterized by rising prices.

On balance, the data lead to the conclusion that the changes in the law which became effective on September 3, 1961, brought substantial benefits to low-paid workers in many areas of the country, and that the increases in their incomes and purchasing power had beneficial effects in the communities in which they work.

2. Shellfish processing:

A special report was prepared in response to a congressional request for an analysis of the problems facing the Atlantic and Gulf Coast shellfish processing industry as a result of coming under the minimum wage provisions of the Fair Labor Standards Act in September 1961. This report, submitted to the Congress in December 1962, was designed to assist the Congress in evaluating the effects of minimum wage legislation in the industry and was useful in reviewing administrative actions taken with respect to the issuance of certificates to handicapped workers engaged in processing clams, crabs, oysters, and shrimp.

3. Hotels and motels; restaurants and other food enterprises; laundries and cleaning services:

The 1961 amendments directed the Secretary of Labor to report to the Congress on wages and pay practices in the hotel and restaurant industries. During the congressional hearings, the Secretary of Labor agreed to provide similar data for the laundry industry. Studies of these three industries were made in June 1961 and reports were presented to the Congress early in 1962. In June 1963, the Divisions initiated further studies of these three industries. These are designed to update the earlier information and cover the entire nation, rather than the large metropolitan areas only, as was done in the previous surveys. The kind of information being obtained is generally similar to that which was collected in the 1961 surveys. Reports based on these studies will be prepared by the Divisions in fiscal 1964, and will be used as a basis for legislative recommendations to the Congress by the Secretary of Labor.

4. Small logging operations:

A study of logging contractors having 12 or fewer employees in 7 States—Alabama, Arkansas, North Carolina, Mississippi, Michigan, Minnesota, and Wisconsin—was initiated in the spring of 1963. This study is designed to yield data which will be useful in evaluating the continued need for the 13(a)(15) exemption from the wage and hour provisions of the Fair Labor Standards Act for small logging operations, and as a basis for appraising various approaches which might be taken to eliminate or modify the exemption. A report will be made to the Congress in fiscal 1964.

5. Hired farm labor:

In June 1963, at the request of the Divisions, the Department of Agriculture expanded its enumerative survey of farms, conducted annually in connection with its crop allotment programs, to obtain current wage data for hired farmworkers on large farms. These data will be incorporated in a report to the Congress in fiscal 1964 for use in evaluating legislative proposals to establish minimum wage standards for hired farmworkers on large farms.

6. Effects of minimum wage determinations under the Public Contracts Act:

The Divisions commenced a series of studies of wage and bidding practices in industries for which determinations of prevailing minimum wages have been issued under the Walsh-Healey Public Contracts Act, and of the extent to which changes in wage structures and bidding practices are related to prevailing minimum wage determinations.

7. Investigation of effects of foreign competition on employment in the jewelry and silverware industry:

A special study was begun in January 1963 to measure whether foreign competition in the jewelry and silverware industry has resulted or is likely to result in increased unemployment in the United States. A report of this investigation will be sent to the Congress in 1964.

APPENDIX I

APPENDIX TABLE A.—Investigation findings under the Fair Labor Standards and Public Contracts Acts, by fiscal year, 1954-63

Fiscal year	Establishments investi- gated		Number of employees found underpaid			Amount of underpayments disclosed			Illegally withheld wages that employers agreed to pay ¹	
	Number of establish- ments	Number of employees subject to minimum wage ²	Total num- ber under- paid ³	Paid at less than the minimum wage rate	Not paid full over- time com- pensation	Total	Minimum wages	Overtime compensa- tion	Amount	Number of employees involved
1954	39,430	2,019,649	141,368	40,138	118,533	\$13,774,248	\$2,716,376	\$11,057,872	\$6,485,545	85,049
1955	39,330	1,962,278	128,754	36,894	108,006	12,151,077	2,135,731	10,015,346	6,165,117	81,330
1956	33,148	1,581,641	112,710	27,617	97,082	11,083,952	1,612,902	9,473,050	6,051,909	74,762
1957	48,482	2,296,913	131,910	77,463	138,803	18,834,134	6,289,873	13,544,261	9,211,286	110,379
1958	53,796	1,910,127	165,497	63,349	130,792	19,655,299	6,145,385	13,509,914	10,953,896	116,797
1959	54,916	1,630,261	177,908	70,467	137,640	22,403,116	6,637,265	15,465,851	12,885,921	124,046
1960	45,729	1,441,679	186,997	62,253	155,746	28,033,314	8,663,703	19,369,611	13,895,377	119,373
1961	44,268	1,201,810	201,810	75,051	164,758	30,942,531	9,252,992	21,689,539	14,477,883	121,924
1962	44,115	1,469,025	212,608	89,130	162,571	34,004,338	10,255,086	23,749,252	16,174,884	136,558
1963	54,331	1,889,570	312,428	165,350	210,769	49,110,625	18,910,822	30,199,804	20,170,103	176,260

¹ Includes a few cases for which data do not relate to the same year in which the underpayment disclosures were reported.

² Employees in investigated establishments during most recent workweek of period.

covered by investigation who were covered by, and not exempt from, the minimum wage provisions of either of the acts.

³ The figure shown is an unduplicated count of employees found underpaid.

APPENDIX TABLE B.—Investigation findings under the Fair Labor Standards and Public Contracts Acts, by region, fiscal year 1963

Region	Establishments investigated		Number of employees found underpaid			Amount of underpayments disclosed			Illegally withheld wages that employers agreed to pay ¹	
	Number of establishments	Number of employees subject to minimum wage ²	Total number underpaid ³	Paid at less than the minimum wage rate	Not paid full overtime compensation	Total	Minimum wages	Overtime compensation	Amount	Number of employees involved
All regions.....	54,331	1,889,570	312,428	165,350	210,769	\$49,110,626	\$18,910,322	\$30,199,804	\$20,170,103	176,260
I. Boston.....	3,534	150,955	12,386	4,047	9,716	1,737,910	373,600	1,364,310	890,152	8,559
II. New York City.....	8,336	378,966	37,264	21,229	19,144	4,500,123	1,815,898	2,684,225	1,613,247	15,172
III. Chambersburg.....	4,073	178,750	16,797	6,085	12,823	2,690,058	786,658	1,912,400	1,515,280	11,637
IV. Birmingham.....	4,500	113,744	28,147	18,331	19,476	4,848,958	2,746,759	2,102,199	1,708,841	14,366
V. Cleveland.....	3,180	85,600	17,626	7,898	12,193	2,731,689	664,455	2,067,204	1,428,404	10,474
VI. Chicago.....	3,450	185,958	18,725	7,708	14,178	4,226,539	999,299	3,257,240	1,711,037	11,637
VII. Kansas City.....	4,307	81,308	23,887	12,251	15,731	4,005,067	1,453,986	2,551,081	1,618,524	12,864
VIII. Dallas.....	6,519	158,300	42,119	22,645	29,462	6,364,591	2,516,980	3,847,611	2,583,300	23,732
IX. San Francisco.....	5,731	200,502	27,094	7,033	23,310	5,219,159	699,032	4,520,127	2,214,020	15,951
X. Nashville.....	4,724	107,099	32,974	20,793	20,762	5,854,232	3,345,079	2,509,153	1,940,046	17,147
XI. Atlanta.....	4,203	150,024	33,700	20,045	23,213	4,880,307	2,228,146	2,652,161	1,757,218	17,103
Santurce, P.R.....	764	38,831	13,547	12,220	5,215	1,028,045	815,231	212,814	800,181	12,803
North Carolina.....	1,010	50,039	8,072	4,464	5,546	1,014,348	495,699	518,679	388,833	4,655

¹ Includes a few cases for which data do not relate to the same year in which the underpayment disclosures were reported.

² Employees in investigated establishments during most recent workweek of period covered by investigation who were covered by, and not exempt from, the minimum wage provisions of either of the acts.

³ The figure shown is an unduplicated count of employees found underpaid.
⁴ Changes in regional boundaries occurred during fiscal year 1963. The data shown for this region represent fiscal year findings in the area covered by the region as constituted at the end of fiscal year 1963.

APPENDIX TABLE C.—*Number of minors found employed in nonagricultural establishments in violation of the child labor provisions of the Fair Labor Standards Act, by region, State, and age of minor, fiscal year 1963*

Region and State	Number of minors illegally employed		
	Total	Under 16 years of age	16-17 years of age in hazardous occupations
All regions.....	10,348	5,584	4,764
I. Boston.....	545	176	369
Connecticut.....	53	3	50
Maine.....	127	74	53
Massachusetts.....	231	50	181
New Hampshire.....	42	22	20
Rhode Island.....	76	20	56
Vermont.....	16	7	9
II. New York City.....	981	486	495
New Jersey.....	319	116	203
New York.....	662	370	292
III. Chambersburg.....	694	329	365
Delaware.....	6	1	5
District of Columbia.....	33	6	27
Maryland.....	243	155	88
Pennsylvania.....	412	167	245
IV. Birmingham.....	773	425	348
Alabama.....	201	103	98
Arkansas.....	200	119	81
Louisiana.....	180	89	91
Mississippi.....	192	114	78
V. Cleveland.....	867	604	263
Michigan.....	511	404	107
Ohio.....	356	200	156
VI. Chicago.....	475	173	302
Illinois.....	121	69	52
Indiana.....	187	37	150
Minnesota.....	217	59	158
Wisconsin.....	50	8	42
VII. Kansas City.....	878	576	302
Colorado.....	107	58	49
Iowa.....	54	26	28
Kansas.....	400	311	89
Missouri.....	111	63	48
Nebraska.....	123	62	61
North Dakota.....	3	1	2
South Dakota.....	57	43	14
Wyoming.....	23	12	11
III. Dallas.....	1,884	1,228	656
New Mexico.....	68	45	23
Oklahoma.....	323	191	132
Texas.....	1,493	992	501
IX. San Francisco.....	1,410	783	627
Alaska.....	3	0	3
Arizona.....	39	28	11
California.....	735	418	317
Hawaii.....	107	32	75
Idaho.....	3	1	2
Montana.....	16	5	11
Nevada.....	30	24	6
Oregon.....	40	16	24
Utah.....	344	210	134
Washington.....	92	48	44
Guam.....	1	1	0

See footnote at end of table.

APPENDIX TABLE C.—*Number of minors found employed in nonagricultural establishments in violation of the child labor provisions of the Fair Labor Standards Act, by region, State, and age of minor, fiscal year 1963—Continued*

Region and State	Number of minors illegally employed		
	Total	Under 16 years of age	16-17 years of age in hazardous occupations
X. Nashville.....	1,003	368	635
Kentucky.....	279	106	173
Tennessee.....	282	129	153
Virginia.....	337	105	232
West Virginia.....	105	28	77
XI. Atlanta.....	687	350	337
Florida.....	248	139	109
Georgia.....	348	183	165
South Carolina.....	91	28	63
Santurce, P.R.....	11	8	3
Puerto Rico.....	10	7	3
Virgin Islands.....	1	1	0
North Carolina.....	140	78	62

¹ Includes minors illegally employed under the provisions of both the Fair Labor Standards Act and the Public Contracts Act as follows: All regions, 3; Ohio, 1; Indiana, 2.

APPENDIX TABLE D.—*Number of minors found employed on farms in violation of the child labor provisions of the Fair Labor Standards Act, by region, State, and age of minor, fiscal year 1963*

Region and State	Number of minors illegally employed			
	Total	14-15 years of age	10-13 years of age	9 years of age and under
All regions.....	16,926	1,987	3,523	1,395
I. Boston.....	121	41	56	24
Maine.....	117	38	55	24
Massachusetts.....	1	1	0	0
Vermont.....	3	2	1	0
II. New York City.....	0	0	0	0
III. Chambersburg.....	5	3	1	1
Maryland.....	5	3	1	1
IV. Birmingham.....	1,502	408	826	264
Alabama.....	1,512	132	314	64
Arkansas.....	1,503	144	257	101
Louisiana.....	1,221	71	108	41
Mississippi.....	266	61	147	58
V. Cleveland.....	244	101	105	38
Michigan.....	87	39	34	14
Ohio.....	157	62	71	24
VI. Chicago.....	230	109	101	20
Illinois.....	37	29	8	0
Indiana.....	125	46	64	15
Minnesota.....	10	10	0	0
Wisconsin.....	58	24	29	5

See footnote at end of table.

APPENDIX TABLE D.—*Number of minors found employed on farms in violation of the child labor provisions of the Fair Labor Standards Act, by region, State, and age of minor, fiscal year 1963—Continued*

Region and State	Number of minors illegally employed			
	Total	14-15 years of age	10-13 years of age	9 years of age and under
VII. Kansas City.....	164	70	69	25
Colorado.....	72	40	24	8
Iowa.....	5	0	5	0
Missouri.....	68	22	32	14
North Dakota.....	19	8	8	3
VIII. Dallas.....	1 1,747	461	912	363
New Mexico.....	18	7	9	2
Oklahoma.....	1 176	42	100	33
Texas.....	1 1,553	412	803	328
IX. San Francisco.....	345	117	153	75
Arizona.....	21	12	7	2
California.....	140	47	60	33
Idaho.....	25	5	12	8
Oregon.....	44	9	22	13
Utah.....	115	44	52	19
X. Nashville.....	356	96	173	87
Kentucky.....	18	6	10	2
Tennessee.....	295	77	145	73
Virginia.....	43	13	18	12
XI. Atlanta.....	1 1,646	407	855	379
Florida.....	1 257	88	126	42
Georgia.....	1 764	182	406	173
South Carolina.....	1 625	137	323	164
Santurce, P.R.....	1 53	22	25	5
Puerto Rico.....	1 53	22	25	5
North Carolina.....	513	152	247	114

¹ Includes illegally employed minors for whom no age was reported: All regions, 21; Alabama, 2; Arkansas, 1; Louisiana, 1; Oklahoma, 1; Texas, 10; Florida, 1; Georgia, 3; South Carolina, 1; Puerto Rico, 1.

APPENDIX TABLE E.—*Findings in regular and special safety and health inspections made under the Public Contracts Act, by region and State, fiscal year 1963*

Region and State	Number of establishments inspected			Establishments found in violation of safety and health provisions	
	All States	By Federal inspectors	By State inspectors	By Federal inspectors	By State inspectors
United States.....	1 4,520	2,136	2,384	1,830	846
I. Boston.....	363	42	321	36	72
Connecticut ²	90	0	90	0	0
Maine.....	20	8	12	6	0
Massachusetts ²	185	0	185	0	72
New Hampshire.....	20	20	0	17	0
Rhode Island ²	34	0	34	0	0
Vermont.....	14	14	0	13	0
II. New York City.....	814	6	808	5	341
New Jersey ²	295	0	295	0	99
New York ²	519	6	513	5	242

See footnotes at end of table.

