ADEQUACY OF SERVICES FOR OLDER WORKERS

HEARINGS

BEFORE THE

SUBCOMMITTEE ON EMPLOYMENT AND RETIREMENT INCOMES

AND THE

SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES OF THE ELDERLY

OF THE

SPECIAL COMMITTEE ON AGING UNITED STATES SENATE

NINETIETH CONGRESS

SECOND SESSION

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JULY 24, 25, AND 29, 1968

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Part 1—Washington, D.C.

(Additional hearings anticipated but not scheduled at the time of this printing.)

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ADEQUACY OF SERVICES FOR OLDER WORKERS

WEDNESDAY, JULY 24, 1968

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND RETIREMENT INCOMES AND SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 4200, Senate Office Building, Senator Jennings Randolph (chairman of the Subcommittee on Employment and Retirement Incomes) presiding.

Present: Senators Randolph, Yarborough, Young, and Miller.

Also present: William E. Oriol, staff director; John Guy Miller, minority staff director; and Mrs. Patricia Slinkard, chief clerk.

OPENING STATEMENT BY SENATOR JENNINGS RANDOLPH, CHAIRMAN, SUBCOMMITTEE ON EMPLOYMENT AND RETIREMENT INCOMES

Senator RANDOLPH. Good morning, ladies and gentlemen.

Our hearing begins a joint study on the subject of the adequacy of services to older workers.

Senator Kennedy and I have decided to join the efforts of the Subcommittee on Employment and Retirement Incomes which I am privileged to chair and the Subcommittee on Federal, State, and Community Services which is chaired by Senator Kennedy.

These two units of our Special Committee on Aging in the Senate do share several areas of mutual concern related to programs for older workers. We will explore these areas with testimony to be provided today, tomorrow, and Monday of next week.

We do think that perhaps there will be reason for additional hearings that will be held later this year, possibly in the field as well as in Washington, D.C.

One fundamental premise was expressed early last year in President Johnson's message on aid for the aged. The President called for passage of legislation to prohibit discrimination because of age in either the hiring or the firing of workers. That call for action was met by the Congress, as you will recall, with the enactment of the Age Discrimination in Employment Act of 1967 that was signed into law on December 15 of last year.

The President provided, I think, an important theme when he added:

> Employment opportunities for older workers cannot be increased solely by measures eliminating discrimination. Today's high standards of education, training and mobility often favor the younger worker. Many older men and women are unemployed because they are not fitted for the jobs in modern technology; because they live where there are no longer any jobs, or because they are seeking the jobs of a bygone era.

Now, those words of the President, I think, are applicable as we begin our hearing today.

So, witnesses we know from informal consultations are going to raise serious questions about our present capacity to meet the challenge which was expressed in that theme which I have referred tc by the President of the United States.

There will be other questions that will come to the attention of members of our subcommittee during these hearings.

One that occurs to me is: What is underutilization of the older worker costing the American economy and what is it costing in terms of our people when we think of the trauma and sometimes even despair in which they find themselves?

Then the second question—How can industry make better use of older workers in new jobs, and how can Federal administrators help lead the way by experimentation and revising perhaps the civil service practices where necessary?

A third would be—How can the Department of Labor make the best possible use of the research and information funds granted it under the provisions of the discrimination law?

The Secretary of Labor is directed under the law to carry on continuing programs of education and information concerning the needs and the abilities of older workers and their potentials for continued employment contribution to the economy. I think he is going to discuss that today. I have one final question that I think we will be raising.

What can be done, Mr. Secretary, to strengthen the Department of Labor older worker programs and the services? And what more can be done in other departments to help these Americans find and to keep jobs?

We think of the study of the older worker as something that we must continue. We began it just a little over a month after the effective date of that law and I think we could say this timing has been intentional. It is our belief that the limitation of that law is a major step toward long-sought goals.

Therefore, we must have dialog—a public discussion in the early stages of implementation. This will be helpful to focus attention and thought on the older workers.

The law requires systematic understanding, not only by the Department of Labor but by employers, labor unions, and, of course, the workers. It would be easy to pay heed to the letter of the law even

while making its intent clear. We are going to hear testimony on that point but not today because of illness in the family of the scheduled witness. He was a person who, at the age of 56, was informed that his 18 years of service with a publishing company in New York City had been abruptly terminated because there had been a corporate merger take place. He told us that he never thought of himself as old until some weeks later—and I remind you he was 56. He suffered through his first job interviews a long while and then he discovered that in the eyes of many of the personnel directors, even though he was 56, he was an older worker and that there was not the opportunity for placement.

His searching went on for years. His bank accounts sustained him for a time but his funds dwindled and then he went into a self-employment project so that he might be a dignified citizen holding himself and those around him together in the best sense of the word.

I have described this in some detail because it is repeated over and over. There is an anguish; sometimes there is even disbelief when an older person finds himself possessed of skills, an alert mind, and good physical condition but his energies, are not being sought.

Now, I want to place in the record without objection at this point a portion of the comment that he has made in a book that he has authored on this subject. It supplements what I have already indicated in his experience.

(The excerpt referred to follows:)

When a person is up against discrimination based on prejudice, he is up against a kind of social automatism, a blind process that just kicks along in its own way and is seemingly impervious to anything that can be brought against it. Rational argument is impotent and plain facts are laughed at or angrily denied.

Upon first encounter, the whole thing seems unbelievable; then when its full shape is seen, disgust is aroused, and fear, scorn, and blazing anger. Perhaps later, after long experience, one becomes resigned.

In the job market every job-seeker is immediately plastered with all kinds of tags and labels. The law has been moving in against this practice, and against the more glaring forms of discrimination, but it doesn't do much good. An employer can reject you because you're a Jew or because you're "too old", but he knows better than to say so. He'll simply say, "Not qualified." For the most part, legislation only makes prejudice cagier and less outspoken.

Senator RANDOLPH. Too many Americans have experienced such interviews. Many more will have that experience, even with new Federal law, unless we can change attitudes. And, as we know, that is a very difficult thing to do. With the conviction that the Senate Special Committee on Aging has a responsibility to promote understanding about all matters related to older Americans, I say we must make such an effort. We should encourage public and private executives and workers to do so, too.

We are honored by the presence of our distinguished Secretary of Labor. He has spoken before to us in eloquent fashion about issues

related to the subject of this hearing. We look forward with great anticipation to his testimony.

I am pleased to present for the record an opening statement by Senator Harrison A. Williams, the chairman of our full Committee on Aging.

(Senator Williams' statement follows:)

OPENING STATEMENT BY SENATOR HARRISON A. WILLIAMS, JR., CHAIRMAN, SENATE SPECIAL COMMITTEE ON AGING

Mr. Chairman, I have a brief statement to be submitted for the hearing record. My major purpose is to congratulate you and Senator Kennedy for deciding to conduct a thorough study on a subject that is timely now and will become even more significant within the next decade or so. I am referring, of course, to the fact that we can expect greater and greater numbers of older Americans to find themselves either without jobs or in need of retraining as technological change brings a demand for new skills and makes old skills obsolete.

I would also like the hearing record to have some reference to a major finding and recommendation offered in the latest annual committee report, "Developments in Aging, 1967." On page 28 the report says:

> The committee finds that Public Law 90–202 (Age Discrimination in Employment Act) is rich in potential usefulness and that it will speed the other changes necessary for full and effective use of older workers in ways that will strengthen the economy and that will also reduce the serious loss in happiness and well-being of those now unemployed or underemployed solely because of age.
>
> The committee recommends the broadest possible discussion and exchange of ideas on implementation of the law, and the committee invites suggestions for assuring that the legislation will be far-reaching in its effectiveness.

By conducting a joint study, the subcommittees chaired by Senator Randolph and Senator Kennedy are doing much to carry out the committee recommendations, and I would like to congratulate them for the attention they are providing to this important work.

To turn to another matter, I would like to summarize several points made by Dr. Harold Sheppard, social scientist at the Upjohn Institute for Employment Research, at a hearing by the Committee on Aging last December on "Long-Term Program and Research Needs in Aging and Related Fields." I am happy to note that Dr. Sheppard is serving your two subcommittees as a consultant for your current study. To judge by the remarks made at the December hearing, Dr. Sheppard has a thorough understanding of the subject you are exploring. In questioning at the hearing, he made the following points about the implementation of the Age Discrimination in Employment law:

1. If the antidiscrimination law is to open new employment opportunities, it becomes all the more important to develop appropriate retraining resources for those workers. As Dr. Sheppard said:

> There will be an increasing need for people not to be overly specialized during their work years. At least, they should be better prepared to exercise a variety of occupational skills, to be prepared three or four times to acquire new kinds of skill through formal education or through on-the-job training during their adult working lives.

2. Little is now being done to train a new cadre of specialists in older worker training, and a great new effort is needed to end that deficiency.

3. New methods of statistical reporting will be needed to appraise the effects of the antidiscrimination bill.

Each of Dr. Sheppard's arguments is well worth intensive attention and discussion, as are other matters discussed in the chapter on employment opportunities in this year's annual report.

Finally, Mr. Chairman, I would also like to suggest to the subcommittees that your study include some testimony and discussion on the matter of community service opportunities for older Americans. As you know, last year I introduced Senate bill 276—which calls for an older Americans community service program—and the bill was the subject of legislative hearings last year. Since that time, the Department of Labor has granted contracts for establishment of 20 pilot senior service projects around the Nation, and the Administration on Aging has advanced a proposal for an opportunities in retirement program. Many of the objectives of S. 276 are met in the Department of Labor program, and others would be met in the AOA program. Such programs will take on increasing importance, I believe, because of the continuing increases in number of retirees and the number of years they are spending in retirement. A second career spent in constructive work to help people in their own communities will have great appeal to many Americans who still feel young, even though they have reached retirement age.

Thank you for this opportunity to address you as your study begins.

Senator RANDOLPH. We understand the absence of our able colleague, Senator Edward Kennedy. He has, however, authorized an opening statement which joins mine.

I am going to have that statement included in the record of this morning's hearing.

(The opening statement by Senator Edward Kennedy follows:)

OPENING STATEMENT BY SENATOR EDWARD KENNEDY, CHAIRMAN, SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES

Senator KENNEDY. As Senator Randolph has indicated, today's hearing begins a joint study by two subcommittees of the Senate Special Committee on Aging. I will address myself to matters of special relevance to the Subcommittee on Federal, State, and Community Services, of which I am chairman.

To begin, I would like to challenge what apparently is a widespread and thoroughly unconstructive attitude about the nature of social services for older Americans. Many Americans still believe that such services for the elderly are somehow intertwined with our welfare system. The way to deal with all problems for the elderly—we are often told—is to provide an adequate number of dollars.

Let me say as emphatically as I can that I believe that we have a long way to go before we can say that our social security and old age assistance minimum standards are anywhere near decent levels. Certainly we need more dollars there, but it would be wrong to rely solely upon some form of minimum income as the means of correcting all that is wrong with the lives of the elderly and other age groups.

What is needed, too, is a rational system of providing social services. Dr. Louis Lowy, professor of social work at Boston University, put the case very well indeed in a recent letter to the Committee on Aging. I will quote from it briefly because it will be helpful in our deliberations here:

> Given an adequate system of social health and housing security, many older people require a series of social services as social utilities to cope with normal problems associated with the aging process. Social utilities are services which are offered to everybody as a matter of right, as much as "public utilities" are considered for the functioning of all of us. * * *
>
> It is imperative that we plan for the future, and for this reason I would propose that we devote our efforts to the development of a social utility system which is available to every retired or older person without having to prove need. Under such a system, social services would be considered a matter of right and accessible to anyone at anytime at any place.

Surely, among such services should be those that help the so-called older worker—anyone past age 45—to continue employment or to regain it if he has lost it.

Witnesses will tell us during our 3 days of hearings that it is becoming increasingly easy to lose employment through no fault of the worker and through no diminution of his skills.

When old industries are replaced by new ones, when new skills are taught to the young and not to the more mature workers, when business or factories move from one State to another, then, careers are disrupted and morale is too often crippled.

What we need here is far more than can be provided by counselors at U.S. Employment Service offices.

We need community understanding of the problems faced by men or women who must make a major adjustment at a time in their lives when they had no anticipation of one.

What we need, too, is greater use of all educational resources—and perhaps the design of a few new ones—to meet training and retraining needs. Let us face up now to the fact that within the next few decades we will have to train far more people for far more jobs than we now do. Our industries change products and manufacturing techniques much more often now than they did 10 years ago, and a decade from now the pace will be even more high powered.

Where will we get the skills from unless we do more retraining than we now do, and how can we make such retraining more attractive to the older worker?

And finally we need local service centers where practical help can be provided. I am happy to note from our witness list that an over-60 counseling service will be described at this hearing, and that a representative of the John F. Kennedy Family Service Center of Charlestown, Mass.—Mr. Joseph Vilimas—will also testify. In both cases, people are reaching out to other people at the community level to provide the kind of help so badly needed by older workers.

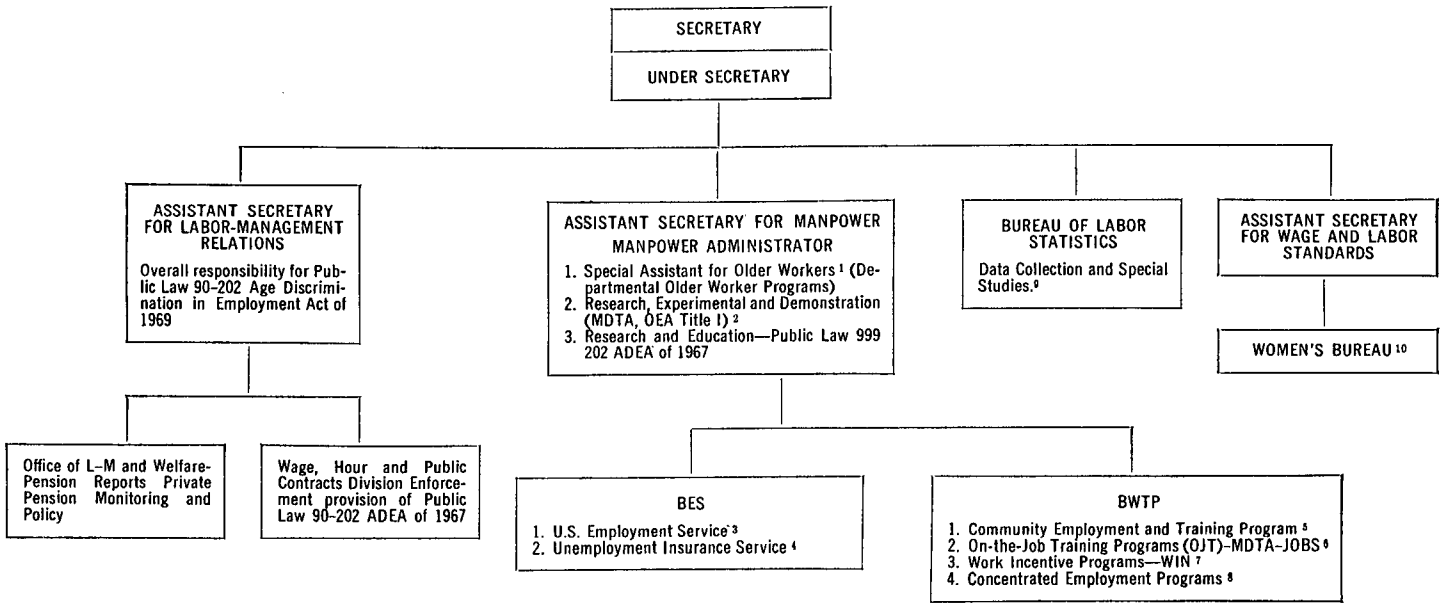
Many more questions could be posed at this time, and I am sure that the witnesses will raise them. I will give careful study to the record of this hearing and will ask the Subcommittee on Services to act on promising suggestions for changes in law or Federal policy.

Senator RANDOLPH. At this point, I should like to introduce into the record diagrammatic interpretations of Federal programs related to employment of older workers. These exhibits have been prepared by the committee staff in consultation with the agencies concerned.

(The charts referred to follow:)

FEDERAL DEPARTMENTS AND AGENCIES ADMINISTERING PROGRAMS RELATING TO EMPLOYMENT OF OLDER WORKERS

1. DEPARTMENT OF LABOR



[1] Responsible for providing the leadership, direction and coordination required to implement the Department's older worker program. Serves as principal staff advisor on policy in older worker field.

[2] Contracts and grants to conduct research and demonstration projects to test and prove innovative approaches to employment for older workers, as well as workers of other ages; also responsible for research, education activities of Age Discrimination law enforced by WHPCD.

[3] Joint Federal-State employment service program which recruits, counsels, tests, refers and places workers in jobs or training, provides employer services and conducts labor market research—collaborates with Vocational Education and other agencies in CAMPS (planning for MDTA training), screens and refers eligible persons for various EOA employment MDTA and WIN programs funded through BWTP.

[4] Federal-State system of unemployment compensation; pays training allowances on MDTA institutional training.

[5] Provides financial assistance to non-profit and public agencies for special programs of work activities to meet community needs. Programs include GREEN THUMB and other community senior service programs employing adults—mainly middle-aged and elderly, to meet community needs. Financed under Economic Opportunity Act; uses Title I-B (Sec. 123(a)(3)&(4)) delegated to DOL and MDTA funds.

[6] Contracts with public and private employers to provide incentives for them to train workers on-the-job under Manpower Development and Training Act. Contracts with private employers (other than non-profit agencies) to provide incentives for them to employ disadvantaged workers from areas of chronic unemployment, including on-the-job training, counseling, transportation.

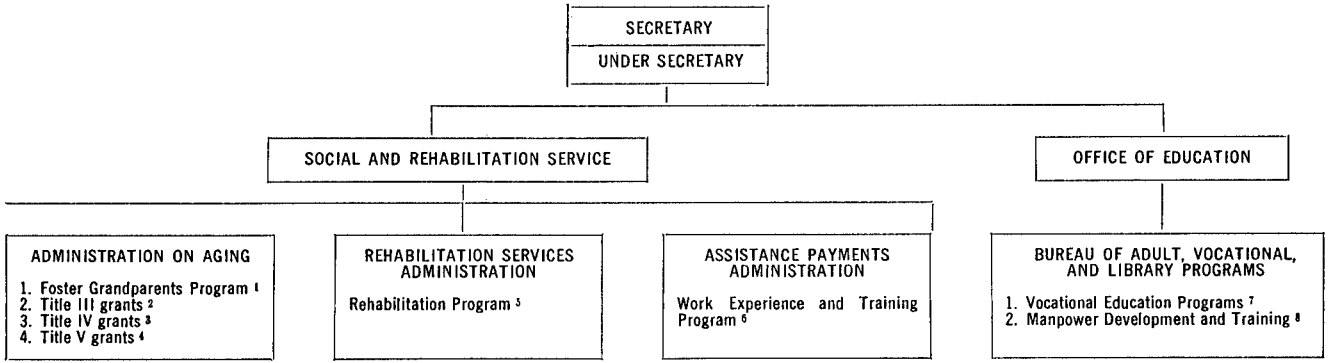
[7] Administers training and work projects in cooperation with State welfare agencies for public assistance recipients, particularly heads of AFDC families (Social Security Amendments of 1967) to assist them to leave welfare or to avoid becoming welfare charges.

[8] Brings together services available under various manpower programs to focus on disadvantaged persons in localities of high unemployment (EOA Sec. 123(a)(5)).

[9] Collects and analyzes on labor force, unemployment, productivity, cost of living (e.g. Elderly Couples Budget).

[10] Collects and disseminates information on employment of older women. Promotes opportunities for training and retraining of mature women seeking to return to the labor force.

2. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE



[1] OEO-funded program administered by AoA on contract. Compensates elderly poor individuals to give individual attention, love, and guidance to institutionalized children who are deprived of sustained contact with their own parents or grandparents.

[2] Local and State programs to render services needed by elderly, including information and referral to organizations and agencies which help with employment problems. Some projects render employment assistance directly.

[3] Research and demonstration grants to test new approaches toward solving the problems and taking advantage of opportunities of the elderly, including employment problems and opportunities. A number of Title IV demonstration projects employ the elderly as project workers.

[4] Provides training designed to equip older persons for leadership and professional practice in programs and services for other older persons.

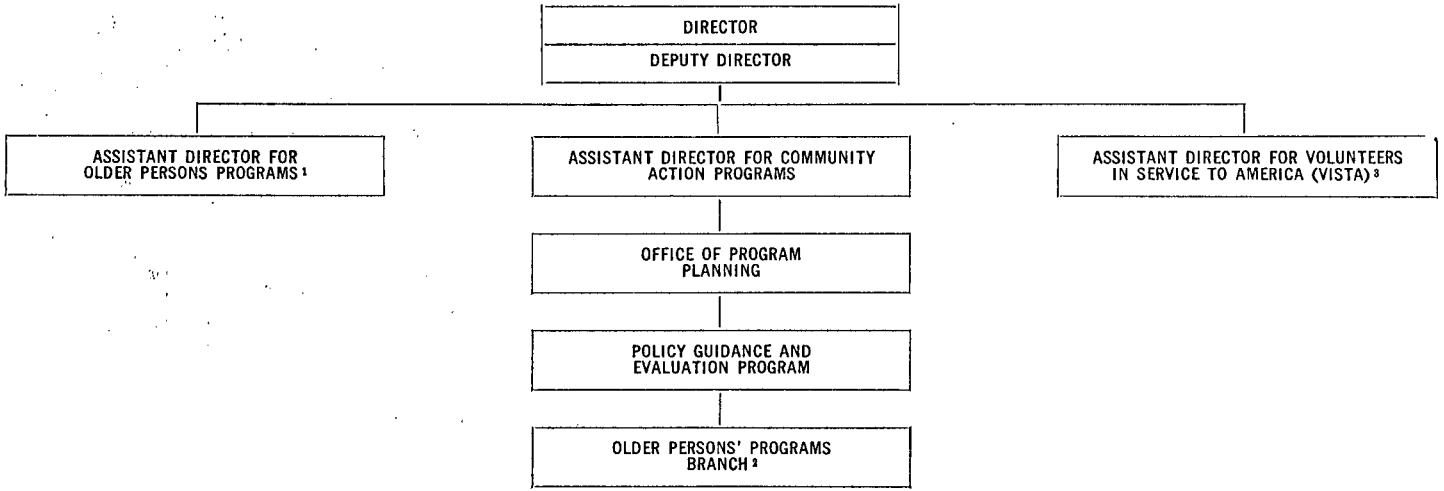
[5] Administers Federal-State programs of rehabilitation for workers of all ages, including older workers and those "disadvantaged by reason of advanced age." Includes medical and psychiatric assistance, prosthetic devices, skill training, education, and other services needed to enhance employability.

[6] Administers Work Experience and Training Program authorized by Sec. 409, Social Security Act, and Title V of Economic Opportunity Act to provide work experience and training to public assistance recipients and others in poverty to enhance their employability (in cooperation with Manpower Administration, Department of Labor).

[7] Administers, with State and local cooperation, vocational education programs to develop vocational skill and competence among older adults as well as other age groups.

[8] Provides training programs for older workers (and workers of other ages) under the provisions of the Manpower Development and Training Act, through State Departments of Education, with the cooperation of the Department of Labor.

3. OFFICE OF ECONOMIC OPPORTUNITY

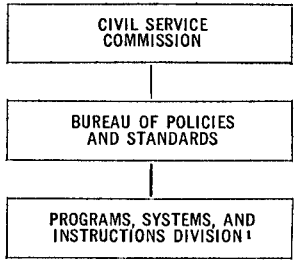


[1] Advises and assists Director on all phases of OEO work relating to older persons, including employment for elderly. Works with all offices and units of OEO to assure adequate attention to needs of elderly poor.

[2] Represents OEO in research and demonstration contracts and grants, such as PROJECT FIND (employs older poor in demonstration projects throughout the Nation to find and assist other older poor persons) and MEDICARE ALERT (1966 demonstration program to advise elderly on rights and procedures under MEDICARE); develops program policy and guidance to assure adequate attention to needs of the elderly in community action programs; cooperates with regional older persons' program specialists in developing and funding grants for specialized programs for older persons; maintains Federal inter-agency coordination to bring maximum assistance to older persons in such programs as FOSTER GRANDPARENTS, GREEN THUMB, and OLDER WORKER COMMUNITY SERVICE programs; may administer "Senior Opportunities and Services" (SOS) program when it becomes operational.

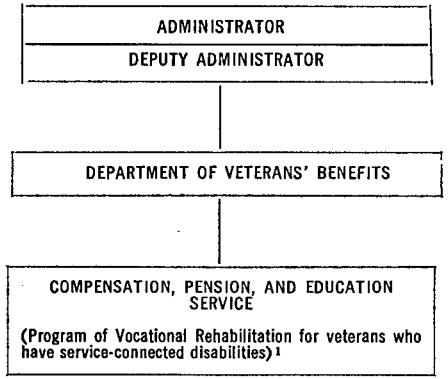
[3] Enlists older persons to serve as VISTA volunteers.

4. CIVIL SERVICE COMMISSION



[1] Enforces statute and executive policies prohibiting age discrimination in Federal employment.

5. VETERANS ADMINISTRATION



[1] While there are some middle-aged veterans who are receiving vocational rehabilitation under this program, most recipients are younger veterans. Although not in any way connected with the vocational rehabilitation program administered by Rehabilitation Services Administration of HEW, for certain applicants and under specific conditions, cooperates closely with the Federal-State vocational rehabilitation systems.

Senator RANDOLPH. Mr. Secretary, we appreciate your being with us today. You have spoken very often and very eloquently on this general subject, and we anticipate helpful testimony from you this morning. If you will proceed at this time, identify yourself for the record and your colleague who sits with you.

STATEMENT OF HON. W. WILLARD WIRTZ, SECRETARY, DEPARTMENT OF LABOR, ACCOMPANIED BY LOUIS H. RAVIN, SPECIAL ASSISTANT FOR OLDER WORKERS

Secretary WIRTZ. Thank you, Mr. Chairman.

I am the Secretary of Labor. I am 56 years old so that I will fill in as best I can for your missing friend and testify, I think, perhaps with the fervor which he might bring to the testimony by virtue of his age.

I am associated this morning with Mr. Louis H. Ravin, who is our Special Assistant for Older Workers.

I have prepared and filed with the committee, Mr. Chairman, a copy of the statement which, if it conforms with your pleasure, I would be glad to have included in the record and to summarize it very briefly and to proceed to whatever informal discussion might be helpful.

Senator RANDOLPH. Thank you, Mr. Secretary.

We will proceed in the way you have suggested.

(The prepared statement by Secretary Wirtz follows:)

PREPARED STATEMENT OF WILLARD WIRTZ, SECRETARY OF LABOR

Messrs. Chairmen, the recent report of the Committee on Aging, in discussing Labor Department programs, designates 1967 as "a remarkable year of accomplishment." I value your verdict and I am here today at your invitation to discuss what has been accomplished thus far.

I would in no way detract from the importance of your aims or of the efforts upon which we are embarked. Yet, I would say to this committee—and especially this Committee, entrusted with the responsibility of mapping our future course for the older worker—that the most difficult problems, and the most significant opportunities, lie ahead of us.

Statistics often conceal more than they reveal, but they do provide insights into the older workers' world.

In this world we find—

1 out of every 2 jobs which become vacant is closed to all persons over 55; and 1 out of every 4 jobs to all persons over 45;

1 out of every 8 unemployed men 45 to 64 is unemployed for six months or more;

½ of all men unemployed for six or more months are aged 45 or over;

the proportion of long term unemployed men who are 45 or older has been increased by 10 percentage points since 1961:

the risk of unemployment is 25 percent greater after 45 than 10 years earlier, and 37.5 percent greater again after 55;

the risk of remaining unemployed for a half year or longer is more than twice as great for men after they reach 45 as it is for adult men under 45.

We are taking action to keep these facts from becoming a perpetual feature of American life.

AGE DISCRIMINATION IN EMPLOYMENT ACT

The latest action of a long but still inadequate series in our efforts to give older workers assistance is the Age Discrimination in Employment Act, which Senator Randolph has characterized as the "cornerstone" of our older worker program edifice. This Act has been in effect for only a few weeks but we have already made a good start in laying a foundation for its operation.

Interpretations of the Act have already been issued. We are now making investigations of alleged age-discrimination practices along with investigations in all Fair Labor Standards Act cases where the new age discrimination law ap-

plies. Several months in advance of the June 12, 1968 effective date a comprehensive information and educational program was set in motion throughout the United States to alert all concerned to the provisions of the new law. An information pamphlet summarizing the Act's terms and provisions was prepared and distributed widely. Special radio and television informational materials were recorded and distributed to every radio and TV outlet throughout the nation and are being used in public service programs. Although newspapers and other publishers have no legal liability for the content of help-wanted notices, their cooperation has been sought and obtained in utilizing a specially developed classified ad insert in employment columns, which states that the newpaper does not knowingly accept help-wanted advertisements which might appear to violate the provisions of the statute.

Over half a million brochures and official posters required by the law have already been mailed to covered employers, employment agencies, and labor organizations. Press releases were issued nationally and locally prior to the effective date.

Plans are now being formulated under the Act's new authority for an education and research program which will bring us additional opportunities to uncover and break down barriers to employment which do not result from arbitrary discrimination.

The deeper we delve into the problems of the older worker, the more we realize the futility of generalizations and simple solutions. Specialized, refined data are indispensable to sketching not one but a phalanx of older worker profiles if we are to diagnose the causes and find the cures.

We propose in our research to do this—to find each subgroup within the older worker group which needs a special and different kind of remedial action. We will try to isolate, for example:

(1) Those for whom the problem of age is compounded by sickness and physical handicap.

(2) Those for whom the problem of "unemployment" manifests itself in an island of unemployment where a disproportionately large portion of the population is unemployed and poor:

This is true in certain rural areas where employment has dried up.

This is also true in the ghettos.

(3) Those whose problems can be mitigated by formulating model pension plans which will avoid, for management, the current problems they see in covering older workers.

(4) Those who are affected by the operation of seniority systems and the widespread practice of permitting entry only at the bottom rung of the ladder.

(5) Those for whom opportunities beyond the conventional category of "gainfully employed" are needed.

United States Employment Service Activities

In calendar year 1967 the State employment services affiliated with the United States Employment Service had applications from a total of 1,683,800 older workers, representing 15.5 percent of all new applications. A total of 1,216,000 of these applicants were placed. These numbers help to support an already well-known fact—older workers have the interest in job placement and have the skills, knowledge, and ability for work if they are given a chance.

In 1967, funds for older worker intensive service units were allocated in 27 metropolitan areas to provide intensive service to older workers in areas such as counseling, testing, training, job development, placement and referral to other agencies. These units represent concerted and direct efforts to expand employment services to older workers. They represent a concentrated augmentation of staff to be used on a full-time basis for intensified services to older workers. Under this program older workers are provided with whatever intensive and individualized services they need to secure a useful and satisfying job.

We are also developing training models to use for the updating of the skills of Employment Service counselors and interviewers who deal with older workers. The training models are at the printers being prepared for review. They will be available shortly.

The United States Employment Service has given the National Council on Aging a grant to develop the concept of a National Institute of Industrial Gerontology. The Institute will bring together a group of people from representative State Employment Service offices and universities in order to develop

research and demonstration projects leading to new knowledge in the field of industrial gerontology.

Among other programs we have in mind is the development of a volunteer outreach and job development system manned by older and retired people. We have successfully experimented with this idea in several communities in the past two years.

The Employment Service sponsored experimental and demonstration projects in Louisville, Kentucky, and Sacramento, California, to see if volunteer-staffed and neighborhood oriented employment centers could increase the accessibility of employment services to older workers, and if the service capabilities of the Employment Service could be expanded through the use of such volunteers.

There were two centers in each city. One of them worked under the supervision of a full-time Employment Service staff and concentrated on the 45 to 64 age group. The older center was not supervised, and it concentrated on serving those 65 and older, or those who were retired. Volunteers interviewed older workers, took applications, referred them to jobs and followed them after placement. The project was successful. It expanded services to many older workers not previously registered with the Employment Service and placed a large number of these registrants.

Older Workers Under the Manpower Development and Training Act

The most important source of authority for training is the Manpower Development and Training Act of 1962. Because such a small percentage of older workers, relative to the number of older workers among the unemployed, were taking advantage of the training offered under MDTA, the 1966 amendments to the Act specifically encouraged the inclusion of older workers and set a target of 56,400 for fiscal year 1967.

As of March 31, 1968, those 45-and-older represented a cumulative percentage of 10.8 percent of all MDTA trainees since 1962. This represents more than 90,000 men and women. In recent years some improvement has been shown, with the percentage for calendar year 1967 reaching 11.6, compared to 11.1 in calendar year 1966. The number enrolled for calendar year 1968 is not yet available.

The results of such training programs are excellent. About 85 percent of those in institutional MDTA training and 95 percent of those in OJT training are successful in finding work.

We have also begun to open the way directly into jobs and training for new thousands of the nation's hardcore older unemployed. This is being accomplished with the cooperation of the National Alliance for Businessmen in the JOBS program, and with our new definition of "disadvantaged" for entry into this program specifically recognizing the special needs of those over 45. During the second quarter of 1968, 9.1 percent of the participants in regular OJT programs were 45 years or older.

Other Older Worker Programs

Operation Mainstream, authorized by the Economic Opportunity Act, has concentrated on programs providing work opportunities for older persons to improve the environment of the community in which they work. By the end of fiscal year 1967, approximately 8,000 job opportunities had been provided, and 1,352 additional job opportunities were opened during the first five months of fiscal 1968 by Mainstream programs, which include Green Thumb and Senior Service Programs.

The number of older persons in Operation Mainstream increased appreciably between September 1967 and April 1968:

a 10% increase in enrollees 45 years and over;

a 27% increase in enrollees 55 years and over.

All of these Mainstreamers had been unemployed or working 20 hours a week or less; 15% had been on welfare or living in public housing; 83% were male; the median education level was just below the 7th grade.

The Green Thumb projects of Mainstream have been especially successful, gaining high community praise. Sponsored by the Farmers Union and operating in 14 States, they employ persons 55 years or older for 3 days a week, 8 hours a day, for a minimum of $1.60 an hour in community improvement activities. The Green Thumbers have planted more than one million trees and created 50 new parks.

A strong consciousness of the needs of older workers and a commitment to

act upon that need is also reflected in the guidelines and operations of other programs.

The Department's Concentrated Employment Program (CEP) brings together a wide variety of services aimed at insuring permanent employment for disadvantaged persons of all ages. Fully 9 percent of the persons receiving CEP service were 45 years of age and older and 10 percent of the workers placed in regular jobs were in the older worker bracket.

We have also launched a new program in 10 cities to enable 400 unemployed persons 55 years and over, with incomes below the poverty level, to work 20 hours a week for 52 weeks in needed public service jobs. Workers earn $2 an hour. This program operates through a $1 million contract between the Department and the National Council of Senior Citizens, with a joint funding from MDTA and the Economic Opportunity Act.

Job activities include advising homemakers on child care; recruiting persons for adult basic education courses; and serving as health and day care aides.

A $1 million contract between the Department and the National Council on the Aging, to begin operation shortly, will provide the same kinds of paid-work opportunities to 400 additional persons, ages 55 and over.

In addition to the manpower activities for the utilization of older workers, enrollees in the Neighborhood Youth Corps, New Careers and Mainstream working through State and city agencies as aides in old age homes, hospitals and nursing homes, give physical assistance and personal help to ease the plight of those who are not only lonely but also isolated and ill.

Our basic directions must still be toward seeking new ways of opening the opportunity for older workers—including those over the normal retirement age—to enjoy fully a useful function in life which creates the satisfactions of usefulness, whether in the form of—

gainful employment,

volunteer activity, or

personal, artistic, or other human achievement beyond the statistical usage by which we count as productive only those people who are "gainfully" employed.

These basic directions must not be deflected by the vain belief that the problem will eventually be taken care of by such devices as guaranteed incomes and early retirement. A guaranteed annual income is in no sense a substitute for useful work for an older worker capable and desirous of continuing to contribute his skills, whatever boon it may prove to be to an employer unreasonably resolved to replace him.

And it is still true that each lowering of the retirement age—each new Social Security age that is established as the point of entry into retirement—makes it that much more difficult for workers five to ten years below that age to get jobs or to remain in employment.

Next January the Congress will receive our recommendations for changes in the age limits in the Age Discrimination Act. Appraisals for such future recommendations will be based primarily on reports received from the field staff of the WHPC Divisions, and will be drawn from information obtained in the course of conducting the 20 to 25 thousand investigations which we anticipate making under the Age Discrimination in Employment Act during the current fiscal year.

Congress' directive that we study the institutional and other arrangements giving rise to involuntary retirement enables us to probe the possible involuntary aspects of private retirement programs.

I would also include, on any agenda, action to improve the public education system to better serve the needs of older workers.