APPENDIX TABLE E.—*Findings in regular and special safety and health inspections made under the Public Contracts Act, by region and State, fiscal year 1963—Con.*

Region and State	Number of establishments inspected			Establishments found in violation of safety and health provisions	
	All States	By Federal inspectors	By State inspectors	By Federal inspectors	By State inspectors
III. Chambersburg.....	524	117	407	106	8
Delaware.....	5	5	0	4	0
District of Columbia.....	35	2	33	2	3
Maryland.....	93	93	0	84	0
Pennsylvania.....	391	17	374	16	5
IV. Birmingham.....	216	199	17	178	3
Alabama.....	98	98	0	79	0
Arkansas ¹	17	0	17	0	3
Louisiana.....	59	59	0	53	0
Mississippi.....	42	42	0	41	0
V. Cleveland.....	279	279	0	255	0
Michigan.....	125	125	0	116	0
Ohio.....	154	154	0	139	0
VI. Chicago.....	377	373	4	287	0
Illinois.....	119	119	0	87	0
Indiana.....	54	54	0	49	0
Minnesota.....	77	77	0	70	0
Wisconsin.....	127	123	4	81	0
VII. Kansas City.....	194	146	48	136	35
Colorado ²	33	2	31	2	23
Iowa.....	29	29	0	25	0
Kansas ²	17	0	17	0	12
Missouri.....	93	93	0	89	0
Nebraska.....	16	16	0	15	0
North Dakota.....	1	1	0	1	0
South Dakota.....	4	4	0	4	0
Wyoming.....	1	1	0	0	0
VIII. Dallas.....	354	349	5	320	4
New Mexico.....	27	27	0	25	0
Oklahoma.....	68	63	5	59	4
Texas.....	259	259	0	236	0
IX. San Francisco.....	778	154	624	126	351
Alaska.....	5	5	0	5	0
Arizona.....	33	33	0	27	0
California ²	557	1	556	1	321
Hawaii ²	21	0	21	0	14
Idaho.....	6	1	5	1	3
Montana.....	0	0	0	0	0
Nevada.....	1	1	0	1	0
Oregon.....	54	54	0	43	0
Utah.....	26	26	0	19	0
Washington.....	75	33	42	29	13
X. Nashville.....	248	148	100	142	8
Kentucky.....	59	59	0	56	0
Tennessee.....	84	84	0	81	0
Virginia ²	94	1	93	1	7
West Virginia.....	11	4	7	4	1
XI. Atlanta.....	224	224	0	171	0
Florida.....	102	102	0	83	0
Georgia.....	90	90	0	69	0
South Carolina.....	32	32	0	19	0
Santrice, P.R.....	17	17	0	16	0
North Carolina ²	132	82	50	52	24

¹ Does not include 200 coal mine inspections made by the Federal Bureau of Mines pursuant to an agreement with the Divisions. In addition, 2,597 inspections were made to determine compliance with corrections required on first inspection.

² Working arrangement with the State whereby State inspectors make inspections.

APPENDIX TABLE F.—*Number of learner certificates in effect on June 30, 1963, classified by industry, type of regulation, and type of certificate*

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	Plant expansion	Total	Normal labor turnover
All Industries.....	1,537	1,671	1,472	199	36,156	27,636
All regions except Santurce, P. R.	1,424	1,529	1,375	154	32,568	26,056
Industries covered by special learner regulations.....	1,418	1,523	1,371	152	32,521	26,023
Apparel.....	1,155	1,239	1,118	121	28,207	22,524
Single pants, shirts and allied garments.....	629	675	613	62	17,999	14,555
Women's apparel.....	478	510	468	52	9,169	7,285
Sportswear and other odd outerwear.....	45	50	45	5	907	642
Other apparel.....	3	4	2	2	132	42
Hosiery.....	118	121	118	3	1,876	1,786
Full-fashioned.....	23	24	23	1	302	372
Seamless.....	95	97	95	2	1,484	1,414
Knitted wear.....	96	109	88	21	1,883	1,023
Outerwear.....	17	22	15	7	283	138
Underwear.....	79	87	73	14	1,300	885
Gloves.....	45	49	43	6	722	607
Work gloves (except all leather).....	40	44	38	6	669	554
Other gloves.....	5	5	5	0	53	53
Cigar.....	3	4	3	1	131	81
Independent telephone.....	1	1	1	0	2	2
Industries not covered by special learner regulations.....	6	6	4	2	47	33
Santurce, P. R.	113	142	97	45	3,588	1,580
Puerto Rico.....	113	142	97	45	3,588	1,580
						2,008

¹ Some plants hold more than one certificate.

APPENDIX TABLE G.—Minimum hourly wage rates recommended or in effect in Puerto Rico as of June 30, 1962, and June 30, 1963

Industry and classification	Minimum hourly wage rate		Effective date of latest rate
	June 30, 1962	June 30, 1963	
Alcoholic beverage and industrial alcohol:			
General classification.....	\$1.15	\$1.15	Nov. 3, 1961
New coverage classification.....	.86, 1.00	1.00	Dec. 7, 1962
Artificial flower, decoration, and party favor.....	.70, .80½	.85	Oct. 5, 1962
Banking, insurance, and finance:			
General classification.....	1.15	1.15	Nov. 3, 1961
New coverage classification.....	1.00	1.00	Do.
Button, jewelry, and lapidary work:			
Gem stone classification.....	1.15	1.15	Nov. 3, 1961
Industrial jewel and precious jewelry classification.....	1.15	1.15	Do.
Button and buckle classification.....	.72½	.74	Oct. 7, 1962
Hair accessories classification.....	.83	.88	Do.
Hair ornaments classification.....	.87½	.95	Do.
Metal expansion watch band classification.....	1.00	1.00	Do.
Rosary and native jewelry classification.....	.54	.56	Do.
Plastic costume jewelry classification.....	.72½	.77	Do.
General classification.....	.77	.82	Do.
New coverage classification.....	.70	.77	Do.
Chemical, petroleum, and related products:			
Agricultural chemicals, fertilizer mixing, hormones, antibiotics, and adrenalin, petroleum refining, and pipeline coating tapes classification.....	1.15	1.15	Nov. 3, 1961
Drugs, medicines, bay oil, aromatic alcohol, and toilet preparation classification.....	.88½	.95	Mar. 18, 1963
Miscellaneous chemical and petroleum products classification.....	1.06, 1.09	1.15	Do.
Oil well drilling classification.....	1.15	1.15	Dec. 5, 1961
New coverage classifications:			
Bay oil and aromatic alcohol.....	.75	.95	Mar. 18, 1963
General.....	.70, 1.00	1.00	Do.
Children's dress and related products:			
Hand-embroidery classification.....	.68	.75	Jan. 7, 1963
Other operations classification.....	.87½	.92½	Do.
New coverage classification.....	.70	1.00	Do.
Communications, utilities, and transportation:			
Drivers, mechanics, and clerical workers in motor carrier transport and express classification.....	1.15	1.15	Nov. 3, 1961
Other workers in motor carrier transport and express classification.....	1.03½	1.07	Oct. 10, 1962
Radio broadcasting classification.....	1.15	1.15	Nov. 3, 1961
General classification.....	1.15	1.15	Do.
New coverage classification.....	1.00	1.00	Do.
Construction, business service, motion picture, and miscellaneous:			
General classification.....	1.15	1.15	Nov. 3, 1961
Janitorial service classification.....	1.09	1.15	Nov. 19, 1962
New coverage classification.....	.70, .83, 1.00	1.00	Do.
Corsets, brassieres, and allied garments:			
General classification.....	.99	1.04	Dec. 29, 1962
New coverage classification.....	.70	1.00	Do.
Electrical, instrument, and related products:			
Classification A (shaver and hair dryer, storage battery, drafting machine, electrical terminal and connector, television antenna and lead-in cable, and portable hand tools).....	1.15	1.15	Nov. 3, 1961
Classification B (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 telephone 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).....	1.15	1.15	Do.
Classification C (capacitors, transistors, coils and coil forms, hermetic seals, crystal units, rectifiers, electronic tubes, television picture tubes, television sets, refrigerators, phonographic pickup cartridges, electric baseboard heating units, heating pads and massage pads, Christmas lighting sets, thermometers, drafting instruments, surgical administration sets, and watches).....	1.15	1.15	Mar. 13, 1962

APPENDIX TABLE G.—Minimum hourly wage rates recommended or in effect in Puerto Rico as of June 30, 1962, and June 30, 1963—Continued

Industry and classification	Minimum hourly wage rate		Effective date of latest rate
	June 30, 1962	June 30, 1963	
Electrical, instrument, and related products—Continued			
Classification D (lenses).....	\$1.03½	\$1.10	June 21, 1963
Classification E (transformers, wire-wound resistors, and all products and activities not specifically included in any other classification).....	1.09	1.15	Do.
New coverage classification.....	.70	1.00	Do.
Fabric and leather glove:			
Hand-sewing on fabric gloves classification.....	.28	.28	June 2, 1962
Hand-sewing on leather gloves classification.....	.44	.46	Aug. 3, 1963
Other operations on hand-sewn gloves classification.....	.65	.70	Do.
Machine operations on machine-sewn leather gloves classification.....	.88	.93	Do.
Machine operations on machine-sewn fabric gloves classification.....	.90	.95	Do.
Other operations on machine-sewn gloves classification.....	.84	.91	Do.
New coverage classification.....	.70	.91	Do.
Fabricated plastic products:			
Dinnerware, sprayer, and vaporizer classification.....	1.15	1.15	Nov. 3, 1961
Phonograph record classification.....	1.10½	1.15	June 21, 1963
Wall tile classification.....	.92	.96	Do.
General classification.....	.85	.89	Do.
New coverage classification.....	.70	.80	Do.
Food and related products:			
Biscuit and cracker classification.....	1.09	1.15	Apr. 12, 1963
Canning and preserving classification.....	.92	1.00	Do.
Citron brining and fruit, vegetable, nut, and green coffee packing classification.....	.74½	.78	Do.
Yeast and canned tuna fish classification.....	1.15	1.15	Nov. 3, 1961
General classification.....	.97½	1.02	Apr. 12, 1963
New coverage classification A (soft drinks, rice, crackers, pastry and cakes; frozen fish packing; bottling or canning of olives, capers, and oils; ice cream chauffeurs; alimentary-pastes pressmen and helpers; master bread bakers, dough mixers, dough-machine operators and bench hands; canning and preserving of fruits, vegetables, and other food products).....	.63, .84, .85, .92, .98, 1.00	1.00	Do.
New coverage classification B (milk and milk products; mixed feed; and ice cream).....	.66, .75	.85	Do.
New coverage classification C (coffee roasting; other bread workers; and other alimentary-pastes workers).....	.67, .69	.80	Do.
New coverage classification D (general, including candy).....	.57½, .70	.75	Do.
Handkerchief, scarf, and art linen:			
Hand-sewing classification.....	.29	.30	Dec. 7, 1962
Other operations classification.....	.55	.56	Do.
Hand-sewing on oblong scarves classification.....	.29	.71	Do.
Other operations on oblong scarves classification.....	.55	.87	Do.
New coverage classification.....	.70	.71	Do.
Hosiery.....	.70, .78	.78	Oct. 28, 1962
Leather, leather goods, and related products:			
Belt classification.....	.92	1.00	June 29, 1963
Hide curing classification.....	1.09	1.15	Do.
Leather tanning and finishing classification.....	.73	.78	Do.
Sporting and athletic goods classification.....	.75	.81	Do.
General classification.....	.69	.74	Do.
New coverage classification.....	.70	.74	Do.
Lumber and wood products:			
Carpet grippers classification.....	1.15	1.15	Nov. 3, 1961
Furniture and miscellaneous wood products classification.....	.80½	.86	Apr. 7, 1963
Lumber, millwork, and balsa wood toys classification.....	.92	.97	Do.
Swimming pool equipment classification.....	1.03½	1.03½	Nov. 3, 1961
New coverage classifications:			
Billiard table.....	.75, .86, 1.00	1.00	Apr. 7, 1963
Table top and kitchen cabinet craft masters and supervisors.....	.75, .86, 1.00	1.00	Nov. 4, 1961
General.....	.70	.86	Apr. 7, 1963
Men's and boys' clothing and related products:			
Work clothing and separate trousers classification.....	.92	.97	Jan. 3, 1963
General classification.....	.86	.91	Do.
New coverage classification.....	.70	.82½	Do.
Metal, machinery, transportation equipment and allied products:			
Fabricated wire products classification.....	1.15	1.15	Nov. 3, 1961
Metal spring classification.....	1.12	1.12	Mar. 13, 1962
Slide fastener classification.....	1.09	1.09	Do.
Wire drawing classification.....	1.15	1.15	Do.
General classification.....	1.15	1.15	Nov. 3, 1961
New coverage classification.....	.70	1.00	June 21, 1963

APPENDIX TABLE G.—Minimum hourly wage rates recommended or in effect in Puerto Rico as of June 30, 1962, and June 30, 1963—Continued

Industry and classification	Minimum hourly wage rate		Effective date of latest rate
	June 30, 1962	June 30, 1963	
Needlework and fabricated textile products:			
Slacks and related products classification	\$0.94½	\$1.00	Jan. 6, 1963
Knit gloves and crocheted slippers classification	.87½	.95	Do.
Hand-crocheting and hand-embroidery of crocheted hats classification	.69	.75	Jan. 6, 1963
Other operations on crocheted hats classification	.94½	.98	Do.
General classification	.95½	1.03½	Do.
New coverage classification	.70	1.00	Do.
Paper, paper products, printing, and publishing:			
Paper box and paper box partition classification	1.15	1.15	Nov. 3, 1961
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	1.15	1.15	Nov. 3, 1961
General classification	1.03½	1.06	June 3, 1963
New coverage classification	.70	.78	Do.
Rubber products:			
Tire recapping classification	1.06	1.15	Mar. 18, 1963
Rubber footwear classification	.95½	.98	Do.
Rubber bucket classification	.86	.93	Do.
Miscellaneous rubber products classification	1.15	1.15	Nov. 3, 1961
New coverage classification	.70	1.00	Mar. 18, 1963
Shoes and related products:			
General classification	.71	.80	Do.
New coverage classification	.70	.82½	Do.
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	1.15	1.15	Nov. 3, 1961
Art pottery classification	.65½	.72	June 3, 1963
Artificial teeth classification	1.15	1.15	Nov. 3, 1961
Asbestos cement products, high purity silicon, and crushed stone, sand, and gravel classification	1.15	1.15	Dec. 15, 1961
Mica classification	.83	.92½	June 3, 1963
Vitreous and semi-vitreous china food utensils classification	.89½	.95	Do.
General classification	1.03½	1.06	Do.
New coverage classifications:			
Terrazzo and marble tiles	.92	1.00	Do.
General	.70	.75	Do.
Straw, hair, and related products:			
Artists' brush and native handicraft products classification	.55	.65	Nov. 2, 1962
Hair and bristles processing and other straw, hair and related products and new coverage classification	.65½	.70	Do.
Hair piece and doll wig classification	.80½	.80½	Do.
Sugar manufacturing:			
General classification	1.09½	1.12½	Dec. 7, 1962
New coverage classification	.70	1.00	Do.
Sweater and knit swimwear:			
General classification	1.04	1.12	Do.
New coverage classification	.70	1.00	Do.
Textile and textile products:			
Mattress and pillow classification	1.15	1.15	Nov. 3, 1961
Bag cleaning and repairing classification	.66	.70	Oct. 28, 1962
Broad woven fabrics classification	.71½	.73	Do.
Hooked rug classification:			
Multiple-needle power-driven machine operations	.83½	.88	Do.
Other operations	.64	.68	Do.
Yarn classification	.75	.79	Do.
General classification	.71½	.75	Do.
New coverage classifications:			
Mattresses and bedsprings:			
Craft masters and supervisors	1.00	1.00	Nov. 4, 1961
Skilled workers	.92	1.00	Oct. 28, 1962
General	.70, .75	.85	Do.
Tobacco:			
Filler tobacco processing classification	.40	.47½	Aug. 10, 1963
Machine threshing, other operations classification	.75	.80	Do.
Wrapper type tobacco processing classification	.83	.85	Do.
General classification	.99	1.00	Do.
New coverage classification	.70	.70	Nov. 4, 1961

APPENDIX TABLE G.—*Minimum hourly wage rates recommended or in effect in Puerto Rico as of June 30, 1962, and June 30, 1963—Continued*

Industry and classification	Minimum hourly wage rate		Effective date of latest rate
	June 30, 1962	June 30, 1963	
Wholesaling, warehousing, and other distribution:			
General classification	\$1.15	\$1.15	Nov. 3, 1961
New coverage classifications:			
Janitors, messengers, and baggers in retailing	.65	.78	Aug. 29, 1963
Other workers in retailing	.70	.88	Do.
Meat cutters	.70	1.00	Nov. 3, 1963
Gasoline service stations	.70	.75	Do.
Other new coverage	1.00	1.00	Nov. 3, 1961
Women's and children's underwear and women's blouse:			
Hand-sewing classification	.70	.75	Dec. 7, 1962
Other operations classification	.86	.92½	Do.
New coverage classification	.70	.75	Do.