Education in our nation, whether it is traditional, supplementary, or remedial in nature, is still basically directed at young people. There are beginnings of supplementary education programs in the high schools but virtually none is addressed to the adult nonprofessional, whether employed or unemployed, at college or junior college levels.

I should like to mention one additional unsolved problem that equally touches the young and the old in our nation.

Neither is now given an adequate opportunity to contribute—and to learn by the process of contribution—to the many unfilled needs of our nation.

I again advocate broadened public service opportunities, and I add, that this kind of public service should not be limited to the young alone. The experience of the Peace Corps and VISTA have demonstrated the great oppor-

tunities for contribution that can be made by persons of maturity. Older persons should be given a far greater chance than they now receive.

Not everyone can sail a boat around the world alone at age 59 as did Alec Rose, the English green grocer.

But how many are there who can do more than their society has given them the opportunity to do?

Thinking of services for older persons we may well reflect upon the admonition that: "Not to do honor to old age is to demolish in the morning the house wherein we are to sleep at night."

Secretary WIRTZ. You have referred to the previous appearances before this and other committees and before others. In looking back over the last several years, I find that this is either the fourth or the fifth time in 3 years that I have brought testimony of this kind to one committee or another.

That reference prefaces the admission of a certain reservation approaching, I guess, skepticism, not cynicism, as to whether we are yet approaching the point of activity here which we are talking about. I think we are not. I guess we are still at the talk, talk, talk stage.

I take some very real satisfaction, as do my colleagues, from the recognition of the Committee on Aging that 1967 was, as they put it, a remarkable year of accomplishment for them, the administration, and the Congress, with particular reference to the Department of Labor, as far as the programs for older workers are concerned.

Yet, I would not be fair to myself or to the truth if I were to take advantage of that compliment because we would all know that all we have done in the last year or two is to push the door open just a little crack further, and that is really all it amounts to.

I do in the longer statement summarize the various developments which have taken place. There is, as you have indicated in your opening statement, a particular timeliness about reference to the development of the program under the Age Discrimination in Employment Act because it became effective last month—on June 12, I believe it was—and as of the first of this month became effective with respect to all employers with 25 or more employees.

There is, of course, in the intervening 5-week period no broad basis for experience on which I can report to you about the effectiveness of that act. I do note that there has been a very extensive preliminary educational attempt to familiarize employers, employees, and people in general with the new legislation, and that program of education is summarized in the statement which I filed.

EFFECTS OF BUDGET CUTBACKS

Mr. Chairman, I should make note of the fact which does not appear in the formal statement, the Congress should be advised that there is at the present point a very real question as to whether it will be possible for us in the Department to administer this program with any real effectiveness at all.

We have no employees for the administration of this program, and by virtue of the enactment of the Revenue and Expenditures Control Act of 1968 I am faced with a very serious problem of whether I can find positions for the administration of this program. I must find those positions only by taking them away from other programs which are already established because by virtue of the law I can fill only three out of every four vacancies which come up.

This program is being administered in the same offices as is the minimum wage law.

I might just as well face the fact that as things now stand as a practical matter in order to put one person to the enforcement of this new law I must take one person away from the enforcement of the minimum wage law. That is the situation which we face today.

I am told that the minimum wage law is being administered with fewer people than I had before with no provision whatsoever for other staff employees, for the administration of the age discrimination program.

I face, and you should know, a very real question as to whether I can, under the present circumstances, provide the manning for this program.

Senator RANDOLPH. I didn't want to interrupt the continuity of your very blunt statement and very correct statement, Mr. Secretary.

The Congress now is in the process of considering proposals to exempt certain categories of workers—the Federal Bureau of Investigation, air traffic controllers, the Post Office Department employees.

Now, these, we understand, have certain wide appeal, do they not? I don't want to be misunderstood.

Secretary WIRTZ. You are taking exactly the illustration I was about to take.

Senator RANDOLPH. Certain pressure and emotion are associated with the aforementioned categories. You will not be able to generate that sort of situation in connection with the personnel to carry out the provisions of the act.

How many persons have you contemplated that you would need, Mr. Secretary, to begin to carry out this role?

Secretary WIRTZ. What was the budget request?

Mr. RAVIN. It was for less than 100—50 on the House markup; most of the positions in enforcement. A total of a million dollars was the appropriation requested.

Senator RANDOLPH. I am very sorry.

Secretary WIRTZ. Mr. Chairman, the original budget request was in dollar terms for approximately $1 million and in personnel terms for approximately 100 people, most of them in the enforcement section.

You are very right. The situation that this country might as well recognize is this: If the possibility is that we won't get our mail 5 days a week or 6, then we will take action. If the possibility is that some of us will be held up in the air in airplanes for 3 or 4 hours over a major airport, then we will take action.

If the possibility is that we will be allowed to pass unnoticed after we are 55 or 56, then there are not the forces to be mobilized even to provide for the administration of as limited a program as this.

I don't speak bitterly but I speak simply in fact and that is the situation we face. We don't know at this point how much we will have to renege on the promise of the legislation. I am not saying to you that the program will not be administered to the best of our ability. I am saying to you that every single spot now, every single one, every single person who is provided to administer this new program, the complica-

tions of the three out of four rule require that to be taken from the administration of another program.

Senator RANDOLPH. Then, of course, that other program is the across-the-board wage and hour law.

Secretary WIRTZ. I am not going to do it across the board, Mr. Chairman. It is a three out of four rule that Congress has imposed. I am just not going to do it that way as far as the Department of Labor is concerned.

PRIORITIES TO BE MET

Of course, as the law permits, we will follow the priority rule. You see, if I took it across the board, then there would be none for this program because there is nobody now; being denied any additional funds or personnel for the administration of this program I have simply got to steal from some other programs and all of them are operating on three out of four.

There is not much point in pressing this but we should not be asked to speak for the administration of this program without at least making it clear that the administrative difficulties which attend right now the launching of a program effective June 1, 1968, are very considerable.

That is all.

Senator RANDOLPH. Thank you, Mr. Secretary, for discussing this point. Of course, we are faced with it in the Congress.

I heard one Member of the Senate say yesterday he didn't quite realize that he was bringing into being the reference to cutbacks and he thought in terms of reducing Federal expenditures from the operation of Government. He said that because now he is faced with the closing of *x* number of post offices in his State, the reductions that you have indicated in mail deliveries and so on, he is having second thoughts.

I appreciate your pointing out that here we have the new law and we cannot even administer it; is that correct?

Mr. WIRTZ. I do not say we cannot administer it at all, Mr. Chairman. I believe in this program so completely that I am going to do whatever is necessary to find some place that I can pull from some other division and some other unit in the Department some personnel to do this.

I only point out that under the circumstances that is the only way it can be done and it will mean a very, very serious limitation upon the launching of this program. I am not saying that there won't be anybody at all for it. I just say that we have got to put together whatever staff there is for this now by bootlegging, blackjacking, and bringing pressure of one kind or another to bear on other sections of the Department; that is all.

Senator RANDOLPH. I hope not by sniping.

Secretary WIRTZ. Well, I am desperate.

Senator YOUNG. You may take any kind of direct action you wish.

Mr. Secretary, I want to say what I have heard of your testimony that I admire your viewpoint, your attitude, very, very much, and your determination to see that these vacant jobs will not all be filled by the young and that those over 55 or over 45 will not tolerate the extent of your ability and energy discrimination against them.

In reading your statement here, it occurs to me in view of the fact that I am not only over 55 but I am considerably over 65 and a little

over 75 in age, but I better consider myself fortunate that I do have a job at all.

Secretary WIRTZ. Your prospects are better than mine, Senator.

You have, Mr. Chairman, in your statement anticipated the point of the research that we want to do in this area. At this point we have in prospect closely applied research. We recognize that we know virtually nothing of the broader basic mysteries of old age and of life. We recognize, too, that our understanding about those things require knowledge of the larger number of the longer longevity in this country.

It is the practical administration of this program that will require the recognition that there are different kinds of things that some of us can do better as we get older, and some of us cannot do quite so well.

Therefore, we propose to try as a matter of applied research, inquiry into this area, to identify those particular groups of situations illustrated by your reference to our other 56-year-old friend, those particular situations in which we can as a matter of administration move in on this particular problem and apply this law in a way which will be most effective.

So, I have in the longer statement identified some of the areas in which we propose to move, including particularly the attempt to identify not just the single profile of the older worker but a group of profiles of the older worker.

SPECIALISTS FOR OLDER WORKERS

You should know that in the course of the last year, calendar year 1967, very specific attempts were made and very specific results achieved in connection with the work of the Employment Service. There have been now identified in a great many of the State employment service offices particular desks, particular personnel for counseling with older workers.

The statistics for last year indicate that through the Office of the U.S. Employment Service and the State Offices the applications of approximately 1,680,000 older workers were handled and the records show that 1,216,000 placements were made.

I want to make it clear that that "statistic" never means quite so much as it appears to mean because we do not claim that every one of these million or more persons found a permanent job.

In 27 cities in the country, we have set up intensive service for older workers—counseling, testing, training, job development, and so forth. I think it is fair to say to you that both in connection with the administration of the program and in connection with the research inquiry and certain aspects of the U.S. Employment Service and the State employment services, we today are taking a very lively and a very effective role in this matter.

I should also say to you that the numbers which it is possible for the Employment Service to reach is still a very small fraction of those who ought to be reached in connection with these programs.

We are also trying through the Employment Service to develop an outreach program. We realize both in connection with this older worker program and in connection with other special programs of one kind or another that it is an appropriate public function to advise people that the situation is different from what it used to be and we are going more than halfway in the outreach efforts which were undertaken.

There is particular interest in the extent to which various affirmative manpower programs today reach the older workers. I am referring to the institutional and the on-the-job training programs under the Manpower Development and Training Act and to the programs which are administered by the Department of Labor under delegated authority from the OEO in its Operation Mainstream, its Green Thumb, and operations of that kind.

Small Number Being Trained

Some of the specifics are set out in the testimony. Just as a working figure for your consideration, it is probably the case that in this year there will be about 35,000 older workers who will be the beneficiaries of one work training program or another. That is a very small number.

We have checked the various manpower programs which we administer to find what percentage of the participants, the trainees, the beneficiaries are older workers. I would have to advise you that it is a small number.

When you are talking about a training program, the circumstances are frequently such that it is exceedingly difficult to identify those situations in which the older worker, if he received the training, can expect a job as a consequence of it.

The Manpower Development and Training Act still requires by law that there can be a training program only where there is an identified employment opportunity at the end of it. That problem becomes exceedingly serious and difficult when the individual involved is an older worker.

There is also the accompanying emphasis, of course, in the problems presented by the younger, the hard-core unemployed. I should be less than frank if I did not say to you that despite very strong affirmative efforts to direct as many of these programs as possible at older workers, their participation in them is still comparatively limited.

Senator Randolph. Could I interrupt, Mr. Secretary, at that point?

Secretary Wirtz. Yes.

Senator Randolph. I wonder if there is an area that needs to be explored to change the attitude of the industrial segment of our society—the personnel employees in a company. There is often a negative attitude toward older persons in personnel offices. This is understandable not only because of company policy but because often the personnel people are very young people. I am wondering if there is a need to retrain the attitudes of these very people who are interviewing applicants, many of whom are 20 and 30 years older than the personnel complement.

I, personally, feel that the attitude of the personnel placement individual needs perhaps to have some retraining.

Secretary Wirtz. Yes; that is right, Mr. Chairman.

There is a very considerable evidence of that and there have been some efforts made to meet that kind of situation.

In the report which I filed with the Congress at its request 3 years ago, "The Older American Worker"—that was in June of 1965—there is a fairly full development of the point that you make. There is no question about its existence.

I should point out that that attitude develops in the context of some other much more specific facts as, for example, the difficulty which is presented by seniority systems and contracts and by established pension plans, collective bargaining, which make it not a very good bargain in a good many cases for the employer to take on the older worker.

I don't mean to make any suggestion that the seniority plan is wrong. I think it is quite right to give the American worker an interest, a stake in his job; this seems to be entirely correct. But it is true that when that older man or woman comes into the firm's employment office, the employment officer to whom he is referred is affected by not only whatever prejudices he may have in his own mind, but also the pragmatics of the seniority system and a pension and welfare plan which may bear unfavorably upon the circumstance.

This is simply a long affirmation of our point. There is misunderstanding in addition, lack of knowledge, and lack of information on the part of those people which we wish our best to correct.

Senator RANDOLPH. Mr. Secretary, I don't want to go off on a tangent here. I talked to a young man a few days ago, a very alert, fine young man, and we were discussing employment situations and people who have problems finding gainful work. I went back and related to him some of our experiences in the 1930's because I was involved with some of the programs that were enacted then by the Congress as a member of the Labor Committee in the House.

After I talked with him, he didn't talk with me; he just said, "So what? So what?" He was not concerned with what we had done in the past, the problems we had in the past, the solutions we had to meet those problems. He was only concerned with the problem today that is affecting him.

So I come back to the younger person in the employment office. Frankly, he is thinking in terms of himself in the twenties and not the problems of the person in the fifties who comes there with certain qualifications that can be used in industry and business.

ATTITUDE CHANGES NEEDED

I think there has to be a change of attitude on the part of personnel officers who interview men and women. They must have compassion but must also talk with these people. They must let older workers know that they are still in the mainstream of our society, able, with skills, to do certain jobs. They must not raise blocks against the older worker.

Secretary WIRTZ. I have a little more to add, Mr. Chairman. I rely on the detail in the statement that is filed with you. As you know, there will be a panel of five people here from the Department of Labor to discuss this matter in fuller detail with you. I think I can pretty much rest on the statement that I have made and turn to these other matters that are in our minds more informally.

As I do so, I would like to say this. In the area of certain legislation before the Congress right now there are certain administrative questions before the Congress and the administration in the country. Speaking quite frankly, and with a realization that with all the times

I have testified here this may be the last time as far as this subject is concerned, I would like to say this: The Congress, the Senate has passed recently a resolution for a White House Conference on Aging in 1970. It is before the House today; I expect it will be passed.

You asked for our position about such a conference. We responded affirmatively. It is like giving older people a new cane to call another conference in 1970 about this subject. We aren't even close to looking at the real facts of the problem and the real prospects that are going to bring it up.

There is another matter before the administration and the Congress this year right now; it is in connection with the amendment of the Older Americans Act. The question is whether the foster grandparents program shall be in OEO or in the Department of Health, Education, and Welfare, and whether a service training program of one kind or another shall be in Health, Education, and Welfare or in the Department of Labor.

I think we are kidding everybody, just plain kidding, when we are talking about a conference and about a division of matters of that kind with respect to this whole business.

Mr. Chairman, if this is the last time I testify on matters of this kind, then I would like to talk about the other side of it for just a minute, too, and I have done it before so this is a very brief summary.

I don't think we are going to get into this area in any real sense as long as we are talking about prohibitions on discrimination against workers and talking about conferences and talking about where the foster grandparents program is going to be. We will get into this area when we face up to the fact that almost suddenly, I guess cumulatively in terms of 15 or 20 years, but almost suddenly our scientists, our doctors, and ourselves in the application of our own good sense have come very close to the portal of recognition that there is a part of life which is so far completely underdeveloped and we are still riding along with a lot of other nonsense as far as our approach to it is concerned.

While the doctors are extending life 10 to 15 years, we are sitting around coining euphemisms about senior citizens and autumn years and that kind of thing. We are in no way as social inventors keeping up with the developments in science as far as this field is concerned.

We are talking about reducing the retirement age. We are talking about lowering the age of qualification for social security and pension and welfare benefits of one kind or another just at the time when both in terms of medical science and the affluence of our society, we are in a position to add another 10 or 15 years to people's usefulness.

Social Opportunity Needed

We are still talking about social security when we ought to be talking about social opportunity. We are still ignoring a situation in which it makes much more sense for a lot of people to live life just exactly backward from the way they live it now.

I suggest, Mr. Chairman, and members of the committee, that we will be honest with ourselves and with this problem when we face up to the fact that there is about a 15- or 20-year period which ought to be the climax of life for which we are not even starting to prepare.

You know, I would like to suggest that there ought to be another 2 years of required education for everybody aged 60—it would make a lot of sense, public education.

Now that is a bargaining approach and I don't for a moment expect it to happen, but it would sure make a lot of sense to provide an opportunity for education again at age 60—education to prepare for the kind of things that the people can do meaningfully and usefully at age 60 and years beyond.

I think there is as much reason for education at age 60 as there is at age 6, as much logic, as much equity, and as much morality.

We are going to have to start thinking about a whole different method of compensation for what is done after age 60. We are going to have to start thinking in terms of a concept of service instead of employment. We are going to start thinking of whether it is not a good thing to give education to older people for the beauty and value and the pleasure of education itself.

We are going to have to start thinking about a whole new concept of making at least as much sense out of this period as we do out of any other.

This is my last point. For a long time I have believed that the only reason we have let the problems of old age go by default is because until very recently in this country we were predestinationists and determinists and we blamed everything that went wrong on somebody else and capitalized his name in order to excuse our own insufficiency.

Now what has happened all of a sudden is that we realize that the human competence includes the capacity to correct these mistakes and to perfect, to a very considerable extent, life itself. I don't believe this is heresy; I believe it is the fullest faith to decide that the human competence does include the ability to do these things.

So, now, all of a sudden we realize that people just getting old and meaningless is not decreed someplace else; it is a default of our own. I would like to suggest the things we are talking about here are important. I would also like to suggest that the test of our integrity and our honesty is when we start facing up to the problems of our later years in terms infinitely broader than anything we are talking about now. That is all.

Senator RANDOLPH. Mr. Secretary, I have said at the beginning that you have spoken often and eloquently. You talk about your leaving a certain job and doing certain other tasks.

I hope you will always keep writing and speaking wherever you are because you have an insight and express it so well on whatever subject you are focusing attention.

Mr. Secretary, you are talking about education. I am going to encumber the record, I guess, by asking Senator Young if he will allow me to place in the record at the appropriate point a portion of a speech I gave a few days ago in West Virginia at an educational conference. There, I advocated the life of continued learning rather than just education as a preparation for life, and some of the thoughts perhaps might be appropriate to this discussion.

Senator YOUNG. Without objection, it is so ordered.

Senator RANDOLPH. We will include it.

(The document referred to follows:)

EXCERPTS FROM REMARKS OF SENATOR JENNINGS RANDOLPH, ANNUAL CONFERENCE, WEST VIRGINIA SCHOOL ADMINISTRATORS AND BOARD OF EDUCATION MEMBERS JACKSON'S MILL, W. VA., JULY 16, 1968

It is a distinct privilege to participate in the Annual Conference of the West Virginia School Administrators and Board of Education Members. During the past ten years, I have been closely identified, as a Member of the Senate Committee on Labor and Public Welfare and its Subcommittee on Education, with the effort to expand our Natonal commitment to the field of public education. It has been my privilege in these years to counsel closely with many of you who are here tonight. I feel that I have an understanding of your problem and your objectives.

What is the nature of future educational enrollment? Even now we begin to see the directions of change that will occur. A clear fact is that children will begin to attend organized classes under early childhood programs designed to accomplish a number of objectives. Research studies are truly convincing on early childhood programs. Educational experiences of considerable variety in that period enhance the development of the intellectual, emotional, and attitudinal dimensions which make later learning easier, more meaningful, and more lasting. The importance of these early experiences for all children cannot be disputed. We will experience a very real increase in demands for education of young children all across the Nation.

Not only will there be an extension of educational enrollment to the early childhood years in terms of age, but there will also be an even more radical expansion upward. Community College growth is only a small part of it. Four-year colleges, the university, and graduate education will continue to expand. But the beginnings of a pattern of continuing education for all people—not just professionals—will become increasingly clear in the immediate future. The old pattern of education as preparation for life is changing to a new model of education as a life-long opportunity and responsibility.

And it is my judgment that there are clear signs that entirely new relationships between school and community will develop and begin to strongly affect our notions of what schools are and how society relates to them. Some of those changes will stem from the factors to which I have alluded. For example, if education is really becoming life-long learning rather than preparation for life, new kinds of relationships to the entire community must clearly be developed in order to fulfill the new responsibilities. Similarly, instructional technology innovations, such as Computer assisted instruction, raise interesting questions about where the computer and terminals should be located and why that location need necessarily be a school in the more traditional mode.

There are other factors at work. Not the least of these is the concern in many parts of the Nation that schools have lost touch with the communities they are designed to serve—not just the local community, I might add, but the national community as well. As a consequence of these concerns we are beginning to see the buds of new concepts of community schools and new patterns of community and parental involvement in the education of the young. In the field of higher education, the educational implications of the Peace Corps, Vista, and urban service and the social activism existent on many college campuses suggest new directions for the environments of learning and self-instruction. These may begin to assume an increasingly important role in relating the university to the community in significant new ways.

Secretary WIRTZ. Mr. Chairman, I would make this guess—and just a guess—that today a person at age 60 is possessed of a smaller percentage of the knowledge which is available in the world than he was at age 16. Now that is, of course simply a reflection of the fact that so much new has happened over that period.

Senator RANDOLPH. Mr. Secretary, you also touched briefly on the technological changes that are a part of our pattern of living.

I will ask unanimous consent of my colleagues on the subcommittee to include the New York Times article of yesterday—it is not attributed to the wire services nor is it bylined. The article is headed,

"Australians Adopt Automation Policy." I will not read the article; it will be placed in the record.

The article points out that the policy calls for a hiring program and anticipated changes in employment, the provision of health in obtaining alternate work, layoffs because of technological progress, and training and retraining centers with new employees to develop new skills for other employment.

I will ask that that be included in the record.

Senator YOUNG. Without objection, that also is so ordered.

Senator RANDOLPH. I will direct that it be included at this point.

(The newspaper article follows:)

[From the New York Times, July 23, 1968]

AUSTRALIANS ADOPT AUTOMATION POLICY*

SYDNEY, AUSTRALIA.—Australian employers have laid down a broad policy concerning changes in employment brought about by technological advances, the Australian Information Service reports.

The Australian Council of Employers' Federations, in a policy statement, said it had considered the questions of dismissals and redundancy because of changes in production methods and locations of industry.

The policy calls for a hiring program that anticipates changes in employment, a provision of help in obtaining alternative work for people laid off because of technological progress and training and retraining centers to allow employes to develop new skills for other employment.

The council said that industry, unions and the work force must try to understand the problems inherent in a world of industrial change if changes were to be introduced without hardship.

Senator RANDOLPH. Mr. Secretary, you said that you felt that in degree another White House Conference was just a cane on which to lean and perhaps that it will be a process of futility. I am not trying to overstate what you said but we must break through these stereotypes you brought to our attention this morning.

Is it not conceivable that another White House Conference might help us to make this breakthrough? Would you comment on that?

Secretary WIRTZ. We support the White House Conference. If asked officially for our position, that would be the answer. I think the answer to your question should be "Yes," Mr. Chairman, and let it go at that.

Senator RANDOLPH. Off the record a moment.

(Discussion off the record.)

Senator RANDOLPH. I am very glad that Senator Young from Ohio will be able to chair the hearing until 11:15 and then Senator Miller of Iowa will chair it from 11:15, or approximately that time, until its conclusion. We hope to finish by 12:15 or 12:30.

Mr. Secretary, in your testimony you state:

Next January the Congress will receive our recommendations for changes in the age limits in the Age Discrimination Act.

Which way?

Secretary WIRTZ. Down. Down has been the principal problem.

You will remember in the enactment of the legislation last year the question arose as to what we would do about other age discrimination matters and the whole matter was dramatized, in fact, I should say glamorized, by the airline stewardesses. That matter was more or less passed over and it has been a matter of continuing attention and argument and concern, and it is only one of a number.

*See p. 29 for additional discussion of this article.

A similar problem arises in connection with the established traditional practices in apprenticeship, in the skilled crafts of having age requirements of one sort or another. Those are the problems we are looking at particularly.

Now the matter of lifting the upper age limit is also before us. I do not mean to preclude that and it might be that we would come in with something on that, too.

In answer to your question, it has been these other matters that have most occupied us so far.

Senator RANDOLPH. Thank you, Mr. Secretary.

Senator YOUNG (presiding). May I add that I feel I profited from listening to your testimony and from reading the statement of your testimony. I am very happy, Mr. Secretary, I am able to be here and listen to you. I congratulate you on the fine statement you made to us. Personally, I wish you Godspeed and happy landings in all things.

Secretary WIRTZ. Thank you.

Senator YOUNG. I am going to be around a couple years longer than you may be although I hope you will be here throughout the 4 years commencing January 20 next provided you wish to be.

Secretary WIRTZ. Mine was a personal, not a party, prediction.

Senator YOUNG. Is there anything further you wish to tell us this morning?

Secretary WIRTZ. No, Mr. Chairman.

As you know, arrangements have been made for five of those who are on the firing line in the Department of Labor—they are doing the firing; I am not—to be here as a panel and they will fill in the details. So that would conclude my statement.

Senator YOUNG. I understand they will be here tomorrow morning.

Secretary WIRTZ. Yes.

Senator YOUNG. Thank you very much.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the Secretary. Questions and replies follow:)

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, August 27, 1968.

DEAR MR. CHAIRMAN: This is in response to your letter of August 3, 1968, requesting written answers to seven questions, dealing with services to older workers. My answers are enclosed. If you wish any additional information, I shall be glad to supply it.

Thank you for your generous remarks concerning Secretary Wirtz's appearance before your Subcommittee and Senator Kennedy's Subcommittee on July 24, 1968.

Sincerely,

JAMES J. REYNOLDS,
Acting Secretary of Labor.

[Enclosure.]

Question 1. While the "Age Discrimination in Employment Act of 1967" does not prohibit age discrimination in employment of those who are over the age of 65, do you believe that other provisions in that act could assist in employment of workers over that age? Might not the education and research authorization in sec. 3 of that Act facilitate employment of that age group?

Answer. We believe that the education and research provisions of the Age Discrimination in Employment Act will have a material impact on the hiring of people 65 years and over, even though such people are not protected by the Act. The educational authorization was sought and will be used to assist in eliminating unwarranted prejudicial assumptions about the effect of age on the capacity of individuals to work effectively. The resulting enlightened view will

tend to increase the employability of those over 65 as well as younger workers.

If penalties under the law for discrimination against workers between 40 and 65 years of age were the only means of bringing about changes in employment practices, the law would not substantially help those older workers who are eager and able to work but whose ages are beyond the limitation of the Act. The educational provisions, in our opinion, offer much hope for dispelling false opinions, attitudes and beliefs about declining ability which are associated with the advance of age.

Question 2. Can the Department of Labor provide technical advice and assistance to an employer who needs such assistance as job redesign to comply with that Act? For example, assume there is an employer who until recently refused to hire anyone over 40 because there are certain duties connected with each job in his concern which he believes would be too strenuous physically for those over that age. Now, assume that he is willing to hire employees over 40 if someone competent to redesign jobs for older workers will help him in job redesign. Could and would the Department of Labor help him by either (1) providing him, without charge, the job redesign advice and assistance he needs, or (2) advising him where he can obtain such advice and assistance?

Answer. The Department of Labor's U.S. Employment Service and affiliated State Employment Services know the methods and approaches used in job analysis, a prerequisite for job design, redesign, and restructuring to identify job content, relationships and requirements. This includes a capability to analyze physical and mental demands of a job and to relate these to the capabilities of a worker.

Such information may be used in persuading an employer to make adjustments in hiring requirements and in job content to permit hiring and utilization of handicapped workers, older workers and those with limited education.

State employment services, to the extent of their limited staff resources who have job analysis capability, have provided valuable assistance to employers in connection with job modification; however, ES staff are job analysts, not industrial engineers who have a much higher competence in the industrial processes. The Department at the present time does not have the staff to furnish engineering help. A few examples of ES services are described below under the heading, "General Examples of Job Restructuring."

During Fiscal Year 1968, 8,667 technical assistance contacts were made through the Employment Service to serve employers. If additional resources had been available, many more employers who had asked for assistance could have been provided these services.

To summarize: the State Employment Service can help an employer by providing him without charge with information and assistance, based on job analysis capabilities, to the extent that resources are available to meet demands. When such assistance is not available, Employment Service staff can often give employers information about the kind of technical assistance needed but they would not offer advice about sources of engineering help because of the implication of Government recommendations and possible favoritism.

General Examples of Job Restructuring

Analysis of jobs which require both set-up and machine operation may suggest the desirability of separating the set-up responsibilities from machine operation, thus creating the lower skilled job of machine operator which can be learned in a relatively short time. An examination of the set-up jobs may also enable a separation of set-up tasks into those demanding considerable experience and training and those which require simple machine adjustments or easy replacements. Thus, the set-up job may be subdivided into two levels of skills. There are other factors which must be considered, however, such as use of down time, monotony, and the impact on worker morale.

Materials-handling jobs are in part dependent upon the use of physical strength interlinked with skills which require considerable training. In such cases, mechanical devices such as hoists, cranes, and so forth, permit fairly simple job modification through the introduction of equipment to take over the physical part of the job.

Job restructuring may also be accomplished by employing subprofessionals to perform certain tasks of professionals. Technicians, for example, may relieve engineers of certain duties requiring minor skills.

Job analysis will show whether jobs contain unrelated elements which should more logically be parts of other jobs. A buyer, for example, may be doing considerable clerical work, or a professional may be doing simple routine compila-

tion of data, or a foreman may be spending considerable amounts of time on clerical work.

Industry, during World War II, developed considerable experience and skill in the restructuring of jobs, especially with respect to alteration of physical requirements to encourage the employment of women and men who did not meet the physical standards.

Job restructuring has the dual effect of making optimum use of manpower in fields of scarce supply, and of putting to work many people who otherwise could not, in a short period of time, qualify for higher skilled jobs.

Question 3. In your oral testimony, you showed great enthusiasm for education for the elderly, and great faith in their capacity to benefit from additional education. Do you believe that providing them such educational opportunities could enhance their employability as well as enrich their lives generally?

Answer. Yes. I do believe that both material and intangible benefits can result from education at any age. A major purpose of education is to enable us to lead useful and rewarding lives. There is no reason to doubt that education in this regard is just as important and useful in the case of older workers as it is for the younger ones. Both the young and old face the serious challenge of updating their skills and knowledge for their present occupations; and older workers encounter special barriers when, either by choice or by the force of circumstances, they embark on a second career. Education will not only provide a means of meeting these challenges, but will inspire in the older person that special confidence which comes from participation in an educational process which both young and old rely upon to equip themselves for today's world. This participation can be both rewarding in the practical sense and an enriching experience in a much larger sense irrespective of material gains.

Question 4. Do you believe that an effort should be made to provide additional education and training to recipients of unemployment compensation, to give them something worthwhile to do while they are unemployed and to reduce their chances of again becoming unemployed later in their working careers? If so, what would you recommend that we do along this line that we are not already doing?

Answer. There are several aspects to the answer to this question.

Half of the States now have provisions allowing recipients of unemployment compensation benefits to take training and draw unemployment insurance. In other States under traditional concepts of "availability for work" under State unemployment compensation laws, a claimant in a training course rather than in job hunting, would usually be considered unavailable for work and not entitled to unemployment compensation. Even if he could pass the availability test, traditionally he would be disqualified if he did not quit the training course to take an offered job.

Recognizing that, under some circumstances, the most effective approach to reemployment would be training, the Department has been urging the States with stringent laws as to compensation eligibility to amend or interpret their unemployment compensation laws to permit a claimant to take training, which has been approved for him by the agency, and to continue his benefit eligibility without requiring him to look for or accept work until he finishes the training course.

In 1966 and subsequent years, the Department proposed an amendment of Federal law which would have required a provision in State laws for continuing unemployment compensation rights irrespective of training, as a condition for tax offset credit under the Federal Unemployment Tax Act.

A large percentage of unemployment insurance beneficiaries, of course, do not need training. In 1967, at least four-fifths of the individuals who drew unemployment insurance benefits were unemployed on the average, less than 5 weeks at a time and not more than about 9 weeks for the year. These figures indicate that in periods when the economy is thriving, most individuals who draw unemployment benefits do so during periods when they are either frictionally or seasonally unemployed and that they return to work in their customary industries and occupations, if not to the same employer, when work again becomes available. Most beneficiaries in this category do not require training.

Other employment insurance beneficiaries, particularly those who draw all, or nearly all, their benefits, represent more serious problems. Probably many of them could benefit from training or additional education, while others may need some other assistance in getting back to work—job counseling and testing, help in moving to another area where suitable work is available, or medical and other rehabilitative services to enhance employability.

The number of insured unemployed who would require such assistance is too large for their needs to be met by MDTA or by existing resources of the Employment Services. Within the limits of present resources of unemployment insurance, beneficiaries do receive special services. It would, however, take substantial additional resources to provide for the needs of all the insured unemployed who could benefit from special help and who would want to take advantage of such help. A program of this kind would be useful and the Department is working out such a program for inclusion among any improvements of the unemployment insurance system that may be proposed.

Question 5. You mentioned that the Department has conducted a broad educational campaign to familiarize employers and other individuals with the provisions of the Age Discrimination Act. For our files, may we have copies of all documents already distributed.

Answer. Attached are copies of all documents already distributed to employers and other individuals in connection with the Department's broad educational campaign to familiarize them with the provisions of the Age Discrimination Act.

(1) The Age Discrimination in Employment Act of 1967; (2) U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, part 860 (29 CFR)—Interpretations; (3) U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, Part 850 (29 CFR)—Records To Be Made or Kept Relating to Age; Notices To Be Posted; Administrative Exemptions; (4) U.S. Department of Labor, Wage and Hour and Public Contracts Divisions Publication 1234, Official Poster; (5) U.S. Department of Labor, Wage and Hour and Public Contracts Divisions Publication 1234, Memorandum to Employers, Employment Agencies, and Labor Organizations; (6) The Aged Discrimination in Employment Act of 1967, U.S. Department of Labor, Wage and Hour Public Contracts Divisions Publication 1230, Phamphlet; and (7) La Ley de 1967 Contra Discrimen por edad en los Empleos, U.S. Department Labor, Wage and Hour Public Contracts Divisions Publication 1235, Pamphlet—Spanish translation.

Not included are press releases, classified ad inserts, memoranda to editors, radio and TV scripts, radio and TV tapes and records, and a color TV slide nationally distributed and extensively used by the same mass media.

Question 6. In addition to distributing publications on the Age Discrimination Act, do you also plan to call employer conferences to discuss the bill and other questions relating to the hiring of older workers?

Answer. Numerous speaking engagements have been filled and numerous seminar sessions and similar meetings have been held throughout the country by WHPC personnel in the field and national office during the past few months. The Administrator and members of his staff have participated in many of these meetings.

A continuing program of contacting employers, employment agencies and labor organizations is being vigorously followed to publicize the Age Discrimination Act and secure compliance with it. In addition, each investigation for compliance with the Fair Labor Standards Act involves an investigation as to compliance with the ADEA where the employer is covered by that law.

In the course of a year WHPC will investigate about 75,000 establishments under FLSA and of that group about 20,000 or 25,000 will be covered by ADEA.

Question 7. You will recall that I discussed a New York Times article describing efforts by employers in Australia to implement broad policies related to change caused by automation. Have similar efforts been made in this nation? Would they, do you think, be advisable and productive?*

Answer. The involvement of employers in the implementation of broad policies concerning changes caused by automation, as you pointed out has been done in Australia, would be extremely worthwhile. In this country individual employers are adopting and applying such policies in their own establishments. In some instances, employer and management associations are making efforts to bring employers together and organize thinking around the problem of employment adjustments to automation.

Government could constructively take a more positive leadership role in encouraging employers to develop policies to ease the jolt of automation on workers.

The Department of Labor has been working successfully to secure the assistance of private employers in the solution of other national manpower problems. The outstanding example of this is JOBS (Job Opportunities in the Business Sector) spearheaded by NAB (National Alliance of Businessmen).

Senator RANDOLPH. The subcommittee will listen to Allen R. Dodd, contributing editor of Marketing and Communications.

You may proceed, Mr. Dodd.

*See p. 25 for text of article.

STATEMENT OF ALLEN R. DODD, CONTRIBUTING EDITOR, MARKETING/COMMUNICATIONS

Mr. DODD. Thank you, Senator.

Senator RANDOLPH. Your complete formal statement will, or course, be included in the permanent record which is the subcommittee and our committee whether you skip any part of it or not and proceed to testify on that. You may go ahead just as you wish.

Mr. DODD. Very well, sir.

For the record, my name is Allen R. Dodd. I am a columnist and contributing editor for Marketing/Communications magazine.

I am also the author of a novel entitled "The Job Hunter," which is a story of the problems faced by a middle-aged executive who is seeking employment.

(The prepared statement by Mr. Dodd follows:)

PREPARED STATEMENT OF ALLEN R. DODD

My name is Allen R. Dodd, Jr. I reside at Beechwood Street, Thomaston, Maine, and I am a columnist and contributing editor for Marketing/Communications Magazine, which is the successor to the old Printers' Ink Magazine. I am also the author of a novel entitled "The Job Hunter," which is a story of the problems faced by a middle-aged executive who is seeking employment.