APPENDIX TABLE H.—*Cumulative percentage distribution of covered employees in Puerto Rico at wage order minimum rates in effect or recommended as of June 30, 1963*

Minimum wage rate (cents per hour)	Cumulative percentage distribution		Minimum wage rate (cents per hour)	Cumulative percentage distribution	
	Old coverage	New coverage		Old coverage	New coverage
Less than 40.0	2	-----	Less than 100.0	33	38
Less than 50.0	4	-----	100.0 or less	38	100
Less than 60.0	5	-----	Less than 110.0	51	-----
Less than 70.0	6	-----	Less than 115.0	64	-----
Less than 80.0	12	6	115.0 or less	100	-----
Less than 90.0	19	38			

APPENDIX TABLE I.—*Minimum hourly wage rates in effect in the Virgin Islands as of June 30, 1963*

Industry and classification	Minimum hourly wage rate	Effective date
Air transportation industry ¹	\$1.15	Nov. 3, 1961
Alcoholic beverage and industrial alcohol industry	.80	Nov. 10, 1961
Banking, real estate, accounting, and insurance industry ¹	1.15	Nov. 3, 1961
Bay rum and other toilet preparations industry	1.00	Nov. 10, 1961
Communications and public utilities industry:		Do.
Custodial workers and brush cutters classification	.90	
General classification	1.00	
Distribution, trucking, and construction industry:		Do.
Retailing classification	.72	
General classification	.90	
Jewelry, pen, thermometer, industrial belting, and miscellaneous metal products industry	.75	Do.
Assembling and manufacturing of clocks and watches	.75	Nov. 3, 1961
Shipping, marine transportation, and ship and boat building industry ¹	1.15	Do.
Seamen classification	1.00	Nov. 10, 1961
Miscellaneous industry:		Nov. 3, 1961
Textile classification	.65	
General classification	.70	

¹ The minimum rate applicable to employees newly covered as a result of the Fair Labor Standards Amendments of 1961 in these industries is \$1.00 an hour. All other newly covered employees are subject to the same minima as those shown for employees previously covered.

APPENDIX TABLE J.—Minimum hourly wage rates in effect in American Samoa as of June 30, 1963

Industry and classification	Minimum hourly wage rate	Industry and classification	Minimum hourly wage rate
Fish canning and processing industry..	\$0. 90	Petroleum marketing industry.....	\$0. 90
Shipping and transportation industry:		Miscellaneous industries.....	.70
Seafaring classification.....	.50		
Other activities classification.....	.90		

APPENDIX TABLE K.—Number and value of unclassified contracts subject to the Public Contracts Act, by fiscal year, 1937-63

Fiscal year	Number of contracts ¹	Value (in thousands) ²	Fiscal year	Number of contracts ¹	Value (in thousands) ²
Total, all years.....	1,355,749	\$285,164,139	1950.....	22,349	\$2,784,325
1937 (9 months).....	3,223	177,780	1951.....	57,493	10,422,848
1938.....	5,158	294,953	1952.....	65,475	10,978,395
1939.....	6,396	528,393	1953.....	54,210	10,978,817
1940.....	9,324	799,733	1954.....	44,081	7,932,035
1941.....	24,333	5,085,694	1955.....	33,270	6,383,855
1942.....	59,536	15,867,769	1956.....	30,916	6,051,504
1943.....	101,224	30,935,632	1957.....	53,002	10,671,587
1944.....	98,167	30,216,662	1958.....	50,519	9,270,474
1945.....	135,260	28,708,335	1959.....	73,525	13,452,536
1946.....	35,366	5,224,234	1960.....	64,339	11,787,570
1947.....	19,303	1,655,595	1961.....	76,254	16,957,694
1948.....	21,413	2,360,105	1962.....	88,715	20,919,824
1949.....	27,393	3,606,280	1963.....	95,505	21,020,501

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 contracting 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 L.—Summary of minimum wage determinations applicable under the Public Contracts Act, June 30, 1963

Industry and locality ¹	Minimum hourly wage rate	Effective date ²	Tolerances ³
All industries and localities except those indicated below	\$1.15	Sept. 25, 1961	(4).
Battery:			
Lead-acid storage battery branch.....	1.35	May 27, 1957	
Dry primary battery branch.....	1.15	Sept. 25, 1961	(4).
Other battery branch.....	1.34	May 27, 1957	Beginners \$1.15 for not more than 3 months.
Bituminous coal (including lignite):			Auxiliary workers \$1.15, effective Sept. 25, 1961.
District:			
1—Eastern Pennsylvania.....	2.745	Oct. 20, 1958	
2—Western Pennsylvania.....	2.745	do	
3—Northern West Virginia.....	2.745	do	
4—Ohio.....	2.745	do	
5—Michigan.....	1.15	Sept. 25, 1961	
6—Panhandle.....	2.745	Oct. 20, 1958	
7—Southern No. 1.....	2.745	do	
8—Southern No. 2.....	2.745	do	
9—West Kentucky.....	2.59	do	
10—Illinois.....	2.745	do	
11—Indiana.....	2.78	do	
12—Iowa.....	1.40	Nov. 25, 1955	
13—Southeastern.....	2.515	Oct. 20, 1958	
14—Arkansas-Oklahoma.....	2.59	do	
15—Southwestern.....	2.59	do	
16—Northern Colorado.....	2.796	do	
17—Southern Colorado.....	2.796	do	
18—New Mexico.....	2.796	do	
19—Wyoming.....	2.82	do	
20—Utah.....	2.82	do	
21—North Dakota-South Dakota.....	2.226	Nov. 25, 1955	
22—Montana.....	2.846	Oct. 20, 1958	
23—Washington.....	2.735	do	

See footnotes at end of table.

APPENDIX TABLE L.—Summary of minimum wage determinations applicable under the Public Contracts Act, June 30, 1963—Continued

Industry and locality ¹	Minimum hourly wage rate	Effective date ²	Tolerances ³
Chemical and related products:			
Industrial and refined basic chemical products branch:			
Maryland, Virginia, North Carolina, South Carolina, Tennessee, Arkansas, Mississippi, Alabama, Georgia, Florida, and the District of Columbia.	\$1.15	Sept. 25, 1961	(4).
Other States.	1.15	Jan. 23, 1961	(4).
Bone black, carbon black, and lamp black branch.	1.40	do.	Beginners \$1.35 for not more than 320 hours.
Drugs and medicine.	1.45	Feb. 21, 1962	
Electric lamp.	1.65	Apr. 12, 1963	
Electron tubes and related products:			
Solid-state semiconductor devices branch.	1.35	Jan. 7, 1961	
Electron tubes branch.	1.42		
Electronic component parts.	1.23	July 26, 1961	
Electronic equipment.	1.52	May 4, 1963	
Evaporated milk.	1.68	Jan. 15, 1960	Probationary workers \$1.63 for not more than 160 hours.
Flour and related products.	1.30	Mar. 5, 1959	
Iron and steel:			
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.	1.23	Aug. 27, 1949	Auxiliary workers \$1.18½; apprentices \$1.18½ for first 6 months.
Illinois (East St. Louis area only), Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.	1.19	do.	Auxiliary workers \$1.15.
Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia.	1.15	Sept. 25, 1961	
Machine tools:			
Blueprint machine operator or draftsman.	1.65	May 23, 1963	
Other employees.	1.80		
Manifold business forms.	1.39	Sept. 16, 1961	
Metal business furniture and storage equipment.	1.43	June 10, 1961	
Miscellaneous chemical products and preparations:			
Product group 1 (specialty cleaning, polishing, and sanitary preparations; surface active agents, finishing agents and sulfonated oils and assistants; and agricultural chemicals).	1.42	Dec. 4, 1961	
Product group 2 (adhesives, glues, mucilage, cements and sizes; gelatin, household tints, dyes, and bleaches; bluing; writing inks; essential oils; industrial compounds; automotive chemicals; and evaporated salt).	1.80	do.	
Motors and generators:			
Fractional horsepower branch.	1.48	Oct. 24, 1962	
Nonfractional horsepower branch.	1.73	do.	
Office, computing, and accounting machines.	1.55	Mar. 12, 1962	
Paint, varnish, and related products.	1.50	July 24, 1958	Probationary workers \$1.40 for not more than 480 hours.
Paper and paperboard containers and packaging products:			
Nontextile bags branch.	1.30	Feb. 3, 1961	In each branch, beginners or probationary workers may be employed at 5 cents an hour less than applicable minimum for not more than 240 hours.
Corrugated and solid fiber boxes branch.	1.53	do.	
Sanitary food containers branch.	1.37	do.	
Wrapping products branch.	1.20	do.	
Paper and pulp:			
Primary paper and pulp branch.	1.75	Sept. 16, 1961	
Rag paper and pulp branch.	1.54	do.	
Converted sanitary paper products branch.	1.55	do.	
Building paper and building board branch.	1.64	do.	
Photographic and blueprinting equipment and supplies.	1.52	June 10, 1961	
Pumps and compressors.	1.65	June 11, 1963	
Scientific, industrial, and laboratory instruments:			
Electrical indicating instrument and service test equipment branch.	1.35	June 28, 1963	
Other products branch.	1.50	do.	

See footnotes at end of table.

APPENDIX TABLE L.—Summary of minimum wage determinations applicable under the Public Contracts Act, June 30, 1963—Continued

Industry and locality ¹	Minimum hourly wage rate	Effective date ²	Tolerances ³
Small arms ammunition, explosives, and related products:			
Small arms ammunition branch.....	\$1.15	Sept. 25, 1961	(4).
Explosives branch.....	1.20	Apr. 20, 1952	Beginners (probationary workers) \$1.15 for not more than 320 hours.
Blasting and detonating caps branch.....	1.15	Sept. 25, 1961	(4).
Soap and related products.....	1.50	Dec. 8, 1958	
Surgical instruments and apparatus.....	1.25	Sept. 1, 1958	Beginners \$1.15 for not more than 320 hours.
Tires and related products.....	1.77	June 3, 1960	Beginners (probationary workers) \$1.67 for not more than 160 hours.
Woolen and worsted:			
Broad-woven goods, yarn, and thread branch and pressed felt.....	1.20	May 7, 1954	(4).
All other products branch.....	1.15	Sept. 25, 1961	(4).

¹ Under existing policy, determinations are not enforced in Puerto Rico or the Virgin Islands.

² 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.

³ Handicapped workers and apprentices in any industry may be employed at wages lower than the determination minimum pursuant to the certification standards and procedures prescribed in sections 50-201.1102 and 50-201.1103, respectively, of the general regulations under the Public Contracts Act.

⁴ Learners may be employed at wages lower than the wage determination minimum if certificated in accordance with the learner regulations (29 CFR Part 522) issued under the Fair Labor Standards Act.

APPENDIX TABLE M.—Number of minors found 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 1963 ¹

Age	Present or last grade attended													Below normal grade for age	
	Total all grades ²	Never at- tended school	1	2	3	4	5	6	7	8	9	10	11	Num- ber	Percent of total in age interval
Total, all years.....	6,864	107	505	674	814	936	1,004	943	804	557	382	123	15	3,522	51
6 years.....	149	44	91	14										0	0
7 years.....	294	21	164	94	15									21	7
8 years.....	403	7	91	162	107	29	7							98	24
9 years.....	535	3	59	147	160	130	34	2						209	39
10 years.....	775	5	58	115	189	192	174	40	2					367	47
11 years.....	794	2	21	56	143	183	184	174	30	1				405	51
12 years.....	995	3	11	38	93	181	244	213	170	39	3			570	57
13 years.....	945	4	1	23	57	99	167	192	220	146	36			543	57
14 years.....	1,033	10	4	17	29	86	106	196	231	184	138	30	2	679	66
15 years.....	941	8	5	8	21	36	88	126	151	187	205	93	13	630	67

¹ Sixty-two illegally employed minors were omitted for the following reasons: (1) 23 for whom no school information was available; (2) 21 for whom age was not reported; (3) 13 because they were too young to be expected to have attended school; (4) 5 were in special ungraded classes.

² The figures between heavy lines in the table indicate normal school attainment for that age child. Based on the usual standard of measurement, developed by the U.S. Office of Education, 6 to 7 is considered normal attendance in the 1st grade, 7 to 8 for the 2nd grade, etc., with attendance of 1 grade each year.

APPENDIX TABLE N.—*Number of nonlocal minors found 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 1963*¹

Age	Present or last grade attended											Below normal grade for age			
	Total all grades ²	Never at- tended school	1	2	3	4	5	6	7	8	9	10	11	Num- ber	Percent of total in age interval
Total, all years.....	2,271	67	221	293	332	359	364	296	192	97	40	9	1	1,656	73
6 years.....	45	27	14	4										0	0
7 years.....	103	8	78	15	2									8	8
8 years.....	128	5	48	57	13	5								53	41
9 years.....	170	2	32	72	42	18	4							106	62
10 years.....	251	3	24	68	85	42	24	5						180	71
11 years.....	264	2	11	34	80	77	41	18	1					204	77
12 years.....	347	1	7	19	55	95	93	49	23	5				270	78
13 years.....	292	3	0	11	26	53	88	67	33	9	2			248	85
14 years.....	355	8	4	9	14	45	57	92	81	36	8	0	1	310	87
15 years.....	316	8	3	4	15	24	57	65	54	47	30	9	0	277	88

¹ Twenty-two illegally employed minors were omitted for the following reasons: (1) 13 for whom no school information was available; (2) 7 for whom age was not reported; (3) 2 because they were too young to be expected to have attended school.

² The figures between heavy lines in the table indicate normal school attainment for that age child. Based on the usual standard of measurement, developed by the U.S. Office of Education, 6 to 7 is considered normal attendance in the 1st grade, 7 to 8 for the 2d grade, etc., with attendance of 1 grade each year.

NOTE.—Nonlocal minors are those who do not return to their permanent home each day.

APPENDIX TABLE O.—*Number of minors found employed in violation of hazardous occupations orders issued under the Fair Labor Standards Act, fiscal year 1963*

Hazardous occupations orders violated	Number of minors involved
Total employed in violation of one or more hazardous occupations orders ¹	5,959
Manufacturing or storage occupations involving explosives (order No. 1).....	19
Motor-vehicle driver and helper (order No. 2).....	3,873
Coal mine occupations (order No. 3).....	64
Logging and sawmilling occupations (order No. 4).....	316
Power-driven woodworking machines occupations (order No. 5).....	262
Occupations involving exposure to radioactive substances and to ionizing radiations (order No. 6).....	0
Power-driven hoisting apparatus occupations (order No. 7).....	1,033
Power-driven metal-forming, punching, and shearing machines occupations (order No. 8).....	175
Occupations in mining, other than coal (order No. 9).....	29
Occupations involving slaughtering, meat packing or processing, or rendering (order No. 10).....	191
Power-driven bakery machines occupations (order No. 11).....	66
Power-driven paper-products machines (order No. 12).....	152
Occupations in the manufacture of brick, tile and kindred products (order No. 13).....	10
Occupations involving the operation of circular saws, bandsaws and guillotine shears (order No. 14).....	234
Occupations in wrecking, demolition and shipbreaking operations (order No. 15).....	44
Occupations in roofing operations (order No. 16).....	59
Occupations in excavation operations (order No. 17).....	0

¹ Represents an unduplicated count of the number of minors employed in violation of one or more hazardous occupations orders.

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 declared hazardous by the Secretary of Labor, and a 14-year minimum age for employment outside school hours in a variety of nonmanufacturing and nonmining occupations under specified hours and conditions. A 16-year minimum applies to agricultural employment during the hours school is in session in the school district in which the minor is living while employed.

These provisions apply to employees engaged in interstate commerce or in the production of goods for interstate commerce and to employment in certain large enterprises engaged in interstate commerce or in the production of goods for interstate commerce. They also apply to any producer, manufacturer, or dealer who ships or delivers for shipment in interstate commerce any goods produced in an establishment in or about which any children have been employed in violation of the act within 30 days prior to the removal of such goods.

Walsh-Healey Public Contracts Act

The Walsh-Healey Public Contracts Act sets a 16-year minimum age for boys and an 18-year minimum age for girls who are employed in work performed on certain contracts in excess of \$10,000 for the manufacture or supply of materials for the Federal Government.

Investigation Findings

With completion of the first full fiscal year of enforcement of the provisions of the Fair Labor Standards Act as amended in 1961, it is possible to assess the impact of these amendments in relation to the number of minors disclosed by investigation to be employed contrary to the child labor provisions of the act. As a result of the extension of coverage provided by the 1961 amendments, an increase in the number of available investigator hours, a more intensive program of scheduling investigations, and other factors, there were considerable increases in fiscal year 1963 in the number of minors found illegally employed in nonagricultural establishments. Regional increases over the previous year ranged from 7 to 145 percent, with the additions resulting in many of the regions from investigations in retail and service establishments.

In all, 17,274 minors were found working contrary to the child labor provisions of the act, an increase of 6,834 over 1962. The 1963 total included 10,348 minors in nonagricultural establishments, 67 percent more than in the previous year, and 6,926 children under 16 years of age employed in agriculture during school hours.

More than 2,700 minors were found illegally employed in retail and service establishments, or about 26 percent of those illegally employed in non-agricultural establishments. In addition, 70 minors were found employed contrary to the child labor provisions of the Walsh-Healey Public Contracts Act.

Findings in Nonagricultural Establishments

Investigations disclosed violations in nonagricultural establishments in each of the 50 States, the District of Columbia, and in Puerto Rico. (See appendix table C.) The 10,348 minors found illegally employed included 135 minors 9 years old or younger and 1,062 minors whose ages ranged from 10 to 13. Approximately 4,400 children, or 42 percent, were minors 14 and 15 years of age employed in prohibited occupations. In addition, 4,764 minors aged 16 and 17, or 46 percent, were found illegally employed in occupations declared hazardous by the Secretary of Labor.

Occupations of Minors Under 16

Where the Fair Labor Standards Act is applicable, the employment of children under 14 years of age is prohibited. Despite this prohibition, children under 14 were found illegally employed. Boys aged 8 and 13 and an 11-year-old girl were collating books in a printing plant. A 6-year-old boy was operating a scrap paper baler and placing scrap paper on a conveyor for a junk company. A produce warehouse employed boys aged 9, 10, 12, and 15 as warehouse laborers and two 13-year-olds as helpers on trucks. Twenty-eight children from 5 to 15 years of age were found shelling peas and beans on the 7 p.m. to 7 a.m. night shift for a produce company. A beauty aids manufacturer employed minors aged 11, 13, and 14 to assemble hair curlers. An 11-year-old warehouse worker stacked stale bakery goods on a sales rack, swept the floor, and stacked cardboard boxes for shipment for a wholesale bakery distributor.

In addition to the many young children found employed in prohibited occupations, minors continued to be found working excessively long hours in other nonagricultural occupations.

Twenty-two boys and girls ranging in age from 13 to 15 were employed to assemble and package rubber and metal washers. They worked over 8 hours per day and over 40 hours per week, and often until 10:30 p.m. A 13-year-old boy was found to have worked a split shift between 9 a.m. and 9 p.m. for 7 hours a day. A 14-year-old boy had worked 13 hours a day, or a total of 78 hours a week, while another worked 10 hours a day and as late as 10:30 p.m. A 15-year-old boy worked as many as 12 hours a day, and as many as 55 hours in a week.

Long hours of work often interfere with school work and adversely affect the health of young workers. Moreover, the employment of boys and girls who are too young to be aware of potential danger increases the hazards of employment. These are the basic reasons underlying the regulations issued by the Secretary of Labor which specify the number of hours of work per day and per week and other conditions under which 14- and 15-year-old minors may be employed.

Child Labor Findings in Agriculture

Children may work in the fields regardless of their age, in any occupation, and for any number of hours, provided the school in the school district where they are living while so employed is not in session. Under the Fair Labor Standards Act, a 16-year minimum age is applicable to employment in agriculture only during the hours the school is in session in the district where the minor lives and works. This provision does not apply to children working for their parents.

During fiscal year 1963, 6,926 minors under 16 years of age were found employed during school hours in violation of the Fair Labor Standards Act on 2,277 farms in 33 States and in Puerto Rico. (See appendix table D.) Of these, 4,633 were local children and 2,293 were migrants. Over 20 percent of the minors employed illegally in agriculture were 9 years of age or younger. More than half the minors found were 10 to 13 years of age, while 1,987, or 29 percent, were 14 and 15 years of age. Over 5,000 of the minors illegally employed during school hours worked in the cotton fields. Other crops such as vegetables, field crops (other than cotton), and fruits accounted for most of the remaining child labor violations.

Preschool age children were also working on farms. Their employment, however, is not a violation of the act, since, of course, there are no school hours for children below school age.

The educational level of children found illegally employed on farms is graphically portrayed by information obtained on the last grade attended at school. Of the 6,864 children who furnished information on the last grade attended, 51 percent were in grades below the normal for their ages. As might be expected, educational achievement in relation to age becomes lower as the children increase in age. Thus, at 14 years of age, 66 percent of the children employed in violation were enrolled in grades below the normal for their ages, and at age 15 the percentage was 67. (See appendix table M.)

Of the migrants found illegally employed, 67 children had never attended school, and 73 percent were in grades below the normal. At 14 years of age the percentage increased to 87 and, at age 15, 88 percent were behind in scholastic attainment. These high percentages are even more serious when one considers that the standard of measurement indicates that ages 6 and 7 are normal for the first grade, 7 and 8 for the second grade, and so on. (See appendix table N.)

Low educational achievements of migrants may be related to deficiencies in school attendance laws, crop vacations, inadequate school facilities, and language barriers. School laws in some States are not applicable to migrant children, and in other States the laws permit school officials to dismiss classes while local crops are being harvested. Since migratory families follow the crops, they often move from one place to another where school has been dismissed for the harvest. In such cases, the migrant children have little or no opportunity for schooling. Even where school is in session and the migrant children are required to attend and do so, they are at a disadvantage. Quite often the school is not equipped to handle an influx of students, and school officials hesitate to enlarge their facilities because the migrants' stay in the community may be of short duration. Also, where migrant children attend school there are problems of frequent adjustment to a new school environment as they move from place to place. Many migrant children have a limited command of the English language and often do not attend school because bilingual teachers are not available.

That employment in agriculture can be dangerous is pointed up by the following accidents:

A 14-year-old minor was electrocuted while loading cotton on a truck with a mechanical shaker.

A 14-year-old minor was killed helping to harvest corn when he fell off a wagon and was run over by a truck.

A 15-year-old minor was killed when the tractor he was operating overturned and crushed him.

Minors Working in Hazardous Occupations

Almost 6,000 minors under 18 years of age were found employed in violation of one or more of the 17 hazardous occupations orders issued by the Secretary of Labor. About 65 percent, or 3,873, of these minors were illegally employed as motor vehicle drivers or helpers in violation of Hazardous Occupations Order No. 2. Hazardous Occupations Order No. 7, applying to the operation of elevators, cranes, derricks, and other power-driven hoisting devices, accounted for 1,033, or 17 percent. There were 316 minors found employed in logging and sawmilling operations, which are prohibited by Hazardous Occupations Order No. 4. The operation of power-driven woodworking machines, covered by Hazardous Occupations Order No. 5, resulted in 262 violations, while 234 minors were found operating circular saws, bandsaws, and guillotine shears, contrary to Hazardous Occupations Order No. 14. (See appendix table O.)

In those occupations or industries found and declared hazardous by the Secretary of Labor, an 18-year minimum age applies. These orders are issued only after careful research and consultation with experts and other interested groups and individuals in order to determine the dangers involved, the frequency of accidents, and their severity.

Working in hazardous occupations has involved minors in accidents which resulted in serious injury or death. A 17-year-old boy working in a mine was killed while shoveling coal, and his young companion was injured when a mine car of coal was dumped into a truck mine tipple.

In a drilling operation, a 16-year-old boy was injured when he was struck by the breakout gongs on the drilling rig with which he was working. Serious injuries were sustained to his side, back, and head.

While loading a log onto the logging truck which he drove, a 15-year-old minor was injured when the log fell, breaking the boy's foot.

A 17-year-old freight elevator operator suffered a skull fracture when he fell into an open elevator shaft while backing a four-wheel handtruck onto the elevator.

A 16-year-old boy was killed while driving a pickup truck. The truck lost a right wheel on a turn, throwing the boy out into the path of the truck which ran over him. In another accident, a minor under 18 employed as a truck driver was killed when his truck overturned.

A 13-year-old, employed as a woodcutter, was injured when the chain saw he was operating slipped and cut him on the right side of his neck and chest, requiring an emergency operation and extensive stitching.

A 16-year-old boy, employed as a debarker operator by a lumber company, lost two toes and part of his right foot when his foot was caught in a chain and sprocket of the feed conveyor of the debarker machine.

Employment and Age Certificates

Employers may protect themselves from unintentional violation of the child labor provisions of the Fair Labor Standards Act if they have on file an employment or age certificate showing the young worker to be the minimum age for the occupation in which he is employed.

State employment and age certificates are issued in 45 States, the District of Columbia, and Puerto Rico. During the 1962 calendar year approximately one million employment and age certificates were issued by the States. This was nearly a 20 percent increase over the number issued in 1961. These State employment and age certificates are accepted as proof of age under the Federal act.

In five States, the State law makes no provision for the issuance of employment and age certificates. In four of these States—Idaho, Mississippi, South Carolina, and Texas—the Divisions issue Federal certificates of age. In Alaska, available evidence of age has been given the same force and effect as Federal certificates of age. During the fiscal year, the Divisions issued 14,320 Federal certificates of age, a slight decrease over the number issued in 1962.

Participation in Youth Programs

The Divisions continued their representation on the Interdepartmental Committee on Children and Youth, including active participation on two

subcommittees—Transition from School to Work, and Families and Children of Agricultural Migrants. Program emphasis for the year included an assessment of some of the rapid changes in national life and the impact of these changes upon youth. A special project in response to the request of a congressional committee was the updating of the reference directory, "Programs of the Federal Government Affecting Children and Youth."

Two work projects were undertaken and completed by the Subcommittee on Transition from School to Work. One was the updating of an earlier publication, "Helping Rural Youth Choose Careers," which will be used at the National Conference on Rural Youth being held in Oklahoma in the fall. The second was the preparation of a new visual-type pamphlet showing all Federal agency youth programs, and where individuals or committees can reach local, State, or regional personnel and the location of the national headquarters of each agency. The document—"Aids to Local Planning for Occupational Choice, Preparation and Youth Employment"—tells what services are available under the various Federal programs for youth, and where people can get additional information.

Information Activities

Popular informational material as well as several technical documents were reviewed and revised, and news releases were issued to the press announcing official actions.

Regional and field office representatives spoke before many professional, business and civic groups, and farm organizations on the child labor requirements of the Fair Labor Standards Act. They also worked in close cooperation with local schools as well as with State, county, and city officials, in response to requests for information on the child labor provisions.

Much educational work was accomplished through contacts with Farm Placement Bureau officials who gave migrant workers various materials on the application of the child labor provisions to agricultural employment. Child Labor Bulletin No. 102 and the pamphlet "What Crew Leaders Should Know," in Spanish as well as English, were distributed in the two major migrant centers, Florida and Texas.

Press releases and radio-TV spot announcements were prepared as part of information programs for the fall, winter, and spring seasons to keep potential employers and young workers apprised of the child labor provisions which would affect them. The fall information program also emphasized the importance of returning to school.

OFFICE OF WELFARE AND PENSION PLANS

fiscal year 1975 was the first full year of active work of the newly created Welfare and Pension Plans Division, which is responsible for the original disclosure law and which gave to the Secretary the authority and policy to issue orders and the authority to make regulations. Policy-making is required of persons in a position to make a law which is based on the law to make a policy property of employee benefit plans subject to the law.

Enforcement, rule-making, and a change in procedure with plans subject to the law were made without reference under title 29 of the U.S.

manual to agreement with the law, but the Department's proposed plan to

OFFICE OF WELFARE AND PENSION PLANS

The division was established in January 1975 as the Department's new

the division was created under the law, but the Department's proposed plan to

Most of the Department's functions under the law during the fiscal year

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Also promulgated were regulations relating to procedures for obtaining

The Division is the only agency in the Department which is responsible for the

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OFFICE OF WELFARE AND PENSION PLANS

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OFFICE OF WELFARE AND PENSION PLANS¹

Fiscal year 1963 was the first full year of administration of the amended Welfare and Pension Plans Disclosure Act, which strengthened the original disclosure law and which gave to the Secretary investigative and enforcement powers and the authority to issue regulations. Fidelity bonding is required of persons in a position to cause a loss through fraud or dishonesty to funds or other property of employee benefit plans subject to the act.

Embezzlement, false reporting, and kickbacks in connection with plans subject to the act were made criminal offenses under title 18 of the U.S. Code. In July 1962, the Secretary of Labor and the Attorney General announced an agreement setting out their respective responsibilities in investigating and prosecuting these offenses and other violations of the amended act. During the year, the Office of Welfare and Pension Plans referred 26 matters involving possible criminal violations to the Department of Justice.

The amended act established an Advisory Council on Employee Welfare and Pension Benefit Plans, which met six times during the year. The first few meetings were devoted mainly to the proposed bonding regulations and to an analysis of the comments received by the Department in reaction to the publication of the proposed regulations in the Federal Register. In later meetings, the council considered proposals for the revision of reporting forms and miscellaneous matters.

Most of the Department's functions under the law during the fiscal year were performed by the Office of Welfare and Pension Plans, which had been established by the Secretary following the 1962 amendments.

The most urgent problem at the beginning of the fiscal year was the issuance of regulations which would guide plan administrators in applying the bonding provisions. On September 1, after bonding problems had been fully explored with the Advisory Council, the Department promulgated a proposed basic regulation. Interested organizations and persons were invited to comment. About 50 formal comments were filed and discussed with the Advisory Council. Final regulations were issued November 30, 1962, effective January 1, 1963 (29 Code of Federal Regulations Part 1306).

Also promulgated were regulations relating to procedures for obtaining exemptions from the bonding requirements of the act (29 CFR Part 1307) and an interpretative bulletin on prohibitions against bonding by "parties of interest" in the plan (29 CFR Part 1309).

¹ On August 21, 1963, functions of the Office were transferred to the Office of Labor-Management and Welfare-Pension Reports in the newly established Labor-Management Services Administration.

The act requires administrators, officers, and employees who handle welfare and pension funds to be bonded for 10 percent of the funds handled up to a maximum bond amount of \$500,000, but it also provides that the Secretary of Labor may prescribe amounts in excess of \$500,000. A public hearing was conducted to obtain information and opinions from interested parties as to the need for implementing this provision and possible methods of doing so. Thereafter, it was determined that there was no need then for adoption of any regulations of general application prescribing bonds in excess of \$500,000 for any single plan.