This book was frankly fiction and frankly emotional in tone. I am not an expert in personnel matters or employment problems. I am a writer and my purpose as a writer was simply to call attention to the unhappy position of the middle-aged white collar worker. The term "middle-aged" applies broadly to people 40 years of age and older and by "white-collar worker" I mean business and professional people, the people who are generally classed as administrative or supervisory personnel. This would include office workers, the men and women who are loosely termed "executives", salesmen, technicians—virtually everyone, in fact, from the corporation president to the foreman.

Such people stand on very shaky ground in this era of rapid change. They may be the victims of mergers or consolidations or reorganizations. They may even—as much as any machine operator—be pushed out by automation. Automation implies something more than merely plugging in machines; it may mean restructuring a company for automated operation and eliminating jobs at several levels in the process. Jobs can also be eliminated by changes in a firm's marketing policies; the emphasis may be taken away from certain departments and given to others. The British have a word for this process; they refer to jobs becoming "redundant."

In whatever manner the white collar worker loses his job, the community assumes that he is well off and can take care of himself. He is likely to hold the same assumption himself—at first. Later on, through bitter and humiliating experience, he may come to the conclusion that he is bucking forces considerably beyond his control. Much later on, I might say, because instances of unemployment for a year or a year and a half or more are not unusual.

I don't pretend to understand these forces, I can only offer some speculations about them. First, I think, the trends which made this individual's particular job redundant may extend through an entire industry. If he is out one place, he is out everyplace. Second, he may not realize himself that as he worked his way up in the world, he was also working his way into a more specialized position and, therefore, narrowing the number of jobs available to him. Third, he is not an experienced job-hunter. If he has held his job for 10 or 12 or 14 years, he is out of touch with today's employment market. Finally, he encounters what has been called "the racism of age." And, believe me, it is no more pleasant for him to have doors slammed in his face for purely prejudicial reasons than it is for any other member of any other minority.

The impact of this treatment on the victim can be tragic. He may shoulder this emotion burden personally, and come to the conclusion that something is wrong with him or that he is all washed-up and no longer has a place in the community. He may lose confidence in himself and his own abilities, he may lose confidence in other people or in his community. He may feel he has been

simply used and then tossed aside and he may become cynical about the community's values. And it is obvious, I think, that such problems can put a tremendous strain on family relationships.

There is, for such people, an added problem. Their jobs vanish, but their commitments continue, frequently at a high level. As odd as it may sound, it can be as difficult to climb down in our society as it is to climb up—even if you have to. In April, the man who has been out of work for six months must meet the tax obligations he incurred while he had a job the previous year. Mortgage payments continue at the same level, so do property taxes and life insurance premiums and so on and on. This follows him into his job-seeking for employers are suspicious of someone who is willing to take a major pay cut. In addition, he may not have the training for a lower salaried job.

I do not know how many such people there are in the United States at this moment, but the problem—in any event—extends beyond those who are actually unemployed. There are others who are technically employed, and do not appear on the unemployment rolls, but who have been forced to take jobs far below their capacity. And there are still others who live with no sense of security, jumping from firm to firm at every real or fancied threat to their position and wondering how long they can go on jumping. To give you the flavor of this sort of existence, I'll quote briefly from an advertisement for a job counseling firm: "Do you hate Monday morning? Friday night: well, you survived another one, but just barely. Still wondering who's going to make the first move, you or the management. If your work week is something to sweat out rather than sail into, maybe it's time you did something before something else is done to you * * *." That was part of an ad for Bernard Haldane Associates on page 16F of the New York Times for July 7.

I have been asked, "Why should we worry about well-off, middle-class people when we face urgent employment and job training problems in our cities?" Well, one obvious answer is that a man is only well off until he runs out of money, and you can get very badly off if you are out of work for a year or more. A second answer is that any human being is under-privileged if he is denied opportunity for an arbitrary reason. These people have a human right to opportunity, plus the added claim of 15 or 20 years of hard work to earn that right. But—most important—I do not think we can afford to throw away the services of skilled men and women.

When I use the word "skills" I mean especially those attributes which can only be gained by painful experience—judgment, for example, the capacity to get things done, resourcefulness, tenacity, understanding of people and events, the knowledge—based on experience—that if one path proves impossible another can be found. These qualities do not become outdated simply because somebody changes a wiring diagram and we need them today; we cannot afford to waste them.

Secondly, we seem to be shortening a man's working life while we are extending his total life span. In an era when it is commonplace for people to be alert and capable at 80, we are saying that a man is too old to be useful at 40. If we assume that a man begins his career at 23 or 24—after his education and military service—and that he encounters this age problem at 40, then he has just about 16 years—16 years out of a possible total life span of 80 or 90 or even a hundred years—to succeed or fail.

Now this small bit of arithmetic leads to another possibility which I also find frightening. If the older worker is to face increasing insecurity, then the principal burdens will fall on the employable and higher-salaried young. I suggest that this would be an ironic outcome to our efforts to create more opportunity for young people. In addition, I am not sure how much such opportunity is worth if it merely puts young people on an escalator which will carry them up for a few years and then dump them out of a window to fall back to the basement again.

ANTIDISCRIMINATION LAWS EVADED

We do have anti-discrimination laws and I think they are important as a statement of community principle and as a means of cracking down on open prejudice. However, such laws are relatively easy to evade, especially in this field where the choice of a man for a job may rest on intangibles.

In any event, I believe that such laws are only a starting point, and I would offer two recommendations for the next step.

First, I think we should try to find out why such attitudes exist and how they are connected with other social or economic problems. For example:

1. In our anxiety to help youth, have we unwittingly established a youth vs. age conflict or have we made it safer or more profitable or more socially-approved to set up age as a criteria for hiring?

2. Do we—as a society as well as employers—know how to use what the more mature man or woman has to offer?

3. What stereotypes or beliefs exist in employers' minds about the worker over 40? Do they believe such a person might be out of date, too rigid in his or her thinking, too involved in his own family problems and so on?

4. Is this problem connected in any way with the speed of our technological development? Is there anything inherent in current economic trends or marketing techniques which tends to militate against the older person?

I would like to see a study conducted at a basic level, possibly by economists or similar experts, aimed at these questions. I might say that, to my own considerable surprise, my book—"The Job Hunter"—was published in a French edition and serialized by the French magazine "L'Express." In its introduction, "L'Express" estimated that there were some 50,000 executives out of work in its own country. From this I surmise that at least a part of the problem may be inherent in an industrial society and not necessarily peculiar to the United States.

Second, I have become increasingly interested in what might be called, for want of a better name, "the second career." Let's take, as an example, an industrial salesman who began his career at 24 and is now 44. During this 20-year period he has learned the nuts and bolts aspects of his business, which are specialized. But he has also learned other things which are universal—he has learned how to sell, he has learned how to approach people and deal with them, he has learned how to analyze problems and provide service, he has learned how to handle emergencies and even how to anticipate them. And he still has as much time ahead of him as he has behind him—at least 20 good years. If he is redundant in his own profession, is there any reason why these valuable attributes—and this valuable time—could not be built into a second career in some other field? Could it even be possible that, in our speeded-up world, a man or woman could and should have two careers in one lifetime, working in areas where youth is an asset when they are young and then taking their talents and experience to some area where maturity and judgment are valued?

On a practical level, this is a solution which many middle-aged job hunters have actually applied. In most cases, I believe, they didn't plan it that way. They simply took a job because it was available. Once in this job, however, they may discover that they are well suited for it and can be happy in their new career. It's usually difficult, but it does work. A small, struggling company may get a man it needs and could not normally attract. And a man, in return, may get the opportunity to put his skills to work again, the opportunity to resume his place in the community and perhaps even the hope of advancement.

I have often wondered if this "second career" principle could not be explored and, possibly, put on a more organized basis. Perhaps, as I just suggested, small companies and skilled men could be brought together; perhaps there are "second career" opportunities in public service or education, perhaps there are parts of the country where skilled people are in short supply. And—please—do not overlook the fact that middle-aged people may have fresh ideas which have been developed out of their experience and which they are itching to put into action.

In this connection, I might point out that they represent a truly lost generation. They began their careers at a time when the community demanded maturity in somebody who held a responsible job; they reached that maturity just as the community began demanding youth. They were too young right up to the moment they became too old.

Speaking very generally, I do not believe that job re-training programs are necessary or desirable for a majority of white-collar workers. Given an opportunity and a bit of understanding, they can re-train themselves on the job. I would rather see a re-training program for employers, to free them from label-thinking and teach them how to use the human assets outside their doors. Most of these people do not need to be sold to anyone or forced on anyone; given half a chance, they can sell themselves. What they do desperately need is understanding and a fair hearing, unshadowed by age prejudice.

ADDITION TO PREPARED STATEMENT SUBMITTED BY ALLEN R. DODD, JR.

In listening to the testimony presented to the Subcommittee, I think there is one point which I did not make strongly enough myself and was not touched upon extensively by other witnesses. I am referring to the pressing need to preserve the older worker's skills.

In the first World War, the average age of a fighter pilot was about 19. By the second World War, this average had risen to the 20's; in the Korean war it went up to the late 20's and 30's. One of the first astronauts we placed in orbit was 40. As speeds increased, the average age of pilots curved upward.

Why? Simply because the speeds went beyond any human reflexes. It was no longer enough to think and act quickly; it became necessary to think and act ahead.

We might also note that the highway accident rate is highest in that group of our population which has the best eye-sight, the quickest reflexes, the best general physical condition. Again, at modern expressway speeds, it is not enough to get out of bad situations. The driver must avoid getting into them and this puts a premium on judgment.

I believe these two examples can be applied to a speeded-up industrial technology. The faster this becomes, the more important it will be to think and plan in advance. The computer has made it possible to assemble information at unprecedented speeds and store it in unprecedented amounts. As a result, American industry is drowning in information; it has more data than it can digest. In the end, I believe, it will have to fall back on mature human judgment to make intelligent use of this ocean of material. And the community, in general, will need this mature judgment to deal with the accumulating social consequences of technology.

Will this judgment be available when we need it?

Mr. DODD. As you noted, I have already submitted a prepared statement to the subcommittee. There are, I think, just two or three points in it I would like to emphasize, if I might.

One is that I have concentrated on the problems of what I call the white-collar worker. This is a very vague term. I have said in my statement this includes office workers, the men and women who are loosely termed executives, salesmen, technicians—virtually everybody in a corporation from the President down to the office manager, foreman and that sort of thing. These people have a very real problem and I believe it is one which has not been generally recognized.

The so-called blue-collar worker who is automated out of a job at least goes out on the street with one advantage which is that the community is aware of his problem. He has what can be an extremely valuable thing for a man seeking employment; he has a reason for being unemployed.

I don't believe that it is widely enough recognized that the effects of technology can extend upward. The people who fall in the white-collar category are very much on their own when they go out to seek employment. We have no middle management equivalent of the term "technological employment."

We need widespread recognition that changes in procedure—this can be actual automation changes in administrative procedures, marketing procedures, that sort of thing—can, in effect, automate the white-collar worker out of a job. He faces this problem very much as an individual.

As I have said in my statement, he is likely to do that psychologically. He is likely to take the burden on himself. This can be an

extremely tragic thing for the individual man whose reaction can be a feeling of being washed up or being through or being discarded or being unwanted by the community, possibly of being inadequate.

That was one point I wish to emphasize.

The second point which I have also made in my statement is that I believe this is a tremendous loss to the community. I believe that we are throwing away skills which we will very badly need. I think in the pride of our technology we have come to believe that certain basic things acquired through experience are no longer important. I think they are terribly important. I think that in the future we will have to come back to them even more to control our machines.

I listed such things as judgment, capacity to get things done, resourcefulness, tenacity, understanding of people, and events, the knowledge that if one path proves impossible in any situation another can be found.

Finally, I said at the end of my statement that I would like to see a retraining program for employers to free them from label thinking and teach them how to use human assets which are outside their doors.

Since Senator Randolph touched on this point quite strongly just a few minutes ago, I would like to myself. I am not always sure with all due respect for the skill of many personnel people that they are always quite aware of what they are turning down.

I would like to associate myself very strongly with Senator Randolph's remarks on the person in the personnel office, possibly a younger person who sees merely a man who may not be technically up to date and may not realize that he is turning down an application from a man who could be of great value to his firm.

There are just a couple of other things.

I mentioned in my statement that I was quite interested in the so-called second career possibilities, and since I have prepared that statement last Sunday, July 21, the New York Times carried an excellent article on this subject by Damon Stetson which I would like to call to the subcommittee's attention.

Senator YOUNG (presiding). Do you have that statement with you?

The reason I ask, if you obtain a copy of it we should be glad to have it inserted in the record as a part of your remarks.

Mr. DODD. I have a clipping of that article, yes, sir, which I can leave.

Senator YOUNG. Unless there is objection, in connection with your remarks that will be inserted in the record of this subcommittee and, of course, then it will be read along with the other testimony by all members of our subcommittee who are not able to be here today, who are in other committees, and in due time it will be referred to by members of the entire committee.

Mr. DODD. That is fine, sir. Thank you very much.

(The article referred to follows:)

[From the New York Times, July 21, 1968]

LIFE BEGINS ANEW WITH A SECOND CAREER

(By Damon Stetson)

A California aeronautical engineer, fed up with the pressures and red tape of his big company, quits his job and goes back to the university to become a teacher. A Navy commander in his mid-40's retires from service and decides to become an Episcopal priest. A Staten Island teacher, described as tremendously competitive, leaves teaching to sell commercial real estate in Manhattan.

In today's affluent society, interlaced with critical social problems, such mid-course career changes appear to be increasingly common.

The patterns of mid-course career changes are too varied to be precisely defined, but the trend appears to be clear.

The current affluence, manpower shortages in many fields, changing technologies, earlier retirement, the availability of training and education—all are factors influencing men and women in all walks of life to reassess their futures and perhaps take a new tack in a more challenging and satisfying career.

"The two-career life, like the two-car garage, is beginning to become a part of the American scene," said Frank Coss, vice president in charge of research for Deutsch & Shea, specialists in manpower and personnel.

Technology A Factor

Prof. Allan H. Stuart of the School of Continuing Education at New York University, cited the technological developments in such areas as computer programing and systems analysis as factors promoting change.

"It's amazing to see the parade of men between 35 and 50 who come in wanting to change jobs," he said. "Some of them feel obsolescent and want to be updated. Others have become financially stable, their kids are out of college and they're looking for a more exciting, more stimulating job for their later years."

Dr. Victor Fuchs of the National Bureau of Economic Research also observed in an interview that in a prosperous, full-employment economy, career change is more feasible and less of a risk than it used to be.

The reasons for these changes are diverse and complex. In some cases, men in their 40's become frustrated with dead-end jobs, realize that they will never become president of the company, editor of the newspaper or the top account executive. They decide to kick over the traces, get out of the "rat race" and try something they have always wanted to do.

Women Active, Too

In addition, thousands of women are entering the marketplace to take new jobs as the demands of their families lessen—and to help put their children through college.

But for others the motive for a career change is more altruistic. Many, for example, have turned to jobs involving service to others—such as the Peace Corps or the International Executive Service Corps, which sends executives—both active and retired—to foreign countries to provide management skills, for struggling businesses.

In 1964, William Dretzen was general manager of the Queensboro Motors Corporation, at that time the largest Volkswagen dealership in the United States, with annual sales of nearly $5-million.

"I was well rewarded," he said recently, "but somehow I felt it didn't matter in the bigger scheme of things. I felt that at some point everyone should put his life where his mouth is."

He recalled that both he and his wife were caught up in the "Kennedy mystique" and wanted to do something for their country and for people. Because of these strong feelings he gave up his job at the end of 1964 and joined the Peace Corps in March, 1965, at a fraction of his former salary.

Mr. Dretzen, his wife and three daughters went to the Cameroons in Western Africa. They returned to the United States last August. The executive, who is 42 years old, is now special assistant to Miss Josephine Nieves, regional director of the Office of Economic Opportunity.

"My wife and I feel strongly," he said, "that our Peace Corps experience was the most satisfying and at the same time the most frustrating experience we've ever had. It got us involved and we still are."

Some men motivated by a desire to be of greater service to a generation faced with critical social problems shift their career focus drastically but stay in the same occupational area.

John U. Monroe, former dean of Harvard College announced in March, 1967, that he was resigning to devote full time to the education of struggling students at Miles College, a small Negro institution in Birmingham, Ala.

The 55-year-old educator emphasized at the time that he did not want anyone to think he was making a great sacrifice.

"I see it as a job of enormous reward," he said.

Farewell to a Dull Job

The position a man takes after he leaves college may provide a good income, but prove uninspiring and dull.

Frederick Byrne, 49, father of six children, was for years a successful salesman of men's and boys' underwear, but he never could get enthusiastic about his job. "I never really cared," he said. "It seems to me you ought to be imbued with a love for your product and the process of selling it. I wasn't."

Six years ago Mr. Byrne was elected a trustee of the public library in Mount Kisco, where he lives. He became interested in library operations and eventually decided he preferred library work to selling.

He had made enough money so he could take time out to spend a year at the Columbia University School of Library Services. He is now assistant librarian at Columbia's Graduate School of Business Administration.

Mr. Byrne's salary is considerably below what he earned as a salesman, but he is happy in his new work. "What really matters," he said, "is that I'm now doing for a living what I would be willing to do for nothing."

The Physical Aspect

Men often tire of a job, find its physical demands excessively arduous, and look to new and potentially profitable fields.

Peter Karavitis, now 51, bought a vending-machine business in the Westchester area eight years ago. He has been working with 30 service clubs in the area and has placed candy machines in locations throughout Westchester and Dutchess counties. The clubs cooperating with him have received 20 per cent of the sales—amounting to more than $35,000 a year.

Mr. Karavitis grew tired of the constant travel involved in the vending-machine business, but felt sure the many contacts he had made would be valuable in a new job. He is now in the process of selling his business and expects to go to work soon for a well-known stock brokerage house.

"I never thought that I would be able to do this," he said, "I've always been interested in stocks and I know I'm going to like the new job.

Dr. John E. Bourne, assistant dean of the School of General Studies at Columbia University, declared in an interview that half the career opportunities available did not exist 20 years ago.

With such changing work and economic patterns, he said, many people become interested in new careers that appear more attractive, but that require further training or education.

"As a result of modern communications," he said, "people tend to dream a little more than they used to. And because of the general affluence, many are secure enough to get by for a year or two while they prepare for another career.

These people are not escapist, they're venturesome and idealistic, a little dissatisfied but setting superior goals for themselves."

Dr. Bourne, who has been in charge of the New Careers Program at the School of General Studies, reels off a list of examples of career shifts to service occupations:

David Felix, a former financial writer and public-relations man who has completed courses at Columbia for a Ph. D. in history, is writing his dissertation, and is teaching history at Bronx Community College. A woman who had worked in radio and advertising who is now studying art and plans to teach; a trans-Atlantic airline pilot, now 31 years old, who took premedical courses at Columbia while still flying and is now in his second year of medical school.

Morton Feren, president of Marshall Leeman & Co., specializing in executive career advancement, said the least of the reasons for major job changes was money.

"It's frustration as much as anything," he said, "It's lack of opportunity for promotion, lack of recognition."

He cited a young Amherst graduate with an outstanding academic record who went into department-store work. By the time he was 33, he was merchandising manager for one of the city's largest stores, but as an ambitious individualist with many independent ideas he was not happy.

After consultations with Mr. Feren, he decided he would do better and be happier in his own enterprise. He is now running an importing business.

The early retirement age of police and firemen and men in the military services has been particularly conducive to a second career, made more secure of course, by a substantial pension.

Dominick DeLorenzo, 46, is a retired fire captian from Roslyn Heights, L.I. He had always had an interest in history and after retiring he entered Columbia's New Careers Program. He is now a full time student, working for his Ph.D. and planning a second career as a history teacher.

James J. Quinlivan, now 47, spent 21 years in the New York City Police Department, working mostly on traffic problems and safety enforcement. He retired last October.

He had no desire to vegetate in a rocker, so began immediately to look for a job. He answered an advertisement and got a position with the Long Island Rail Road as a clerk coordinating reports on personnel expenses and overtime charges.

"I don't make quite as much money as I did in the Police Department," he said, "but there are fewer tensions and I'm glad I made the switch."

Prof. Alan Gartner, of the New Careers Development Center at New York University, said that the poor and even the jobless are finding new lives as service agencies are established and old ones restructured.

He told of a mother who became a teacher-helper; a jobless young man who became an aide at a neighborhood service center, and a man who assisted in the Head Start program for pre-school children.

"The areas of greatest economic growth are clearly going to be in service areas," Professor Gartner said, "This means new types of jobs."

Van M. Evans, vice president of Deutsch & Shea, said that in today's generally wealthy society the risk has been taken out of most second career ventures.

Mr. DODD. Also, purely as a matter of interest, I have another clipping which I ran across on the plane coming down here in reference to the remarks I just made on the value to the community of the older worker. This is from a magazine called Air Progress and it is from a column in it. I will read from it, if I may. It says:

A friend of ours, who has many aeronautical developments to his credit, including a patented wingflap which saw much success on heavy aircraft during World War II, feels he has done more real work in the past 10 years—he is now 73—than in the previous 20.

It does not give the man's name—

Charley reports that he has worked out a slow flight device; it gives more than 64 pounds lift per square foot.

It goes on to list several other technological accomplishments. That was interesting because here is a man who has produced things and I feel that there are possibly many other similar things which might be lost to the community if the person were not capable of breaking through this age prejudice or getting a job where he would be enabled to produce such work.

Senator YOUNG. Have you read everything that is important in that last article?

Mr. DODD. Yes; I have, sir. I just skipped over some technical matters.

The main point that interested me was the man's remark that he feels that he has done more real work in the past 10 years, which, according to this, would be between ages 63 and 73, than he had in the previous 20.

Senator YOUNG. If I understand the import of your testimony, Mr. Dodd, and I am sure I do, the point you are making is that when we assist middle-aged people with their employment problems we are also benefiting young men and young women.

As I understand it, the conclusion from your testimony so far is that we benefit young ladies as well as young men by relieving them of the burden of helping the middle aged by helping members of their families or as taxpayers and that we are also helping the younger by assuring them a more secure middle age when they, themselves, reach that stage.

Mr. DODD. Very much so, Senator. I do feel that the work of this subcommittee can be as important to the young as it is to the older person for the reasons I gave in my statement which you just summarized very well.

It is a painful fact, I think, that the young don't remain young and in a very short time from now they may be facing these problems themselves.

WORK LIFESPAN DWINDLES

As the Secretary commented, and again I feel this is an important factor in this matter, we are extending the physical lifespan and at the same time we seem to be cutting the working life. If these two ages draw apart a man's total lifespan and a man's useful working lifespan, I don't think it is at all extreme to say that we may face a situation where a man may face an entire half century of trying to support himself in a society that regards him as surplus.

Now if we have a large unemployed or unemployable or underemployed population, it would seem to me that naturally the burden of many of our society's problems are going to fall on the younger people which, as I say in my statement, I think would be an ironic outcome to our efforts to provide opportunity for younger people.

Mr. ORIOL. Mr. Dodd, may I just ask you a question?

Mr. DODD. Certainly.

Mr. ORIOL. You have in your statement several questions about certain attitudes toward aging.

I think you heard the Secretary say that research funds are provided under the Anti-Discrimination Act and it would seem that this act could be used to get some of the answers that you would like to see.

One thing that is of special concern is in your book which was written about New York State people at a time after an antidiscrimination law was on the books there. You gave examples of the way it is possible to avoid complying with the letter of the law even while you are clearly evading it. I take it you think that this is an especially important area, too.

Mr. DODD. I think it is an important area. The antidiscrimination laws as to age in employment, at the time I wrote my book New York State did have and still does have such laws. There are, of course, many ways these can be evaded. There are probably hundreds. Possibly the simplest thing is that an employer can simply go through the motions of interviewing everybody. A man might be certain that he has been rejected because of his age but there is no suitable way to prove it.

INTANGIBLES IN EMPLOYER JUDGMENT

Also, as I said in my prepared statement, in responsible jobs the question of who is hired among the applicants frequently rests on intangibles and an employer could not always explain himself why he picked one man over another. These will include not merely a man's demonstrated experience that is on the record but the employer's own judgment on how well he will fit into the company and how well he will work with other people, how well he will be able to handle problems coming up in the future, and so on and so forth.

These are matters of individual judgment and there can be many legitimate decisions made by an employer along these lines. He may just feel that a certain man is highly qualified but might not fit in with the people that he is going to have to work with which is quite a legitimate reason for picking one applicant over another.

In most cases, I might add, it is not a question of hiring one man or not hiring him; it is picking one out of three or possibly out of 10 or 12 applicants. There are other things. The word of job openings can be spread by word of mouth rather than advertised.

In any event, again, as I said in my statement, while I regard these laws as very useful and very important, I do believe that they are only a starting point. I don't believe that you can accomplish anything with a law. I think that a law can help people who are determined to accomplish something by giving them legal tools with which to work. I don't think the law can create anything.

Mr. ORIOL. You also point out in your statement that, to judge by the sale of your book in France, older creative unemployment is not a problem limited to this country.

Mr. DODD. That was my own conclusion. I was quite surprised when it was published in France and quite well received. I quoted an estimate made by the editors of L'Express, which is a Paris magazine, that they had some 50,000 people of roughly what might be called executive rank out of work there. It seems to be a problem inherent in a technological society.

Mr. ORIOL. I have no other questions.

Mr. MILLER. Inherent in a technological society, which fails to recognize the changes which technological improvements impose upon society in the way of obligation; is that not correct, sir?

Mr. DODD. Thank you very much. That is the case. You have a whole subject here, of course, which could be gone into exhaustively.

It is a cliche to say that sometimes our machinery runs ahead of our ability to adjust to it. The main point which concerns me is that while this is a quite well-known problem in some areas, it does not seem to be appreciated in other areas so much.

We are quite aware, for example, of the impact which automating a plant that makes shoes has on the people that used to make shoes by hand.

We have not yet caught up with the impact that automating or computerizing, say, a research firm can have on people who used to do the planning, so to speak, by hand.

As I said in my statement, automating is more than simply a matter of plugging in the machines. Your company has to be reorganized for automated operation, and this can go right up the line. You can not only remove the worker that actually ran the machine but you can remove the supervisor that used to supervise him and the secretary that used to work for him and people that used to do the typing. Everybody that was connected with the operation can go.

Senator YOUNG. Thank you very much for your testimony.

I feel you have been a very impressive witness and I really have not any further questions. We appreciate your being here.

Should you upon reflection wish to add anything to your testimony, just write to Chairman Jennings Randolph of this subcommittee and that will be inserted in the record.

Mr. DODD. Very well, sir.

Thank you very much for giving me the opportunity to speak.

Senator YOUNG. You have been helpful. Glad you have been here.

Mr. DODD. Thank you, sir.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You made several recommendations for potential research projects. Do you believe that Federal agencies should undertake such research, or do you believe that private industry or private organizations could take on some of the responsibility?

For example, you very forcefully made the point that little thought is given to the effects of automation upon administrative personnel. Might not the National Association of Manufacturers or another national organization be an appropriate sponsor of a study on this subject?

2. If you can possibly give us additional information on practices used to evade anti-discrimination laws, we would like to have it for our hearing record.

(The following reply was received:)

Answer No. 1. I believe such research should be Federally sponsored in its initial stages. Once some initial findings were made, they could then be turned over to private organizations for application.

Private industry could do such research, of course, *provided* it could be persuaded that a problem exists. At the white collar level, however, there is still a widespread assumption that "we have an affluent society and any good man (or woman) can find a job easily. If they can't, there must be something wrong with them." In practice, the employer may think "If this man were any good, he wouldn't be applying for a job." If he does have an opening, he tends to look for a replacement among people already employed, rather than among the unemployed. In other words, the very existence of the problem acts as a barrier to its solution. I believe this is a circle which could best be broken from the outside. The main purpose of the research could be to persuade industry that a problem does exist.

I believe some aspects of the problem might include:

A. The increased pace of industrial change—mergers, consolidations, new methodology, etc.—which has simply thrown more people on the job market.

B. The tendency of white collar workers to become more specialized as they become older.

C. The difficulty of fitting higher-paid, more experienced workers into an organization. (To borrow a military analogy, it is easier to find a new assignment for a corporal than a colonel.)

D. What I call "automation thinking" (it has no other label that I know of), which appears to be a belief that set procedures can be worked out to meet contingencies and that people can then be trained in those procedures, thus eliminating the need for individual judgment. I'm not even sure this is done consciously. In computerizing operations, it is necessary to state problems in terms which can be fed to the computer and some managements may simply fall into this habit of thinking.

E. The "unemployed" stigma mentioned above.

F. Age prejudice, which might be inadvertently stimulated by our emphasis on youth.

G. Emphasis on training rather than education or experience; technology itself rather than its application to human ends; procedures rather than applications and, in general, means rather than ends.

H. The practice, to which Sen. Randolph referred during the hearing of July 24, of putting younger people in charge of hiring. Apart from their inability to assess experience, there is the simple fact that no executives are stupid enough to hire people who might displace them. A 30-year-old executive who has five years' experience with a piston ring company is hardly likely to hire a 40-year-old man who has spent fifteen years with General Motors.

These observations could be incorrect or there could be other factors, which is why I suggested that economists or psychologists—people outside the business framework—might be able to identify and label some of the barriers affecting the white collar worker, as we have already identified and labelled some of the barriers facing the slum-dweller or the blue-collar worker. Once this has been done, the findings then could be turned over to private organizations for implementation, as they are now implementing programs for disadvantaged people. I believe such findings, if published, could be helpful also to the man who may be job-hunting for the first time in 15 years.

In my mind, the most important single point is that *experience which is outdated in one field may be vitally needed in another.* This holds out hope both for people seeking jobs and jobs seeking qualified people. Such jobs and such people do find each other now, but mainly through luck, circumstances or unusual energy or imagination on one side or the other.

A. An employer may simply go through the motions of interviewing everyone (or having his personnel department do it). This can be as simple as just handing every applicant a form to fill out which is, in effect, accepting an application.

B. News of job vacancies, or forthcoming vacancies, can be spread by word of mouth rather than advertised or turned over to employment agencies.

C. Requirements can be laid down for personal attributes or training which have the practical effect of eliminating older applicants. For example, it would not be illegal to specify "unmarried" applicants in an ad, but it would turn up a preponderance of younger people.

D. Jobs themselves can be downgraded. That is, if an older man resigns or retires, the assumption is that the opening will be filled by a man of similar experience. But the company can divide the responsibilities or reorganize the post into a subordinate position which legitimately calls for a younger man.

Answer No. 2. This is a difficult question to answer for three reasons: *First,* most means of evasion could also be legitimate practices. As an example, word of forthcoming openings often leaks or it's quite natural for an employer who needs, say, a confidential secretary to ask colleagues for personal recommendations rather than taking somebody off the street. An employer also might specify "unmarried" legitimately for a job that involved travel or long hours. *Second,* prejudice can be unconscious. The employer seldom decides that he will hire or turn down an individual; he usually is in the position of picking one applicant from eight or ten with similar qualifications. In this instance he could easily persuade himself that A appeared more intelligent, ambitious or trustworthy than B and that the fact that B was older had no bearing. *Third,*

as I mentioned in my original testimony, most white collar jobs involve intangibles which would be impossible to define in a court—and so on. In the last analysis, there is no need for elaborate evasions; the employer can simply take in fifty applications, pick one and defy anyone to prove that age played a part in the decision.

As I mentioned in my prepared statement, I believe in anti-discrimination laws as a statement of community policy and as a legal tool which can be available if needed, but I think they are a starting point, not a solution. I still pin my faith on finding the causes of the problem and persuading employers that they need the older worker.

I also believe that, eventually, they would come to that conclusion themselves, but I don't think we can wait.

Senator YOUNG. Mr. Louis Levine, professor of economics, Institute for Research on Human Resources of Pennsylvania State University, will be our next witness.

You may proceed, sir.

STATEMENT OF LOUIS LEVINE, PROFESSOR OF ECONOMICS, INSTITUTE FOR RESEARCH ON HUMAN RESOURCES, PENNSYLVANIA STATE UNIVERSITY

Mr. LEVINE. Thank you very much, Mr. Chairman.

Let me say at the outset that I appreciate the opportunity to appear before this group and to commend it for engaging in a very worthwhile and still, in my estimation, wholly unrecognized serious responsibility that confronts the American people.

I listened very carefully to the remarks which Secretary of Labor Wirtz made and I endorse them wholly. I could not begin to equal the felicity of his expression.

By way of introducing myself, I am now and have been for the past several years professor of economics at Pennsylvania State University and associated with its Institute for Research on Human Resources.

Before that, for a great many years in the Federal Government I directed research and statistics for manpower and labor marketing studies and for unemployment insurance—the Federal-State unemployment insurance system and the public employment service.

Then, for a little over 4 years, I was the Director of the U.S. Employment Service.

So, my experience runs over a rather considerable period of time.

I might say to you that within a few days I shall be approaching my 61st birthday, but it is not for that reason, however, that I am appearing here. Much of what I have to say I would have said and did say as a matter of record long before I was 45 years of age.

Senator YOUNG. After all, at 61 you are just a youngster.

Mr. LEVINE. That is right, sir.

I might also say, Senator Young, that I had the privilege of obtaining my Ph. D. degree at Ohio State University more years ago than I want to think about.

Seriously, I should say that the first problem I find in viewing the economic circumstances and problems that surround the older—worker—and I use the expression "older worker" only because that is the way it is commonly used—that the older worker is caught in a "no man's land." He is caught in a psychological attitude that "older" means no longer a part of society or that "older" means some form of income not related to work, a form of retirement benefits or social security income. That is one extreme.

At the other extreme, the older worker is caught in the crossfire of the great priority and the great premium which is placed on youth in our present-day society. It is a rather interesting commentary that we are living in a period when experience is not an asset; indeed, in many instances, is regarded as a liability.

Even young engineers only 6 or 8 years out of college are brought back to college to learn the language of still younger engineers coming into the work world for the first time, who will talk a language different than that which they have learned in college in another period.

Now, that is with respect to the kind of thing that is going on. The consequence is that instead of a society in which the wise man was the old man, now the wise man is the young man. I think this is somewhat unfortunate and is carried perhaps to extremes. In other words, age becomes an anchor to develop a mooring instead of a beacon to guide and fix one's bearings, and this, I think, is unfortunate.

Over and above this crossfire in which the older worker is caught, he also finds that he is a part of the population which is relegated to the sidelines and that he lacks the means, the structure, the organization by which to bring his problems to public attention.

I commend the Congress on the enactment of the Discrimination in Age Act of 1967, but I hasten to add with the Secretary of Labor that this really does not mean a great deal. You will not accomplish much for older workers by approaching the problem negatively in terms of what can't be done. Much more needs to be looked into in positive constructive terms about what can be done for older workers; and it is to that that I would like to turn my attention this morning, if I may, Mr. Chairman.

I would like to start off first by saying that it is unfortunate that almost all of the data presented with respect to problems of employment, unemployment, duration of unemployment, income, and so on, when classified by age, creates a category 45 years of age and over. This means that people 90 are lumped with people at age 45. It is bad enough to lump people in any category, since people should not be pigeonholed.

Limitations in Statistical Categories

Statisticians—and I spent a lifetime as a statistician on labor force and labor market data—realize full well that people should not be pigeonholed, but still for handling of statistical data in some manageable fashion one does set up classifications. This assumes homogeneity but there is no homogeneity between the worker 45 years of age and the worker 65 years of age. Indeed, one could almost take individual years and set them up as categories.

At least more meaningful, it would seem to me, would be to talk about the worker 45 to 54 who, for all practical purposes, is identical with workers under 45 except for the prejudices that exist in the hiring process. Then the workers 55 through 59, who are in a gradation stage, so to speak, approaching the ages which now are being recognized as retirement ages with retirement income.

Then certainly a category of 60 through 64, and then at 65 and above which should be broken out separately.

I merely say that the data that are presented to the public should distinguish between these age categories insofar as they bear on employment and unemployment participation rates in the labor force, duration of unemployment and income levels and sources of income.

I think it is unfortunate that the worker between age 45 and 64 is caught in this no man's land of not being considered for retirement income and therefore must participate in economic activity in order to live, on the one hand, and yet not being considered in terms of employment opportunity and employability, which must be the basis in order to obtain nonretirement income wages.

On the other hand, it is a rather interesting commentary that almost all of the legislation enacted between 1961 and the present time bearing on the problems of the poor, the disadvantaged, the racial minorities—all concerned with problems of employability—have only given passing reference to the so-called older worker.

Even where the reference is in the law it is not recognized in implementation, whether it be in the Manpower Development and Training Act, whether it be in vocational education and higher education legislation, whether it be in the legislation that is administered by the Office of Economic Opportunity.

The older worker falls, therefore, between three Federal agencies, each of which professes a great concern for him, each of which frequently lacks the resources to carry out the concern it professes and sometimes fails to cooperate with the other.

I would include in these the Department of Labor, the Department of Health, Education, and Welfare, and at the present time the Office of Economic Opportunity.

So much for the general framework.

Now let me turn to another problem that I see with respect to the older worker; namely that there has been too much concentration on studies and research with respect to the characteristics, the attitude and the views of older workers, but too little study with respect to jobs and job opportunity for the absorption of older workers in the economy.

Job "Diagnosis" Is Major Need

Another way of saying that, and I don't want to be misunderstood because there is a danger of overdramatizing, we have placed great emphasis on counseling with respect to older workers, and we still don't have the counselors we need, but there continues to be great emphasis on the diagnostic process of the older worker and his problems.

We have not placed sufficient emphasis on the diagnosis of jobs and that is work that is carried on by the occupational analysts, and there are very few of them in the United States, unfortunately.

The whole question of job redesign, of job reengineering, of breaking down jobs into component elements and tasks, which will permit the older worker to participate in employment, this has not been done adequately at all.

The whole study of occupations in the United States is typical of the history of the United States, of how to get from the log cabin to the White House. It is always climbing the occupational ladder.

Almost no attention has been given to how one descends the occupational ladder gracefully. What are the related occupations from which one can descend and utilize stored-up knowledge and experience

and make useful contributions in the economy? This has not been done and needs to be done.

Senator MILLER (presiding). May I ask a question?

Mr. LEVINE. One more point, if I may make it, Senator Miller, and then I will be through.

I would like to say that with respect to the older worker and the problem of income maintenance for the older worker we need to reconsider how much of that income shall be in the form of wages derived from traditional jobs of an employer-employee relationship and therefore largely in the private sector of the economy, and how much of the income shall be related to another form of socially useful and desirable economic activity, but not traditionally jobs of employer-employee relationship.

Then the third category of income would be the income that is derived from retirement where he is no longer an older worker but has moved out of the economy.

Senator, I made this rather lengthy statement because in my previous conversation with the staff director I had indicated that I could not present a prepared written statement and therefore would ask for the privilege of presenting my views orally at this session.

Thank you very much.

Senator MILLER. Thank you.

I didn't intend for a question at this point to interrupt the rest of your statement but I did want to ask the question on your point that not enough consideration is being given to the treatment following the diagnosis; namely, the opening up of job opportunities and so on.

Now, the staff has given me an organization chart of the Department of Labor which shows categorization of various functional activities which I interpret as being on target with your recommendation. Let me give you an example.

Now, the Assistant Secretary of Manpower and Manpower Administration has the U.S. Employment Service program; the community and training program; concentrated employment program; working Senate program; on-the-job training program; job opportunities in the business sector; research, experimental, and demonstration program; research and education programs authorized by Age Discrimination in Employment Act of 1967; and special assistance for older workers.

Under the Assistant Secretary for Wage and Labor Standards there is a Women's Bureau which has the employment of older women as one of its functions. It seems to me that your recommendation would already be covered by the functional activities in the Department of Labor or at least looking at the paper.

Mr. LEVINE. I am glad you added that last sentence, Senator. You are more familiar and better informed than I am with the realities of Government structure and organization and the use of titles.

EMPHASIS, PRIORITIES ON YOUTH

As a matter of fact, in the list of titles for the organizational structure under the Assistant Secretary for Manpower, only the last two presumably openly deal, even by title, with older workers. All the other programs were programs designed essentially for the hard-core

unemployed and the emphasis and priority is on the youth in the inner city.

Now, I can't add at all to what the Secretary of Labor said. I believe you were not here at the moment when he indicated that he had no resources really now for the implementation of the newly enacted legislation on age discrimination and that he would, in his words, have to steal from other places in other parts of the organization in order to carry on this activity.

The simple truth is that while we have made very considerable headway in moving on the problems of the older worker from appeals to sentiment and emotion to a recognition that there is a basic economic significance in this problem, we have done very little to implement going about that economic significance. That is largely what the central core of my plea this morning is, Senator.

Senator MILLER. I think it is well for you to bring out that criticism. I must say that my reaction is that I would be very unhappy in the thought that the U.S. Employment Service is not giving its fair share of attention to the older workers, especially those who are unemployed.

Mr. LEVINE. Senator, I can only speak out of my own experience. I was associated with the U.S. Employment Service in the War Manpower Commission during the war days and forward into about 1965 and was its Director for a little over 4 years before I left the Federal Government to go into academic life.

I, too, am making that transition of entering the older worker stage. I well know that the people in the Employment Service have been very sensitive and conscious of the problem of the older workers for some 25 years or more. The resources were never adequate to the doing of the job.

Some 8 or 10 or 12 years ago, we began to designate what we called an older worker specialist in the local office. What can one man do in a huge industrial complex in a local office? As a matter of fact, merely the designation of an individual to concentrate on the problems of an older worker is not enough. There is needed also professional capability and competence and training, and this is an extremely difficult problem.

The problem of the older worker is not merely economic; it is social; it is psychological. The problem is not with the employer alone; the problem is not with jobs alone. Very often, the problem is with the worker, himself, in terms of his attitude toward society and jobs.

Senator MILLER. That is true when it is covered by the diagnostic.

Mr. LEVINE. That is covered by the diagnostic but the other part is not covered.

Senator MILLER. But would it be helpful for the Secretary to promulgate some regulations or policies which would give some emphasis to this area which might not be the case now? For example, you indicated that your reaction to many of these, although not most of them, was that they were oriented toward doing something about the hard-core unemployed or more oriented to the younger unemployed workers. That is a policy matter.

Now, if the Secretary determines to alter that policy by saying he is going to concentrate on all of them and you are going to concentrate especially on doing something about the older workers, that might

change the direction of some of the activities in these various subagencies.

Mr. LEVINE. I am quite certain that the Secretary of Labor is aware of that problem. I know that he, himself, has looked at the statistics over the years of the number of people who receive manpower development and training fund assistance, for proving employability, only to discover that the number of older people receiving such training were disproportionately small in comparison to their numbers in the labor force.

But the emphasis in the local community and the emphasis in the pressures that exist in terms of what hits the headlines—and I hate to say deadlines; unfortunately sometimes death is associated with those headlines—focuses on youth.

Even in the area of looting, if that is the way to get attention, you have youth. You don't talk about older workers looting—thank the Lord; I should add.

Senator MILLER. What I am getting at is that recognizing the validity of your criticism and your suggestions, what can the Congress do that the Congress has not already done? I just view this off the top of my head. It would seem that one thing might be for the Secretary, himself, to promulgate some policies which would put some changed emphasis on the activities being carried out by these various categories that I have read. That would be one possibility.

That is an administrative matter which Congress, of course, could draw attention to and make some recommendations on. But what can the Congress do that we are not already doing on this?

Mr. LEVINE. I would agree with your suggestion, Senator, except to add this, if I might: That in addition to anything that is promulgated or anything that is carried out administratively there are resources required to carry them out. Those resources have not been made available in any proportion corresponding to the gravity of the problem.

Without meaning to draw invidious comparisons or distinctions—I don't have those in mind—I am nevertheless aware of the very considerable assistance which has been rendered by the Congress in appropriation actions, if you will, sir, with respect to the subject of vocational rehabilitation.

I have not seen the equivalent of that with respect to assistance in employment and employability and rehabilitation, if you will, sir, for older workers. Until that comes about, I don't believe more promulgations, more general statements, more public speeches, more national conferences in themselves will do this.

NONGOVERNMENTAL RESPONSIBILITIES

I should say, too, that even to carry out the responsibility outside of Government—and I think there is a great responsibility here that lies outside of Government in two categories, if I might say, Senator: One, with respect to employers, the employing segment of our economy. The statements of policy made by heads of corporations with respect to hiring of older people are probably not known or there are serious barriers of communication; let me put it that way; when it comes to the actual hiring of older workers in the front office or by the yardboss or the unit supervisor.

The need for creating awareness on the part of industry and indeed assisting industry in the employment of these people, should equal what the Government is doing in assisting industry in employment of the hard core. The JOBS program with which you are familiar, Senator, is not especially for older people; it is more likely to be directed to hard-core youth.

Senator MILLER. Why?

Mr. LEVINE. Because the legislation has the focus of the Economic Opportunity Act. Most of that legislation on employability is 16 through 21. Sure, there is some reference to the older worker there, but it is a kind of passing thing.

When amendments were introduced to develop concepts of new careers and upgrading of people, even there more thought has been given to the younger worker than to the older worker. New careers are not thought of for older workers. It does not sound sensible to talk of a new career for the older worker, and yet that is precisely what many an older worker is faced with when there is a corporate merger, a moving of a firm out of the city, obsolescence of skill or technological displacement.

Senator MILLER. Then you really are saying that there are two answers; one is the resource side?

Mr. LEVINE. Right.

Senator MILLER. And that could come from Congress; it could come from a reshuffling of resources available to the Secretary.

Mr. LEVINE. Yes, sir.

Senator MILLER. And the other is perhaps for Congress either in the legislation, itself, or in the committee reports accompanying the legislation to give more emphasis to this area.

Mr. LEVINE. Yes.

May I make one supplement, Senator Miller?

When I talk about putting resources to work on this problem outside of Government, I am firmly of the belief that a major resource is the older worker, himself, the volunteer and the worker who, with some little supplementation—assistance and supervision or training by such people as in the Public Employment Service—could do much in the resolution of the problem, but even that takes some money.

I am not talking only about adding people to the public payroll to assist the older worker. I am saying a small addition of money to the public payroll will amplify and multiply through the assistance of non-Government people in the local communities to go a long way to the resolution of the problem.

Senator MILLER. I have derived considerable benefit from your testimony and your responses to my questions.

Senator Yarborough of Texas has joined us and I don't know whether he would have any questions to Dr. Levine at this point or not.

Senator YARBOROUGH. No; I have not, Senator Miller. I have been to three other committee meetings this morning. We are all spread thin just as you are running this one by yourself. I was the only Senator present at two of those; I had to wait until one adjourned before I could go.

So, I come late not because of lack of interest in this subject; I have a great interest in it. My experience in life, and I worked here for 11 years and had the privilege of being the author of the bill to pro-

hibit discrimination in the employment of people 65 years of age—it became law last year. I have just been reading Secretary Wirtz' comments on that bill this morning.

I understand, Dr. Levine, you didn't have a prepared statement.

Mr. LEVINE. That is right.

Senator YARBOROUGH. So, not having that to scan through, I have no questions.

Mr. LEVINE. You are just lucky.

Senator YARBOROUGH. I didn't hear your statement but it will all be printed and we will examine it then before we make our recommendations.

Senator MILLER. Suppose we move on and see if the staff has questions. If my colleague would like to ask questions before we excuse the witness, then we will come back to him.

Does the staff have any questions?

Mr. ORIOL. Professor Levine, you made a strong recommendation that more occupational analysts be provided. Two questions.

I am not quite clear how other service would be provided. Would it be provided through the employer; would it be provided on a general information basis?

The second question is, where might the support for creating this core of occupational analysts be located, in the Government or private sector?

Mr. LEVINE. Now for 30 years the U.S. Employment Service has had published a dictionary of occupational titles covering some 23,000 or 24,000 or more occupations. This is probably the most monumental and outstanding piece of literature in this highly specialized area in the world; and other nations have come to study and copy from it, the International Labor Office at Geneva and many foreign countries.

DICTIONARY OF OCCUPATIONAL ANALYSTS

In order to prepare the Dictionary of Occupational Titles, occupational analysts have studied jobs and job processes and the work setting and the types of materials and the requirements, technical and educational and skill, that are necessary and have defined these jobs. These jobs have been classified into categories of various kinds.

The occupational analysts have in the main been working for the Dictionary of Occupational Titles; there has not been enough of them; they have not been really directed to studying jobs in terms of the personnel management process.

Now, government is rather reluctant to intervene in employment processes of an establishment once the individual is employed. The Employment Service stands ready to offer its assistance to an employer when the employer calls for it, or sometimes the employer will place an order with a local employment office. The employment office will, to the best of its ability, screen and select individuals and refer them out to the job opening.

After discovering some six or seven people have gone out and not one of them has been hired, they get worried so then they might send an occupational analyst out, if the employer would permit, to see whether they have been missing something, you see. That is using

occupational analysts then in the placement process when problems arise.

The use of occupational analysts in the analysis of jobs with respect to the potential for the hiring of older workers for the dilution and breakdown of jobs into lesser skills—because the most highly professional job in the world has a lot of nonprofessional content in it—indeed, one of the problems we face today with our registered nurses is that so much of their time is used in counting bandages and keeping records instead of nursing. These are all tasks that could be assigned to others, you see.

So it is with respect to the older worker. Now, this takes some money. You have to hire some people; you have to train them in this thing.

Industry will increasingly find, as it has already, that it must have occupational analysts for itself. When it gets into job evaluation and fixing of salaries and wage scales and collective bargaining, the analyst is a fairly key person. So they are beginning to learn this. If they carry out part of the bargain which they are entering into this year as part of this program, JOBS in the Labor Department, they will have to use occupational analysts on their own payrolls more and more.

Mr. ORIOL. Perhaps I can just pose this question to you and hope for a reply in writing.

This year's manpower report to the President has this paragraph in it:

> The new older workers service units represent the most concerted effort since the late 1950s to expand employment services for this group. There are arguments for and against the concept of specialized older worker units. At the end of 1967, the Department of Labor was in the process of consulting employment service officials, older workers and business and community leaders with the aim of evaluating these units and other services to older workers.

Is there a comment you would like to make now?

Mr. LEVINE. I think I can dispose of it rather quickly and then if there is something that needs to be placed in the record to supplement it, I shall be glad to do so.

I was associated with the Employment Service in those years. I know well the experience that took place there when I directed the studies that were concerned with the older workers.

VARIATIONS IN SPECIALIZATION

The problem of differentiation among staff to concentrate on older workers as a specialized group has, as you have just read, advantages and disadvantages. You can fragment a local office to the point where all kinds of specialists develop their own specialties, jargon and clientele and work at cross purposes and then nobody benefits.

Or you can develop some kind of concerted effort in which you bring specialization to bear on those aspects which require specialists and still use the generalists to advance the total objective.

For example, I do not see a specialist for the moment, at least I don't see a specialist for contact with employers—to make contacts exclusively for older workers in job solicitation. It is sometimes a stigma and hurtful to the older worker to have him tagged that way.

If you went to the employer only for older workers, the chances are you would be doing the worker a disservice. So, you want to broaden

your contacts with employers, you want to show them the potential for hiring people without focusing on age but focusing rather on experience.

One thing an older worker brings to a work force is stability, and many an employer needs it badly when his work force is made up of a lot of young people with a lot of horseplay and a lot of lost motion.

So, there are ways of doing this. One cannot give a single answer; one needs to differentiate as to under what circumstances to use the specialist and what circumstances not to use the generalist.

Senator YARBOROUGH. I would be interested to comment on that, Mr. Chairman.

One of our colleagues in the last 2 or 3 years, running for reelection of the Senate, was over 65 and he had a young and handsome opponent who ran against him on the ground that his opponent was too old and that he had youth and vigor and drive and new ideas. The incumbent Senator ran almost solely on experience and the value of having experience personally and he triumphed; it was not a party matter; it was a party within one party and this was the issue. It was interesting to see how the public responded. He won out on the value of experience where the man can do the job.

Senator MILLER. Then perhaps the professor will make an exception in the field of politics.

Senator YARBOROUGH. Well, he didn't raise that issue first. His opponent made it the issue of running on youth and vigor so he responded. He didn't agree with the issue.

Mr. LEVINE. I don't profess to know anything about politics as an occupation, sir; I won't pass any judgment on that.

Senator YARBOROUGH. What did you say?

Mr. LEVINE. I said, I don't profess to know anything about politics as an occupation, sir; I won't pass any judgment on that.

Senator YARBOROUGH. I thought you said you didn't recommend politics and I was ready to concur.

Mr. MILLER. Mr. Chairman.

May I gather that in that list of 23,000 or 24,000 occupations, politics is not included?

Mr. LEVINE. That is right.

Senator MILLER. Any further questions?

Senator YARBOROUGH. I would call politics an activity, not an occupation.

Mr. LEVINE. It is a way of life.

Senator MILLER. Thank you, Mr. Levine. Good to have you here.

Mr. LEVINE. Thank you.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

Question 1. You make a powerful case for abandoning the "over-45" catch-all statistical classification and using more appropriate descriptions of differing age groups in statistical discussion and reports.

What would be appropriate steps that can be taken by the Department of Labor or other Federal agencies to implement your suggestion? Should changes be made in procedures for taking our diennial census in 1970 to help overcome the problems you describe?

Answer. Most studies and surveys yielding data classified by age, derive the information from inquiries calling for "date of birth." It is possible, therefore, to tabulate and disseminate the information for any specific age class interval

desired. No change in the procedures for taking the diennial census in 1970, so far as collection of the information is concerned, is needed to overcome the catch-all "over 45" statistical classification. There is need, however, to arrive at an agreement in the Bureau of the Census and in all other Federal agencies tabulating and releasing population, labor force, employment, unemployment, income and related data that age data should not be published for a category "over 45." The lack of homogeneity and the wide variety of different problems contained in such a category tend to conceal rather than disclose useful information. While the organization of statistical data on the basis of age will undoubtedly call for various class intervals, depending upon the special purposes to be served, there might be agreement that such data released to the general public might be classified into the following: Age 45–54; 55–59; 60–64; over 65.

Except for discriminating biases and prejudices affecting the hiring process, there is scarcely any distinction between workers in the age groups 45–54 and 55–59 and those in younger ages so far as labor force participation rates are concerned and the view that wages derived from employment in the job market is the prime form of income and the basis for maintaining living standards. It is true some decline in participation rate develops with age progression in the second category. The prime reason for identifying this age group, however, and the next one (60–64) is the significance of industry responsibility in its personnel management practices for preparing workers for retirement. The "over 65" group has a distinctly lower labor force participate rate and is characterized by large numbers of retirees from the job market who view annuities and pensions as the prime sources of income, rather than wages. As statutory retirement ages for social security benefits are lowered, there will develop increased interest in the category "over 60" as representative of the group.

Question 2. If, as you say, "the older worker falls . . . between three Federal agencies" which sometimes fail to cooperate with each other and also lack the resources to serve the older worker adequately, what is to be done? Are you suggesting that one department or program be designated to deal with all older worker problems? Or are you saying that more resources should be made available for the most promising of the programs?

Answer. The major determinant in the location of program responsibility for older workers as between various Federal agencies should turn on the status, activity, and problems of older workers and their relevance to the professional competence, resources, and the centrality of program interests of the Federal agency. On this basis, individuals whose economic status and activity turn on labor force participation and active job market competition, and whose problems in this field result from age, might properly expect the U.S. Department of Labor to be the Federal agency most directly capable of providing leadership in the resolution of the problems and the rendition of needed services.

By the same token, individuals whose status and activity are outside of the labor force and the job market, but whose problems relate to health and social services, would expect the Department of Health, Education and Welfare to exercise authority and render assistance in this area. The present administration for aging in the HEW gives rise to some confusion since it is generally regarded as responsible for those in retirement whose problems are not job oriented, but nevertheless, seems to be concerned with job market problems of older workers. There is need for an interagency group with leadership coming from the Department of Labor on employment and job market problems of older workers, as exists in HEW where the focus should be on health, social services, and social insurance.

The proper location of responsibility and allocation of authority among Federal agencies, so far as older workers are concerned, will not resolve the problem. There can be no effective and constructive attack on the wage and employment needs of older workers with additional resources, supported through congressional appropriations.

Question 3. What agencies in your opinion, should study the following problems as outlined in your testimony:

a. The tendency to conduct research on older workers, rather than the number of job opportunities open to them.

b. The lack of information and research on "related occupation from which one can descend and utilize stored-up knowledge and experience and make useful contributions in the economy."

Answer. The relatively neglected area of research affecting employment problems of older workers, in my estimation revolves around the jobs and the work environments which will stimulate and expand the absorption of older workers into employment. The logical agency which has the most expertise and professional capability in this field is the U.S. Department of Labor. Its organization and structure, through the Manpower Administration and the U.S. Employment Service and affiliated State and local employment offices, has the additional advantage that the knowledge gained through the research can be applied in the services and activities carried on in the local communities.

The lack of information available to older workers, personnel officers in industry and professional staff in public and private employment agencies on the occupational transfers and transition which individual workers should make with increasing age is a reflection of the inadequate and almost nonexistent occupational research and analysis in this field. The agency which has the most professional knowledge and direct experience in occupational research is the U.S. Employment Service and its affiliates in the States and local areas. The need for more funds and staff resources directed to occupational research and studies of occupational requirements and performance criteria is not unique to the alleviation of employment problems of older workers. It extends to all manpower development and utilization programs, especially as they apply to hard-core unemployed, racial minorities and disadvantaged, administered by the Manpower Administration in the U.S. Department of Labor.

Question 4. Late in your statement, you suggest that the older worker himself could do much to help resolve problems of older workers. I would like additional discussion on this point, particularly since you appear to suggest that public funds could be wisely and economically used for such purposes.

Answer. Job market and employment problems of older workers are likely to be dealt with more intelligently and effectively, if reliance is not placed exclusively on the efforts of professionals and experts on the public payrolls. The wise and economical use of public funds calls for greater involvement of nongovernment resources to deal with these problems. The self-help efforts of older workers, properly organized and under the tutelage of competent personnel in the employ of the local employment offices, can contribute significantly to employer response and community acceptance of responsibility in easing the employment problems of older workers. Group counseling among the older workers conducted by their own leaders can assist in the mental and psychological attitudes of adaptation to job opportunities which otherwise might be rejected. Relatively small outlays of funds for experimentation and demonstration projects designed to expand the utilization of volunteers and community organizations to assist in these efforts are likely to yield considerable returns for the investment. Especially important in this connection are job development activities, searching out employment opportunities, and improving job search techniques and methods. Industry and employer involvement, both public and private—nonprofit and profit—in dealing with the employment needs of older workers can be greatly expanded at relatively small public cost through programs of voluntary cooperation, somewhat similar to JOBS and the work of the National Alliance of Business. Such efforts need to be directed to local communities and individual employing establishments.

Senator MILLER. Next is Professor Kaplan and Professor Grace. Are both of you appearing together jointly?

Mr. KAPLAN. We are going to present independent testimony.

Senator MILLER. All right.

Mr. Kaplan, you are the first one on the list. Would you please proceed?

STATEMENTS OF OSCAR J. KAPLAN, PROFESSOR OF PSYCHOLOGY, SAN DIEGO STATE COLLEGE; AND HARRY GRACE, PROFESSOR OF MANAGEMENT, UNIVERSITY OF SOUTHERN CALIFORNIA

Mr. KAPLAN. I am very pleased to be here this morning to discuss with the Senators this very important problem.

(The prepared statement by Dr. Kaplan follows:)

PREPARED STATEMENT BY OSCAR J. KAPLAN, PH. D., PROFESSOR OF PSYCHOLOGY, SAN DIEGO STATE COLLEGE, SAN DIEGO. CALIF.

As the span of human life lengthens, the worker in the age range 40–65 may be described as the middle-aged worker, and he or she will be so referred to in this statement. There is much evidence that the worker in this age range is a productive and useful member of the labor force. Indeed, the most responsible positions in our business and industrial establishments now are filled by members of this age group.

Both psychobiological research and employment experience support the conclusion that changes in somatic and mental functions are insufficient to handicap most workers during the age period 40–65. Losses in sensory functions, such as hearing or vision, usually are small and easily corrected by suitable glasses or hearing aids. Losses in physical strength and psychomotor functioning occur, but usually have little or no influence on occupational effectiveness. Evidence is mounting that losses in "test intelligence" during the middle years are small, and may be due largely to failure to exercise the school-related mental abilities which are featured in intelligence tests. Of course, there are thousands of different kinds of jobs, with varying demands upon workers, and some may not be suitable for persons in the fifties and sixties. However such jobs are extremely rare.

Much of the research on age differences has been done in the laboratory, and subjects usually have been asked to put forth maximum performance. The results of such research are not fully applicable to work situations, as almost never does work proceed for long periods at maximum levels. On the job, the output of middle-aged workers compares favorably with that of younger associates. Sometimes middle-aged workers produce more than younger ones by working closer to their capacity as a result of higher motivation and greater experience. The "normal" losses in psychobiological capacities during the middle years usually are small from the functional standpoint, and do not necessarily lead to lowered productivity.

Although there may be some decline in the ability to learn new tasks in the middle years, the loss may be compensated for by high motivation and by the use of appropriate training procedures. There already is a large amount of knowledge about the training of middle-aged and older workers. For example, it has been found that training is more successful if persons are permitted to learn a new task in their own way and at their own speed, if written instructions have been prepared, and if the learner is active rather than passive.

There are a number of factors which make the outlook for middle-aged workers brighter than it has been:

(1) Technological innnovations now make it possible to relieve workers of heavy demands upon physical strength and sensory acuity. Such innovations make it possible for middle-aged workers to fill jobs which formerly would have been very stressful for them.

(2) The redesign of jobs is making it possible to fit jobs to the capabilities of persons with mental and physical limitations.

(3) Middle-aged persons today are healthier than their counterparts in other generations, and it is probable that the middle-aged of the next generation will enjoy better mental and physical health than those now in the 40–65 age range.

(4) The trend toward a shorter work week and longer vacations makes it easier for middle-aged workers to function effectively in their jobs.

ADVANTAGES OFFERED BY OLDER WORKERS

Many studies have shown that the middle-aged worker has character and personality traits which make him a highly desirable employee. He tends to be more reliable, more highly motivated, less mobile, less accident-prone, and less likely to be absent for trivial reasons.

Most of the emphasis in the work of public employment agencies has been on the placement of the jobless, just as most of the work of the medical profession has been in care of the sick. We need to do more prophylactic work in the field of employment, providing counseling and other forms of assistance to men and women before they lose their jobs. Although separation from employment is inevitable for millions of persons in a society as dynamic and changing as ours, much could be done to enable individuals to prepare for new occupations, taking advantage of some of the skills they have acquired. Counseling programs should be developed which would serve upward bound persons as well as those threatened by unemployment.

As serious as the problem of the unemployed middle-aged person is the problem of the employed middle-aged worker who is engaged in a job which is not suitable for him, and which does not fully exploit his experience and abilities. Large numbers of persons in the age range 40–65 are locked into inappropriate jobs by non-portable pension plans, fear of an adverse labor market, and failure to upgrade education and basic skills. Wider acceptance of middle-aged applicants for employment may encourage many in this age range to venture into jobs more commensurate with their abilities. Development of occupational career centers for adults may aid in intelligent planning of self-improvement and personal advancement programs. The freezing of persons in jobs in the middle years is bad for them and leads to a less efficient economy, since human resources are not employed at their highest and best use. One of the important consequences of the expansion of employment opportunities for middle-aged workers may be the increase in voluntary job mobility in this group.

The period immediately following loss of employment by a worker in the age range of 40–65 is psychologically a very critical one. If attempts to secure work are unsuccessful, and particularly if there are alternative forms of support such as a working wife or unemployment benefits, there may be withdrawal from the labor market or only token attempts to reenter it. Everything possible should be done to give maximum assistance to the newly unemployed in the age range we are talking about. Here again broad-gauge adult vocational counseling centers, closely tied into a web of educational psychological, medical, and other services, can be of great usefulness in preventing the loss of potentially employable people.

With the aid of a grant from the United States Department of Labor, and the cooperation of the California Department of Employment, we have been studying the problems of unemployed persons in the age range 40–65 in San Diego, California. We began by making a survey of 1,500 unemployed persons in this age range who had registered at the principal office of the California Department of Employment in our city. Here are some of our findings:

1. Seventy two percent had been unemployed less than three months.
2. Asked why they left their last job, 46% said that they were laid off because of lack of work or because the business had closed; 11% had moved from another area; 11% left their previous job because they had retired from it, or because they had married; 10% left because of temporary ill health; 8% left because they were fired or replaced by others; 4% left to seek better pay or working conditions; and the remaining 10% gave various other explanations.
3. Fifty five percent said that they had not sought employment during the previous thirty days.
4. Asked how many months they had been out of work during the last five years, 29% replied that they had been continuously employed during the period and 23% said that they had been jobless less than six months.
5. Eighty one percent of all respondents said that they had no disabilities or health limitations restricting the kind of work that they could do.
6. Twenty nine percent of respondents said that they were the principal support of children under age 18.
7. Forty two percent of the applicants were female.
8. The educational achievement of the respondents was: sixth grade or less 6%; seventh through ninth grade, 18%; tenth and eleventh grade, 16%; high school graduate, 38%; some college, 16%; college graduate, 4%; and post-graduate college work, 2%. Sixty percent of this unemployed group had at least a high school diploma.
9. The types of work sought were: professional 1 percent; managerial, 18 percent; secretary, clerk, sales, 29 percent; service, maid, waitress, 21 percent; farming, fishing, forestry, 2 percent; processing occupations, 2 percent; machine trades, 7 percent; bench work, 5 percent; structural occupations, 11 percent; and miscellaneous, 4 percent.

10. Sixty-nine percent of the applicants had five or more years of work experience, and only 10 percent had less than a year of such experience.

After an interval of about three months, we recontacted about five hundred of the total group of 1,500. Approximately half of these persons told us that they had found work. We now are in the process of investigating the characteristics of those who found work and those who were still unemployed at the time of our follow-up interview.

Since our survey was addressed to persons still in the labor force and actively seeking work, it does not deal with those who were in the age range of our study but who had given up the quest for employment.

San Diego may not be typical of the nation as a whole, but it is clear that the unemployed middle-aged worker of today is a person with considerable education and work experience.

We are far from the stage where there is not enough work to go around. Mature workers must be enabled to remain in the employed labor force if the nation is to grow and prosper. It cannot be denied that technological advances will reduce the need for persons engaged in repetitive work in agriculture and in factories. On the other hand there is a rising demand for services of all kinds. The average American family still aspires to a better home, another automobile, more household appliances, more comprehensive dental and medical care, more travel, and countless other goods and services. New cities must be built and old ones redeveloped, at a cost of trillions. Millions of Americans must be lifted from abject poverty. Vast programs of research in the physical, biological, and social sciences must be staffed and supported. Educational opportunities must be enlarged for the entire population. Worldwide military commitments, vital to the nation's security, must be met. The underdeveloped nations must be aided, both with dollars and with qualified personnel. The exploration of space must be financed. Retired persons must be enabled to spend their final years in dignity and free of want. It is sheer nonsense to contend that we are running out of a need for workers, particularly if we wish to enjoy a steadily rising standard of living, and if we wish to play our full part in the affairs of the world. Many will have to be trained or retrained, and many changes will have to be made in the organization of the labor force, but imaginative planning and collaboration between government and private enterprise should make it possible to utilize the skills of all mature men and women in this country who are able to work.

There is no excuse for our failure to fully utilize the abilities of middle-aged workers in this country. Their labor is very much needed, and they are competent to do the jobs which must be filled.

Mr. KAPLAN. Several week ago, I was in one of the State capitols and noticed next to the senate chambers a room which carried the designation "First-Aid Room," and it occurred to me that a very large amount of the legislative activity in this country at this time is of the first-aid type.

We are putting out fires as they appear and giving insufficient attention to long-range considerations in dealing with pressing problems.

Senator YARBOROUGH. Was that room for the senators or their bills, that first-aid room?

Mr. KAPLAN. I was not clear on that.

Several years ago, I was assigned the task of drawing up a position paper on older persons in the United States and I was asked to look ahead to the 21st century and to consider the various responsibilities that might devolve upon the Federal Government in the decades ahead, and particularly in the new century.

I came to the conclusion that the most urgent problem in the field of aging in this country at the present time, looking ahead to the fuure, is the problem of the older or mature worker.

I am very much convinced that if we can keep persons at their jobs to retirement, if we can qualify them fully for public and private pensions and for full social security benefits, then we will make an immense contribution to the well-being of this country, as well as to the well-being of individuals.

If we fail to do this, we will find ourselves at the beginning of the next century, which is only 32 years away, with more than 50 million people over the age of 65 with very great demands because they will live in an affluent society and will have expectations far higher than those of older people today. We will find very great demands upon Government and we will find very great cleavage, I believe, between generations.

It is extremely important, in my opinion, to do everything that we can to maintain, insofar as possible, something approaching full employment among persons in the middle years.

I must join Secretary Wirtz in his conclusion that, although what we do now is well-intentioned, much of it is trivial and much of it is not addressed to the most fundamental issues.

Morever, I feel that we should state more clearly what the national purpose is in the area of employment and that we should set as our national goal the objective of something approaching full employment continuously through the worklife span. I think that this is something which is reasonable and something which can be achieved.

We are a nation that soberly plans to put men on the moon and it seems to me inconceivable that we lack the resourcefulness and the intelligence to keep men at work at productive and useful tasks to age 65 or whatever age may be decided upon as retirement age.

"Totality" Must be Faced

Incidentally, we must look upon this problem as a totality and recognize that what we do in one area has consequences in other areas.

For example, whenever we lower the minimum age for Social Security benefits, we have the consequences, as many studies have shown, of in effect lowering work life for the general population or at least a considerable part of it.

I believe very strongly that there is enough work to go around in this country. As a matter of fact, I think that if we have initiative and resourcefulness that we can find far more productive work than is now being done.

In my prepared statement, I have indicated the opportunities and the responsibilities of this country in the years ahead in the field of work. I am very, very sure that if we intend to improve our standard of living, if we intend to play our full part in the affairs of the world, that we are going to need the contribution of every man and woman in this country at least through age 65.

Senator Miller. Incidentally, on that point are you just speaking generally with the request that your statement be put in the record as a complete statement?

Mr. Kaplan. Yes. I do intend to amend it before it is printed, if that is possible, but I do stand on what I have submitted.

Senator Miller. Then the record will stay open until you amend your statement and you can put it in the record as a complete statement amplified by your oral testimony.

Mr. Kaplan. In my statement, and I will not go into it in detail, I present evidence that mature workers, persons in the age range of 40 to 65, generally speaking, are able physically and mentally, to competently discharge most of the tasks that we encounter in the work

force. I draw attention to a number of very favorable factors that have not existed in the past.

For example, technological innovations now make it possible to relieve workers of heavy demands upon physical strength and this makes it possible for many persons who in the past might have been ruled out of the labor force to fill jobs which are quite stressful.

The Department of Labor is to be commended because it has sponsored research on the redesign of jobs making it possible to fit jobs to the capabilities of persons with mental and physical limitations. Of course, many older people are in that category.

Middle-aged people today are healthier than their counterparts in other generations, and I think we can look forward to even greater gains along that line.

I think we should remember that the idea of social security and of retirement age at 65 got started in middle Europe in the last century at a time when life expectancy was very much lower than it now is and when many workers were not able to cope with a long workweek and the difficult conditions of work that existed in that time.

The trend is toward a shorter workweek and longer vacations and this, too, I think, is a favorable factor since it makes it more possible for older persons to handle work assignments.

Just one or two points and then I will be glad to deal with any questions that you have.

Begin With the Employed

I think it is extremely important that we place emphasis on persons who are at work and who are still employed. Just as medicine has focused its attention in the past on the sick, so, I think, in the field of employment we have given primary attention to the unemployed. It seems to me that there is tremendous gain to be had for the country and for the mature worker in seeing what we can do to enhance his opportunities for advancement and to increase his efficiency even though he is still at work and not threatened by unemployment. I think there is a great deal that can be done here.

Another very important area is the area of service to the person who has just become unemployed. I think this is a very, very critical period and I don't think we are doing enough here to help individuals through this period. Now, it is true that we do make services available on a limited basis in many of our communities.

In the community in which I live, we do have some counseling opportunities and there are informal relationships between various agencies, but it has been my observation that there is almost no followup. If a person comes in and registers and does not come back again, he is forgotten. I think that there ought to be more initiative on the part of employment services in staying with individuals who have been reported as out of work, and I think they ought to stay with these people until it is very clear that nothing can be done.

I think that this also provides opportunities for very useful research, recordkeeping on the outcome of these encounters between the newly unemployed and the agencies that serve them.

Senator Miller. Thank you, Professor Kaplan.

Since both gentlemen are appearing on the same general subject, without objection I think we will let Professor Grace testify and then the questions can be directed to either one or both of the witnesses.

Mr. GRACE. Thank you.

Senator YARBOROUGH. Mr. Chairman, I have read through both statements. I am forced to leave. I would just like to make one statement here about a special type of employment.

Like you gentlemen study the public attitudes, in my 11 years in the Senate I have had a good many letters along this line. What sparks my comment is the statistic that Dr. Kaplan has in his statement that in these people seeking work, this older group, this survey that you made, 18 percent were managerial, which is a very high percent of the 100 percent when you take the limited number in the managerial class to be age 40 to 65, and, yet, 46 percent managerial.

I have quite a number of people writing me in the managerial class wanting Federal employment. It is not unusual to say, "I have worked 35 years here and I need something a little lighter; I need a lighter job."

There is an illusion that Federal jobs mean a soft seat and nothing to do.

School superintendents write, "I have had a heart attack, I need a job in Washington."

I have practiced law and I have been a judge and I have done various jobs, taught school; but this is the toughest job, physically and mentally, I have had, without stretching it, since leaving the University of Texas Law School.