With regard to the reporting requirements, a regulation was issued providing a 1-page form to be used by plans that have fewer than 100 participants to notify the Department that they do not need to file an annual financial report (29 CFR Part 1304). A variation from the publication requirements of the act was promulgated with respect to certain plans utilizing Blue Cross-Blue Shield organizations (29 CFR Part 1320).

Through replies to individual inquiries, the dissemination of printed materials, and a direct-contact educational campaign consisting of a series of meetings held in major cities throughout the United States, OWPP attempted to help plan administrators and insurance companies to comply fully with the law. By the end of June, more than 6,000 persons had attended discussion clinics in 17 cities. The insurance industry and employer groups were the most heavily represented, with substantial participation by labor union officials, corporate trust officers, attorneys, accountants, and pension plan specialists. The program concentrated on the coverage of the act and on the reporting and bonding requirements. Time was allotted at each clinic for the consideration of individual problems. During the year, 5,000 copies of the act were printed in Spanish. An initial distribution was made in Puerto Rico.

As in the past, OWPP continued to receive, process, and make available for public examination the plan descriptions, amendments, and annual reports filed in accordance with the law.

During fiscal 1963, OWPP received about 11,000 new plan descriptions, 23,000 amendments, and 82,000 annual reports. By the end of the year, it had received a grand total of 185,000 plan descriptions, 112,000 amendments, and 498,000 annual reports.

Visitors to the Department's Public Document Room numbered 1,340. They examined a total of 34,430 reports (two-thirds of which were annual reports), an increase of 5,730 over 1962.

The number of reports duplicated for sale also rose. Cash receipts for the year were \$7,593, as compared with a total of \$11,686 for the 4 preceding years. Over 30,000 pages of reports were reproduced. Statistics relating to the reports-processing, inquiries, and disclosure activities of the OWPP are presented in the following table 1.

Under the Secretary's new enforcement powers, OWPP opened cases on 489 plans involving a total of 632 possible violations, most of which con-

cerned failure to file annual reports. Of the 304 alleged violations disposed of, voluntary compliance was obtained in 192 instances. In the other 112 instances, the plan was not covered or had been terminated, it was disclosed, or no violation was found. In handling these cases, OWPP utilized the field resources of the Bureau of Labor-Management Reports as needed.

In two instances, the Secretary of Labor filed civil complaints in the U.S. courts asking that plan administrators be required to file overdue annual reports. These cases involved employers in Maine and Pennsylvania.

Many costly investigations and possible civil actions have been avoided by means of the extensive correspondence devoted to requesting the submission of overdue annual reports. More than 17,000 such letters were sent out in 1963, effecting compliance in 60 percent of the cases.

In February, a set of tabulations entitled "Welfare and Pension Plans—Statistics—1960" was released, covering 1959 financial data for 118,660 plans and 1960 data for 120,510 plans. The nine tables in the study give details on the value and type of assets, the amount of contributions by employers and by employees, the amount of benefits paid, and distribution of plans by method of providing benefits, by industry divisions, and by number of employees covered. Similar compilations will be prepared for 1961 and 1962 data. Some of the 1960 data are presented in tables 2, 3, and 4 appended hereto.

TABLE 2	Assets of welfare and pension plans, 1960
TABLE 3	Contributions to welfare and pension plans, 1960
TABLE 4	Benefits paid by welfare and pension plans, 1960
TABLE 5	Assets of welfare and pension plans, 1959
TABLE 6	Contributions to welfare and pension plans, 1959
TABLE 7	Benefits paid by welfare and pension plans, 1959
TABLE 8	Assets of welfare and pension plans, 1958
TABLE 9	Contributions to welfare and pension plans, 1958
TABLE 10	Benefits paid by welfare and pension plans, 1958
TABLE 11	Assets of welfare and pension plans, 1957
TABLE 12	Contributions to welfare and pension plans, 1957
TABLE 13	Benefits paid by welfare and pension plans, 1957
TABLE 14	Assets of welfare and pension plans, 1956
TABLE 15	Contributions to welfare and pension plans, 1956
TABLE 16	Benefits paid by welfare and pension plans, 1956
TABLE 17	Assets of welfare and pension plans, 1955
TABLE 18	Contributions to welfare and pension plans, 1955
TABLE 19	Benefits paid by welfare and pension plans, 1955
TABLE 20	Assets of welfare and pension plans, 1954
TABLE 21	Contributions to welfare and pension plans, 1954
TABLE 22	Benefits paid by welfare and pension plans, 1954
TABLE 23	Assets of welfare and pension plans, 1953
TABLE 24	Contributions to welfare and pension plans, 1953
TABLE 25	Benefits paid by welfare and pension plans, 1953
TABLE 26	Assets of welfare and pension plans, 1952
TABLE 27	Contributions to welfare and pension plans, 1952
TABLE 28	Benefits paid by welfare and pension plans, 1952
TABLE 29	Assets of welfare and pension plans, 1951
TABLE 30	Contributions to welfare and pension plans, 1951
TABLE 31	Benefits paid by welfare and pension plans, 1951
TABLE 32	Assets of welfare and pension plans, 1950
TABLE 33	Contributions to welfare and pension plans, 1950
TABLE 34	Benefits paid by welfare and pension plans, 1950
TABLE 35	Assets of welfare and pension plans, 1949
TABLE 36	Contributions to welfare and pension plans, 1949
TABLE 37	Benefits paid by welfare and pension plans, 1949
TABLE 38	Assets of welfare and pension plans, 1948
TABLE 39	Contributions to welfare and pension plans, 1948
TABLE 40	Benefits paid by welfare and pension plans, 1948
TABLE 41	Assets of welfare and pension plans, 1947
TABLE 42	Contributions to welfare and pension plans, 1947
TABLE 43	Benefits paid by welfare and pension plans, 1947
TABLE 44	Assets of welfare and pension plans, 1946
TABLE 45	Contributions to welfare and pension plans, 1946
TABLE 46	Benefits paid by welfare and pension plans, 1946
TABLE 47	Assets of welfare and pension plans, 1945
TABLE 48	Contributions to welfare and pension plans, 1945
TABLE 49	Benefits paid by welfare and pension plans, 1945
TABLE 50	Assets of welfare and pension plans, 1944
TABLE 51	Contributions to welfare and pension plans, 1944
TABLE 52	Benefits paid by welfare and pension plans, 1944
TABLE 53	Assets of welfare and pension plans, 1943
TABLE 54	Contributions to welfare and pension plans, 1943
TABLE 55	Benefits paid by welfare and pension plans, 1943
TABLE 56	Assets of welfare and pension plans, 1942
TABLE 57	Contributions to welfare and pension plans, 1942
TABLE 58	Benefits paid by welfare and pension plans, 1942
TABLE 59	Assets of welfare and pension plans, 1941
TABLE 60	Contributions to welfare and pension plans, 1941
TABLE 61	Benefits paid by welfare and pension plans, 1941
TABLE 62	Assets of welfare and pension plans, 1940
TABLE 63	Contributions to welfare and pension plans, 1940
TABLE 64	Benefits paid by welfare and pension plans, 1940
TABLE 65	Assets of welfare and pension plans, 1939
TABLE 66	Contributions to welfare and pension plans, 1939
TABLE 67	Benefits paid by welfare and pension plans, 1939
TABLE 68	Assets of welfare and pension plans, 1938
TABLE 69	Contributions to welfare and pension plans, 1938
TABLE 70	Benefits paid by welfare and pension plans, 1938
TABLE 71	Assets of welfare and pension plans, 1937
TABLE 72	Contributions to welfare and pension plans, 1937
TABLE 73	Benefits paid by welfare and pension plans, 1937
TABLE 74	Assets of welfare and pension plans, 1936
TABLE 75	Contributions to welfare and pension plans, 1936
TABLE 76	Benefits paid by welfare and pension plans, 1936
TABLE 77	Assets of welfare and pension plans, 1935
TABLE 78	Contributions to welfare and pension plans, 1935
TABLE 79	Benefits paid by welfare and pension plans, 1935
TABLE 80	Assets of welfare and pension plans, 1934
TABLE 81	Contributions to welfare and pension plans, 1934
TABLE 82	Benefits paid by welfare and pension plans, 1934
TABLE 83	Assets of welfare and pension plans, 1933
TABLE 84	Contributions to welfare and pension plans, 1933
TABLE 85	Benefits paid by welfare and pension plans, 1933
TABLE 86	Assets of welfare and pension plans, 1932
TABLE 87	Contributions to welfare and pension plans, 1932
TABLE 88	Benefits paid by welfare and pension plans, 1932
TABLE 89	Assets of welfare and pension plans, 1931
TABLE 90	Contributions to welfare and pension plans, 1931
TABLE 91	Benefits paid by welfare and pension plans, 1931
TABLE 92	Assets of welfare and pension plans, 1930
TABLE 93	Contributions to welfare and pension plans, 1930
TABLE 94	Benefits paid by welfare and pension plans, 1930
TABLE 95	Assets of welfare and pension plans, 1929
TABLE 96	Contributions to welfare and pension plans, 1929
TABLE 97	Benefits paid by welfare and pension plans, 1929
TABLE 98	Assets of welfare and pension plans, 1928
TABLE 99	Contributions to welfare and pension plans, 1928
TABLE 100	Benefits paid by welfare and pension plans, 1928

TABLE 1.—Status report, June 30, 1963

Activity	Jan. 1, 1959, to June 30, 1963	Fiscal year 1963
Preparation of replies to substantive inquiries:		
Total number received.....	47,490	9,970
Mail.....	29,600	5,740
Phone.....	16,750	4,080
Visitor.....	1,140	160
Total number answered.....	47,370	10,890
Mail.....	25,530	5,370
Phone.....	16,750	4,080
Visitor.....	1,140	160
Other disposition.....	3,950	1,280
Public Disclosure Room:		
Number of visitors.....	4,370	1,340
Number of reports examined:		
Total.....	99,630	34,430
Plan descriptions.....	37,390	10,870
Annual reports.....	62,240	23,570
Furnishing copies of filings on reimbursable cost basis:		
Number of pages.....	98,750	30,180
Number of filings utilized.....	9,100	2,860
Receiving filings:		
Plan descriptions:		
Number received.....	174,460	11,150
Number identified and available for disclosure.....	174,240	11,310
Number examined and tabulated.....	173,490	13,490
Amended plan description filings.....	88,830	23,010
Annual reports:		
1959—First round:		
Number received.....	110,670	600
Number identified and available for disclosure.....	110,670	600
Number examined and tabulated.....	108,430	0
1960—Second round:		
Number received.....	119,610	2,970
Number identified and available for disclosure.....	119,530	2,900
Number examined and tabulated.....	117,730	39,570
1961—Third round:		
Number received.....	111,490	11,540
Number identified and available for disclosure.....	111,400	11,560
Number examined and tabulated.....	66,280	66,280
1962—Fourth round:		
Number received.....	70,020	62,630
Number identified and available for disclosure.....	69,890	63,700
Number examined and tabulated.....	15,260	15,260
1963—Fifth round:		
Number received.....	4,520	4,520
Correspondence (other than substantive):		
Total number of letters.....	165,720	43,040
Re overdue plan description.....	2,100	0
Re deficiency in plan description.....	20,390	390
Re overdue annual report.....	60,440	17,460
Re deficiency in annual report.....	1,080	180
Other.....	81,710	25,010
Overall mailhandling:		
Total pieces handled.....	2,054,490	485,320
Number received.....	771,210	161,790
Number mailed.....	1,283,280	323,530

TABLE 2.—Selected financial data for 120,510 welfare and pension benefit plans, 1960¹

[Money amounts, millions of dollars]

Item	Amounts			Percentage distribution		
	Total— all plans	Welfare plans	Pension plans ²	Total— all plans	Welfare plans	Pension plans
Number of plans.....	120,510	95,980	24,530			
Contributions—Total.....	\$11,134.7	\$5,342.7	\$5,792.0	100.0	100.0	100.0
Source of contributions:						
By employers.....	8,628.7	3,801.5	4,827.2	77.5	71.2	83.3
By employees.....	2,505.9	1,541.2	964.7	22.5	28.8	16.7
Type of plan contributed to:						
Insured plan.....	5,133.8	4,097.7	1,036.1	46.1	76.7	17.9
Self-insured plan.....	3,850.5	405.0	3,445.5	34.6	7.6	59.5
Insured and self-insured.....	1,118.9	244.5	874.4	10.0	4.6	15.1
Unfunded plan.....	533.8	449.5	84.3	4.8	8.4	1.5
Combination of above.....	497.8	146.1	351.7	4.5	2.7	6.1
Industrial activity of contributor:						
Manufacturing.....	6,155.1	3,152.6	3,002.5	55.3	59.0	51.8
Mining.....	323.2	80.8	242.4	2.9	1.5	4.2
Construction.....	363.2	233.3	129.9	3.3	4.4	2.2
Transportation.....	868.1	440.5	427.6	7.8	8.2	7.4
Communication and utilities.....	870.9	322.7	548.2	7.8	6.0	9.5
Wholesale and retail trade.....	837.1	449.0	388.1	7.5	8.4	6.7
Finance, insurance, real estate.....	872.7	282.1	590.6	7.8	5.3	10.2
Services.....	481.1	240.4	240.7	4.3	4.5	4.2
Other and unclassified.....	363.3	141.3	222.0	3.3	2.6	3.8
Benefits paid—Total.....	7,006.3	4,572.5	2,433.8	100.0	100.0	100.0
Insured plans.....	3,779.3	3,434.7	344.6	53.9	75.1	14.2
Self-insured plans.....	1,779.4	279.2	1,500.2	25.4	6.1	61.6
Insured and self-insured.....	584.2	250.9	333.3	8.3	5.5	13.7
Unfunded plans.....	533.8	449.5	84.3	7.6	9.8	3.5
Combination of above.....	329.6	158.2	171.4	4.7	3.5	7.0
Value of assets—Total.....	33,368.9	2,243.1	31,125.8	100.0	100.0	100.0
Cash.....	903.3	283.0	620.3	2.7	12.6	2.0
Investment assets.....	31,498.1	1,842.0	29,656.1	94.4	82.1	95.3
Government obligations.....	3,909.9	960.3	2,949.6	11.7	42.8	9.5
Nongovernment bonds.....	14,388.9	237.6	14,151.3	43.1	10.6	45.5
Preferred stock.....	703.2	16.7	686.5	2.1	0.7	2.2
Common stock.....	10,638.7	547.2	10,091.5	31.9	24.4	32.4
Other investment assets.....	1,857.2	80.2	1,777.0	5.6	3.6	5.7
All other assets.....	967.6	118.1	849.5	2.9	5.3	2.7

¹ Data are included for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1960.

² Includes a small number of plans which are primarily pension benefit plans but which also provide some welfare type benefits.