There seems to be a public illusion that the Federal job is sitting, doing nothing. Have you ever specifically run into this?

Mr. KAPLAN. I certainly agree, Senator, that public service is a most stressful occupation, and certainly not one for individuals who are faint, either of heart or of body.

Incidentally, Senator, in this survey that we made, you may note that more than half of all the unemployed that we encountered were persons who were high school graduates or better in terms of education.

Senator YARBOROUGH. And 1 or 2 percent were doctors or at least had degrees beyond the bachelor's degree.

I am very much impressed with that fact due to the number of the professionals, only 1 percent; managerial, 18 percent. That means the doctor or the accountant or the dentist has his own office, he could hold on many years beyond the point than if he was working for someone else in the managerial field before he is forced out.

Mr. GRACE. I think, Senator, your statement that managerial people are seeking Federal employment is well made. I think also it would have to be said that for people whose experience has been in general management, or a man who has become the owner and operator of his own business, when either becomes unemployed, it is as if he had no experience. General experience is equivalent to almost zero experience. I think Mr. Dodd's earlier testimony would back up the statement that I have just made.

This is a very difficult problem. People who have been essentially administrative or managerial are not looked upon as having acquired skills as would be true, let's say, of people who have been essentially in staff or technical positions.

Senator YARBOROUGH. That is true if he is one of the professionals.

Another thing they write in, "I have managed this business for 35 years."

They seem to think for the Federal service no experience is required, that if they have done some other job that automatically qualifies them for a high-ranking job. They are not talking about a low G; they are talking about a managerial job, to move into a bureau and run it.

This is an illusion people have, educated people, that it is just a snap to take over a Federal bureau.

Senator MILLER. Thank you, Senator Yarborough. We appreciate your coming here.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to Professor Kaplan:)

1. May we have some additional discussion of your point that: "the most urgent problem in the field of aging in this country at the present time, looking ahead to the future, is the problem of the older or mature worker."

Perhaps you can give us selected excerpts from your earlier study.

2. What is the basis for your statement that: "there is enough work to go around in this country." Are you talking solely about needs in the service area—as indicated in your prepared statement—or do you see opportunities elsewhere? Would you further discuss your statement that "if we have initiative and resourcefulness, we can find far more productive work than is now being done."

3. In urging that we devote more attention to "seeing what can be done to enhance his (a worker's) opportunities for advancement . . . even though he is still at work and not threatened by unemployment," do you envision broadening of general educational resources, or would you like to see a more specialized kind of service offered to older workers?

(The following reply was received:)

1. The most urgent problem in the field of aging in this country at the present time is the problem of the worker in the age range 40–65. The middle-aged worker who is continuously employed during this age period at a job or jobs commensurate with his abilities and experience not only is a productive member of society during his working years, but he is more likely to be economically independent during the retirement period. Prolonged unemployment during the middle years, when most workers still have large family responsibilities, is particularly tragic; it usually also dooms the worker and his dependent to economic distress or poverty in the retirement period.

There are two principal possibilities in providing adequate income for persons in the retirement period (which is lengthening as human life increases): (1) enable persons to provide for their own retirement needs through uninterrupted employment, and through pensions, savings, and investment schemes of various kinds; (2) supply tax funds to the needy through relief programs (however they may be designated). No doubt, some combination of these two sources of income will be necessary for a considerable percentage of the retired population for the foreseeable future, even if we are able to sharply reduce unemployment during the middle years, if aged persons are to participate equitably in the Nation's rising standard of living. It has been forecast that there will be more than fifty million persons over age 65 in this country early in the 21st century; these people now are in middle age or approaching it. We must do all we can to keep these people employed until they are able to qualify fully for social security, private pension, and other benefits, and we must provide additional incentives for voluntary saving and investment. The alternative is a staggering tax-supported relief program, which sooner or later will pit generation against generation in the political arena.

Retired persons have many problems: health, housing, joyful use of free time, and transportation, to name some of the more prominent ones. Adequate income during the post-work period can solve or ameliorate most of these problems. Money give independence and wider choice, and blunts even the blows from which there is no escape. Adequate income often makes it easier to cope with problems generated by ill health. If retired people had sufficient funds, they could live where they pleased, and private enterprise would be highly motivated to develop appropriate facilities. If they had sufficient income, retirees

could travel, buy commercial recreation, and find other diversions now denied to most members of this group. If they had sufficient income, they could buy suitable transportation. Government, of course, can and should do much to encourage the development of suitable programs, and to bring them within the reach of the majority of the elderly. Government has immense obligations and opportunities in serving older citizens, even when most become economically self-sufficient.

For the foreseeable future, there will not be enough money or personnel to fund and staff all the projects and services that should be launched in behalf of the aging and the aged. Those who direct the Nation's efforts in behalf of older persons must decide on priorities. The bowler, with a limited number of throws, must attempt to knock down as many pins as he can with each throw, and this can only be accomplished by knocking down pins which knock down other pins. Keeping middle-aged workers continuously employed at jobs commensurate with their abilities until they reach retirement age is a pin, which if knocked down, will knock down many other pins.

2. The productivity of a country is a function of its natural resources, its manpower, its technology, its economic organization, and, not the least, of its level of aspiration. The United States is the most affluent nation in history, and it has more material things and services than any country on the globe; but potential demand far exceeds all that now is being produced. Tens of millions of Americans would like to have better homes and even second homes, more automobiles, boats, opportunity to travel, and countless other goods and services that they cannot now afford. It would take all the manpower the Nation could muster to satisfy the potential demand for goods and services which now exist, to say nothing of those which constantly are being invented. Business and government must combine to fully utilize the manpower of this country.

If the time comes when there is a true surplus of manpower, the number of hours worked per week could be reduced or vacation periods could be lengthened; those willing to accept earlier retirement with reduced income would have this option. Those who wish to work to retirement age should be able to do so. If this eventually means reducing the hours of work in order to achieve full employment of the labor force, this should be our objective. Our goal should be to enable middle-aged workers to reach the retirement period with sufficient economic resources to provide for their own needs; for most workers in our country, this will be possible only if they remain continuously employed until they qualify fully for retirement benefits.

3. There is need to increase opportunities for self-improvement and vocational advancement in the middle years. Many very able people do not make their fullest contribution to society because they failed to obtain a college education in their youth, often through no fault of their own. Many persons with and without college degrees could sharply upgrade their competence by six months or a year at school. Persons in the middle years frequently are saddled with family responsibilities which makes it impossible for them to go back to school at their own expense. A Government scholarship program for persons in the middle years, based upon competitive examinations, not only would aid gifted individuals in returning to school, but would dramatically emphasize the point that education is also for the middle-aged. Business and industry could be encouraged to upgrade and update the education of employees by Government subventions and/or tax credits, by special arrangements with educational institutions, and in other ways.

There is need for a thorough study of opportunities in this country for self-development and job training after work hours. Night school offerings for many occupations are extremely limited or completely lacking; it may be necessary to provide subsidies to start up some of these programs. There is need for expansion of home-study programs, using correspondence, tapes, films and other study material. Upgrading of middle-aged workers will increase their productivity and make them less vulnerable to prolonged unemployment; all will benefit.

There is great need for vocational and educational counseling of employed middle-aged workers; programs should be designed which would enable interested persons to assess their careers and vocational prospects, and which would provide assistance in educational and occupational planning. Counseling should be available at little or no cost, and should be offered under the joint sponsorship of employment services and educational institutions.

Senator MILLER. Mr. Grace.

STATEMENT OF PROFESSOR GRACE

Mr. GRACE. My name is Harry Grace. I am associate professor of management, graduate school of business administration, and research associate, Gerontology Center, University of Southern California.

Looking over the list of witnesses, probably I in one way or another represent the employer, and I think this is an interesting prospective to take on the older worker.

Senator MILLER. You have a statement?

Mr. GRACE. I shall submit one later.

Senator MILLER. It is more in outline form. Would you wish to submit a prepared statement?

Mr. GRACE. I have every intention of submitting a prepared statement before the August 25 deadline.[1]

Senator MILLER. Please proceed.

Mr. GRACE. I would like to answer, if I might, Senator Miller's question of a few moments ago: What can the Congress do? This is very important to me.

It seems to me that in the OEO legislation we have an innovation that might be effective relative to the older worker program. In that legislation, the Congress specified that programs in local communities be set up jointly between agencies of the governments—I mean that plurally: local, Federal, and State—and interested persons.

It would seem to me that in the area of older worker employment, the Congress might seriously consider legislation which would build into those programs employer cooperation, in policymaking as well as other aspects, and the union or whatever organization would represent the work force.

What we really need is programmatic legislation having to do with bringing the agencies of governments together with the private agencies such as the employer and the union, both private and public employers, if we are to do something about what Professor Levine was speaking of, and about which I feel very strongly concerned, the employer's side of the employment equation.

A second thing I think that the Congress can do is also shown from its experience. I think the Congress has shown definite experience with basic research. This field of work and age suffers from inadequate basic research.

The Congress also has shown great interest in evaluation of programs. Now, evaluation usually allows the program to run for some time, perhaps a year, at which time evaluation is made that goes into the record. On the basis of this evaluation a program may be re-funded or its funds may be cut.

I think Congress is familiar with both basic research and evaluation studies.

I would offer that the Congress has another possible area for consideration: the field I would call programmatic research, after the title of a report by Dr. Gloria L. Grace, of System Development Corp., Santa Monica, Calif.

Now, programmatic research asks the question: Given the purpose of this program, how can this information that I am gaining about

[1] See p. 67.

its daily operation be put into effect to reach our goals here and now, rather than be evaluated a year or two from now. Programmatic research may not contribute to the basic store of knowledge, but it does contribute to the better achievement of the program's goals in the immediate future.

Senator MILLER. What do you mean by "more of a current evaluation"?

Mr. GRACE. Up to date, sir. In jargon, I would call it feedback; research used in feedback. I would call it management information systems research.

A CALL FOR "PROGRAMMATIC RESEARCH"

Again, the Congress has familiarity with this but possibly not in the field of employment of the older worker. In my statement, I indicated how this is going about. I would like to apply this idea of programmatic research in a couple of ways, technically, with regard to the crisis problem that is raised when an adult becomes unemployed.

Again, Dr. Kaplan talked about the fact that anything having to do with an adult's employment is a crisis for him. It seems to me that here is an area in which we need programmatic research. It is not sufficient to deal with diagnostic problems; it is not sufficient to deal with rehabilitation problems; it is not sufficient to deal with possibilities of placement.

We also have to build into this what we consider to be adequate employment, what we consider to be satisfactory employment. How are we going to get there? We have to research a program which gets the individual from where he is to where he intends to go. This is programmatic research, and we have models for it. We have experience in it, but I don't think we have applied it as fully as we should to the older worker.

Another area, for example, that I wanted to cite for programmatic research would be in answer to Senator Randolph's question about the personnel manager's role and attitude. This, I think, is also virgin territory for programmatic research.

In a study we recently completed in southern California of 154 employers, we found that the kind of firm—whether it were a manufacturing firm, engaged in service, or engaged in information processing—was significantly important with regard to the hiring of disabled persons.

I don't mean to say that the same information will apply to the older worker, but that the kind of work the firm does was very important as to whether or not there were opportunities for employment.

As for the size of the firm, we found a very simple breakdown. The opportunity for being employed in a firm of 1,500 was twice as great as for a firm with a smaller work force.

With regard to Senator Yarborough's comment relative to Dr. Kaplan's information that 18 percent of the unemployed persons in San Diego were in managerial fields, we found that the level of work, whether in the labor force or white collar, was significantly important. There was far more jobs in the labor force than at the managerial level.

Finally, we find that the line of work, whether a person were in a technical field or in a general field, was very important in determining his likelihood of employment.

Finally, we found that the attitudes of employers differed significantly according to their experience with disabled persons. For example, those employers who indicated that as far as they knew they had no disabled employees in their work force were most worried about what employees would think about having to work side by side with the disabled.

Those employers, however, who had experience only with the least disabled were most worried about insurance problems, costs to the firm of hiring disabled persons.

Those employers most experienced with the severely disabled persons had attitudes entirely different.

Now, what does this mean? This means that the employment service or prospective employee might use information such as this to know in what areas jobs might be developed, and what attitudes he is likely to confront when seeking employment.

Again, this would be an example of what I would call programmatic research, working back from the answer to the question—where are the jobs, what are they like, in what kinds of firms, at what levels, and how do you get people equipped to fill such jobs?

Two Shifting Problems

Finally, it seems to me that we are dealing today with two shifting problems. In my experience as a professor of management, teaching behavioral sciences to adults in the work force in southern California, I find enormous ranges in the attitudes, skills, and interests of prospective employees, and these are shifting.

I also find that even the Dictionary of Occupation Titles is almost outdated upon publication when it comes to application to local firms; the occupations have changed; there is a greater informational component to many occupations; and so forth.

So, I find that both the prospective employee, particularly the older worker, and the occupations for which this person might be suited are changing in their demands. I believe that basic research will probably have to be conducted on this.

Finally, I would like to support the Secretary of Labor's statement relative to discriminatory practices and fair employment. It seems to me that here again programmatic research is very likely. We can ask the question: What kind of information is needed to enable Department of Labor employees to effectively administer this new legislation? Where are the restrictions placed on older worker employment? In what form do they arise? How complicated are they? Are they straight age discrimination or do they shade into ethnic, health, and other fields?

What kind of stategies are appropriate for the employment of older workers on a nondiscriminatory basis? How may these strategies be learned as skills by those persons charged with the administration of the legislation?

Senator Miller. On this subject of programmatic research your point was that the Federal Government should make more effort in that area?

Mr. GRACE. Yes, sir.

Senator MILLER. What about the State government?

Mr. GRACE. Well, I would not exempt any of the governments from it but from my experience most of the research money is coming from the Federal Government and sometimes very often administered through the States.

Unfortunately, it is going to have to be localized because I think Dr. Kaplan will agree that what the problems are for the employment of older workers in San Diego are not the same as where I live in Los Angeles. Therefore, when it comes to conducting programmatic research Senator, it will have to be localized.

Senator MILLER. That gets into the very point I was going to make.

Do you think the Federal Government is capable of doing this or at least as capable of doing it as a State government or city government or possibly through contracts with universities?

GUIDELINES SUGGESTED FOR COMPREHENSIVE ACTION

Mr. GRACE. I think the Congress, sir, is capable of funding it but I would like to see programmatic research conducted under the guidelines I mentioned where the research insisted that private and public employers, universities, unions, and Department of Labor personnel cooperate in the planning and conduct of programmatic research.

Then I think it will work because if an employer feels that an outsider—even the university person—is intruding on his domain to conduct research it is not going to be the right kind of evidence. It might be all right for a paper in a learned journal but it will not, in my opinion, help get more older workers jobs in which they will be pleased.

So, I think legislation could be written at the national level for operation at the local level, building research teams perhaps in selected locations throughout the United States on a programmatic basis.

Senator MILLER. Do you think some of this work could be handled through the community action program structure?

Mr. GRACE. Of the Office of Economic Opportunity?

I think not, because the CAP with which I am familiar emphasizes more the community member as an individual, but not so much as an employer, governmental or private.

Senator MILLER. Yes, but what is wrong with having a community action program take on that function especially if they have good people that are in management who are willing to give their time and services?

Mr. GRACE. It might be our location, but my suspicion would be that only the model is appropriate and could be applied through the Department of Labor's Bureau of Employment Security rather than the CAP or than OEO.

I think the inclusion of employers and the union people is extremely important but I think that if I were to advise you on this I would advise that legislation be written which authorized the Department of Labor to try this out, in cooperation with universities. I think we could contribute to this.

Senator MILLER. Well, you could do that in the community action program structure, could you not?

Mr. GRACE. I don't know, sir.

Senator MILLER. Don't you think it depends upon the people really who are doing the job?

Mr. GRACE. Yes, the local communities, and the involvement of the universities.

Senator MILLER. For example, Iowa City where we have the University of Iowa, this could almost be the spearhead of such an effort but that does not mean that the community action program could not be used as the basic structure with the needs for the local community being met by the use of the university resources.

There are other areas where you don't have it—universities, colleges. There may be management people there who are able to do it, and to me the community action program can be adapted to the needs of the communities.

I can see a great difference between the structure and the degree to which it goes into this in San Diego and Los Angeles and Iowa City, for example. I can also see a difference between San Diego and Los Angeles requirements, too.

Again, this enables you to have your local community action program built to meet the needs of the community but it could be broadened, I would think, to take into its function what you have been talking about.

Mr. GRACE. And it would have to emphasize, it would seem to me, the older worker who is likely to get lost if he is not earmarked. If the older worker is not earmarked in the program, and if the concern for the older worker is not paramount, it is likely to get lost, particularly in something as extensive as the community action program is currently constituted.

Senator MILLER. Does the staff have any questions of either of the witnesses?

Mr. ORIOL. Earlier Mr. Dodd referred to the high value placed on some of the attributes of an older worker or an older executive, in particular.

I wonder whether any economic tests or measurements have ever been put on such attributes or whether you find it impossible to put dollar values on certain attributes such as experience, knowledge of certain methods of doing things, and so forth.

May I address that to both of you?

Mr. KAPLAN. Certainly one could put dollar value on likelihood with regard to turnover or job stability. We know that in many organizations it is extremely expensive to prepare an individual to discharge his duties. It can be ascertained, what role age plays in job stability and it then can be translated into dollars.

Mr. GRACE. But it is also negative. In the aerospace industry you can put dollar values on this, for example. If we come in with a bid to the Government for a contract, who carries the higher dollar values? The older workers. Therefore, our bid is not as likely to be well received if we have older workers because of the dollar value of the bid. This has tremendous effects.

This is one of the effects that Mr. Dodd might have alluded to. What we do not know about technology and its effects on the older manager is enormous.

When it comes to bids, the question comes up as to whether we can afford to include an older engineer on this bid; and if we do not include it, and the contract comes through, we do not employ him. You can put some dollar values on an older worker.

Where you cannot put dollar values is on general management knowhow and this aura of experience.

These men or women who become unemployed have to search for values, skills, and attitudes within themselves, regardless of their experience.

Mr. ORIOL. Another question, Dr. Grace.

You mention in your outline the possibility of providing fair employment practice methods or the idea of it and I hope that your final statement will include development of that.

Mr. GRACE. Yes; I will develop that.

The point I was trying to make, was that I did not think we could borrow evidence and strategies from the application of fair employment practices to ethnic groups to the older workers, for various reasons. Therefore, if we cannot borrow this, we are probably going to have to research strategies.

Senator MILLER. If there are no further questions, thank you, Professor Kaplan and Professor Grace.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to Professor Grace:)

If time permits, perhaps your final statement can include some discussion of such points as:

1. Additional discussion of your point that we need "programmatic legislation having to do with bringing the agencies of the governments together . . . if we are going to do something about . . . the employers' side of the employment side of the question." If there is a legislative possibility here, I would like to have as much information as possible.
2. How can we implement your commendation to take measures "which gets the individual from where he is to where he intends to go?"
3. How, as suggested in your statement, are we to develop information as to "what areas jobs might be developed and . . . what kinds of attitudes he (the worker) is likely to confront when coming in for employment."

Thank you very much for coming from California to be with us at the hearing. I hope you will feel free to get in touch with us at any time to help keep us abreast of new developments in a dynamic field.

Sincerely,

JENNINGS RANDOLPH,
Chairman, Subcommittee on Employment and Retirement Incomes.

(The following reply was received:)

Revised Statement of Testimony Given on July 24, 1968, by Harry A. Grace, Ph. D.

This statement is designed to meet the requests of Senator Jennings Randolph in his letter to me of August 3, 1968, and to expand the outline of my testimony before the Subcommittees on Employment and Retirement Incomes and Federal, State, and Community Services of the Special Committee on Aging of the United States Senate.

1. Programmatic legislation

The crisis of being jobless is especially frightening to adults of middle age and older. The likelihood that more adults may face such crises appears on the increase, due to the greater number of people reaching later adulthood and

improvements in production made by technology. To prevent this crisis from getting out of hand, programmatic legislation is required.

Legislation on unemployment, income, retirement, and services such as counseling, rehabilitation, training, and placement has often been adopted without consideration for how these aspects relate to one another in an overall program. Such legislation, moreover, often overlooks (1) the views of older jobless persons themselves; (2) employers, private and governmental; and (3) employee associations or unions. Programmatic legislation integrates these groups with processes aimed at achieving employment.

The Congress, in legislation for the Office of Economic Opportunity, has given attention to the involvement of people in determining local policy and procedures designed to aid them. Programmatic legislation for the employment of older persons will profit from a similar stipulation.

Experience with programs for the employment of "hard core" unemployed youth indicates that success depends upon involving those who have jobs to offer—the employers. Programmatic legislation, therefore, must include employer participation in setting local policy and procedures.

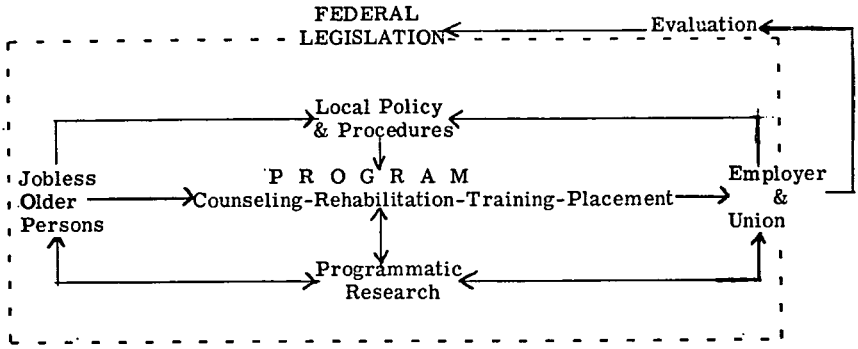
Holding a job once employed often depends on the worker's qualifications for union membership. Because job placement is a sham without continued employment, programmatic legislation must specify that unions participate in local policy and procedures formulation.

With the older job-seeking adult at one hand, and the employer and union at the other, the processes of counseling, training, rehabilitation, and placement can be made effective. Viewed programmatically, these processes are only means to the end of continued, satisfactory employment. As they presently operate in many localities, counseling, rehabilitation, training, and placement often become ends-in-themselves. As such, they are unrelated to (1) the crises of older jobless workers, (2) the requirements of employers, and (3) the qualifications for union membership. By placing unemployed older persons, employers, and unions on local policy and procedures boards, these processes can be kept true to their intended purpose of achieving continued employment for older workers.

Figure 1 diagrams this perspective on programmatic legislation. (A) Federal legislation lays the cornerstone for the program. (B) Older jobless persons perform three functions. First, they help formulate local policy and procedures. Second, they enter programs directed toward becoming employed. Third, they contribute information for programmatic research. (C) The program receives older jobless persons, processes them toward employment, following local policy and procedures, and provides information as well as is corrected by programmatic research. (D) Employers, private and governmental, and unions have four functions. First, they help formulate local policy and procedures. Second, they receive older persons who have been processed by the program. Third, they contribute to programmatic research. Fourth, evaluation examines how well older workers perform and progress.

Evaluation also includes monitoring for compliance with legislation forbidding discrimination based on age. (E) Local policy and procedures are set by older persons, employers, and unions, and administered by program personnel. (F) Programmatic research is related to older persons, processes, employers, and unions. It specifies how employment goals can be reached by older persons in terms of counseling, rehabilitation, training, and placement. Research results correct these processes so that they remain sensitive to local conditions, applicable to older persons, and effective in achieving employment. A detailed professional paper by Dr. Gloria Lauer Grace, applying programmatic research to cross-cultural interaction, is attached to this statement. (G) Evaluation examines the program in terms of its costs and benefits to older persons, employers, unions, and the local community, and in terms of its compliance with the intent of Congress for the purpose of further legislative consideration.

FIGURE 1.—Flow diagram showing relationships between Federal legislation and components of the program for continued employment of older persons



Currently, no single governmental agency at any level, no employer, no union, no jobless older person, and no process—counseling, rehabilitation, training, or placement—can be held accountable for program success or failure. Each now goes its separate way. Except for the general altruism and aura of cooperation that may prevail in a locality, or be spearheaded by someone showing leadership, older worker unemployment might be more acute than at present. The weight of future population, coupled with the priority that must be assigned to other deserving jobless persons, will overburden natural altruism or unusual leadership. Programmatic legislation can encourage existing altruism, sanction leadership, and place the burden for success where it rightfully belongs—on the overall program at the local level. With programmatic legislation, local programs can readily meet the needs of older persons seeking work in the years ahead.

2. Areas for job and employer attitudes

In what areas must jobs be developed? What attitudes might an older person encounter when seeking a job.

Programmatic research can answer these questions for any locality at a specified time. The research, however, must be both local and timely. Job markets differ dramatically throughout the nation. Research must be conducted with the cooperation of employers and unions.

For research to be effective, it requires a commitment that its results be applied to modify (1) the processes of counseling, rehabilitation, training, and placement, and (2) the practices of employers and unions. This requirement must be specified in federal legislation, with specific policy and procedures for the application of research results determined in each locality.

An example of such programmatic research is the attached manuscript, "A systems approach to employment after orthopedic rehabilitation."

This research inquired into employers' views on the utilization of handicapped persons. Employers without such experience were most concerned with other employees' atttiudes toward the disabled, and least concerned with the effects on costs of hiring the handicapped. Employers experienced with only the less disabled had different attitudes. They were primarily concerned with costs and financial problems attending the hiring of the handicapped, and also believed that individual therapy for handicapped persons was a feasible modification. Employers experienced with hiring the most severely handicapped were least concerned with what other employees' might think about working beside a disabled person. Figure 1 of the manuscript, page 9, shows these attitudes. Other differences in

employers' attitudes depend on the size of the firm and its kind of work. The four figures included in the manuscript have programmatic implications derived from research. They inform professionals in counseling, rehabilitation, training, and placement how to reach the 154 employers. If studies such as these were included under programmatic legislation for the employment of older workers, the chances are that success would be more readily achieved.

3. Problems of employment as adult crises

Being out of work threatens an adult's integrity. It casts doubt on his or her future, and it questions the validity of the adult's heritage and education. This crisis can mean unemployment at the prime of life. It can mean the adult faces re-training in order to keep his job. It can threaten him or her with a lesser occupation after achieving seniority. It can imply forced or early retirement. Any of these conditions confronts the adult as a crisis and a threat to his integrity By no stretch of the imagination is such a crisis for men only—perhaps half of the unemployed persons 45 and over are women. Nor does this apply only to blue collar adults. Technical, professional, and managerial personnel over 40 are increasingly liable to face crises in employment.

Underemployment, having a job that demands less than one is willing to give, signifies a crisis for the adult. We have little documented evidence as to how widespread underemployment may be for older persons, especially those in white collar jobs. We do know that involuntary underemployment is often used as a last resort by workers who fear unemployment. We also know that some workers use underemployment as a defense against change.

By defining an adult's problems about work as a crisis we imply a condition accompanied by general anxiety. Such a crisis has many causes and as many ramifications. The crisis extends into the family, friendships and associations, health, accident risk, and alienation from the society. Recognizing adults' problems at work as crises signifies the need to approach the problem programmatically rather than piecemeal.

4. Fair Employment Practices and older persons

Programmatic research has been lacking with regard to existing fair employment practices. Studies relative to ethnic groups usually focus on factory work at the entry level. Furthermore, the strategies they propose apply only to small, readily identified populations. Political, social, economic, and moral leverage also favors enforcement of laws opposing discrimination based on ethnicity.

Conditions of older workers differ from those of the ethnic groups previously under FEPC. Older persons rarely feel identified with age *per se.* They are likely to be engaged in a wide variety of occupations, in many industries, at all levels. Older persons cannot expect the community support for fair employment practices that accompanies ethnic groups.

As a result, programmatic research is needed to assure successful enforcement of FEP legislation. This research must examine: the variety of motivations of older persons toward work; legal, employer, union, and financial restrictions on their employment; and the training of personnel in ways to enforce FEP legislation for older workers.

Mr. ORIOL. In the absence of Senator Randolph, I would like to acknowledge the very great assistance given to the subcommittees by Dr. Harold Sheppard of the Upjohn Institute of Employment Research, and Mr. Louis Ravin, who is from the Department of Labor, in preparing for the hearing.

I would like to point out also that a member of the committee staff, Mr. Ira Funston, is with the committee on a part-time basis. He is retired and it is especially appropriate that he participated in the preparations for this hearing because when he was not retired he was assistant solicitor for the Department of Labor.

Senator MILLER. Thank you.

The meeting is adjourned.

(Whereupon, at 12:30 p.m., the subcommittee recessed, to reconvene at 10 a.m., Thursday, July 25, 1968.)

[NOTE.—Transcript for July 25 begins on p. 95.]

APPENDIXES TO HEARING OF JULY 24, 1968

Appendix 1

MATERIAL SUBMITTED FROM FEDERAL AGENCIES

ITEM 1: DEPARTMENT OF LABOR

EXHIBIT A. MEMORANDUM IMPROVING THE EMPLOYABILITY OF WORKERS 45 YEARS OF AGE AND OVER

U.S. DEPARTMENT OF LABOR,
BUREAU OF EMPLOYMENT SECURITY,
Washington, D.C., February 23, 1967.

To: All State Employment Security Agencies.
Subject: Improving the Employability of Workers 45 Years of Age or Over—MDTA Amendments of 1966, MDTA Series No. 277.
References:

1. *ES Manual*, Part II, Sections 8000–8999.
2. USESPL's 2048, 2092, and 2147.
3. Manpower Administration Order 21–66.
4. Section 202(c) of the MDTA.

Purpose: To provide guidelines for developing comprehensive programs to increase and improve training and employment opportunities for disadvantaged adults, 45 years of age and over.

Many employment problems remain unresolved for older workers (persons 45 years of age and over), especially those in minority and disadvantaged groups. Measured designed to help such workers have achieved only modest success. Although this group normally has comprised 25–30 percent of those unemployed 15 weeks or more, only about 10 percent of all MDTA trainees have been selected from this group.

Congressional interest in the employment problems of older workers resulted in a specific amendment to the MDTA (Section 202(c)), in 1966, providing for a special program of testing, counseling, selection, and referral of persons 45 years of age or older to occupational and educational training designed to meet their problems.

The Congressional mandate calls for positive action to alleviate further the employment problems of older workers. Accordingly, each State agency should take the following actions to improve and increase its services for this group:

1. Evaluate occupational training opportunities for older workers to ascertain if they are in accordance generally with the State's goals for this group in its approved State manpower plan, and take steps to correct deficiencies. All training opportunities should be designed to assist workers in this age group to: (*a*) upgrade present skills; (*b*) acquire new skills; (*c*) facilitate the transfer of skills to meet emergency skill shortages; or (*d*) increase their productive capacity for other jobs available in the labor area.

2. Identify older workers whose employability is improvable through appropriate training. These persons should not be denied referral to suitable MDTA training projects because of age limitations not related to satisfactory performance requirements.

3. Provide every opportunity for older workers to acquire needed occupational and educational training. All training courses and curriculums should be developed on the basis of both applicant and employer needs.

4. Insure maximum use of available training resources; refer older workers to regular or part-time MDTA–OJT training projects. Also explore special methods of providing institutional, regular, OJT, or coupled OJT training to those training for subprofessional jobs in order to facilitate the change from the classroom to the job. To the extent feasible, existing individual referral procedures should be used.

5. Where feasible, develop experimental and demonstration (E&D) projects that are comprehensive and so structured as to obtain: (*a*) more specific information about the physiological and psychological problems experienced by older workers; (*b*) more information to determine the best tools or approaches for testing, counseling, and training of older workers; (*c*) new methods for encouraging older workers in their training, employment, and job tenure after placement; and (*d*) methods of motivating older workers to take training. Current experience shows that many older workers resist training and desire immediate employment.

6. Assure general compliance with the President's Executive Order No. 11141, issued February 12, 1964, before approving MDTA training projects for older workers. No MDTA training project should be approved for such persons if it is found that employers or contractors intend to discriminate in their employment of MDTA graduates on the basis of age rather than on the basis of authentic, bona fide occupational requirements.

7. Utilizing all available data about older workers, establish more effective testing, counseling, guidance, training, and supportive services for this group. Assure that only those tools, methods, and techniques which assess the aptitudes and experiences of older workers are used to determine areas where social adjustment may be needed, or to identify the kinds of educational or vocational training most needed by the older workers.

8. During individual and group sessions, counselors should encourage older workers to explore the possibilities of transferring their demonstrated skills and abilities to new occupations. These occupations could be provided within and outside of their area of residence. Appropriate information should be given older workers willing to work away from their home area. Appropriate assistance should be given to workers who show fear or reluctance to relocate to other areas where suitable employment is available to them.

9. To implement a special program to obtain jobs for older workers, provide or increase job analysis and other industrial services to employers, especially smaller employers. The latter often need and appreciate help in job reengineering, work simplification, and physical demands analysis, necessary for efficient business operation. As a result of such services, jobs may be redesigned, producing more employment opportunities for older workers and enabling them to improve on their jobs.

10. Intensify job development and placement activities for older workers. Positive efforts should be made to improve and increase full-time and part-time employment opportunities. This objective may be attained by: (*a*) fully describing their previous work experience, capacities, skills, and other qualifications, to gain acceptance by employers; (*b*) greater use of self-help organizations and trained nonprofessional workers in the community; (*c*) increasing efforts to secure the assistance of local community groups (including Manpower Advisory Committees) to produce more acceptance for employment of older workers in the area; (*d*) cooperation with private enterprises, public, and nonprofit agencies to develop job opportunities; and (*e*) encouraging Federal and other State agencies to assist with community programs to provide more jobs for older workers in occupational shortage skills in the community.

11. Consider active promotion of the training and employment of older workers in auxiliary jobs such as family aides, neighborhood service workers, recreation worker aides, and group workers aids. Experience indicates that many older workers qualify for such work. As a result of their employment, the shortage of professional people is eased while the older worker is provided with gainful employment.

12. Initiate, with the assistance of the Small Business Administration, Office of Economic Opportunity, and other agencies, exploratory steps to develop more self-employment opportunities in small business enterprises. For example, self-employment opportunities may be available in (*a*) homemaking services for the aged and for other families during emergencies; (*b*) repair and maintenance of homes and home equipment; (*c*) operation of child care centers; and (*d*) mercantile, insurance, and various neghborhood services, especially in many disadvantaged areas.

The success of the special program for the older worker will depend, to a great extent, upon the assistance received from advisory committees at the State and local levels. The value of these committees in planning and implementing manpower training programs is a matter of record. Therefore, State agencies and local office managers should make maximum use of these community groups.

ADMINISTRATIVE RESPONSIBILITIES

Responsibility for implementing the special program for older workers, required by the amendments to the Act, will be shared jointly by the Bureau and State employment security agencies. States agencies should do everything possible to provide adequate staff services to older workers to fulfill the purposes and objectives of this amendment.

The expansion of services to older workers should be accomplished within the framework of the Human Resources Development Program (HRD) as an integral part of the HRD individualized approach to the problems of the unemployed and under employed. The essence of a more comprehensive program of information, counseling, and placement services for older workers is embodied in the basic functions of outreach, employability services, job development and placement, and job market information. Staff trained to meet the special problems of the older workers will be stationed in the employability development and job development units of HRD to provide diagnostic counseling, referral to training and supportive services, job market information, job development, placement, and followup services geared to the special need of each older worker.

State agencies are requested to advise the BES national office (Attention: ETPP), through the appropriate BES regional office, of any unusual operating problems experienced during development and implementation of projects for workers 45 years of age and over.

DISTRIBUTION OF MANPOWER ADMINISTRATION ORDER

A copy of Manpower Administration Order 21-66, A special Program of Services for Workers 45 Years of Age or Older, is enclosed.[1]

Rescissions: None.

Sincerely yours,

ROBERT C. GOODWIN, *Administrator.*

ITEM 2: DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

EXHIBIT A. STATEMENT OF LANE C. ASH, OFFICE OF EDUCATION

TRAINING AND EMPLOYMENT OF OLDER WORKERS

Following are my comments in response to the five questions about which the committee asked my views and experience.

1. Please discuss the adaptability of older workers to vocational training.

It is believed by some that older workers are less productive than younger ones. However, it is coming to be understood that the capacity for work persists far longer than is commonly recognized. Indeed, work capacity of the older worker may increase rather than deteriorate with advancing years and both efficiency and responsibility may be higher among older workers than among younger ones, more often than is generally believed.

Rapid technological changes cause adverse effects on older workers so that it is important to provide for them continuous adaptations of skill and knowledge to change job requirements.

It is obvious that a job can be done well only when its demands are within the capacity of the worker doing it. The initial match or balance between job and worker depends on the success of methods of specifying the requirements of the job, selecting the "right" man for it and giving him adequate training. Standards for jobs are usually set for young men, and age limits for entry and training to most jobs mean that the "right" man is usually the young recruit to industry. Although applicants who fail to reach the minimum requirements for a job are weeded out in the selection process, the possibility remains that changes of capacity with age will mean that, after a number of years, the balance between

[1] Retained in committee files.

capacity and the demands of the job will no longer be maintained. On the other hand, the young recruit is a man of potentiality rather than a proven ability, and it may be that the experience a man or woman gains on a job over the years can more than offset any adverse change with age.