TABLE 3.—*Distribution of welfare and pension benefit plans during 1960¹ by value of assets held by plans*

Value of assets held by plans	Number of plans			Percentage distribution		
	Total— all plans	Welfare benefit plans	Pension benefit plans	Total— all plans	Welfare benefit plans	Pension benefit plans ²
Total—all plans.....	120,510	95,980	24,530	100.0	100.0	100.0
<i>No assets held by plans:</i>						
Unfunded plans (benefits paid from general assets of employer or em- ployee organization).....	6,560	5,190	1,370	5.4	5.4	5.6
Insured plans (benefits guaranteed).....	91,430	84,900	6,530	75.9	88.5	26.6
<i>Assets held by plans in trust or special fund:</i>						
Under \$200,000.....	12,840	4,540	8,300	10.7	4.7	33.9
\$200,000-\$399,999.....	3,140	570	2,570	2.6	.6	10.5
\$400,000-\$599,999.....	1,460	220	1,240	1.2	.2	5.1
\$600,000-\$799,999.....	920	130	790	.8	.1	3.2
\$800,000-\$999,999.....	610	90	520	.5	.1	2.2
\$1,000,000-\$1,499,999.....	910	110	800	.8	.1	3.3
\$1,500,000-\$1,999,999.....	500	60	440	.4	.1	1.8
\$2,000,000-\$2,499,999.....	300	40	260	.3	(³)	1.1
\$2,500,000-\$2,999,999.....	230	20	210	.2	(³)	.8
\$3,000,000-\$3,499,999.....	200	20	180	.2	(³)	.7
\$3,500,000-\$3,999,999.....	160	10	150	.1	(³)	.6
\$4,000,000-\$4,999,999.....	110	10	100	.1	(³)	.4
\$4,500,000-\$4,999,999.....	110	10	100	.1	(³)	.4
\$5,000,000-\$9,999,999.....	500	50	450	.4	.1	1.8
\$10,000,000-\$14,999,999.....	170	10	160	.1	(³)	.6
\$15,000,000-\$19,999,999.....	100	(³)	100	.1	(³)	.4
\$20,000,000-\$24,999,999.....	50	(³)	50	(³)	(³)	.2
\$25,000,000-\$29,999,999.....	30	(³)	30	(³)	(³)	.1
\$30,000,000-\$34,999,999.....	50	0	50	(³)	.0	.2
\$35,000,000-\$39,999,999.....	30	(³)	30	(³)	(³)	.1
\$40,000,000-\$44,999,999.....	10	0	10	(³)	.0	.1
\$45,000,000-\$49,999,999.....	10	0	10	(³)	.0	(³)
\$50,000,000 and over.....	100	10	90	.1	(³)	.4

¹ Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1960.

² Includes a small number of plans which are primarily pension benefit plans, but which also provide some welfare type benefits.

³ Fewer than five plans.

⁴ Less than 0.1 of 1 percent.

TABLE 4.—*Distribution of welfare and pension benefit plans during 1960¹ by number of employees covered*

Number of employees covered	Number of plans			Percentage distribution		
	Total— all plans	Welfare benefit plans	Pension benefit plans ²	Total— all plans	Welfare benefit plans	Pension benefit plans ²
Total—all plans.....	120,510	95,980	24,530	100.0	100.0	100.0
Under 30.....	10,240	7,880	2,360	8.5	8.2	9.6
30-39.....	13,160	10,660	2,500	10.9	11.1	10.2
40-49.....	9,590	7,720	1,870	8.0	8.0	7.6
50-59.....	7,560	6,020	1,540	6.3	6.3	6.3
60-69.....	6,100	4,900	1,200	5.1	5.1	4.9
70-79.....	5,040	4,090	950	4.2	4.3	3.9
80-89.....	4,130	3,350	780	3.4	3.5	3.2
90-99.....	3,470	2,810	660	2.8	2.9	2.7
100-199.....	20,000	16,090	3,910	16.6	16.8	15.9
200-299.....	9,050	7,230	1,820	7.5	7.5	7.4
300-399.....	5,310	4,220	1,090	4.4	4.4	4.4
400-499.....	3,420	2,730	690	2.8	2.8	2.8
500-599.....	2,820	2,050	770	2.3	2.1	3.1
600-699.....	1,890	1,490	400	1.6	1.6	1.6
700-799.....	1,520	1,180	340	1.3	1.2	1.4
800-899.....	1,250	990	260	1.0	1.0	1.1
900-999.....	1,020	810	210	0.8	0.8	0.9
1,000-1,999.....	5,250	4,170	1,080	4.4	4.3	4.4
2,000-2,999.....	2,050	1,620	430	1.7	1.7	1.7
3,000-3,999.....	1,240	1,010	230	1.0	1.1	1.0
4,000-4,999.....	860	650	210	0.7	0.7	0.8
5,000 and over.....	3,760	3,000	760	3.1	3.1	3.1
Unknown.....	1,800	1,330	470	1.5	1.4	1.9

¹ Data included are for plans having fiscal, policy, or contract years ending between Jan. 1 and Dec. 31, 1960.

² Includes a small number of plans which are primarily pension benefit plans but which also provide some welfare type benefits.

WOMEN'S BUREAU

...and by developing technical expertise, the government can improve the economic and political status, perspective, labor conditions, health, and safety of workers to wining workers.

WOMEN'S BUREAU

A growing national interest in the status of women and their place in our American society as homemakers, workers outside the home, and volunteers in community activities has been reflected in the work of the Women's Bureau and in the demands for its services during fiscal 1963.

Much of the Bureau's activities centered around efforts to establish the principle of equal pay for women in jobs where men and women do the same or comparable work. The Bureau has long been interested in this problem, considered basic to the economic advancement of women. Efforts of numerous organizations and individuals to secure legislative action culminated in adoption of the Equal Pay Act of 1963, which was signed by the President on June 10. Those concerned in promoting the legislation relied heavily upon the Women's Bureau for technical advice and information. Extensive data were made available by the Bureau for use in testimony before congressional committees.

The work of the President's Commission on the Status of Women (PCSW) added new dimensions to the Bureau's programs. This Commission, established December 14, 1961, conducted nationwide investigation of problems confronting women of today. The Bureau assisted by providing extensive advisory service and by developing technical materials relating to women's civil and political status, protective labor legislation needs, and other areas of concern to women workers.

Additional regional offices made it possible for the Bureau to extend its program to a greater number and variety of local groups and individuals, and to broaden the scope of its research activities. With regional offices in Chicago, Boston, San Francisco, and Atlanta, individual advisory services of four regional directors were made available. In addition, the Bureau's field service was utilized in a series of regional conferences which considered the problems of working women of all ages and at all levels of occupational competence. For these meetings the Bureau was cosponsor with State labor departments, universities, labor unions, management groups, and women's organizations.

The Bureau has had particular concern for the low-wage disadvantaged groups which include private household workers, laundry workers, and migrants. Study of employment conditions and training needs of these workers is a basic Bureau activity; a long-range goal is the development of programs to improve their wages and working conditions.

Technical advisory service dealing with minimum wage, equal pay, hours of work, and other State laws governing working conditions of women was provided to administrators of State agencies, unions, women's

and civic groups, and others interested in State labor legislation affecting women.

Analyses of proposed legislation also were made available, as were data on women's rights under State family and property laws. This information, published in individual booklets for each of the 50 States, together with a U.S. summary, comprises the Bureau's Bulletin 157 series. Many of the State reports were revised and a revision of the summary is in progress.

Brief statistical reports were issued concerning women workers in several States. These summarize facts about women's employment, income, education, personal characteristics, and occupational and industrial status, as revealed by the 1960 decennial census.

A new study, "Negro Women in 1960," was based on data collected in the decennial censuses. It shows improvement in the employment status of Negro and other nonwhite women, as indicated by the greater variety and skill of their jobs, the rise in their educational preparation, higher income levels, and wider access to employment opportunities.

Special emphasis was placed on the need for educated women and a study, "Job Horizons for College Women in the 1960's," was prepared for publication. It describes briefly the principal professions—in emerging as well as traditional fields—open to both young college women and mature graduates. Both publications will be available early in fiscal 1964.

As part of the U.S. Government's program of international cooperation, the Bureau planned programs of study and observation for women leaders, specialists, and trainees from Africa, Asia, Latin America, and Middle Eastern countries as well as for officials of government agencies similar to the Women's Bureau in Argentina, Japan, and Canada.

The Women's Bureau played a major role in the U.S. Department of Labor exhibit at the U.S. Trade Fair in Mexico. Theme of the exhibit was "Employment of Women in the United States."

The Director of the Bureau contributed a paper, "Women in the Labor Force," to the United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas, held in Geneva, Switzerland, in February 1963. The Bureau also contributed to a U.N. report coordinating information from member nations on law and practice in the dissolution of marriage, annulment of marriage, and judicial separation. The report was made available to the 17th session of the U.N. Commission on the Status of Women.

LEGISLATION

The Women's Bureau provided technical services and materials to Federal and State governmental bodies, international agencies, women's and civic organizations, unions, and other groups and individuals concerned with laws and standards governing women's status. As a major new activity, the Bureau was assigned responsibility for providing technical assistance and materials to committees of the President's Commission on the Status of Women.

Equal Pay

The enactment of Public Law 88-38, Federal Equal Pay Act of 1963, marked a new milestone in the progress of women toward equality in economic status.

The Bureau Director testified at hearings on both Senate and House equal pay and related bills. She supplied extensive supporting materials, which included results of a questionnaire on the use of administrative hearings in enforcement of State equal pay laws.

A series of conferences was held with interested persons in the Department, women's organizations represented on the National Committee for Equal Pay, Members of Congress, and other groups and individuals.

Following enactment of the law, the Bureau prepared a leaflet, "What the Equal Pay Principle Means to Women," to acquaint members of women's organizations and others with the provisions of the new law and the history of activities leading to its adoption.

Equal pay bills were introduced during the year in 12 States that did not have such legislation. Adoption of such laws in Vermont and Missouri brought to 24 the number of States that now have such legislation. Enactment of the Missouri law followed a long campaign conducted by the State branch of the American Association of University Women and cooperating organizations. The Women's Bureau furnished continuous technical advisory assistance.

Members of women's organizations and others working for adoption of such bills in additional States also relied heavily on the Bureau for technical advice and materials. These included State labor departments in North Dakota and Oregon, the American Association of University Women in Maryland, and the State Federation of Business and Professional Women's Clubs in the District of Columbia.

The Bureau revised several of its equal pay publications, including the "Equal-Pay Primer" and "Equal-Pay Facts."

Minimum Wage

Continuing its efforts to advance the economic position of women in low-wage industries, the Bureau—in collaboration with the Bureau of Labor Standards and the Solicitor's Office—revised the suggested language for two draft State minimum wage bills, one providing for a fixed wage only and the other providing for wage boards in addition to a fixed wage. A committee of State minimum wage administrators met in Washington and cooperated in the preparation of the revised language.

During the year, four States amended their minimum wage laws to increase their statutory minimum wage rates: Idaho from 75 cents to \$1 an hour; New Mexico from 75 cents to 80 cents an hour (service workers from 65 cents to 70 cents); North Carolina from 75 cents to 85 cents an hour; Nevada for females 18 years of age and over from \$1 an hour to \$1.12½

until September 3, 1964, when it will increase to \$1.15 an hour, and for females under 18 from 87½ cents to \$1 an hour.

Amendments to other provisions of minimum wage laws were adopted in Rhode Island, Connecticut, Hawaii, and Minnesota. In addition, a total of 20 wage orders establishing increased minimum wage rates were issued in Puerto Rico and 8 States: Kentucky, New Jersey, North Dakota, Ohio, Oregon, Pennsylvania, Utah, and Washington. A newly issued order in Pennsylvania for candy stand attendants in motion picture theater lobbies sets a minimum rate for an occupation exempt from the statutory rate.

The Bureau assisted States by furnishing technical advisory services and materials in connection with proposed minimum wage legislation or the revision of wage orders. Among them were: Minnesota on learner provisions in wage orders for use in court cases; Washington on recent progress made in other States; Wisconsin on wage order provisions and enactments of special interest for women workers; Michigan on pending minimum wage legislation; Ohio wage board member on wage orders for the drycleaning industry; New Jersey Consumers League on a technical aspect of a minimum wage bill in relation to coverage of workers receiving old-age and survivors insurance.

On request of the Administrator of the District of Columbia law, extensive technical services, including participation in a drafting conference called by the House District Committee, were furnished on proposals to amend the District of Columbia minimum wage law by establishing a statutory rate and bringing men under coverage. Testimony was presented at public hearings before the District of Columbia Citizens Advisory Council, and a Bureau staff member served as a member of the Health and Welfare Council to study and report to the District's Commissioners on the proposed bill.

To assist States with laws that provide for convening of tripartite wage boards to recommend minimum wage rates, the Bureau, in cooperation with the Bureau of Labor Statistics and a committee of State minimum wage administrators, initiated a new project to develop basic standards for use by States on a cost-of-living budget for a self-supporting woman worker.

A complete revision of the Bureau's Bulletin 267, Part II, "State Minimum-Wage Laws and Orders," combining the original report and four supplements, was prepared. The report of the November 1961 conference of State minimum wage administrators was made available for general distribution. Leaflet 4, "State Minimum-Wage Laws," was revised.

Hours and Working Conditions

Requests for Bureau services reflected increased public interest in hours of work and working conditions of women. The preponderance in the labor force of married women and women in the extreme upper and lower age brackets has directed increased attention to the need for insuring the adequacy of basic standards and protective legislation for these groups.

Also, the growing employment of women workers and the increasing recognition of women's important contribution to the national economy have given rise to demands for greater flexibility in laws governing their hours and conditions of employment. These aspects were reflected in bills dealing with special labor laws for women introduced in the various State legislatures; for example, 41 bills pertaining to women's hours of employment were introduced in 18 States in 1963.

One proposal of particular interest on which the Bureau furnished technical advisory services was a proposed amendment to the California maximum hour law to allow women to work beyond 8 hours a day and 48 hours a week in defense production. The Bureau furnished information on recommended standards and legal provisions for relaxation in other States to various unions and to the legislative sponsors of bills. Another subject on which recommendations were frequently sought by employers and unions related to safe practices on jobs requiring lifting or carrying of heavy weights. Advice on standards for maternity leave and the question of maternity benefits and reemployment rights also was frequently requested.

Digests of State legislation on women's hours and working conditions were prepared by the staff of the Women's Bureau and distributed to governmental and voluntary groups. Three States adopted amendments revising the coverage of their maximum hour laws for women: Colorado, Maine, and Connecticut. Colorado exempts females employed in clerical office positions in establishments covered by the 8-hour law; Maine extends coverage of the 9-hour-day, 54-hour-week (9-54-hour) law to females employed in nursing homes; and Connecticut brings under coverage of the 9-48-hour law women and minors employed in amusement and recreation industries as well as in bowling alleys, shoeshining establishments, and billiard parlors or poolrooms. These were previously covered by a 58-hour-week law, now repealed.

Four States adopted amendments affecting basic standards: Idaho, which prohibited employment of women in covered establishments more than 9 hours a day, now prohibits their employment for more than 8 hours a day and 48 hours a week unless $1\frac{1}{2}$ times the regular rate is paid for hours worked over 8 a day and over 48 a week; Rhode Island, which set a maximum of 9 or $9\frac{3}{4}$ hours a day and 48 a week, amended its law to permit employment under specified conditions as long as 10 hours a day and 52 hours a week, provided not less than $1\frac{1}{2}$ times the regular rate is paid for hours in excess of 48 a week; New York recodified the labor law provisions relating to the working hours of women and minors, making various changes; Massachusetts extended its emergency relaxation law for women and minors under specified conditions for a 2-year period until July 1, 1965.

Civil and Political Status

Two background papers were provided for the President's Commission on the Status of Women, Committee on Civil and Political Rights: "Differences in State Family and Property Laws Affecting Men and Women" and

"Problems in Connection with the Domicile of a Married Woman." In addition, brief studies on specific areas of the civil or political status of women were prepared for use in consideration of specific problem areas: "Eligibility of Women for Jury Service" (two studies); "Estates in Curtesy and Dower Provided by State Law, August 1, 1962"; "Allowance of Alimony on Divorce"; "State Laws Re Natural Guardianship and Support of Minor Children"; "State Laws Affecting Selected Political and Property Rights of Women as of January 1, 1938, January 1, 1953, and January 1, 1963."

Technical assistance was given to the Committee in drafting a questionnaire concerning 12 problem areas in family and property law. It was designed to obtain specific information from practicing lawyers concerning their experience in the application of State law in their fields. This questionnaire was sent to local representatives of the National Association of Women Lawyers and to local representatives of the Family Section of the American Bar Association.

Work continued on Women's Bureau basic research in civil and political status of women, Bulletin 157 series. Separate State reports were revised and brought up to date for the District of Columbia, West Virginia, New Mexico, Massachusetts, Connecticut, and Georgia. Draft revisions of California, Ohio, Michigan, and Texas reports were begun. Summary materials on marriage laws, divorce laws, guardianship laws, and minors' contracts have been prepared for use in revision of the U.S. summary.

Other materials which the Bureau made available included special summaries of family and property laws of Iowa, Michigan, Ohio, and Wyoming, prepared for Girls' State meetings; a special report on North Carolina family and property law, prepared for North Carolina State College; historical background of the legislative proposals for income tax deductions for child care of employed persons, prepared for the Congressional Quarterly; information concerning experience under State equal rights provisions, prepared for women's groups interested in the so-called equal rights amendment to the Constitution.

Numerous congressional proposals affecting women were analyzed and comments prepared for the Solicitor's Office, including draft legislation for the National Service Corps Act and H.R. 4158, a bill to codify laws on organization of the U.S. Government.

During the past State legislative sessions, many significant laws were enacted affecting the civil and political status of women. Idaho enacted a statute removing the provision allowing a woman to decline to serve as a juror on the basis of sex alone, thus bringing to 21 the number of States in which women serve as jurors on the same basis as men. Texas enacted two laws which greatly increased the power of married women to control and manage their separate property, one removing the previous legal requirement that a husband must join the wife in any conveyance of the separate land of the wife. North Carolina amended its law, subject to popular referendum, to delete the requirement that any conveyance of the

separate real property of the wife must have the written consent of her husband. Pennsylvania increased from \$750 to \$1,000 the amount of wages, salary, and accrued pension due a deceased employee that may be paid to the surviving spouse or other designated relative, and at the same time authorized that any accrued vacation benefits be included in such sum. Wisconsin's law, which permits a surviving spouse or certain relatives of a deceased State or local government employee to receive the full amount of earnings due from employment, was amended to include vacation allowances.

A number of enactments in other States also carried forward the trend to equalize the application of provisions of family law for persons of both sexes, among them Maryland, Oregon, and Arkansas.

The interest of the States in improving their domestic relations laws was evidenced by the number of States authorizing or conducting studies. New York, which had created a joint legislative committee on matrimonial and family laws in 1956, authorized a continuance of the committee for another year. In Montana, the Governor's Commission on Domestic Relations, appointed to study the problems of teenage marriage and divorce and to develop a model family code to promote the stability of marriage, submitted its report in November 1962. In California, the Interim Committee on Judiciary submitted its final report on the adoption law and the interlocutory divorce period. Ohio requested the Judicial Council to investigate residence requirements in divorce, and to make recommendations and submit draft legislation.

Eighty-five joint resolutions proposing so-called equal rights amendments to the Constitution were introduced into Congress. On April 2, 1963, the President approved Public Law 88-4 which amends the Internal Revenue Code to provide that the deduction for child care expenses should be available to a wife who has been deserted by and cannot locate her husband, on the same basis as such deduction is available to a widowed or divorced woman.

Women's opportunity for Federal employment on the basis of merit and training was increased by the Justice Department's reinterpretation of an 1870 statute which served as a legal basis for permitting Federal appointing officers to specify jobs for male only or female only. On July 23, 1962, a Presidential directive provided that appointments and promotions in the Federal career service should be made without regard to sex, except under unusual circumstances where such action has been found justified by the Civil Service Commission.

INTERNATIONAL PROGRAM

United Nations

The Bureau Director contributed a paper, "Women in the Labor Force," to the U.N. Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas, held in Geneva, Switzerland, February 1963.

International Labor Organization

Various ILO reports such as "Women Workers in a Changing World" and "Conditions of Employment in the Textile Industry" were reviewed and comments prepared. The Bureau also participated in the preparation of Department position papers for ILO meetings dealing with aspects of employment of particular interest to women workers.

U.N. Commission

The Chief of the Women's Bureau Division of Legislation and Standards served as technical adviser at the 17th session of the United Nations Commission on the Status of Women. Two outstanding accomplishments of the session were a proposal for a new series of U.N. regional seminars on the advancement of women in the developing countries, and the completion of a draft "Marriage Recommendation" incorporating the principles approved by the General Assembly and designed to supplement the Marriage Convention adopted in November 1962. It provides for regular reports on law and practice regarding marriage from all member states, regardless of whether they become parties to the convention. Adoption of the recommendation by the next session of the General Assembly will encourage recognition of stable family life as the foundation for national progress.

The regional seminars on the advancement of women in developing countries will be started 2 years hence, after completion of the current series on the status of women in family law. They will promote the objectives of the U.N. Development Decade, in which increased economic production is a major aim, and give special attention to women's educational needs, vocational and professional training, and employment opportunities. The Commission's choice of seminar topic reflected the increasing importance of women in the work force of all countries, and particularly in nations seeking to lift production levels.

During the year, the U.S. reply to the U.N. questionnaire on "Legal Conditions and Effects of Dissolution of Marriage, and Judicial Separation" was prepared by the Bureau. The report on this subject prepared by the U.N. Secretary General on the basis of replies of all member governments will be considered by the U.N. Commission on the Status of Women at its 1964 session.

Foreign Women Leaders

As part of its continuing program of assistance to women of foreign countries, Bureau staff conferred with 52 women leaders, specialists, and trainees from 26 countries to discuss the economic and social status of U.S. women and their organization programs and community service projects. Aid was given to the majority of these women in planning overall programs for their special interests and needs. Of significance was the increasing number of women leaders from Africa, 15 from 7 coun-

tries: Cameroon, Gabon, Kenya, Malagasy Republic, South Africa, Tanganyika, and Togo.

Information

The "Role of Women in the U.S. Work Force" was the theme of the Department of Labor's exhibit at the U.S. Trade Fair in Mexico, and the Women's Bureau staff cooperated in planning the exhibit. A booklet on employment of women in the United States was prepared for translation into Spanish and was distributed at the fair. The Chief of the Bureau's International Division attended as a member of the Labor Mission to the trade fair. She arranged a tour and meeting for leaders of women's organizations and trade union women, visited factories and several women's organizations, made speeches about women's employment in the United States, and conferred with the Chief of the Women's and Minors' Division, Mexican Department of Labor, and with other women executives in the Mexican Government.

The following manuscripts were prepared for an International Reports series for general distribution: "Women in High-Level Elective and Appointive Positions in National Governments"; "Policies of National Governments on Employing Women"; "Equal Pay in Member Nations of the International Labor Organization"; "Protective Labor Legislation for Women in 91 Countries"; "Maternity Protection and Benefits in 92 Countries"; "Notes on Women's Employment in the United States and Nine European Countries."

Discussions were held with 3 Brazilian trade union women in a training course at the Inter-American Institute for Free Labor Development; 19 social workers from Cyprus, Panama, Turkey, Pakistan, Argentina, Greece, Malaya, Laos, Jordan, Taiwan, and Iran; 4 students of social work from the University of Hawaii; a Girl Scout leader from Korea; and 5 women Members of Parliament from Finland.

The role of women in the economy of the United States was interpreted in 38 sessions to 185 foreign participants during the Labor Department orientation program.

Explanations concerning establishment of the Women's Bureau, its continuing work, publications, and staffing pattern were sent to a leading woman official in the Korean Ministry of Health and Social Affairs, and to women leaders in the Netherlands and Nyasaland.

Selected publications were sent to the Inter-American Regional Labor Organization in Mexico for use in training programs for Latin American trade union women, and equal pay material and other publications were sent to a number of other countries.

Services to U.S. Groups

Women's employment, standards, and working conditions, and work of the Women's Bureau were discussed with 13 Latin American women

leaders who participated in a "Citizens in a Free Society" seminar sponsored by the Overseas Education Fund of the League of Women Voters.

Discussions also were held with 20 Latin American women in newspaper work, radio, and television, who were visiting under the sponsorship of the Committee of Correspondence, Inc., of New York, N.Y.; and with 9 African women students attending Howard University summer classes under the auspices of the Women's Africa Committee of the African-American Institute.

A Women's Bureau representative served as a resource specialist on international programs at a leadership training conference of the National Council of Negro Women, and spoke on "Women's Changing Status in the World—Challenge to the YWCA" at the annual meeting of the Pittsburgh area YWCA.

Pertinent information about U.S. women and the addresses of women leaders in other countries were given to a number of U.S. citizens to assist them in their overseas assignments.

Cooperation With Other Agencies

The Women's Bureau staff participated in planning two Agency for International Development workshops for women community and rural leaders in Latin American and Asian countries.

For United States Information Agency overseas officers, material for a new packet directed to women was reviewed and commented upon.

For the Bureau of Educational and Cultural Affairs, Department of State, comments were prepared on a proposed research project on the role of women in developing countries.

For the Bureau of Labor Standards, U.S. Department of Labor, the draft for a handbook entitled "Role of a Labor Department in Developing Countries" was reviewed, and comments relating to women workers prepared and correlated for the final manuscript.

For the Bureau of International Labor Affairs, a plan for evaluating the effectiveness of Labor Department trainees' and leaders' programs was prepared.

FIELD SERVICE

Fiscal year 1963 saw the establishment of Women's Bureau regional offices in Atlanta, Boston, and San Francisco. A Chicago office had been set up in fiscal 1962. The Bureau's four field offices are located in the same regional offices as other bureaus of the Department of Labor.

The experiment of decentralizing Women's Bureau technical assistance by placing regional directors in the field has proved a highly effective method of operation. The pace of contact and cooperation with women's organizations, employer groups, unions, and other government and public agencies has increased markedly. Easy access to the services of the Bureau representative has made this possible despite the fact that each Women's Bureau regional director is responsible for at least 12 States. Technical

assistance to community groups and State departments of labor has been helpful in the increased activity directed toward enactment of minimum wage laws or the improvement of existing minimum wage laws, in action on equal pay legislation, and in the development of day-care services for working mothers.

The field staff has encouraged the establishment of State commissions on the status of women. It has cooperated with women's organizations, given information and advisory assistance, and, at the close of the fiscal year, reported that Governors' commissions have been established in nine States: Alabama, Delaware, Illinois, Indiana, Iowa, Michigan, Minnesota, North Carolina, and Washington. Preliminary contacts have been made in 20 other States.

One major vehicle for working with significant segments of the communities and for coordinating efforts on local, State, and regional levels is the development of conferences on problems of working women. Such conferences involve assistance from both field staff and Washington Bureau personnel, and may include only one or as many as three States within a region where concerns are similar.

Six major conferences have been held at Howard University, University of Utah, Michigan State, Iowa State University, University of Minnesota, and Boston University, respectively. An average of 300 persons participated in each of these conferences. Plans are in the making for four more in the early fall in Ohio, Washington State, Indiana, and Kansas.

In addition to assisting with conferences which are cosponsored by the Women's Bureau, regional directors are in great demand as participants and speakers for other conferences.

Beside their major involvement with the objectives of the Women's Bureau, regional directors cooperated with other Department of Labor field representatives on youth programs, on Manpower Development and Training Act aspects of training for women, and with Bureau of Employment Security Community Round Tables. They served also on regional committees for two special assignments relating to suggestions for meeting problems of unemployment in the regions and ways and means for improving relationships between State and Federal governments.

WOMEN IN THE WORK FORCE

Women's rising participation in and contribution to the economic life of our country were documented in the "1962 Handbook on Women Workers," the eighth biennial edition of this handbook. This comprehensive summary of basic statistical, economic, and legislative information about women workers provides newly available data and brings previous editions up to date. It serves as a sourcebook for employers, labor unions, government officials, educators and counselors, women's organizations, and other individuals and organizations interested in facts about women's employment.

Number Employed

During fiscal 1963, the number of women workers (employed or seeking work) rose to a new high of 24,798,000—more than one-half million above fiscal 1962. Further analysis of the employment data which follow reveals that the number of women who were employed increased 2.4 percent while those who were unemployed decreased 2 percent. As a result, women's unemployment rate dropped from 6.6 percent in fiscal 1962 to 6.3 percent in fiscal 1963.

Women in the population and labor force	Monthly average for year ending June 30		Change from 1962 to 1963	
	1963	1962	Number	Percent
Women 14 years of age or over.....	67,386,000	66,260,000	+1,126,000	+1.7
In the labor force.....	24,798,000	24,274,000	+524,000	+2.2
Employed.....	23,226,000	22,671,000	+555,000	+2.4
Unemployed.....	1,571,000	1,603,000	-32,000	-2.0
Not in the labor force.....	42,588,000	41,986,000	+602,000	+1.4

Equal Pay Studies

Continuing concern about pay practices resulting in inequitable treatment of women led to further study of pertinent wage and salary information prior to passage of the Equal Pay Act of 1963. Women's Bureau representatives visiting public employment offices in 9 cities in 1963 found 91 examples of job orders with wage differentials. These were job vacancy reports on which employers had listed a single job title but a higher hiring rate for men than for women. In about one-third of the job orders, the wage differential amounted to 10 percent or less of the men's rate; in over one-half of the orders, 11 to 25 percent; and in the remaining orders, 26 percent or more.

Two surveys made by private employment groups show how employers view their own pay practices. In one survey, employers were asked if they had a double standard pay scale for men and women office workers. One-third answered "yes" and two-thirds answered "no." The second survey, covering a sample of employers who were asked whether they always pay women the same salary as men in the same job, reported that 83 percent responded "always" and 17 percent "sometimes."

Because broad generalizations about the comparative labor costs of men and women workers are sometimes used to justify lower wage rates for women, an analysis was made of impartially collected statistics and a summary of the findings was released under the title "What About Women's Absenteeism and Labor Turnover?" This statement reported, for example, that a Public Health Service study of worktime lost throughout the economy because of illness or injury shows an average of 5.6 days lost by women and of 5.5 days lost by men during the survey year (July 1959-June 1960). Also included was a Bureau of Labor Statistics study of job

mobility in 1961 indicating that men tend to move from one job to another more often than women. According to that study, 11 percent of men workers but only 8.6 percent of women workers had more than one job in 1961.

Even more important, the Women's Bureau statement emphasized the need to compare absenteeism and labor turnover experiences of those holding similar jobs or with similar job characteristics. Statistics obtained by the Department of Labor showed that among both men and women workers the lowest quit rates occurred among professional, managerial, and skilled workers, and the highest quit rates among sales, service, and unskilled workers. The fact that large numbers of women are in these latter groups and relatively few in the skilled groups accounts to a large extent for the unfavorable generalizations about the labor turnover rates of women workers.

Similarly, the age of workers and their length of service are also significant factors in separations. Only small differences were found to exist in the separation rates of men and women 45 years of age and over. Among younger workers analyzed in terms of occupational groupings, there was considerable variation—with the younger women in some groups having lower quit rates on the average than their male counterparts. In each age group, the highest separation rates occurred among the men and women workers with less than one year of service with the employing company. With large numbers of women employed on a part-time or intermittent basis, there is often a concentration of women in the group having high turnover rates and thus a tendency for the situation to appear unfavorable for all women.

Employment Opportunities

The growing interest in part-time employment among married women in many countries, as well as in the United States, stimulated further study of this subject. According to the latest data available, the number of women engaged in part-time work in this country approximated 6.5 million in 1962 and is expected to rise to 9 million by 1975. Numerically, the largest groups of women with part-time jobs were private-household workers, other service workers, clerical workers, farm laborers, and saleswomen. About 85 percent of the women who worked less than 35 hours a week in 1962 customarily were part-time workers—primarily because of home or school responsibilities, lack of interest in full-time work, or illness.

As part of the Bureau's publications program which provides occupational information to women and girls, major work was completed during the year on a review of job opportunities for college women. Scheduled for release early in calendar year 1964, "Job Horizons for College Women in the 1960's" expands and updates a similar bulletin published in 1956. It indicates the broad range of job opportunities open both to young college women and mature graduates seeking to return to the labor force. The

approximately 35 jobs which are briefly described include not only traditional fields of work but also expanding and emerging professions.