In most laboratory experiments on human learning there has been evidence of an average decline of performance at age 40 or before, and sometimes appreciably earlier. However, evidence from experimental psychology must be treated with some degree of caution for the following reasons:

a. Experimental studies have often been based on highly artificial tasks. It has been established that older adults react unfavorably to being presented with tasks that appear to them strange and meaningless. Thus, some of the apparent decline in performance is known to be a function of reaction to the nature of the material.

b. Older persons are usually out of practice in learning. Measurements, therefore, refer largely to initial or immediate ability rather than to potential learning ability.

c. The majority of studies on human learning ability have been carried out without any attempt being made to adapt the method of training and instruction to the needs of the older subject.

Therefore, experimental laboratory studies of age and learning are of more practical value in indicating the nature of the difficulties which older people experience in learning than in establishing the norms of accomplishments between age groups.

An entirely different outcome itself in some training situations where the need is recognized to adapt a program to suit middle aged adults. This tends to occur in progressive industrial concerns with well-established training departments. The occasion is often that of major technical changes which profoundly affect the jobs of existing employees, thus creating problems which can only be overcome by retraining. In these favorable conditions the failure rate is low and the relationship between age and ultimate performance in training is slight. Often the influence of age is found to be secondary to the attribute of individuals: interest, aptitude, intelligence, education, character and emotional stability prove more decisive than age itself. Generally under the most favorable conditions of training age trends in ultimate performance are silght.

It may be generalized in cases where no special consideration is given to the problems of the middle age adult, there is a tendency for performance and ultimate attainment to decline sharply from various ages ranging from the late twenties to the fifties. Where training methods are adapted to the needs of adults in the middle age range the relationship between age and performance tends to be slight differences in ultimate attainment may usually be offset by an extension in training time.

There are some exceptions to this generalization. Some programs that have been set up solely for older persons have not achieved any real measure of success. A sheltered situation in which low demands are made in training may be designed for the benefit of older trainees, yet may fail to meet their real needs. A training scheme which treats the older trainee as an incapacitated person must inevitably set itself very limited objectives and will tend to attract low calibre personnel. What is required is a difference not in objectives or the measure of success sought but in the method of achieving these objectivenes. The adult has distinctive needs in the way in which he is introduced to and oriented toward training and in the way in which he is taught. Where these needs have been catered to, the measure of success has been high, the failure rate low.

In terms of training costs it has not yet proved possible to match younger trainees. Older trainees may still require, relative to young trainees, an extension in training time. If slightly higher costs are borne by accepting and training older workers, these may be viewed as a form of investment that can be justified.

The problem of implementing a major program of adult training involves several considerations.

a. The design of the training method and program is seen to be of some critical importance. It is at this stage that the help of experts and consultants should be sought.

b. One immediate need in the training of older workers is for the trainers themselves to be given every opportunity to broaden their knowledge in this field.

c. Nearly all studies of age in relation to performance have shown that individual differences are acentuated as age increases. This means that a certain proportion of older adults may show a marked inferiority in a number of capacities in comparison with others within the same age group. Such a decline is often linked with ill-health. Other factors are known to be involved, especially the long term effects of withdrawal from situations of adults for training programs must, therefore, have an important bearing on the average results obtained in such training programs. Little research has been carried out in this area. It is not known what relative weight should be attached to orientation towards training, to the existence of relevant knowledge and skills, or to general or specific aptitudes. It is clear, however, that the generally high level of adult performance in some training programs was attributable to two factors preceding training: the elimination of persons judged as obviously unsuitable and the counselling and encouragement given to those who were acceptable for training.

A consultant, R. M. Belbin of Great Britain, reported in a 1965 publication on Training Methods For Older Workers, some conclusions from his inquiry into this subject. While knowledge of and experience in the training of middle age adults is still very sparse, there is evidence that the retraining of older workers may be successfully accomplished and that serious difficulties commonly encountered in this field can be met and overcome.

2. Indicate the principal new job opportunities and training facilities that have been developed for older workers in the last few years.

Training facilities have been made available to older workers under authority of the Vocational Education Act of 1963 and the Manpower Development and Training Act.

MDTA training programs for older workers have been established using the expanding job family approach to training—i.e., training for clerk typist which commences with filing and then proceeds to more complicated skills. This takes advantage of the individual's experiences and ability and allows more time for the development of skills.

Another interesting approach being studied in the multi-occupational training program (patterned after MDTA programs developed for youth) which provides a great variety of training opportunities. Many older workers lack basic education. Multi-occupation projects provide it. Most would benefit from prevocational, as well as vocational training. The multi-type of program offers counseling which is essential to this age group. Multi-occupational projects offer counseling prior to during and after training. Also the multi-concept makes possible broader community participation and therefore the involvement of many agencies thereby offering more benefits to the individual. Experience has shown that frequently the continuance of older workers in training hinges on the availability of supportive services to help them cope with problems of everyday living.

Job opportunities have been found for older workers following training in work such as:

Small engine repair; TV serviceman; salesman, auto parts; clerk typist; cook; groundskeeper; machne presser; dry cleaner; salesman (any entry ind.); bookkeeper III; upholsterer II; visiting homemaker; maintenance man; accounts receivable poster; home health aide; trainee, dictaphone machine operator; chauffeur; clerk II, S.S.A.; pricing supervisor (detail); research assistant; payroll clerk; customer service representative; telephone saleslady; factory, assembly packer; stadium, counter sales; drug packer.

Auditor of box office receipts; counselor, interviewer; payroll clerk; cashier, bookkeeping clerk; salesman; file clerk; dock supervisor; substitute teacher; cashier; seamstress; accounting clerk; counter salesclerk; telephone dispatcher; elevator operator; raw material storekeeper; administrative secretary; maid; secretary, bookkeeper; saleslady; cafeteria worker (busboy and kitchen helper); secretary, receptionist; ward clerk, hospital; janitor, custodian; porter; seamstress, department store; night watchman; ward clerk; nursery school teacher; senior dictaphone machine operator;

3. Discuss the fields which seem most promising for the development of such opportunities.

In addition to fields of work represented by jobs listed in number two, promising fields are those of:

Home care; home management; school lunch program workers; nursing home aides; agri-business occupations; minor home repair; home health aides;

4. Any suggestions which you may desire to make for increasing such opportunities.

Job redesign to accommodate older workers holds promise for increasing opportunities for the training and employment of older workers. All societies are now in the process of making tremendous investments in the modernization of their social infrastructure. The deficits in schools, housing, hospitals, roads, museums, libraries, planned communities and other needed institutions are appallingly large. It is therefore essential that all contribute to the growth of the national product and thereby facilitate the financing of the construction of these physical sites and the employment of appropriate people. The productive participation of the special work groups, including older workers, contributes to this goal and helps to advance the national economic growth rate as well as reduce the cost of support of these groups.

The general mores of our society have attached a sense of high dignity to work and the importance of a structured relationship of individuals to the work society. Individuals accustomed to participation in the society through active employment find a distinct satisfaction in continuing it, particularly if it is adapted to their physical and emotional capacities. They are seeking constructive outlets for their energies and time, and many are likely to find that productive work provides such an opportunity. In addition, it frequently helps to supplement the inadequate financial means they possess or are likely to receive from public or private sources.

It is recognized that employment opportunities for older workers could be considerably facilitated if jobs were designed to take account of their particular physical and emotional capacities so as to reduce the stresses and strains upon them in performing such jobs.

In all economies whether those enjoying full employment and particularly in those with less than full employment, there are persons in the special work groups who cannot compete for jobs in the regular market economy even though they may be fully rehabilitated, adjusted and trained and jobs may have been redesigned to fit their special capacities, because their productive level is not competitive. Their continued participation in the work society is very important. Their numbers and types are even increasing as jobs change and more people enter the competitive labor market.

Once we know what it is about a job that is causing the older worker difficulty, its actual modification is usually straight forward. Simple methods of obtaining substantial improvements usually come quickly to mind. Quite large benefits may be gained by making simple, naively conceived and often inexpensive modifications.

Illustrations of the successful accomplishment of such job redesigned for older persons are not generally known largely because these innovations are made informally by plant staffs to meet specific needs. Several are given to illustrate the point: the case of the introduction of individual adjustable bench lamps which removed fatigue and strain in one case. In another plant, the source of the difficulty was removed by introducing a hydraulic system which allowed the workers to complete the loading operation from a sheltered position about 12 yards from the radiant heat source. The source of the stress was contained in a furnace room by building screens of asbestos covered in aluminum foil and placing these between the radiant heat sources and the work. Awkward and fatiguing postures were made unnecessary by turning a machine tool through an angle so that the work was brought once more into the clear view of the comfortably seated operator. In Scandanavia it is reported that the production lines of a motor car assembly are designed in such a way that workers need never leave a comfortable standing position. Others are: rescheduling the pace of production to eliminate fatiguing "squick sprints"; reshuffling the work flow so that older workers receive larger, easier to handle materials; provision of greater leverage for tools and controls; relocation of control levers and wheels; provision of power tools such as pneumatic wrenches; rearrangement of the work area to bring motions within normal working areas; provision of a power feed of stock to machines; the substitution of a "pull" for a "push" motion; and change of the height of desks, tables, benches, chairs or work points to suit workers.

A recent U.S. Department of Labor study showed that redesigning jobs is especially important in utilizing skills of older workers. Such job redesign generally resulted in improved productivity, contribution in several cases to sub-

stantial rises in output per man-hour, it usually involved very little money outlay for new equipment and scarcely any loss in output due to work interruptions. Other major benefits of job redesign, the report showed, is that the health of the older workers is profited and employers keep experienced employees during a period of skill shortages.

The study of the employment problems of older workers is important in order to increase national economic well-being and to assure all people an appropriate place in our work society.

5. Any other matters which you feel may be helpful to the Committee.

The necessity for further inquiry into the several aspects of methodology regarding the training of older workers cannot be denied. The older worker is assuming and will assume greater importance in the economic life of many nations. In the United States, for example, the number of older workers will increase materially in the decade of the 1960's despite earlier retirements that are anticipated. By 1970 over 33 million men and women, 45 years or older, will belong to the labor force; 5.5 million more than in 1960. And, during the 1960's two out of five workers are or will be 45 years of age or older. This is a significant portion of the labor force. Training is but one important aspect of the effective involvement of older workers in the labor force. Other aspects which must be considered include: selection, employment, counselling, placement and supervision. Reported experience in the training of middle-aged adults is still sparse. In fact, there is a paucity of scientific data regarding older workers.

In a world of rapid occupational change, older workers have many handicaps in competing for jobs. They are likely to have had less formal education than younger people who have completed their schooling more recently, and their educational background may not be keyed to current occupational demands. Also, many of the occupations and industries which formerly offered good employment opportunities for older persons no longer do so.

Older workers do have some advantages in holding on to jobs because of their experience and seniority. However, once laid off, they often have difficulty in finding new ones. In addition to their frequent handicaps of out-of-date education and skills, they are often confronted with age limits in hiring, set by employers who object to taking on older workers for fear of high pension and insurance costs, the expense involved in necessary retraining, or for numerous other reasons. It is generally difficult for older workers to move to areas of better employment opportunity because of the establishment of home and family, community ties, and their psychological resistance to change.

In their attempt to remain in the labor market, some older workers are forced to take lower grade jobs frequently in unskilled occupations in which they make litle or no use of previous skills and experience, while others may remain unemployed for long periods. Still others give up the futile effort to find jobs and finally become completely discouraged, permitting rapid aging to occur; thus becoming dependent on society rather than continuing as contributing members.

While the problem of finding employment for older workers is part of the board concern of achieving high levels of employment for the entire work force, it clearly has unique aspects. The solution will require special efforts—to eliminate age discrimination, to provide increased training opportunities, as well as to change attitudes of both the employer and the older employee so that both accept certain responsibilities in solving the problem. These aspects retain the same significance today as in 1933 when Barkin reported in "The Older Worker in Industry" in a *Report to the New York State Legislative Committee on Unemployment:* "Prior to and currently with (the extension of the number of jobs and the increase in the regularity of employment) must come the strengthening of those efforts which seek to remove age prejudice and assure the older person just and proper consideration for the available jobs. To better his chances of success, the calibre of his work qualifications must be raised. The facilities for the improvement of the worker—will tend to lengthen his work-life span." The inquiry into methods of traning older workers is an important function of the total problem of their integration into continuous employment in the work force.

It has been estimated that the average young worker entering the labor market will have to make at least three or four occupational shifts during his lifetime. One or more of these may take place after he has reached the age of 40 years. Increasing application of the results of research and development to the occupational situation will cause some of the common occupations to disappear, creating additional problems in the employment of older workers. Fore-

casts regarding the increasing complexity of occupations include the necessity as suggested by some, for many persons—likely all of us here—to undergo additional and continuous education and training throughout a lifetime merely to keep abreast of the changes, new developments in our own occupations or disciplines in order to maintain our present levels of competence at work. For these reasons, the problem of training the older worker looms large among those which require solution in full employment is to be maintained and the rising level of economic productivity continued for the achievement of high standards of living.

Much remains to be done in the investigation of the total training problem for older workers. Some experience in vocational education may be counted upon to stimulate this process of investigation and perhaps to point the direction for significant research in the near future. The entire program of institutional training in the United States for example has been predominantly conducted for out-of-school youth and adults—many of the latter being older workers. Successful training methods, designed more empirically than scientifically, have prepared new entrants for industrial jobs and up-grades or improved older workers for positions of greater responsibility in their chosen occupation in many fields.

One program which holds promise for research into the methods and materials for the training of the older worker is the Vocational Education Act of 1963. This Act requires that certain sums be expended for ancillary services and activities to assure quality in all vocational education programs such as teacher training and supervision, program evaluation, special demonstration and experimental programs, development of instructional materials, among others which may provide means to those who would pursue studies of the older worker in relation to current and projected manpower needs and job opportunities. The Act also provides specifically for the training or retraining of persons who have already entered the labor market and who need this training in order to achieve stability or advancement in employment. This includes older workers and it authorizes grants to pay part of the cost of research and training programs.

In view of the increasing number of older persons in our population, the continuing high rate of unemployment of more mature workers due to technological advances, the socially unfortunate consequences of sustained human inactivity and the effect of these upon the standard of living, it is imperative that more research be undertaken seeking solutions to problems which arise in the training of older workers. The increased interest shown by private organizations and public agencies and institutions, the authority provided by the Congress of the United States to extend and improve existing training programs of vocational education are reasons to anticipate that this may be accomplished.

Appendix 2

ADDITIONAL MATERIAL SUBMITTED BY WITNESSES

ITEM. 1. MATERIAL FROM SECRETARY OF LABOR WILLARD WIRTZ*

EXHIBIT A. GUIDELINES TO THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

(Public Law 90-202, 81 Statute 602, effective June 12, 1968)

The Age Discrimination in Employment Act of 1967 promotes the employment of the older worker based on ability rather than age; prohibits arbitrary age discrimination in employment; and helps employers and employees find ways to meet problems arising from the impact of age on employment.

The Secretary of Labor is responsible for administering and enforcing the Act. In addition, the Secretary will provide a program of education and information concerning the needs and abilities of older workers and their potential for continued employment and contribution to the economy. This program will include the publication of the results of studies and encourage the expansion of opportunities and advancement of older persons through public and private agencies. The Secretary will sponsor and assist State and Community information and education efforts.

The law

Protects individuals 40 to 65 years old from age discrimination by—

Employers[1] of 25 or more persons in an industry affecting interstate commerce[2]

Employment agencies serving such employers

Labor organizations with 25 or more members in an industry affecting interstate commerce[3]

It is against the law

For an *employer:*

to fail or refuse to hire, or to discharge, or otherwise discriminate against any individual as to compensation, terms, conditions, or privileges of employment, because of age;

to limit, segregate, or classify his employees so as to deprive any individual of employment opportunities, or adversely affect his status as an employee, because of age;

to reduce the wage rate of any employee in order to comply with the Act.

For an *employment agency:*

to fail or refuse to refer for employment, or otherwise discriminate against, any individual because of age, or to classify or refer anyone for employment on the basis of age.

For a *labor organization:*

to discriminate against any one because of age by excluding or expelling any individual from membership, or by limiting, segregating, or classifying its membership on the basis of age, or by other means;

to fail or refuse to refer anyone for employment so as to result in a deprivation or limitation of employment opportunities or otherwise adversely affect the individual's status as an employee because of age;

to cause or attempt to cause an employer to discriminate against any individual because of age.

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*See pp. 12–29 for testimony.

[1] The term "employer" does not include the United States, a corporation wholly owned by the Government of the United States, or a State or a political subdivision thereof.

[2] 50 or more prior to June 30, 1968.

[3] 50 or more prior to July 1, 1968.

For *employers*, *employment agencies*, or *labor organizations*:

—to discriminate against a person for opposing a practice made unlawful by the Act, or for making a charge, assisting, or participating in any investigation, proceeding, or litigation under it.

—to use printed or published notices or advertisements relating to employment indicating any preference, limitation, specification, or discrimination, based on age.

Exceptions

The prohibitions against discrimination because of age do not apply:

Where age is a bona fide occupational qualification reasonably necessary to the normal operations of the particular business;

where the differentiation is based on reasonable factors other than age;

where the differentiation is caused by observing the terms of a bona fide seniority system or any bona fide employee benefit plan. This applies to new and existing employee benefit plans, and to the establishment and maintenance of such plans. *However, no employee benefit plan shall excuse the failure to hire any individual.*

where the discharge of discipline of an individual is for good cause.

Record keeping and posting requirements

Employers, employment agencies, and labor organizations must post an officially approved notice in a prominent place where employees may see it, and maintain the records required by the Secretary of Labor.

Enforcement

The Act is enforced by the Secretary of Labor, who can make investigations, issue rules and regulations for administration of the law, and enforce its provisions by legal proceedings when voluntary compliance cannot be obtained.

Prohibited acts under the age discrimination law are to be deemed prohibited also by the Fair Labor Standards Act. Amounts owing to any person as a result of a violation are to be treated as unpaid compensation under the provisions of the Fair Labor Standards Act which authorize enforcement through civil actions in the courts.

The Secretary or any aggrieved person may bring suit under the Act. Suits to enforce the Act must be brought within 2 years after the violation, or in the case of a willful violation, within 3 years.

Before the Secretary begins court action, the Act requires him to attempt to secure voluntary compliance by informal conciliation, conference, and persuasion. Before an individual brings court action, he must give the Secretary not less than 60 days' notice of his intention.

This notice must be filed within 180 days of the occurrence of the alleged unlawful practice except, when a State has taken action in accordance with its own laws prohibiting age discrimination, then an individual must file within 300 days of the alleged violation or within 30 days after receipt of notice of termination of proceedings under State law, whichever is earlier. The law provides that after receiving such a notice, the Secretary will notify the prospective defendants and try to eliminate any alleged unlawful practice by informal conciliation, conference, and persuasion.

Following are methods to recover amounts owed which result from violations of this Act.:

1. The Secretary is authorized to supervise the payment of amounts owed;

2. In certain circumstances, the Secretary may bring suit upon written request of the individual;

3. An individual may sue for payment, plus attorney's fees and court costs. In the case of willful violations, an additional amount up to the total of the amount owed, may be claimed as liquidated damages. (An employee may not bring suit if he has been paid the amount owed under the supervision of the Secretary, or if the Secretary has filed suit to enjoin the employer from retaining the amount due the employee.)

4. The Secretary may obtain a court injunction to restrain any person from violating the law, including the unlawful withholding of proper compensation.

The courts, in enforcement actions, are authorized to grant any relief appropriate to carry out the Act's purposes, including among other things judgments compelling employment, reinstatement, or promotion.

Forcible interference with representatives of the Secretary of Labor engaged in duties under the Act may be prosecuted criminally and the violator subjected to a fine of not more than $500 or imprisonment, or both.

Additional information

Inquiries about the Age Discrimination in Employment Act of 1967 will be answered by mail, telephone, or personal interview at any office of the Wage and Hour and Public Contracts Divisions of the U.S. Department of Labor. These offices also supply publications free of charge.

[Reprinted from the Federal Register of June 21, 1968]

EXHIBIT B. PART 860 (29 CFR)—INTERPRETATIONS

Pursuant to authority in the Age Discrimination in Employment Act of 1967 (29 U.S.C. 620), 5 U.S.C. 301, and in Secretary's Orders No. 10–68 and No. 11–68, there is hereby added to 29 CFR Chapter V, Subchapter C, a new part numbered 860 entitled "Interpretations," to read as set forth below.

These are interpretative rules, and are thus exempt from section 4(a) and (c) of the Administrative Procedure Act (5 U.S.C. 533(a) and (c). I do not believe such a procedure or delay will serve a useful purpose here. Accordingly, these rules will be effective immediately.

The new Part 860 reads as follows:

Sec.
860.1 Purpose of this part.
860.91 Age discrimination within the age bracket of 40–65.
860.92 Help wanted notices or advertisements.
860.102 Bona fide occupational qualifications.
860.103 Differentiations based on reasonable factors other than age.

AUTHORITY: The provisions of this part are issued under 81 Stat. 602; 29 U.S.C. 620, 5 U.S.C. 301, Secretary's Order No. 10–68, and Secretary's Order No. 11–68.

§ 860.1 Purpose of this part.

This part is intended to provide an interpretative bulletin on the Age Discrimination in Employment Act of 1967 like Subchapter B of this title relating to the Fair Labor Standards Act of 1938. Such interpretations of this Act are published to provide "a practical guide to employers and employees as to how the office representing the public interest in its enforcement will seek to apply it" (Skidmore v. Swift & Co., 323 U.S. 134, 138). These interpretations indicate the construction of the law which the Department of Labor believes to be correct, and which will guide it in the performance of its administrative and enforcement duties under the Act unless and until it is otherwise directed by authoritative decisions of the Courts or concludes, upon reexamination of an interpretation, that it is incorrect.

§ 860.91 Discrimination within the age bracket of 40–65.

(a) Although section 4 of the Act broadly makes unlawful various types of age discrimination by employers, employment agencies, and labor organizations, section 12 limits this protection to individuals who are at least 40 years of age but less than 65 years of age. Thus, for example it is unlawful in situations where this Act applies, for an employer to discriminate in hiring or in any other way by giving preference because of age to an individual 30 years old over another individual who is within the 40–65 age bracket limitation of section 12. Similarly, an employer will have violated the Act, in situations where it applies, when one individual within the age bracket of 40–65 is given job preference in hiring, assignment, promotion or any other term, condition, or privilege of employment, on the basis of age, over another individual within the same age bracket.

(b) Thus, if two men apply for employment to which the Act applies, and one is 42 and the other 52, the personnel officer or employer may not lawfully turn down either one on the basis of his age; he must make his decision on the basis of other factors, such as the capabilities and experience of the two individuals. The Act, however, does not restrain age discrimination between two individuals 25 and 35 years of age.

§ 860.92 Help wanted notices or advertisements.

(a) Section 4(e) of the Act prohibits "an employer, labor organization, or employment agency" from using printed or published notices or advertisements indicating any preference, limitation, specification, or discrimination, based on age.

(b) When help wanted notices or advertisements contain terms and phrases such as "age 25 to 35," "young," "boy," "girl," or others of a similar nature which

indicate a preference for a particular age, range of ages, or for a young age group, such a term or phrase discriminates against the employment of older persons and is in violation of the Act, unless it comes within one of the exceptions, such as the one discussed in § 860.102.

(c) However, help wanted notices or advertisements which include a term or phrase such as "college graduate," or other educational requirement, or specify a minimum age less than 40, such as "not under 18," or "not under 21," are not prohibited by the statute.

(d) The use of the phrase "state age" in help wanted notices or advertisements is not, in itself, a violation of the statute. But because the request that an applicant state his age may tend to deter older applicants or otherwise indicate a discrimination based on age, employment notices or advertisements which include the phrase "state age," or any similar term, will be closely scrutinized to assure that the request is for a permissible purpose and not for purposes proscribed by the statute.

(e) There is no provision in the statute which prohibits an individual seeking employment through advertising from specifying his own age.

§ 860.102 Bona fide occupational qualifications.

(a) Section 4(f)(1) of the Act provides that "It shall not be unlawful for an employer, employment agency, or labor organization * * * to take any action otherwise prohibited under subsections (a), (b), (c), or (e) of this section where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business * * *"

(b) Whether occupational qualifications will be deemed to be "bona fide" and "reasonably necessary to the normal operation of the particular business", will be determined on the basis of all the pertinent facts surrounding each particular situation. It is anticipated that this concept of a bona fide occupational qualification will have limited scope and application. Further, as this is an exception it must be construed narrowly, and the burden of proof in establishing that it applies is the responsibility of the employer, employment agency, or labor organization which relies upon it.

(c) The following are illustrations of possible bona fide occupational qualifications.

(d) Federal statutory and regulatory requirements which provide compulsory age limitations for hiring or compulsory retirement, without reference to the individual's actual physical condition at the terminal age, when such conditions are clearly imposed for the safety and convenience of the public. This exception would apply, for example, to airline pilots within the jurisdiction of the Federal Aviation Agency. Federal Aviation Agency regulations do not permit airline pilots to engage in carrier operations, as pilots, after they reach age 60.

(e) A bona fide occupational qualification will also be recognized in certain special, individual occupational circumstances, e.g., actors required for youthful or elderly characterizations or roles, and persons used to advertise or promote the sale of products designed for, and directed to apeal exclusively to, either youthful or elderly consumers.

§ 860.103 Differentiations based on reasonable factors other than age.

(a) Section 4(f)(1) of the Act provides that "It shall not be unlawful for an employer, employment agency, or labor organization * * * to take any action otherwise prohibited under subsections (a), (b), (c), or (e) of this section * * * where the differentiation is based on reasonable factors other than age; * * *"

(b) No precise and unequivocal determination can be made as to the scope of the phrase "differentiation based on reasonable factors other than age." Whether such differentiations exist must be decided on the basis of all the particular facts and circumstances surrounding each individual situation.

(c) It should be kept in mind that it was not the purpose or intent of Congress in enacting this Act to require the employment of anyone, regardless of age, who is disqualified on grounds other than age from performing a particular job. The clear purpose is to insure that age, within the limits prescribed by the Act, is not a determining factor in making any decision regarding hiring, dismissal, promotion or any other term, condition or privilege of employment of an individual.

(d) The reasonableness of a differentiation will be determined on an individual, case by case basis, not on the basis of any general or class concept, with unusual working conditions given weight according to their individual merit.

(e) Further, in accord with a long chain of decisions of the Supreme Court of the United States with respect to other remedial labor legislation, all exceptions such as this must be construed narrowly, and the burden of proof in establishing the applicability of the exception will rest upon the employer, employment agency or labor union which seeks to invoke it.

(f) Where the particular facts and circumstances in individual situations warrant such a conclusion, the following factors are among those which may be recognized as supporting a differentiation based on reasonable factors other than age:

(1) (i) Physical fitness requirements based upon preemployment or periodic physical examinations relating to minimum standards for employment: *Provided, however,* That such standards are reasonably necessary for the specific work to be performed and are uniformly and equally applied to all applicants for the particular job category, regardless of age.

(ii) Thus, a differentiation based on a physical examination, but not one based on age, may be recognized as reasonable in certain job situations which necessitate stringent physical requirements due to inherent occupational factors such as the safety of the individual employees or of other persons in their charge, or those occupations which by nature are particularly hazardous: For example, iron workers, bridge builders, sandhogs, underwater demolition men, and other similar job classifications which require rapid reflexes or a high degree of speed, coordination, dexterity, endurance, or strength.

(iii) However, a claim for a differentiation will not be permitted on the basis of an employer's assumption that every employee over a certain age in a particular type of job usually becomes physically unable to perform the duties of that job. There is medical evidence, for example, to support the contention that such is generally not the case. In many instances, an individual at age 60 may be physically capable of performing heavy-lifting on a job, whereas another individual of age 30 may be physically incapable of doing so.

(2) Evaluation factors such as quantity or quality of production, or educational level, would be acceptable bases for differentiation when, in the individual case, such factors are shown to have a valid relationship to job requirements and where the criteria or personnel policy establishing such factors are applied uniformly to all employees, regardless of age.

(g) The foregoing are intended only as examples of differentiations based on reasonable factors other than age, and do not constitute a complete or exhaustive list or limitation. It should always be kept in mind that even in situations where experience has shown that most elderly persons do not have certain qualifications which are essential to those who hold certain jobs, some may have them even though they have attained the age of 60 or 64, and thus discrimination based on age is forbidden.

(h) It should also be made clear that a general assertion that the average cost of employing older workers as a group is higher than the average cost of employing younger workers as a group will not be recognized as a differentiation under the terms and provisions of the Act, unless one of the other statutory exceptions applies. To classify or group employees solely on the basis of age for the purpose of comparing costs, or for any other purpose, necessarily rests on the assumption that the age factor alone may be used to justify a differentiation—an assumption plainly contrary to the terms of the Act and the purpose of Congress in enacting it. Differentials so based would serve only to perpetuate and promote the very discrimination at which the Act is directed.

Signed at Washington, D.C., this 18th day of June 1968.

BEN P. ROBERTSON,
Acting Administrator.

Appendix 3

LETTERS AND STATEMENTS FROM ORGANIZATIONS AND INDIVIDUALS

ITEM 1. STATEMENT SUBMITTED BY JAY L. RONEY, DIRECTOR, AMERICAN PUBLIC WELFARE ASSOCIATION

AUGUST 22, 1968.

DEAR SENATOR RANDOLPH: We are pleased to be offered the opportunity to submit a written statement with reference to a joint study you and Senator Edward Kennedy are undertaking on "Adequacy of Services to Older Workers." In the following statement, we are focusing on the specific questions you raised in the attachment to your letter of July 12, 1968, particularly as they affect recipients of public assistance.

1. In your judgment, how successful have been the community work and training programs formerly administered by the Welfare Administration and now administered by the Social and Rehabilitation Service under the authority of section 409 of the Social Security Act and of Title V of the Economic Opportunity Act, particularly as they relate to middle-aged and older persons?

From statistics released relating to the Title V community work and training programs during the last several years, I would judge that the programs have been effective. I am not aware that these statistical reports indicated the age groupings of those involved in training programs, but such an inquiry might be addressed to the Social and Rehabilitation Service, Assistance Payments Administration, U.S. Department of Health, Education, and Welfare.

It is my impression that most of the persons were in the younger and middle age range. The program was, of course, confined to recipients of public assistance which means those categorical programs in which the federal government participates. Since the federal government does not participate in general assistance, many of the older middle-aged persons, from 55 to 65 years, have been excluded. It would also appear that most of the elderly persons receiving Old Age Assistance would not have been selected for training since the median age of these recipients is 76.6 years. Additional contributing factors to low selection from the Old Age Assistance group may be their low educational achievement (76.6% with 8th grade education or less) and the high proportion of women (68%).

The possibility of reaching the older group in the future has been lessened by the 1967 Amendments to the Social Security Act. As we understand it, the Title V Program is being phased out and being transferred to the Department of Labor with the training emphasis on AFDC families.

2. To what extent do you believe that these programs have paid for themselves or, perhaps, even resulted in net savings of Federal funds by helping welfare recipients to move into self-sufficiency, or helping potential welfare recipients to avoid having to resort to welfare assistance?

As indicated above, I believe work training programs have helped many welfare recipients become self-supporting, but these have not included many recipients of Old Age Assistance. I believe, however, that measurements of the effectiveness of work and training programs for older persons should not be made solely on financial grounds and full self-support.

All older persons who are able and wish to do so should have the opportunity to compete in the open labor market without discrimination relating to age. However, many elderly persons do not have the physical capacity, the desire or the skill to compete on the full-time open labor market, nor accessibility to transportation. Nevertheless, many have the same psychological and social needs to contribute through useful activities. If given part-time paid opportunities, they can achieve a sense of dignity, self-satisfaction and achievement which are so vital at any age, but especially in the later years. One basic premise I should like to present is that employment for the elderly should be "person oriented" rather than "job oriented," and that programs should be designed to meet social objectives as well as job objectives.

3. What, if any, administrative changes do you believe are needed to improve these programs, and what, if any, amendments to the authorizing legislation would you recommend?

We should like to make several suggestions for consideration by your Committee:

1. We would strongly recommend that legislation be enacted which would have the effect of extending federal financial participation to the category now termed "general assistance" and that federal participation in work and training programs be extended to this group. This would enable the needy group, over 50 years of age, to be rehabilitated, trained or retrained for possible self-support or even partial self-support.

2. We believe the work and training programs should be available to all middle-aged and older persons with low incomes, but above the eligibility level of public assistance (perhaps the eligibility level for medical assistance might represent a guideline). This would enable many persons who, for exemple, receive low Old Age Insurance benefits and do not qualify for public assistance, to secure training to supplement their low incomes.

3. All avenues for creating full- or part-time socially useful jobs should be initiated or expanded. These would provide for many older persons the psychological lift that comes from continuing to contribute of themselves through performing, meaningful and useful tasks. In addition, this program would provide extra income for those who need it and, moreover, their services would make a marked contribution to the community.

Several current programs suggest themselves for expansion and extension. Some of these are FIND, Green Thumb, Foster Grandparents and Vista. Other programs might include services to older persons in the community, in institutions, to AFDC mothers, and others. Senate bill (S–3677) introduced by Senator Williams provides for a new title to the Older Americans Act which authorizes a program of Service Roles in Retirement. We believe the provisions of this bill are geared to meet some of the above needs and we, therefore, endorse the proposed amendment.

The Neighborhood Service Center concept also has the potential for meeting the needs of older persons, as mentioned above, while encouraging their contribution to the community.

We are pleased that the Committee is considering this important matter and appreciate this opportunity to give our comments.

Sincerely yours,

JAY L. RONEY, *Director.*

ITEM 2. STATEMENT SUBMITTED BY MRS. MARGUERITE H. COLEMAN

1. The importance of counseling in the retraining and reemployment of older workers

Many older workers who become unemployed do not need counseling service or retraining. Such workers do share the difficulties and problems of any unemployed worker but they suffer no special disadvantages associated with age or age discrimination. Older workers in this group are usually workers who are competent and experienced in occupations which still exist and in occupations in which labor demand exceeds labor supply. (Examples—teachers, social workers, nurses, stenographers, tool and die makers.)

However, a sizable number of older workers do need counseling service and may need additional training or retraining—and this number will probably increase rather than decrease as technological development accelerates, as new processes and materials replace old processes and materials, as occuptions requiring a high level of education and technical knowledge displace "unskilled" occupations, and as industrial "mergers" increase. Many workers who become unemployed at age 40 or 45 or 50 or 55 have worked steadily for 20 or 30 years, they have little or no experience in finding a job, they do not know how or where to apply for work, they have little knowledge of the labor market or employer demands or requirements and little knowledge of their own occupational skills, knowledge, abilities, or interests. Many of them understandably panic. All that they know is that yesterday they were respected, respectable citizens with employment and a paycheck, and today they are unemployed with a family to support. They feel that they are caught in the trap of being too young to die but too old to earn a living. Reemployment may require this worker either to relocate or to change his occupation; reemployment may necessitate training, retraining, or additional basic education. The worker's occupation may be one that is generally filled by promotion from within; the worker's occupation may be highly specialized and exists only in the industry which has moved away or has gone out of business or has merged. The worker may have been earning high wages as a result of seniority pay increases without a commensurate increase in skill, technical knowledge, education or training.

Obviously such unemployed workers need employment counseling service. They need skilled competent assistance in evaluating their education, skills, knowledge, interests, and experience as related to the demands and requirements of available jobs. They need labor market information, they may need assistance in selling themselves to employers and they may need assistance in overcoming their fear or conviction that they will never find suitable reemployment. Certainly if unemployed older workers need additional training or retraining, employment counseling assistance is mandatory. To urge or persuade unemployed older workers to take retraining without reasonable assurance that the particular training is appropriate for the particular individual and without reasonable assurance that the training will result in suitable reemployment is not only expensive and wasteful, but it is cruel.

2. The need for training and the type of training required

Ideally, necessary training, retraining or additional education should be undertaken while the worker is still employed, and ideally, should be undertaken to enable the worker to shift to another job or occupation in the same establishment or industry without the necessity for any intervening period of unemployment.

However, this will not always be possible—and it is no solution to the problems of older workers who are now unemployed. Hence, we must cope with the problem of workers who are unemployed and who now must be trained or retrained.

The need for retraining older workers and the process and method of such retraining are relatively new phenonema in the United States. To a marked

degree employers, unions, and older workers themselves have shown something less than enthusiasm in considering the possibilities in retraining of unemployed older workers. The fact that we must, increasingly, accept the assumption that adult retraining must be part of the natural process is generally accepted in lip-service but is not generally accepted in practice. A number of small experiments or "pilot projects" have been undertaken in the retraining of older workers and a small number of older workers have been included in the Manpower Development and Training courses that are in operation continuously in thousands of communities throughout the United States. However, at the present time, the reports available on the success or failure of this retraining for older workers are scattered, fragmentary and contradictory. We need much more controlled research than is now available in respect to:

(*a*) Selection methods for referral to training.