As additional background information, the bulletin provides some general remarks relating principally to the place of paid employment in the lives of the majority of college women; some practical considerations concerning graduate study and salaries; statistical data describing college women's employment; and further sources for more detailed information about occupational opportunities.

A brief article describing the effects of automation on the employment of women telephone workers was prepared for the Occupational Outlook Quarterly. This summary is based on a more detailed study of telephone operators and other women telephone workers employed by the major telephone system from 1945 to 1960, as revealed by employment statistics available from the Federal Communications Commission. Publication of the summary article will follow the fall 1963 release of a bulletin entitled "Women Telephone Workers and Changing Technology."

Analysis of 1960 Census Data

The wealth of statistical data collected in the 1960 census concerning the social and economic characteristics of the population provides much pertinent information about women's employment for further summary and analysis. The first in a series of analytical bulletins issued by the Women's Bureau last year was focused on a comparison of women's employment in 1950 and 1960 with emphasis on the geographical differences among women workers.

The second analytical bulletin based on 1960 census data is expected to be released early in calendar year 1964 under the title "Negro Women Workers in 1960." Comparisons of 1960 employment data with those available for 1940 and 1950 indicate a pattern of steadily rising gains for Negro and other nonwhite women—in terms of kinds of jobs, industries of employment, levels of income, amount of education, and accessibility to employment opportunities.

The major occupational shifts of Negro women have been away from jobs of private-household workers, farmers, and operatives and into those of clerical, professional, technical, sales, and miscellaneous service workers. At the same time, significantly larger numbers of Negro women have been employed in banking, retail trade, medical and other health services, public administration, and certain branches of manufacturing that are expanding.

These changes have been related to the continuing migration of Negroes away from rural areas and into industrial and metropolitan areas and to the noticeable flow out of the South into other regions of the country. With these moves has come a wider range of employment opportunities for Negro women. Another influential factor has been the steady rise in edu-

cational preparation—with many more nonwhite women graduating from grammar school or high school than previously.

The favorable response to the State data contained in the published bulletin prompted the Women's Bureau to plan another series of reports to summarize information available from the 1960 census concerning women workers in each of the 50 States. During fiscal 1963, reports were released for 15 States and work was continuing for others. Each report contains brief textual statement and 10 tabulations describing such basic characteristics of women workers in the State as their number, age, marital status, occupations, industries, earnings, income, and education. Since detailed State data are available only from the decennial censuses, the reports have been very helpful, particularly for use in regional offices and at regional conferences.

Special Activities

In recent years there has been mounting interest in "continuing education for women," particularly for mature women whose concentration on home and family matters has resulted in the deterioration of former skills. This interest was reflected in a rising number of inquiries for background information which could be used in developing special educational programs for women at colleges and universities around the country. The importance of giving special attention to this need was emphasized in numerous college programs where the Women's Bureau Director was principal speaker. In addition, staff members participated in several conferences, including the Conference on Continuing Education of Women sponsored by the American Council on Education and the Carnegie Corporation; a workshop on research in women's education sponsored by the American Association of University Women Educational Foundation, Mills College, and the Carnegie Corporation; a conference on special degree programs conducted by the Center for the Study of Liberal Education for Adults; a conference on the role of women in science sponsored by Marymount College under the auspices of the Office of Emergency Planning in the Executive Office of the President; and a panel on continuing alumni education in the age of automation held at Catholic University.

In response to requests for up-to-date information about women workers in specific fields or circumstances, staff members presented a paper on women and girls in the labor market at the National Conference on Social Welfare; gave the keynote speech at an Earnings Opportunities Forum for mature women; described nursing employment problems to two groups of graduate nurses; discussed the status and activities of American women with the foreign participants in the Philadelphia International Program for Youth Leaders and Social Workers; and provided an overall view of the status of women workers to several local groups of educators and women's organization members.

PRESIDENT'S COMMISSION ON WOMEN

Established by the President on December 14, 1961, under Executive Order 10980, the Commission on the Status of Women was to complete its assignment and present its report to the President in October 1963.

In setting up the Commission, the President said: "Women have basic rights which should be respected and fostered as part of our Nation's commitment to human dignity, freedom, and democracy. . . . It is my hope that the Commission's report will indicate what remains to be done to demolish prejudices and outmoded customs which act as barriers to the full partnership of women in our democracy."

The wide-range objectives of the Commission are listed in the order: full realization of women's basic rights; family security and strengthened home life; effective use of the skills of all persons in promoting the Nation's economy, security, and national defense; elimination of discriminations in employment; equitable treatment of women under the law; and services which will enable women to continue their role as wives and mothers while making a maximum contribution to the world outside the home.

To assist in carrying out the President's mandate, the Commission created seven committees concerned with the following areas: Civil and political rights, education, Federal employment, home and community, private employment, protective labor legislation, and social insurance and taxes. Members of the Commission served as chairmen of these committees, which included some 70 additional persons to advise in the subject areas of the particular committees on which they served. Government agencies concerned with the subjects under study gave technical assistance and provided background material and information essential to committee deliberations.

Throughout the year, as the several committees developed their recommendations, these were considered by the Commission. In determining which committee recommendations or parts of recommendations it would adopt and incorporate in its report, the Commission decided that the comprehensive study and far-reaching recommendations should be made available, in separate committee reports, to groups, organizations, and agencies interested in specific areas. Therefore, reports of the seven committees will be issued following presentation of the Commission report to the President.

The Commission held the last of its eight meetings in May 1963, and concurred in the final draft of its report.

The Commission was deprived of the leadership of its Chairman, Mrs. Eleanor Roosevelt, by her death in November 1962. No successor was appointed and Dr. Richard A. Lester, Vice Chairman of the Commission, and Assistant Secretary of Labor Esther Peterson, Executive Vice Chairman, continued to guide the Commission along the lines chartered by Mrs. Roosevelt.

Extensive and valuable cooperation of government agencies, voluntary organizations, and private citizens throughout the country has indicated the keen interest with which the work of the Commission has been followed. Public discussion of the aims of the Commission has had considerable influence in arousing interest, which resulted in organization of several State commissions.

Although the areas of the Commission's studies extended beyond the scope of program activities of the Women's Bureau, the experience and knowledge of the Bureau staff were utilized extensively by the Commission, especially in the areas of civil and political rights and protective labor legislation. The Bureau supplied background information and gave continuing technical assistance in the studies of committees as well as to the Commission itself.

The Bureau's Division of Legislation and Standards supplied summaries and analyses of laws and regulations covering provisions for overtime work under State hours laws applicable to manufacturing; maximum daily and weekly hours standards for women, by occupation and industry; provisions of nightwork laws; applicability of maximum hours laws to women bank employees, and recent experience in State maximum hours law enforcement.

A questionnaire was distributed to women workers in selected cities in six States, requesting their firsthand experience and recommendations with respect to hours of work, minimum wage, and lifting of heavy weights. Replies to the questionnaire were collated, and the findings included in a summary report for committee consideration and action.

Two background papers were provided for the Committee on Civil and Political Rights: "Differences in State Family and Property Laws Affecting Men and Women" and "Problems in Connection with the Domicile of a Married Woman." In addition, brief studies on specific areas of the civil or political status of women were prepared for use in consideration of specific problem areas: "Eligibility of Women for Jury Service" (two studies); "Estates in Curtesy and Dower Provided by State Law, August 1, 1962"; "Allowance of Alimony on Divorce"; "State Laws Re Natural Guardianship and Support of Minor Children"; "State Laws Affecting Selected Political and Property Rights of Women as of January 1, 1938, January 1, 1953 and January 1, 1963."

Technical assistance was given to the committee in drafting a questionnaire concerning 12 problem areas in family and property law. It was designed to obtain specific information from practicing lawyers, concerning their experience in the application of State law in their fields. This questionnaire was sent to local representatives of the National Association of Women Lawyers and to local representatives of the Family Section of the American Bar Association. Replies commenting on one or more of the 12 problem areas were received from lawyers in 25 States. These answers were correlated into several charts and analyzed in a report entitled "Inquiry

Concerning the Impact on Married Women of Twelve Selected Problem Areas in Family and Property Law."

Other technical assistance also was provided, such as attending meetings of the Commission and its committees, with data as needed, and checking and reviewing reports.

The Women's Bureau requested pertinent information from U.S. embassies and prepared reports for the Commission summarizing the replies. These reports included: "Maternity Leave and Benefits," "Protective Labor Legislation," "Government Policies and Practices Regarding the Employment of Women in Government Service," "Women in Top-Level Elective and Appointive Positions," and "Equal Pay in Constitutions and Legislation." These were later prepared for general distribution.

Reports of the Swedish Government on employment of women and the community and the vocational training of middle-aged female labor were summarized, as was a report from England covering an investigation of care of children of working mothers.

The Commission's report will be a basic handbook and guide to program and action for community groups, voluntary organizations, government agencies, and everyone concerned with responsibilities and contributions of women in America today.

INFORMATION SERVICE

The effectiveness of the Women's Bureau program depends in large part on keeping the public informed—especially those segments of the public concerned with the welfare of working women. For this reason, the Bureau provides the widest possible dissemination of its findings and reports, as well as information concerning its programs and services.

During fiscal 1963, the Bureau issued a number of technical publications, pamphlets, and leaflets. In addition to news releases on all its major activities, the Bureau provided special articles for periodicals, including professional journals, and material for TV and radio programs on women as workers and as citizens.

Among the technical reports published and distributed during the fiscal year were publications entitled "15 Years After College—A Study of Alumnae of the Class of 1945"; "Economic Indicators Relating to Equal Pay"; "Connecticut Valley Conference on Employment Problems of Women"; "World of Work Conference on Career and Job Opportunities"; "Report of the National Conference of State Minimum-Wage Administrators"; the "1962 Handbook on Women Workers"; and "Women Workers in 1960: Geographical Differences."

Press releases issued during the year, some of which were based on major addresses of the Bureau Director, reported on new jobs for women, equal pay for women who work, day-care centers for the children of women workers, contributions of women to the Federal service, the role of women in the space age, the need for additional women workers in shortage

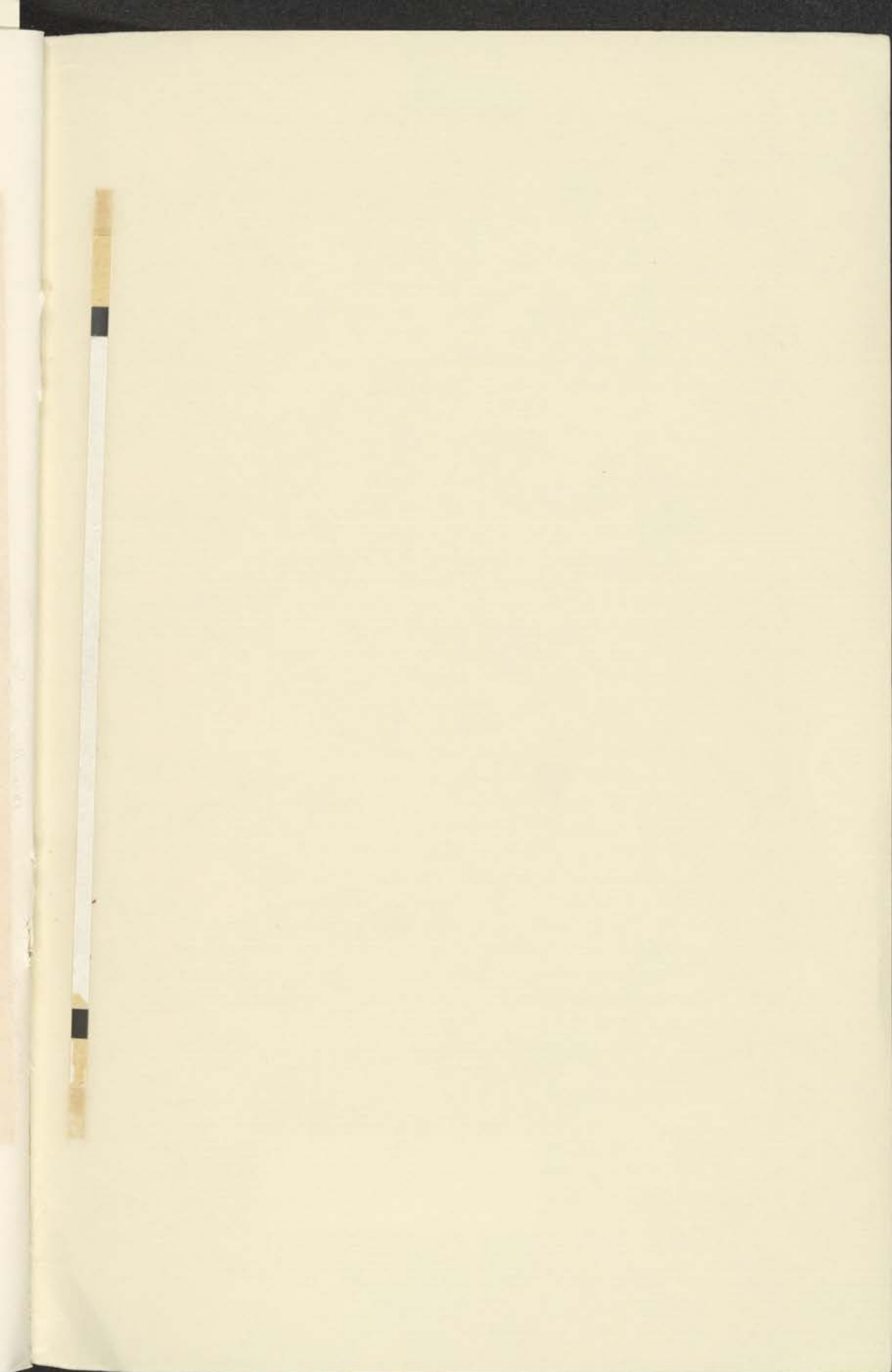
occupations, and the plight of women in the occupations and industries which are covered by neither Federal nor State minimum wage laws.

Indicative of the widespread interest in the status of women workers were requests for the Bureau Director and staff members to participate in conferences of national significance. Among these annual conventions or other meetings were those of the National Federation of Business and Professional Women's Clubs, the National Council of Jewish Women, International Council of Women, the National Conference on Social Welfare, the National Council of Catholic Women, the National Council of Negro Women, the Young Women's Christian Association, and the Southwestern Regional Governors' Conference on the Physically Handicapped.

Growing emphasis in the education and training of women was reflected in a number of conferences held by educational associations or institutions. Among those in which the Bureau cooperated were meetings of the California Association of Women Deans and Vice Principals, Smith College, University of Nevada, College of Southern Utah, Mountain States Adult Education Conference, Harvard University Seminar on Education and Public Policy, and University of California School of Medicine Symposium on Women.

Among union meetings addressed by the Bureau Director were the Utah State AFL-CIO annual convention and the Women's Auxiliaries of the International Association of Machinists. Unions supplied with exhibits of Women's Bureau publications included the New Jersey State AFL-CIO; International Leather Goods, Plastic and Novelty Workers' Union; Communications Workers of America; and the Georgia State AFL-CIO. Bureau materials also were displayed at the Ninth Empire State-Labor Management Exhibit, North Carolina Trade Fair, NASA Space Science Fair, Northeast Commerce and Industry Show, and the Texas-Oklahoma Fair.

Requests for information about women who work and about the programs and services of the Bureau came from a wide span of groups and individuals including employers, unions, public and private employment services, women's organizations, church groups, students, educators, Members of Congress, and government agencies. The Bureau distributed more than 202,000 publications. These included not only technical bulletins on trends in women's employment, hours, wages, and working conditions, but a great number of publications containing career information for young women and girls and for mature women wishing to reenter the work force.



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