(*b*) Methods and techniques for motivating older workers toward retraining.

(*c*) Methods of training.

(*d*) Results of training in terms of satisfactory employment and job adjustment.

Many of the tentative conclusions about the effectiveness of older workers retraining have come from European rather than American research and experience. Among the most significant of these tentative conclusions are:

(*a*) There is no sound basis for an assumption that older workers cannot learn.

(*b*) Difficulties experienced by older workers in retraining seem to be caused by the indirect relationship between information and action—by training methods based on reading or listening rather than doing.

(*c*) Many older workers can succeed in retraining if given an extension of training time; "pacing" frequently disturbs and blocks the older worker's ability to learn.

* * * * * * *

(*d*) Generally, the less the older worker has to learn or unlearn in changing jobs, the faster he will adjust to the new job. Generally, maintenance of accustomed wage level, status, prestige etc. bear a direct relationship to similarity of occupational category. Very few older workers can, or wish to start completely afresh, occupationally. Most must, and wish to use and take full advantage of all of the occupational assets they have accumulated over the years; and few employers wish to hire older workers in occupations in which the older worker is a beginner or trainee.

3. The need of employment services to employ counselors who are specialists in the problems of older workers

The basic process, method, technique, purpose, and function of employment counseling are the same for all workers regardless of age. Hence I believe that older worker specialists should be first and most important competent employment counselors. However, I also believe that employment counselors who are to be assigned to employment counseling service to older workers need additional special training in serving older workers. The counseling problems of older workers differ markedly from the counseling problems of youth; the older workers relationship with the counselor, his view of the role of the counselor, usually differs markedly from that of youth; what the older worker wants and expects from counseling and what the older worker has to offer an employer is quite different from that of youth; the older worker's financial responsibilities, his economic and social status are different from those of youth.

What older workers expect from counselors differs of course with individuals. However, most older workers probably want, need, and expect one or more of the following:

(*a*) A job—or specific job related information which will enable the worker to become suitably reemployed.

(*b*) Assurance that in talking with the counselor he is talking with a knowledgeable, understanding adult who is accepting him as a mature, experienced, knowledgeable adult.

(*c*) Assurance, if possible, that he can find a way of continuing to live in self-respect and dignity.

(*d*) Assistance, if necessary, in structuring or restructuring his role and status in society; assistance in understanding and making an adjustment to a changed and changing occupational and industrial society; assistance, perhaps, in adjusting to a different concept of himself in relation to this changed and changing occupational and industrial society.

One cannot assume that counselors trained and experienced in the counseling of youth can automatically transfer this knowledge and experience to successful service to older workers. The clients are different, the problems are different, and the solutions to the problems are different—even though the purpose of the counseling and the basic techniques are essentially the same.

ITEM 3. REPLY FROM MINNESOTA DEPARTMENT OF EMPLOYMENT SECURITY

STATE OF MINNESOTA,
DEPARTMENT OF EMPLOYMENT SECURITY,
St. Paul, Minn., August 6, 1968.

Hon. JENNINGS RANDOLPH,
Chairman, Subcommittee on Employment and Retirement Incomes, Senate Office Building, Washington, D.C.

DEAR SENATOR RANDOLPH: This will acknowledge your letter of July 15 to Miss Virginia Hiniker, the Department's State Older Worker Supervisor. Her report is as follows:

Question 1.—We understand that you have conducted several studies on problems of older workers in rural areas. We would very much like to have summaries of the studies and your recommendations for actions that could be taken at the federal level to offer adequate and appropriate services to older workers in such areas.

I know of no such studies of the problems of older workers in rural areas. Possibly they were done in another state, or by a different agency.

Question 2.—We would also like to have a summary of the purposes, methods and current status of your Senior Aide program, with some discussion of the relevance of such a project to the overall problems of older workers.

The only Senior Aide program in Minnesota is the 40-position program in the Greater Minneapolis Area. This was approved on June 24 and is only now getting underway.

The purpose, as set forth in the project proposal, is: "To open up socially useful part-time jobs in community service—jobs that for lack of funds are not now and normally would not be available. To fill these jobs with: retired workers on low incomes who want part-time jobs; others age 55 or over who have not reached retirement age, are unemployed and have difficulty securing employment in the competitive labore force".

The project originator and sponsor is the Minneapolis Central Labor Union. The cooperating agencies and the positions they requested to achieve these goals are:

Minneapolis Central Labor Union: 1 project coordinator, 1 project assistant coordinator, and 1 clerk typist.

Minneapolis Institute of Arts: 1 tour guide, 1 graphic arts assistant, and 1 clerk.

Minneapolis Musicians Union: 13 musicians.

Minneapolis Public Library: 6 branch library aides.

Minneapolis Model Neighborhood Program: 3 resident planners.

Senior Citizen Centers of Minneapolis: 5 group worker aides, 5 craft aides, and 2 drivers.

The Employment Service was asked to do the screening for qualifications, including eligibility. The project was announced to the press on June 27, and the first senior aides began work the week of July 22.

Because the project has been in existence for such a short time, it is difficult to make observations about it. It will doubtlessly provide much needed financial assistance to a number of older people and will also provide some services to the community which it is not now receiving. In addition, the project will provide meaningful work experience to a group of people who would not otherwise have it, as employment opportunities for senior citizens are quite limited.

The present program, however, does appear to have several shortcomings. At the present time, it appears that the program is too restrictive in terms of income eligibility, too structured in terms of work schedule, and quite selective in terms of the skills required of the senior citizens. The program is limited to people who are 55 years of age and over, who have incomes at or below the poverty level. It provides them with employment for four hours a day, five days a week.

The older people we have discussed the program with fall into three major groups:

The first is those who qualify for and are interested in the program. These people are referred with no problem.

The second is the 55 to retirement age group, whose incomes are below the poverty level, but who state that they want and need full time, forty-hour per week jobs. These people are not interested in the Senior Aide program.

The third group is retirement age. Many of these people need additional income badly to pay bills and provide for necessities. Their incomes, while not adequate, are often slightly above the so-called poverty level. This poverty level is a national standard established by the Manpower Administration and used for all poverty programs. It makes no allowance for the increased cost of living in a nothern metropolitan area, nor for the inflation which has occurred since the figure was established three years ago. Under the current regulations, we cannot certify people with incomes above this level to the project. It appears that the income criteria will eliminate from this program hundreds of senior citizens who want and need employment.

Another difficulty in dealing with this oldest group is that many of them prefer to be partially retired. The program provides for short-hour employment five days a week. It would appear that for many senior citizens a preferable system would be more flexible hours, as working every day means bus fare each day and the day lost for doing the things they want to do in their senior years, such as visiting grandchildren, or going fishing or to the ball game. More hours each day and fewer days each week would be preferable to them.

Related to the income difficulty is the skill requirement of the project jobs. As will be noted from the list of jobs at the beginning of this report, many of the project positions require people with considerable skill or ability. Finding this type of person, who has an income below the poverty level, will be quite difficult. It would appear that if the program is designed to help the poverty level older person, more of the jobs involved should require little or no previous skill. Foster grandparent comes to mind, as a good example.

Since June 24 when the project was anounced, 139 older people have made inquiry about it at our Minneapolis office. Of these, 42% had incomes over the poverty level and could not be referred, 34% were not interested when the program was explained to them due to hours or other reasons, and 24% were referred to a cooperating agency. Of those referred, 15 have been hired, 8 are still pending, and 9 were not hired or refused employment. Of the 25 positions which are still vacant, 15 are not being recruited for at the request of the cooperating agencies.

We hope that, as the program progresses, some of these problems will be eliminated. Some of them are most obvious only during the initial stages of such a program. The Senior Aide program has, we feel, much to merit it. We hope that it will be continued and expanded as it can offer both the senior citizen and the community much needed help.

I am pleased that your committees are studying the "Adequacy of Services to Older Workers." Their underutilization represents a real loss to the economy of the country and to the incomes of the older workers. If this Department can be of additional help, please let me know.

Yours sincerely,

GEORGE J. VAVOULIS, *Commissioner.*

ITEM 4. REPLY FROM WALTER R. MORRIS

ENGLEWOOD, N.J., *August 9, 1968.*

Re: Adequacy of Services to Older Workers.

Mr. WILLIAM E. ORIOL,
Staff Director,
Senate Special Committee on Aging,
Washington, D.C.

DEAR MR. ORIOL: Thank you for your letter of *July 31st* and the excerpt of Senator Randolph's opening statement for the July 24th *hearing of the Subcommittee on Employment and Retirement Income.*

After quoting a passage from my "Journal of a Discarded Man," Senator Randolph said, "Too many Americans have experienced such interviews. Many more will have that experience, even with new Federal law, unless we can change attitudes. And, as we know, that is a very difficult thing to do."

Indeed it is. We are in a time when a company likes to say that its president is 30 years old, and when every fad of those under 30 commands the front page of our newspapers and a cover story in our magazines. It isn't so much that we are "youth oriented": we are youth obsessed. The pendulum would seem to be at the top of its swing—which is to say, we are an an extreme attitude, and the only way to go from this point is back. Now if this notion is correct, the attitude of American management toward the "over-age" job applicant will inevitably undergo an unconscious change, but, of course, not completely. To finish the job is the hard part, as Senator Randolph knows, but once the reaction starts, I think it can be done by proper pressure (or guidance, if that's a better word), and I must say that I am heartened by the very fact that there *is* such a thing as a Senate committee on the problems of aging.

Since I am a native-born citizen of the United States, besides being (through no effort of mine) white, Anglo-Saxon, and Protestant, I am—or was—a clear case of "over age" in the discrimination department. I say I *was* such a case, because, through Civil Service, I am now employed by the New Jersey State Employment Service, with the standard fringe benefits. This could hardly have happened in the private sector, where a man is "too old" at 38.

When the President says, "Many older men and women are unemployed because they are not fitted for the jobs of modern technology; because they live where there are no longer any jobs; or because they are seeking the jobs of a bygone era," he is doubtless correct so far as the area of technology is concerned, but I don't think it is true in some other areas; in advertising and publishing, for instance, where prejudice against age in the job market is notorious. It is difficult to understand how a competent production man can suddenly become incompetent and unemployable when he loses his job at an age of 40 plus. The same could be said of a copy editor or proofreader. The English language doesn't change that fast. Yet I could cite the case of a man of 56 being turned down as a proofreader by Time, Inc. Perhaps (and this would be typical) they considered him "over-qualified" and they refused to give him the job because they wanted him to be happy. In all such instances the employer decides for himself—by a rigid stereotype—what will make the job-applicant happy. The applicant himself has no say in the matter, which has always struck me as being rather peculiar. After all, the applicant does have some concern for his own happiness, and if he had thought that by being a proofreader for Time, Inc. he would have been plunged into a pit of wretchedness he would never have applied for the job.

The thing of it is, all personnel artists have a headful of stereotyped images. The applicant must, somehow, look like the offered job.

Once in a great while a person with power to hire operates outside the frozen world of corporate personnel experts. Bruce Jay Friedman, the writer, is quoted in the New York Times Magazine of 14 January 1968, page 38, as follows: "We had brilliant outcasts there [at Magazine Management, a publisher], people defective in one part—the kind of defect that would have disqualified them from, say, Forbes. And I hired them all, over 40 people, and I never made a mistake."

The trouble is, you see, there are so few creative people around, in any field. So why, I ask myself, should we expect the personnel man to be different? Obviously, since these people all go by the book, a new book will have to be written. Maybe you can write it in Washington.

Sincerely,

WALTER R. MORRIS.

ITEM 5. REPLY FROM SEYMOUR WOLFBEIN, DEAN, SCHOOL OF BUSINESS ADMINISTRATION, TEMPLE UNIVERSITY, PHILADELPHIA, PA.

JULY 24, 1968.

DEAR SENATOR RANDOLPH: I am enclosing the materials you requested in your letter of July 10, 1968, referring to your efforts with the Special Committee on Aging which you wrote on behalf of yourself and Senator Edward Kennedy relating to a joint study on "Adequacy of Services to Older Workers."

I hope all goes well with you.

Sincerely,

SEYMOUR L. WOLFBEIN, *Dean.*

[Enclosure]

1. Action Necessary for Adequate Retraining, Counseling and Other Services

There exists today a very wide variety of guidance, counseling and training and retraining opportunities under legislation enacted in recent years in connection with health, rehabilitation, manpower, education, poverty, etc.

Because of the projected manpower position of our nation in the years ahead, some of the prime goals we have set for ourselves simply will not be consummated in the quantity as well as quality we want them to, unless a deliberate, overt provision is made for the utilization of the older worker. Either through legislation, but more preferably through administrative action, all agencies administering these various programs should set up relevant procedures and staff which will ensure that the older person gets these services and the opportunity to take advantage of these programs. The older person often needs just as much in special effort, e.g., "outreach" as other disadvantaged groups in the population.

I would also like to reaffirm my suggestion that steps be taken to remove what is now a penalty for all workers, and especially the older worker who wants to take training, for example. During his or her period of training and retraining, the person does *not* get credit toward Social Security. We will have made an enormous advance in giving meaning to our oft-repeated statement that educational training are lifetime endeavors when we move to the point in this country when individuals taking the time and effort to acquire new training and skill continue to receive credit toward Social Security as much as does the employed person.

2. Potential Research Projects

A. One of the major forces of the job market in post World War II America has been the enormous growth in part-time job opportunities. For example, in the period 1950–1966, the number of part-time workers with some work experience during the year increased by 50%, double the corresponding upturn among full time workers. As a result, by 1966, almost one out of every three persons with work experience was engaged part-time (calculated from *Manpower Report of the President*, April 1968, Table B–14, p. 265).

My own research ("Changing Patterns of Working Life") shows that part-time work already has become a major component of the length and pattern of working life in the U.S.A.

A research effort which warrants very high priority would be one which would involve the following phases:

(1) A study, in depth, of the extent to which older persons have engaged in part-time work, by age bracket, occupation, industry, sex, color and marital status. This would give us the statistical intelligence on who, among the older Americans, have broken the part-time work barrier—and the record of those who haven't.

(2) An evaluation of the factors and forces which have promoted and those which have retarded part-time employment opportunities for older Americans.

(3) A projection of the age-sex-color-marital status constellation of the future, e.g. to 1975 and on, juxtaposed against similar projections of occupational and industrial trends, with an evaluation of the portents for future role of part-time work, including the impact of such factors as technological change.

A project of this sort would not only hold substantive interest by itself for this field, but could yield strategic guidelines for the guidance, counseling and training of older Americans for part-time work.

B. The next frontier in the U.S.A. in terms of job opportunities lies in the human service occupations which are projected to grow enormously, if only because of legislation in the field of employment, poverty, housing, education, health, etc.

A most worthwhile endeavor would involve an analysis of the requirements of such occupations, in terms of the traits, talents, interests, judgements, aptitudes they represent—especially in relation to performance by older workers. The result would be a major contribution toward guidelines for retraining and counseling services to older workers.

C. Tens of thousands of older workers have been trained and retrained under the Manpower Development and Training Act and similar legislation during the past four years. We need a hard-nosed evaluation of the forces which resulted in the successes and failures which were encountered in these programs—again as guidelines for future action.

Among the various questions (answers) we need in this connection are the success and failure results related to—

The age and sex of the older trainee

The importance of white-nonwhite differentials

The relevance of previous work experience as a whole, but particularly in terms of occupation and skill level

The impact of prior records of unemployment

The geography of training opportunities

In all of this, particular attention should be paid to the role of (including the absence of) guidance, counseling and related services.

ITEM 6. INFORMATION ON OKLAHOMA STATEWIDE HOMEMAKER SERVICE PROJECT

(The following article appeared in the April 1965 issues of the American Vocational Journal.)

Visiting Homemaker Services: Oklahoma Project

(Charlyce R. King, Associate Professor, Child Development and Family Life, Iowa State University)

A project in Oklahoma, now in its third and final year, has trained more than a hundred women in visiting homemaker services designed primarily to help families maintain household routine and normal living conditions during times of crisis and emergency. In addition to providing this service to 100 small communities in the state, the project has produced some important findings; it can thus be viewed also as an experiment in vocational training of adult women.

Begun July 1, 1962, by the Family Life Institute of the University of Oklahoma, the project was carried out with cooperation from the Oklahoma Department of Public Health and financial assistance from the National Health Services. It turned out to be an ambitious undertaking, including community organization and development, selection and training of teachers, construction of specialized teaching materials and tools, state and community publicity, organization of classes at the community level, and an evaluation process.

The one hundred participating communities were selected by a committee of specialists from the sponsoring agencies. The committee established several selection criteria, but the chief criterion was that the participating community have a qualified vocational home economics teacher willing to take special training and return to the community to teach a class in visiting homemaker services.

After teachers and communities had been selected early in the beginning year, one of the first tasks of the project staff was to communicate the idea of the visiting homemaker service to the leaders of the selected communities. This was not a small assignment. Oklahoma does not have established agencies offering such services; hence the idea was relatively unknown.

The concept that had to be interpreted to the communities was that of a *community service sponsored by a public or voluntary agency employing personnel to furnish home services to families with children or convalescent, aged, acutely or chronically ill, or disabled persons. Its primary function is the maintenance of household routine and the preservation or creation of wholesome family living in times of family crisis or stress.*

It was important also that the image of the visiting homemaker be established as that of a *mature woman trained in all phases of family management.* These concepts were publicized through a series of newspaper articles, information letters and bulletins sent to community leaders and by the project staff who visited the selected communities to organize the services.

Purposes of the Project. In order to secure the cooperation of participating communities it was important to clarify and interpret the project objectives which were stated as follows:

To demonstrate a method of initiating homemaker services in small communities.

To increase the rate of development of homemaker services in small and medium-sized communities.

To develop a method of insuring to communities an increasing supply of capable visiting homemakers.

To create a meaningful, worthwhile occupation for a large group of typically unskilled women, thus returning them to the labor force and providing them with a more satisfying way of life.

To evaluate the effectiveness of different community organizations and agencies in sponsoring and maintaining homemaker services.

To prolong the period of families living together as a unit, thus reducing or delaying the admission of individuals to hospitals for custodial and protective care.

To develop a systematic method of projecting statewide educational resources into community education programs.

To strengthen family life through the establishment of a trained group of visiting homemakers able to assist families during periods of stress.

(After the Hearing, questions were presented to Dr. Charlyce R. King, author of the foregoing article, and replies were received from her, as follows:)

(a) What is the service and how does it operate?

The project was a three year program to offer training to older women in 100 small Oklahoma communities and to serve families in times of special crises or need.

(b) How was it organized and how were the participants recruited?

The program was made available through a grant from the National Health Services, and it was organized by the staff of the Family Life Institute, Oklahoma Center for Continuing Education, University of Oklahoma.

Vocational homemaking teachers in the 100 small Oklahoma communities were trained to organize and teach older women the necessary learning and skills for working as visiting homemakers. These teachers were trained by University of Oklahoma faculty and staff.

(c) What opportunities were offered for jobs to older workers?

Many employment opportunities were available to the women who completed their training. Quite a few of these older women took employment with nursing homes, but some were employed in private homes. Others were placed in special need areas by the Health Department and Department of Welfare.

(d) Has the program been successful?

Yes—in the following ways:

(1) It provided a way to offer training to older women in small communities in Oklahoma.

(2) It introduced the concept of homemaker services to people in Oklahoma, and as a result many towns and communities organized and developed these services for families.

(3) It provided much valuable information in community organization, teaching of the older student, and development of curriculum and teaching materials for the older student.

(e) What suggestions would you make for the development of other such programs and the employment of older persons in such programs?

Ideas and suggestions as follows:

(1) Prevocational training programs for older workers. To include—job orientation, counseling, placement, training opportunities, etc.

(2) Specialized training programs for those persons who will be educating and training the older worker. To include—understanding aging, counseling the older worker, placement of the older worker, etc. This program could be offered to social workers, teachers, vocational rehabilitation workers, poverty workers, etc.

(3) Programs and refresher courses in vocational areas which are especially designed for the older person.

(4) Surveys of employment needs of older citizens would be valuable in many rural and urban communities.

(5) Week-end seminars and institutes for older citizens could be conducted as joint efforts between universities and businesses to help reintroduce the older citizen to the world of work.

(6) Special programs for problems of employment of the older citizen could be conducted for business leaders, personnel workers, and community workers. Oklahoma University would have a unique offering in this area. These could be held in special 2 or 3 day workshops, seminars, or conferences.

(7) There are many more possibilities, and ideas for programs for minority citizens in the older group need special attention.

ADEQUACY OF SERVICES FOR OLDER WORKERS

THURSDAY, JULY 25, 1968

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND RETIREMENT INCOMES, AND SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES, OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittees met, pursuant to notice, at 10:25 a.m., in room 4200, Senate Office Building, Senator Jennings Randolph (chairman of the Subcommittee on Employment and Retirement Incomes) presiding.

Present: Senator Randolph.

Also present: William E. Oriol, staff director; John Guy Miller, minority staff director; J. William Norman, professional staff member; and Mrs. Patricia Slinkard, chief clerk.

Senator RANDOLPH. Good morning, ladies and gentlemen.

Mr. Ravin, will you begin our morning session with an introduction of those who join you for the panel?

STATEMENTS OF LOUIS H. RAVIN, SPECIAL ASSISTANT FOR OLDER WORKERS; SOL SWERDLOFF, BUREAU OF LABOR STATISTICS; CLARENCE T. LUNDQUIST, ADMINISTRATOR, WAGE AND HOUR AND PUBLIC CONTRACT DIVISIONS; RICHARD MENDENHALL, REPRESENTING MARK BATTLE, ADMINISTRATOR OF THE BUREAU OF WORK-TRAINING PROGRAM; AND CHARLES ODELL, DIRECTOR OF THE U.S. EMPLOYMENT SERVICE

Mr. RAVIN. I will just identify the bureaus with which they are connected; they may want to give you a little biographical information.

On my right, Mr. Sol Swerdloff, representing the Bureau of Labor Statistics.

Next to him is Mr. Clarence T. Lundquist, Administrator, Wage and Hour and Public Contract Divisions.

To his right is Richard Mendenhall, representing Mr. Mark Battle, Administrator of the Bureau of Work-Training Program.

Last is Charles Odell, Director of the U.S. Employment Service.

(The prepared statement of Louis H. Ravin follows:)

PREPARED STATEMENT OF LOUIS H. RAVIN, SPECIAL ASSISTANT FOR OLDER WORKERS, MANPOWER ADMINISTRATION, DEPARTMENT OF LABOR

Mr. Chairman, in much of the discussion of age and employment the subjects of pensions and retirement for age 65 have been in the forefront. This committee's hearings should serve as a vigorous reminder that many men and women feel the impact of age on their employment opportunities long before they reach their

60's. Their difficulties may become acute at 40 or 50 years of age and even earlier, when retirement is not a feasible alternative.

You have heard some statistics on middle-aged and older workers and you will be hearing more. Statistics are useful—but statistics are not human beings. Moreover, on the subject we are dealing with today, statistics have so far been better at raising questions than answering them.

There are now more than 22.6 million persons between age 45 and 54 and 17½ million between 55 and 64—that is, more than 40 million middle-aged people.

Older worker (45+) account for 30 million or almost two-fifths of the labor force. If we wanted to avoid facing problems—to be able to say "all's well with the world"—we could be content with one or two superficial statistics: Unemployment rates were low in 1967—3.1 for all males, and only 1.9 for men aged 45 to 54. That conceals as much as it reveals. In fact beginning about age 45:

—labor force participation falls off;
—unemployment begins to rise;
—duration of unemployment increases; and
—poverty increases.

These trends reflect the misfortunes of only a minority, but it is not such a small number at that. In 1967, a monthly average of 725,000 persons 45 years and over were unemployed, and their unemployment on the average was twice as long as for those under 45.

The proportions of the very long-term unemployed made up of men 45 and older has jumped despite an improved employment situation—from 31.5% in 1961 to 49.2% in 1967. The long-term unemployed are small in number but it is no consolation to the victims to know that most people are better off than they.

In 1947, 48% of men 65 and over were in the labor force; in 1967, only 26%. There has also been a significant decline in participation of men 55 to 64. There are now more than 1¼ million men between 55 to 64 who are not in the labor force.

The drop-out from the labor force may be accounted for in part by early retirements. To the extent that this reflects the retirement of men 62 to 64 under the optional provisions of the Social Security Act, they are for the most part persons of low income compelled to accept reduced benefits which will continue throughout their lifetime. Such a decision is not voluntary retirement to enjoy leisure as the fruit of long years of work, but simply acceptance of the inevitability of a life of poverty.

But a job means not only income for the older person; it is more than that—it is something to do, someplace to go, someone to talk to.

Once unemployed older workers remain unemployed substantially longer than younger workers, and some may never find a job again. The numbers of men unemployed for very long periods are small, but more of them are middle-aged and older men. The numbers are small—but to these individual men, the total personal impact can be traumatic—the consequences most serious. One researcher working with people 60 and older said, "In the case of the older person . . . retirement or unemployment or the threat of these is as devastating to their self-image and social adjustment as would be a mandatory rule that he change sexes at a given age."

Another study showed that over a 30 year period, suicide rates for men from 45 to 54 years old changed with remarkable consistency with each upward and downward movement of unemployment rates. Again, the numbers are small, but who would want to be burdened with the responsibility for the fate of even one of these unhappy men.

Long-term unemployment among middle-aged men emerges as a most serious problem. Unemployment is more widespread among youth—but more lasting among the middle-aged and older workers. They are the breadwinners of the family. Shall the sons work and the fathers go idle? We must wage this war on two fronts!

How can the problems faced by too many older workers—long-term unemployment, discouragement in search for work, premature and involuntary retirement, increased real income, family hardship and poverty—be brought into public awareness? How can this problem, widespread in impact, but low in visibility, claim attention and priority equal to that of more dramatic and concentrated problems? That is our dilemma.

Can we instead escape this dilemma by ignoring this problem. Some economists may conclude that the economy does not need all the available labor supply and that lopping off a given number of older workers would bring supply and demand into balance. There is a value judgment here that the young rather than

the old should have the available jobs. There are also costs involved in providing support for unemployed or retired older workers. Techniques to meet these costs are varied—earlier retirement, higher benefits and most recently the proposals of the guaranteed income type. The latter proposal challenges the Protestant ethic—the work incentive. It flies in the face of existing mores.

In any case the advocates of guaranteed income programs and many of those who see a very rapid rate of technological development believe that increasingly smaller proportions of the population need to be gainfully employed, or *can* in fact be employed in the production of goods and services needed in our society. There is ample evidence that we are still a long way from producing enough to meet the reasonable requirements of the average family. This stage of surfeit is unlikely to be reached in this decade or this generation.

Some experts maintain that continued activity, particularly paid employment, is beneficial to the physical and mental health of older persons. Others contend that leisure and opportunity for volunteer services can offer greater satisfaction for older persons. Still others will argue that increased leisure ought to be distributed over the total span of life, and not taken in a massive dose toward the end of life.

Experts, and others less expert, may debate endlessly. What is the view of older workers? Among them we are likely to find far less difference of opinion.

The older worker would like to have options: to work or to retire, to work full-time or part-time, to work for pay or as a volunteer. Workers at retirement age may have these options, although many do not in view of low income and compulsory retirement. The worker below retirement age does not have that option today—unless it is public assistance. He must find *employment.*

Unfinished Business

Our goal then is to offer the older worker a range of real and reasonable alternatives from among which he can make a free choice depending on his individual needs and capacities:—to work or to retire, to work full-time or part-time, to work for pay or as a volunteer. Our strategy in advancing toward this goal requires the achievement of several objectives:

. . to clear the obstacles which confront the older job seeker by eliminating arbitrary discriminatory practices and by modifying other policies and practices which work against the older person;

. . to increase the availability of jobs by finding and stimulating new job opportunities, including employment in needed community services to supplement income and facilitate the transition to full retirement or the return to full-time work;

. . to improve and extend programs to facilitate the matching of skills and jobs, and to cushion the impact of unemployment;

. . to pave the way for older workers, employers, labor unions and educational institutions to prepare for and adjust to foreseeable changes in technology, in educational requirements, personnel practices; and to prepare for satisfying retirement.

As is the case for any program, the rate of progress depends upon the availability of the three M's—Men, Methods and Money. We undoubtedly will need as we move forward, new law and new funds, but we need now and at all time to make maximum use of *existing* programs and agencies, and to provide the special efforts, attention and priorities required to improve significantly the employment prospects of older workers.

We already have a good foundation for providing middle-aged and older persons with a continuum of services ranging from counseling, training, placement, preparation for retirement, part-time and full-time opportunities for continued service—the whole gamut from full-time competitive employment to full-time retirement. The reach of these services and opportunities is too limited at present but they are made possible through the Age Discrimination in Employment Act, MDTA, Title I–B of the Economic Opportunity Act, Community Senior Service programs, Mainstream, JOBS in the business sector, Concentrated Employment Programs and facilities of the U.S. Employment Service, and, of course, most importantly in the area of income maintenance, we have the Social Security system, Medicare and growing private pension plans.

The Department's Older Worker program reaches into and involves virtually all Bureaus and offices of the Department. The key officials of the major agencies involved make up the panel today. It is through these organizations and their resources that the goals of the Older Workers program will be achieved.

They will supplement the Secretary's presentation of accomplishments and services now available or necessary to help older workers find or maintain employment and answer your questions.

Mr. RAVIN. You have my written statement and I will pick up some of the highlights of that statement.

I was very much taken, Senator, with your report of a conversation with someone in his twenties and his indifference to the problems of the older person. It reminded me of the "Death of a Salesman"—it was on TV the other night—in the kitchen scene, when Willie Loman's wife upbraids their sons for their neglect and indifference to the problems of their father.

The phrase that is repeated, I think, is very applicable to this middle-aged group, simply, "attention must be paid."

This is the problem—invisibility, lack of public awareness that the group we are concerned about presents to us.

In much of the discussion of age and employment, the subjects have been pensions and retirement at age 65. I would hope that this committee's hearings will serve as a vigorous reminder that many men and women feel the impact of age on their employment opportunities long before they reach 60, as early as age 40 and 50, when retirement is not a feasible alternative.

You know there are 18 million persons over 65. We ought to bring to your attention that there are more than 40 million middle-aged people between age 45 and 65. Older workers, people 45 and over, account for 30 million, or almost two-fifths, of the labor force.

Beginning at age 45, labor force participation falls off; unemployment begins to rise; duration of unemployment increases; and poverty increases.

These trends reflect the misfortunes of only a minority but it is not such a small number at that. In 1967, a monthly average of 725,000 persons 45 years of age and over were unemployed. The proportions of the long-term unemployment made up of men 45 and older has jumped despite an improved employment situation—from 31.5 percent in 1961 to 49 percent, almost half, in 1967 then on the labor force participation generally. In 1947, about half the men 65 and over were in the labor force; in 1967, 26 percent.

There has also been a decline of men 55 to 64. There are now more than 1¼ million men between 55 and 64 who are not in the labor force.

Now, I have been avoiding figures on women because that is kind of a complicated situation but they are not having an easy time, either.

Senator RANDOLPH. They are very important.

Mr. RAVIN. They are, and they are a great number.

Senator RANDOLPH. Four million more voting-age women than voting-age men. Very important.

Mr. RAVIN. I would like to make a point, Senator, that for a long time was not familiar—because of the articulateness and vociferousness of youth—that people 45 and older represent more than half the population of voting age.

Now, I think this fact is beginning to get across and may have some significance in the kinds of attention we will get inside Congress and the executive branch. This has been a surprise to many people; they don't see the older person on TV screens as much but they are there in the voting booths.

The dropout from the labor force in part reflects early retirements but such actions often are not voluntary retirements to enjoy leisure as the fruit of long years of work but simply acceptance of the inevitability of a life of poverty.

The job means not only income for the older person but more—it is something to do, some place to go, someone to talk to.

Unemployment Lasts Longer for Older Workers

Unemployed older workers remain unemployed substantially longer than younger workers and some may never find a job again. The numbers are small relative to the total labor force but to these individual men the personal impact can be traumatic.

One researcher working with people 60 and over said: "In the case of the older person retirement or unemployment or the threat of these is as devastating to his self-image and social adjustment as would be a mandatory rule that he change sex at a given age."

Another study showed that over a 30-year period suicide rates for men age 45 to 54 changed with remarkable consistency with each upward and downward movement of unemployment rates.

Long-term unemployment among middle aged emerges as a most serious problem. Unemployment is more widespread among youth but more lasting among the middle-aged and older workers and they are the breadwinners of the family. Shall the sons work and the fathers go idle? This must be a war on two fronts.

How can the problems faced by too many older workers be brought to public awareness? How can this problem, widespread in impact but low in visibility, claim attention and priority equal to that of more dramatic and concentrated problems like urban ghettos and youth? Can we escape that dilemma by simply ignoring it?

Some economists say we don't need the older people; let's lop them off and bring the labor force into balance and we will have no unemployment. As a matter of fact, if you had everybody 65 and over stop working, about 3 million of whom are employed, that would presumably but not actually of course, balance off with the total number of unemployed.

Of course, that would also mean that we would have to make up for it with a great deal of money, because one-third of the income of people 65 and over, still comes from employment.

Senator Randolph. Mr. Ravin, go back to your use of the expression "but low in visibility."

Now, you say that we have a problem. You stress that it is widespread in its impact. Then you say, "low in visibility."

Now, do you mean low in visibility because Americans are not interested in the older Americans or is this a penalty perhaps that we are expected to pay because of the affluent society in which we live?

I am not sure what you mean by "low visibility."

Mr. Ravin. Well, there was an incident yesterday in Cleveland; that is high visibility. You had Resurrection City here; that is high visibility. You have concentrations of poor in the urban ghettos; great numbers with high rates of unemployment in particular areas, even in a prosperous place like Washington. The older people—there are more of them in central cities that is true—but they are scattered all over

the country. Your neighbor may be unemployed and he may have been fairly prosperous. Somebody loses his job, you won't know about it for a year because he will probably be concealing this. Everywhere you look there will be a few here and a few there. Since they are not clumped together, they don't organize, and they don't speak up, and there is nobody to speak for them; they are not very visible.

Senator RANDOLPH. A quiet revolution, is that it?

Mr. RAVIN. Well, it is no revolution. It is quiet desperation. They won't tell even the other members of their family that they are unemployed, very often. The individual who wrote the "Diary of the Discarded Man" gives a very good story about that. You know he didn't show up here and we may wonder whether this is reluctance to some kinds of publicity, that kind of thing, but in his book he says that for some time he kept his situation concealed, and this happens again and again.

Senator RANDOLPH. Mr. Ravin, to document what you are saying, I knew a man who in the 1930's became unemployed and his wife knew of the situation. They had only one child, a growing son in his teens. For approximately a year, the father was unemployed but he arose at the same time each morning, bathed and shaved and walked to the corner where he had taken the bus when he was employed. His son never knew about the unemployment of the father; he never knew this.

That is what you are saying here today.

Mr. RAVIN. Yes; of course, Senator.

Senator RANDOLPH. Off the record.

(Discussion off the record.)

Senator RANDOLPH. I suspect in the period of our depression there were tens of thousands of these cases where men had—call it pride, if you want; call it determination—licked their problem, not through Government, but through their own efforts.

Understand, now, he is looking for work on all those days for almost a year when he left the house and returned in the evening at the same time. Funds ran low; very, very low.

"LOW VISIBILITY" OF THE PROBLEM

I understand what you are talking about and I think that this is repeated. We do not know how many times, but it is repeated over and over and over again. I am glad that you bring it to our attention this morning. This helps me to understand what you are talking about when you speak of low visibility, a person who keeps this within himself or perhaps within a family, his wife, and the neighbors do not know it.

This man's neighbors did not know it. People generally did not know it but there was a crisis in the life of this man; was there not? It was caused then not because he was particularly an older worker but because of the economic situation in which our country found itself; but it does, I think, indicate the proof of what you are saying, that here are the persons who keep within themselves these problems of unemployment and share their disappointment day after day with a very small circle of understanding friends. Is this right?

Mr. RAVIN. Yes; that is right, sir.

It has been said that life imitates art or literature, and that is the reason I mentioned "The Death of a Salesman." The story you tell, of course, is like that which Fredric March portrays when he borrows $50 for some time in order to bring home a paycheck to his wife.

There are some solutions offered to older people, guaranteed income programs—the Secretary touched on that—leisure pursuits, many other solutions.

Experts, and others less expert, may debate endlessly. What is the view of older workers? Among them we are likely to find far less difference of opinion.

The older worker would like to have options to work or to retire, to work full time or part time, to work for pay or as a volunteer. Workers at retirement age may have these options, although many do not in view of low income and compulsory retirement. The worker below retirement age does not have that option today—unless it is public assistance. He must find employment.

Therefore, the goal of the Labor Department is to offer the older worker a range of real and reasonable alternatives from among which he can make a free choice depending on his individual needs and capacities to work or to retire, to work full time or part time, to work for pay or as a volunteer. Our strategy in advancing toward this goal requires the achievement of a number of objectives.

We must eliminate arbitrary age discrimination practices. You will hear more of that. We must modify other policies and practices which work against the older persons.

We must increase the availability of jobs, including employment in needed community services to supplement income and to facilitate the transition to full retirement or the return to full-time work.

We must facilitate the matching of skills and jobs and we must cushion the impact of unemployment.

We must prepare and adjust foreseeable changes in technology and in education requirements, personnel practices, and to prepare for satisfactory retirement.

As is the case for any program, the rate of progress depends upon the availability of the three M's—men, methods, and money. We undoubtedly will need as we move forward new law and new funds, but we need now and at all times to make maximum use of existing programs and agencies, and to provide the special efforts, attention and priorities required to improve significantly the employment prospects of older workers.

The Department's older worker program reaches into and involves virtually all bureaus and offices of the Department. The key officials of the major agencies involved make up the panel today. It is through these organizations and their resources that the goals of the older worker program will be achieved.

They are the gentlemen sitting at my right whom I have introduced previously.

Thank you.

Senator RANDOLPH. Mr. Ravin, you mentioned in your statement certain agencies and their use as a possible source of help. You speak of title I–B of the Economic Opportunity Act.

No, fill me in a little. What are the additional details? I am not just certain.

Mr. RAVIN. Title I–B has in addition to the Neighborhood Youth Corps out-of-school and in-school programs a variety of other programs. Even for the Neighborhood Youth Corps, Congress, the Senate, particularly, eliminated the age maximum on that. But, putting that aside, all of the other programs can be used for older workers, the so-called Nelson amendment particularly has been used quite heavily for this purpose and there will be some description of what has been done. Project Green Thumb you are familiar with.

Very little of the other titles—new careers, special impact programs, JOBS, and concentrated employment programs—are being used for older persons, but not in the proportion of the need.

All of those various programs can be used for older workers insofar as the law is concerned. The one that has been most heavily used is mainstream.

Senator RANDOLPH. Thank you very much.

(Additional questions submitted to Mr. Ravin after the hearings, and his replies follow:)

1. What is the geographical distribution of unemployed persons past age 45? Have there been significant changes in geographical distribution within recent years?

Answer. Data not available within Department of Labor.

2. You said that an average of 725,000 persons 45 years of age and over were unemployed in 1967. How does this compare with prior years?

Answer. The number of unemployed in 1966 and 1967 was significantly lower than in previous years. The number of unemployed over 45 in 1967 was about half that of 1961.

Annual average number of persons 45 years and over who were unemployed

1967	727,000
1966	728,000
1965	860,000
1964	1,044,000
1963	1,124,000
1962	1,155,000
1961	1,424,000

3. In your oral testimony before the Committee, you discussed the idea advanced by some that all older workers should be moved out of the labor force to solve the problem of unemployment. Then you indicated that you do not agree that if the three million over 65 who are in the labor force were taken out of the labor force that the result would necessarily be that three million unemployed individuals under that age would automatically be placed in the jobs thus vacated. What leads you to this conclusion?

Answer. The three million jobs filled by persons over 65 are to a large extent (40%) part-time. After age 65, the older the worker the greater the likelihood that he is working on a part-time or temporary job. These part-time jobs would not be attractive to most adults and often would not be at hours convenient to youth attending school. Further, a high proportion (30%) of those 65 and over in the labor force are farmers or other self-employed. If they gave up this employment it would not necessarily make room for others. But the most important group is that to which you refer in your next question, the workers who have skills and abilities in short supply or whose dependability and general reputation with his employer is such that a real problem would arise if he needed to be replaced. One of many examples is the situation in the garment trades in New York City where people in their 80's may be found working in skilled trades such as cutters.

4. Where a worker remains employed into an advanced age, is there not a good possibility that he has a skill or ability which is in short supply or that he is an unusually good worker, in either of which cases it would be difficult

or impossible to find a younger worker among the unemployed who could perform the work, or at last perform it as well as the older worker who is in the job?

Answer. The response to this question is contained above.

5. In discussion after your formal statement, you said that you believe it will be necessary to develop pension plans "which do in fact cost more for the hiring of people 45 and 55 and over." Will any legislation now before Congress be helpful in this area?

Answer. I do now know of any legislation now before Congress which would materially aid in promoting pension plans which would result in costs no higher for older people than for younger people. To a limited extent Sec. 4(f) (2) of the Age Discrimination in Employment Act, which says that no employee benefit plan excuses the failure to *hire* any individual, may act as a prod in that direction. In other words, if employers did in fact fail to hire older persons because of higher cost of pensions in the past, and if in fact he cannot find a way to continue this practice, then he will be prompted to look for the kind of pension coverage which will not hurt him financially. But this is hypothetical. Another provision of PL 202 Sec. 5 directs the Secretary "to undertake a study of institutional and other arrangements giving rise to involuntary retirement" and to report his findings and recommendations to Congress. This means that we will be looking into such matters as pension plans. Of course, the funds we have available for this type of research may not permit us to do much this year. When we have recommendations to put before Congress, they may take the form of amendments to the Internal Revenue Act, or to the Age Discrimination Act or some other legislation administered by the Department of Labor.

Senator RANDOLPH. Now, are the gentlemen going to speak or just how is your panel to proceed?

Mr. RAVIN. They are going to make brief presentations and put in the record any statements they may have.

Senator RANDOLPH. If you will, introduce yourself as we go one to the other and the position you hold and what comments you would give to the subcommittee.

STATEMENT BY SOL SWERDLOFF

Mr. SWERDLOFF. I am Sol Swerdloff, Bureau of Labor Statistics.

As part of its factfinding activities, the Bureau of Labor Statistics has collected and disseminated considerable information which is helpful in developing programs of services to older workers and hopefully in educating employers on the advantages of employing older persons.

Information has been developed on how older persons fare in the work force—their unemployment rates, how many work part time, how many do not participate in the labor force at all and some of the reasons they give for not working.

The Bureau has conducted studies to explore some questions on the relative job performance of older workers versus workers in younger age groups. It has also made some exploration of the possibility of changing job duties to meet the needs of older workers—that is, job redesign.

Last month, the Bureau published new estimates of living costs for retired couples and intercity indexes of differences in their living costs. The Bureau has also analyzed pensions, profitsharing, health, and other benefit plans as they relate to older workers.

Let me give a few highlights from some of these studies to illustrate the kind of information that is provided.

The Older Worker in the Labor Force

As Mr. Ravin, said, in 1967, the total population 45 years of age and over numbered about 59 million. Thirty million of these persons were in the work force. Workers 45 years of age and over now make up about 37 percent of the work force. By 1980, the over 45 labor force will increase by 3.8 million. Most of the rise will be among persons 55 to 64.

About 27.5 million persons, 7.5 million men and 20 million women 45 years of age and over in the civilian noninstitutional population did not work or look for work in 1967. Among men 45 to 54, 6.1 percent were not in the labor force in 1967; for the 55 to 64 group, the percent was 17.1. Among all men 45 and over, nonparticipation rose to 28 percent in 1967 from 19 percent 20 years earlier.

Until the early 1960's nearly all the changes occurred among men 65 and over. Since then the nonparticipation rates have increased markedly among men 60 to 64.

Although for men in their early 60's, retirement has been the major reason for labor force withdrawal, some studies indicate that in many cases the retirement has been involuntary or simply an alternative to unemployment or sporadic employment at low wages.

The greater tendency of men with low educational attainment, low earnings, and poor work histories to withdraw from the labor force may explain in part why the proportion of nonparticipants in the 55 to 64 age group is significantly higher for nonwhites than for whites.

In discussing the employment situation of older workers, their unemployment rate is sometimes dismissed as unimportant because it is usually lower than the average for the labor force as a whole. But the data show that there is a gradual increase in the unemployment rate for men that usually starts at age 45.

For example, in 1967, the average unemployment rates for the 35 to 44 age group was 1.7 percent, for the 45 to 54 it was 1.9 percent, 2.4 percent for the 55 to 64 age group, and 2.8 percent for those 65 and over.

Moreover, since the figures that I have cited are annual averages of monthly data, they tend to understate the amount of unemployment. The number of workers experiencing some unemployment during a year is more than three times as great as the average for the 12 monthly figures. According to the latest annual report on work experience, about 2.8 million workers age 45 and over were unemployed at some time during 1966. The largest monthly unemployment total was 935,000 in February of that year for the 45-and-over age group.

As Mr. Ravin indicated, perhaps the most critical unemployment problem of older workers is the length of time they are likely to remain unemployed. In 1967 when a monthly average of 725,000 persons 45 and over were unemployed, their unemployment lasted an average of 13 weeks, double the average for those under 45.

The Bureau has made some case studies of displaced workers covering the post-layoff experience of over 3,000 workers who were displaced at five plants in different industries and in different parts of the country. These studies arrived at the same findings as similar studies conducted by universities namely that older workers who have

been displaced from their jobs because of technological change or plant shutdown take much longer to obtain reemployment than younger workers and suffer much more serious losses in seniority status and pay. Those with less education and skill are particularly hard hit.

Another dimension of the employment problem for older workers is revealed in the amount of part-time employment which is not a matter of choice, but, rather, the lack of opportunity for full-time work. More than 700,000 persons 45 years of age and over worked less than 35 hours in an average week in 1967 because of economic reasons.

Job Performance and Job Redesign Studies

Some years ago, the Bureau conducted a series of studies to explore some questions regarding the relative job performance of older workers versus workers in younger age groups. The findings of these studies were very helpful in destroying the myth about the widespread deterioration of workers' job performance with advancing age. The most important findings which emerged from these studies, which covered both production workers and office workers, were: First, the differences in output per man-hour among age groups were relatively small, and for office workers, particularly were insignificant; second, there was considerable variation among workers within age groups so that large proportions of the workers in older age groups exceeded the average performance of younger groups; and, third, workers in the older age groups had a steadier rate of output, with considerably less variation from week to week, than workers in younger age groups. Thus, arbitrary barriers to the employment of older workers which are related to the job performance were demonstrated to be unwarranted.

In addition to studying the problems of retraining and reassigning older workers to meet the problems of changing technology, the Department has also been exploring the possibilities of changing the jobs to meet the capacities and to make effective use of the skills and abilities of older workers—that is, job redesign.

Last year, the Bureau completed a study of industrial establishments in the United States which used methods of job redesign to maintain employment and productivity as well as the morale of aging employees. A series of case studies were carried out in both small and large plants in various industries.

The major findings of this study pointed up the usefulness of this approach as one avenue in meeting the problems of older workers.

First, job redesign generally resulted in improved productivity, contributing, in many cases, to substantial gains in output per man-hour.

Second, job redesign for older workers usually involved very little money outlay for new equipment and scarcely any loss in output due to work interruption.

Finally, job redesign enabled an older worker to continue using his skills, thus maintaining his morale, and avoiding reduction of his earning capacity. Closely related to this aspect, the health of older workers is protected and employers keep experienced employees during periods of skill shortage.

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Retired Couple's Budget

Last month, the Bureau of Labor Statistics published new estimates of living costs for a retired couple, and new intercity indexes of differences in living costs based on autumn 1966 prices—the first such estimates to be released since the "Interim Budget for a Retired Couple" was published in November 1960, based on autumn 1959 prices.

Historically, this budget has provided a benchmark for evaluating the adequacy of social security payments and developing Federal, State, and local tax regulations for retired workers. It has been widely used in examinations of the need for, and the effect of, specific laws and programs, and in the guidance of administrative determinations of need. The new budget continues to represent a moderate living standard for a husband age 65 or over and his wife, who are presumed to be self-supporting and living independently. The report summarizes the costs of the budget in urban areas; provides a brief analysis of intercity differences in living costs; discusses the changes that have occurred in the concept of a moderate living standard in the last 15 years; and describes the sources of data and methods of estimating costs.

Separate cost estimates are shown by major components of the budget for 39 metropolitan areas, and for nonmetropolitan area—populations from 2,500 to 50,000—in the four major census regions.

A moderate standard of living for a self-supporting, retired couple in U.S. urban areas in autumn 1966 required an annual expenditure of $3,869. These figures represent a range from $4,434 in Honolulu to $3,246 in smaller cities in the South.

Main items in the budget are food costs averaging $1,072; shelter, $771 for homeowners and $950 for renters; clothing and personal care, $346; medical care, $284; and transportation, $345.

Analysis of Employee Benefit Plans

The Bureau has made a number of studies of employee benefit plans. One such study was a survey in January of 1966 of privately employed wage and salary workers between the ages of 50 to 64 who were asked about their coverage under private pension plans. About half the men and a fourth of the women studied were covered by a pension plan.

While most of these 4½ million older workers will be eligible for a pension at age 65 or earlier, few of the 6½ million older workers, not covered, will attain coverage and become qualified for a private pension by the time they reach 65. Even among older workers who had been with their employer 10 or more years, substantial numbers—about one-third of the men and one-half of the women—were not covered by a pension plan in their current jobs.

I brought some copies of the studies I have mentioned and I will leave them with the committee.

Another study is an analysis of 100 selected health and insurance plans under collective bargaining that summarizes the benefits they provide in early 1968 to active and retired workers over age 65. The

analysis concludes that elderly workers—especially retired workers—are now better protected against personal health care expenses than before medicare became effective in mid-1966, because medicare provides larger benefits for a wider range of health care services than most private plans formerly provided. In addition, many of them are now having their medicare benefits supplemented by private plan benefits. In early 1968, over four out of five of the plans extended health benefits, life insurance, or both to retirees. Almost all private plan benefits for retirees have been adjusted to avoid duplication of medicare coverage. Although these changes usually brought about a decrease in total private plan benefits, they usually resulted in greater total protection.

I would like to take one more moment to mention some of the areas in which we believe further research is needed.

1. The impact of pension, health, and insurance plans on the employment of older workers, including studies of early and involuntary retirement.

2. Some further studies of comparative job performance and other examples of job redesign.

3. Income needs of retired workers—and the most effective method of meeting these needs.

4. Studies of reasons for nonparticipation in the labor force and unemployment of older workers. These might include such studies as attitudes of older nonparticipants, sources of income, et cetera; for example, are they getting any type of pension? Did they not get a job because the employer felt they were too old?

5. Technological change and its effect on employment and unemployment of older workers.

6. Injury and workmen's compensation problems of older workers.

7. Opportunities for part-time work for retired persons.

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

Yesterday we had the excellent testimony of Secretary Wirtz and he discussed, what I believe we could call, specialized refined data. He said that this would be indispensable to sketching not one but a phalanx of older worker profiles if we are to diagnose the causes and find the cures.

Well, now, how are we meeting what he indicated?

Mr. SWERDLOFF. Well, we are trying to get, and hopefully are getting more data about who the older workers are, where they live and why some of them are not participating in the labor force.

There is some information about people who are not working or looking for work. We found out that illness or disability, some of which could be easily cleared up, is one of the principal reasons that people don't participate.

We are doing some surveys of central cities and hopefully we will find out more about the older worker in these areas; how they get their income, whether they get any work at all, whether they really want to work if jobs could be found.

Our special labor force studies are concentrating more on the older workers in an attempt to describe who they are and what can be done for them.

Senator RANDOLPH. Mr. Swerdloff, you indicated in your statement that until the early 1960's nearly all the changes occurred among men 65 and over. Are you speaking of the unemployed?

Mr. SWERDLOFF. People who were not in the labor force, people who had dropped out.

Senator RANDOLPH. People not in the labor force. Then you say that since that time it has dropped from that figure above 65 to between 60 and 64.

Mr. SWERDLOFF. Yes. The nonparticipation rate has increased markedly among men 60 to 64.

Senator RANDOLPH. Would you explain?

Mr. SWERDLOFF. A good deal of this has resulted from the change in the social security laws which permits men to draw retirement benefits at age 62. However, we do find out that a lot of the people who are not in the labor force really drop out involuntarily. They cannot find jobs; they get discouraged; or else their jobs are sporadic or low paid. We made a survey last year and we took the people who were not in the labor force who were age 45–64 and we found out that only one week later roughly 15 percent of them were either in the labor force or expected to enter within the next 4 weeks. This means that there are a lot of people coming in and out of the work force. When jobs do open up they do come back in.

The reason that many of them are out is the fact that, really, they cannot find jobs.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

Question 1. May we have additional information related to your statement that men with low educational attainment, low earnings, and poor work histories have a greater tendency to leave the labor force?

Answer: Persons with low incomes were much more likely to retire at age 62 (rather than age 65) under Social Security. Men who retire at age 62 were only half as likely as men who waiting until age 65 to have had covered earnings of $4,800 in the year with largest earnings, and they were almost four times as likely to have earned less than $2,400 in the best years since 1950.[1]

In a survey of the educational attainment of workers,[2] it was found that labor force participation rates were consistently higher for those with the most schooling. The table on the following page shows the labor force participation rate for persons aged 45–54 and 55–64 by sex, as of March 1966.

Question 2. We would like to have copies of the case studies of displaced workers covering the post-layoff experience of more than 3,000 workers, as well as the other studies you offered to provide when you testified.

Answer. Enclosed is a copy of a report on the case studies of displaced workers.[3]

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[1] Early Retirement and Work-Life Experience by Lenore A. Epstein, *Social Security Bulletin*, March 1966, U.S. Department of Health, Education, and Welfare, Social Security Administration.

[2] Special Labor Force Report No. 83, Educational Attainment of Workers, March 1966. Reprint from *Monthly Labor Review*, June 1967, U.S. Department of Labor, Bureau of Labor Statistics.

[3] Case studies appear on pp. 190–195.

LABOR FORCE PARTICIPATION RATES OF THE POPULATION, FOR SELECTED AGES, SEX, AND YEARS OF SCHOOL COMPLETED, MARCH 1966

Years of school completed and sex	Percent of population in labor force	
	45 to 54 years	55 to 64 years
BOTH SEXES		
Total	72.3	61.8
Elementary:		
Less than 5 years [1]	62.9	51.5
5 to 7 years	64.0	55.1
8 years	70.1	60.9
High school:		
1 to 3 years	72.8	62.4
4 years	72.7	63.3
College:		
1 to 3 years	73.7	65.9
4 years	82.0	72.8
5 years or more	93.4	83.2
MALE		
Total	95.0	84.4
Elementary:		
Less than 5 years [1]	82.9	69.4
5 to 7 years	89.2	79.2
8 years	94.1	84.6
High school:		
1 to 3 years	95.9	87.2
4 years	97.2	89.2
College:		
1 to 3 years	97.4	89.4
4 years	97.7	89.2
5 years or more	98.4	88.8
FEMALE		
Total	51.1	41.3
Elementary:		
Less than 5 years [1]	34.7	27.3
5 to 7 years	39.8	31.4
8 years	45.6	37.1
High school:		
1 to 3 years	50.9	40.7
4 years	54.1	45.3
College:		
1 to 3 years	52.8	48.5
4 years	62.7	57.1
5 years or more	85.0	75.3

[1] Includes persons reporting no school years completed.

Source: Special Labor Force No. 83, Educational Attainment of Workers, March 1966, U.S. Department of Labor, Bureau of Labor Statistics.

Question 3. You reported that more than 700,000 persons 45 years of age and over worked less than 35 hours in an average week in 1967 because of economic reasons. I take it that this number is in addition to the 725,000 persons 45 and over who were unemployed. What kinds of part-time work were most common? What do you mean when you say "for economic reasons?"

Answer. The persons 45 years of age and over who worked less than 35 hours in an average week in 1967 because of economic reasons *is in addition* to the average number unemployed. The curtailment in employment and earnings opportunities was sizeable for workers who were on part-time for economic reasons in an average week in 1967. On the average (for workers of all ages) they are able to get only about 20 hours per week. Somewhat more than half of these workers were usually employed full time, but were temporarily on part time. However, a great many were usually able to obtain only part time work for reasons shown by the table on the following page.

Reasons for part-time work	Number of workers on part-time for economic reasons, 1967		
	Total	Usually work full time	Usually work part time
Total	2,163	1,201	962
Slack work	1,143	873	270
Material shortages / Repairs	80	80	
New job	177	177	
Job ended	70	70	
No full-time work available	692		692

Most of the workers who normally can get only part-time work are in trade and service industries, including household employment. The majority are women. Among the part-time workers who usually work full time, however, the majority are men, and more of them are in manufacturing than in any other major industry group.

Question 4. What is the division of responsibility for research within the Department of Labor? BLS undertakes some studies and other units within the Department are responsible for others. How is this decided?

Answer. The Bureau of Labor Statistics is a fact-finding agency and has extensive data collection and analytical research programs in the fields of Manpower and Employment, Prices and Cost of Living, Wages and Industrial Relations, Productivity and Technological Development, Economic Growth, and Foreign Labor and Trade. Other parts of the Department do research and gather information in connection with their operations. This is particularly true of the Bureau of Employment Security which collects considerable manpower information for use in their Federal-State employment service operations. The Office of Manpower Research in the Manpower Administration does not conduct surveys or collect data but does internal research. It is responsible for an external contractural and grant research program. In its contractural program, social scientists outside of the Department of Labor are asked to study particular manpower problems with funds provided by the Department. There is a Coordinating Committee on Manpower Research within the Department of Labor to keep all Bureaus informed of manpower research ongoing and planned and to insure against overlap and duplication.

Question 5. What plans are now under way to implement studies of the impact of health and insurance plans on the employment of older workers? Will the study of involuntary retirement fulfill the mandate of the Age Discrimination in Employment law? When will you begin your study of opportunities for part-time work for retired persons?

Answer. There are no plans at present to undertake the research needs which I listed in the paper I presented to the Subcommittee. We do not have any plans at present to begin a study of opportunities for parttime work for retired persons. There is currently a study in progress to analyze the early retirement and vesting provisions existing in retirement plans filed under the Welfare and Pension Plan Disclosure Act. There are no current plans for a study in the health and insurance plan area. The Bureau of Labor Statistics has no study under way of involuntary retirement which would fulfill the mandate of the Age Discrimination in Employment law.

Question 6. Will your surveys of central cities be related in any way to the model cities program? What special problems in urban areas do you plan to investigate?

Answer. The surveys of central cities to which you refer were started in June of this year. The poverty areas being surveyed in these cities (Atlanta, Detroit, Chicago, Houston, Los Angeles, and New York) were selected by the Manpower Administration's staff from the list of areas previously designated for the Concentrated Employment Programs of the Department and the State employment service agencies.

In three of these cities (Atlanta, Houston, and Los Angeles) Model City Program areas were not designated by the Department of Housing, and Urban Development. In the other three cities the neighborhoods of the CEP are approximately the same as those picked for Model City grants. Subsequent to these designations the two Departments have agreed to make the areas coextensive for

the two programs. Any future areas to be included in the Urban Employment Survey will also have the same boundaries.

The survey will be investigating the in-depth employment problems, attitudes, and motivations of residents of these poverty areas in an attempt to pinpoint the problems and to measure change in the situation in urban slum areas.

Senator RANDOLPH. Thank you, sir, very much.

Mr. Odell.

STATEMENT BY CHARLES ODELL

Mr. ODELL. Thank you, Senator Randolph.

My name is Charles Odell. I am Director of the U.S. Employment Service.

I welcome an opportunity to appear here because of a continuing sustained interest in the problems of middle-aged and older worker as well as the retiree, which goes back to the White House Conference on Aging in 1950 and which included almost 10 years of full-time service with the United Automobile Workers in setting up their old and retired workers department.

I welcome the opportunity because I wanted to share with the committee my concern about the adequacy of our basic delivery systems for providing meaningful choices and options to middle-aged and older people from the point of view of a full range of opportunities for employment, training, volunteer services, preparation for retirement services and full paid or part-time employment as indicated by Mr. Ravin and by the Secretary in his testimony yesterday.

I think I oversimplify the concept that I am concerned with when I talk about it in terms of a continuum of opportunities for middle-aged and older people but the continuum I am talking about has three basic dimensions.

The first one is that we are talking about an age group that covers for most middle-aged people a minimum of 30 years in their lives and for many people 40 or 50 years in their lives. Yet our tendency is to think of people in this middle and older age group essentially as being at the end of a vocational career.

So the choice we offer them really is a choice between a job and/or retirement and/or some kind of subsidized unemployment for a considerable period of time.

If we are talking about 30 to 40 years in the life span of an individual certainly there ought to be more options and choices than that and they ought to be meaningful options and choices meaningful in the sense that they are available as viable and understandable choices and available also in the sense that they are adequately funded and supported so that a choice that is made can be implemented by the individual and by the society.

As things are now we really do not afford that continuum of choice and opportunity; in one sense because the programs are fragmented and split up among a variety of public and voluntary groups, and in another sense because they are, for the most part, in an experimental and demonstration phase which limits their availability.

I am suggesting that if a meaningful continuum of choice and opportunities is to be provided to middle-aged and older workers, that we have to think about linking up various categorical programs at least to the point of providing what I would call a switching yard or a switching station somewhere in the public sector to which an individual

can go and get meaningful assistance in looking at a range of choices and, beyond that, through which he can be helped to locate and establish a foothold in implementing one or more of these choices.

Now, the choices that I am talking about are fairly logical and easy to understand. I am suggesting that when a middle-aged or older person who is unemployed or underemployed, or who wants, in the case of middle-aged women to reenter the work force, seeks assistance in making choices, that those choices ought to range over: (1) A job in competitive employment if the individual is qualified and immediately willing and able to work, or (2) an opportunity for skill development or training under the provisions of the Manpower Development and Training Act; or (3) an opportunity for work training under one of several titles and amendments to the Economic Opportunity Act of the type that Mr. Ravin described earlier; or (4) an opportunity for counseling and advice with regard to the relative merits of continued full- or part-time employment and nonpaid or expense reimbursable volunteer service in retirement; or (5) an opportunity for volunteer service, full or part time, paid or nonpaid, under programs such as those now funded in very restricted fashion under the Economic Opportunity Act and restricted to a comparative handful of the older poor.

Five Components Needed

In order to implement this concept we need to establish a coordinated machinery which is adequately funded and which has five basic components:

(1) A job counseling and placement component; (2) a skill training component; (3) a work training component; (4) a volunteer service component; and (5) a retirement or preretirement counseling component.

While we have bits and pieces of all these kinds of things going on under one sponsorship or authorization or another, we, in fact, do not have a coordinated switching yard concept of dealing with these activities nor is there a single place in the community to which the individual can go for this kind of advice and direct assistance in connecting up with the kind of options and choices which he ought to be able to make and which we ought to be able to afford him in terms of support for public and voluntary programs that give meaning to the continuum concept.

Mr. Oriol. Mr. Odell, at that point, as you have just said, these are resources that are theoretically available and partially available at the present time.

Now, is it basically a problem of funding or is there also a problem of recognition and commitment in operating agencies regarding the importance of the older workers' status and problem?

Mr. Odell. I think it is both those things, and a third, which suggests the need for pulling these options together in one place in the community, particularly for the middle aged and those who wish to continue to work or to participate actively in the society in a work-oriented activity or program.

Mr. Oriol. When you say community, does that mean you go beyond the USES office, you want to go to all resources available?

Mr. ODELL. I want to draw together at least on an informational and referral basis that which guides older workers to these options and sees to it that the options are implemented.

Now, you talk about commitment, and I think you have a valid point. I think that one of the basic problems here, which I am confronted with, and which I hint at in the introduction to my formal testimony is that the USES is asked to give priority consideration to so many special groups of one kind or another in the society.

It is comparatively easy to suggest that we ought to be doing more for older people in a highly specialized intensive way, but when you look at that in the perspective of the totality of the other things we are being asked to do, all of which have higher priority in the minds of some people and some groups in our society all of whom are also pressing for action, it becomes very difficult to fulfill and implement a commitment, however deeply it is concretized in ones own personal convictions.

In that sense, we are suffering from inadequate resources to do the total job, and, in that sense, our funding arrangements in the Employment Service System and in the MDTA program are extremely limited in terms of the range of problems and people whom we are expected to serve.

For example, the great pressure on us today is to devote 100 percent of our total resources to the needs and problems of the disadvantaged in our society. While we can argue that older people, particularly older people among the poor and in the minority groups, constitute a significant portion of the disadvantaged in our society, what those who are pressing for that full commitment of our resources are really talking about essentially is the disadvantaged young person and not the disadvantaged middle and older aged person.

ELDERLY HAVE LONG-TERM NEEDS

Beyond that, the argument traditionally has been that there is little, if anything, you can do for the middle aged and older person. This is why I stressed at the outset the fact that we are talking about 30 to 40 years in the life of many individuals and not about a narrowly conceived 1-, 2-, or 3-year consideration.

I think it is entirely conceivable that a major investment in retraining for middle aged and older people, for example, would have tremendous impact on dealing with the problem of shortages of skilled people and technical people in our work force and yet the basic attitude seems to be that it is a poor investment and a bad risk to invest.

Mr. ORIOL. On whose part?

Mr. ODELL. On the part of society generally, which mirrors the attitude of employers, certainly mirrors, in one sense the attitudes of the craft unions and others with regard to the age of apprentices and trainees.

This presents a very real problem to us in terms of opening up meaningful opportunities in retraining for middle aged and older people. So, in a sense, our problem is one of dealing with the pressures which come upon us with limited resources to do first and on a priority basis what these pressures tell us are the most important things to be done.

Mr. ORIOL. Secretary Wirtz said yesterday that the budgetary cutbacks may make the age discrimination bill very difficult to administer.

Are you having problems with cutbacks in USES and, if so, in what range of priorities do the older worker specialists fall?

Mr. ODELL. We are going to be lucky to be able to hold our own because we are going to take a significant cutback in basic employment service resources funded under title 9 of the social security from the unemployment trust fund and also in MDTA selection and referral funds which support the counseling and follow up of MDTA trainees.

My personal conviction is that we cannot and should not cut back on our limited investment in services to older workers, but I can assure you that there will be great pressure on us to cut somewhere in order to meet pressures for priorities that are considered more important.

(The prepared statement by Mr. Odell follows:)

PREPARED STATEMENT OF CHARLES E. ODELL, DIRECTOR, U.S. EMPLOYMENT SERVICE

A CONTINUUM OF OPPORTUNITIES FOR MIDDLE AGED AND OLDER AMERICANS

Mr. Chairman and Members of the Committee, I am most sincerely grateful to you for focusing attention on the important concept of a Continuum of Opportunities for Middle Aged and Older Americans. In our preoccupation with categorical programs for special groups in our population sometimes defined by age or economic status, or sex or social condition or health status, we have inadvertently "chopped up" large segments of our citizenry who deserve to be treated more as whole persons with individual problems, choices and options and less like earthworms which somehow are expected to survive despite their categorical segmentation.

At least some members of this Committee will recall that, as Director of the Older and Retired Workers Department of the UAW, I worked very hard to stimulate social interest and concern for the passage of the Older Americans Act and for many other courageous and farsighted measures considered and adopted by the Committee. More recently I have been working hard as a civil servant to redirect the efforts of the U.S. Employment Service toward a comprehensive and pervasive approach to the needs of the nation's hard-core unemployed and underemployed. In one sense my interests in the needs and problems of older people have been eclipsed by my concern for the manpower development needs of the hard-core unemployed and disadvantaged.

This is by no means to be interpreted as a shift of loyalties or an expedient redirection of my personal convictions about the challenge of aging to our society. Rather it is a recognition of the fact that the interests and needs of older people cannot be accommodated or served effectively in a society which takes essentially a categorical approach to the solution of its social and economic problems. The middle and later years of life and the way in which a society deals with them are in a real sense just as much a reflection of the viability and effectiveness of that society as are the measures it takes to deal with the problems of its children and youth. There are far too many disadvantaged people among the middle aged and older segments of our society and their problems and needs are in a real sense a reflection of our cumulative neglect of children and youth at an earlier time in our history. By every criterion of achievement; income level, educational level, health and mental health status, status in the work force; the problems of the middle aged reflect this inheritance of past failure to do all that could have been done to maximize individual opportunity in the nation's past. And among the most disadvantaged among the middle aged and old, of course, are the Negroes, the Spanish-Americans, the Indians, the rural poor whites and others who suffer a kind of double jeopardy because of past societal failures in health, education, welfare, training and employment opportunity.

It seems to me, therefore, that we cannot afford a single priority approach in seeking solutions to our society's problems which says the middle aged and

older person is, in effect, beyond retrieve, and we must therefore give primary or exclusive attention to the problems of the young in the funding and administration of basic services.

HUMAN RESOURCES DEVELOPMENT PROGRAM

For these reasons, we are attempting to develop and administer through the limited resources of the Federal-State employment service, a program which we call Human Resources Development which provides for comprehensive employability development services for all age groups, recognizing that there are special needs among different age groups requiring specialists with a background of training and knowledge of specially devised and adapted techniques and methods of service. It is in this context that I would like to discuss the concept of A Continuum of Manpower Services for the Middle Aged and Older American.

The concept of a *continuum* has several important dimensions. The continuum concept applies, in the first place, to the aging process itself. We are talking about people whose needs for manpower services are sharpened by "aging" phenomena as early as age 40 or 45 for men and age 35 or 40 for women. Most of these people can expect to live at least another 25 or 30 years and during that period they have a right to consider themselves as continuously employable. Beyond even that, many can expect to live another 5–10–20 years and some will continue to be healthy and potentially useful citizens throughout most of those years. In this sense the continuum must be projected lifespan wise on a long-range basis not on the traditional notion that the decisions and options for middle aged and older people can be simply resolved in terms of work *or* retirement *or* ill health *or* death.

This brings us to the second dimension of the continuum concept which recognizes that because of the aging process, whether we look at it in simple chronological and demographic terms or in more complex sociological and psychological terms, we must offer the aging individual a full range of options and choices with regard to work, training, rehabilitation, volunteer service, retirement, etc. And ideally this range of choices should be real and workable in the sense that the individual not only can choose, he can also have a reasonable assurance that he will have the opportunity to exercise his options.

Thus an effective HRD program for middle aged and older persons ought to have as its basic objective: the broadest possible freedom of choice on a continuum of employment and training opportunity which ranges from an immediate job in competitive employment to an opportunity for volunteer service in retirement. This range of choices should, at a minimum, include the following alternatives or combinations of alternatives:

(1) A job in competitive employment, if qualified.

(2) An opportunity for skill training under MDTA.

(3) An opportunity for work-training under one of several titles and amendments to the Economic Opportunity Act.

(4) An opportunity for counseling and advice with regard to the relative merits of continued full or part-time employment, and non-paid or expense-reimbursable volunteer service in retirement.

(5) An opportunity for volunteer service, full or part-time, paid or non-paid, under programs such as those now funded in very restrictive fashion under the Economic Opportunity Act and restricted to a comparative handful of the older poor.

While this range of choice is now theoretically available, legislative, budgetary and administrative actions are needed to make it fully operative. What are the basic components of a meaningful continuum of choice and opportunity for middle aged and older Americans?

Specifically they are:

(1) *A Job Counseling and Placement Component*—which would authorize and fund the ES to provide comprehensive employment information counseling and placement services for middle aged and older Americans to assist them in finding full and part-time employment, as well as training and service opportunities consistent with their abilities.

(2) *A Skill Training Component*—which would authorize and fund training allowances under the MDTA Sec. 202(c) for a maximum of 104 weeks, and expenditures for such training programs consistent with the proportions which those 45 and over represent of the long-term unemployed.

(3) *A Work-Training Component*—which would authorize and fund a program to provide work-training opportunities for the middle aged and aged which are at least consistent with their representation in the unemployed and poverty population. And which would further provide that the Employment Service, in close cooperation with OEO–CAPS and the BWTP would give priority attention to the development of outreach, employability and selection and referral services to the middle aged and older poor to seek out and place those who would be eligible for such work-training programs not only in urban areas but on farms, Indian Reservations and other rural pockets of poverty.

(4) *A Volunteer Service Component*—which would authorize and fund the establishment of Community Service Programs to develop programs providing volunteer service opportunities to persons 55 or 60 and over with modest reimbursement of out-of-pocket expenses and to further provide for the use of the public employment service in cooperation with State and Local Councils on Aging as primary sources of planning, funding and of information and referral service to older Americans wishing to participate in such service programs either as full or part-time volunteers.

(5) *A Retirement Counseling Component*—which would authorize and fund a Retirement Counseling and Information Service, involving all appropriate Departments and agencies at national, State and local levels to provide leadership and technical assistance in the development of curriculum, materials and training outlines for retirement preparation education and counseling programs which would be organized and conducted by management, labor, adult education services and other public and voluntary organizations. The employment service, in my judgment, should have an important part in such a program.

The need for such a comprehensive approach to the employment and retirement problems of middle aged and older Americans has already been documented.

Despite high levels of employment and growing skill shortages, an average of about 750,000 to 800,000 persons 45 and over are found on the national unemployment rolls in any given month. Age discrimination by employers continues at a persistently high level for workers 40 and over. Older workers constitute less than 5 percent of new hires made by employers, but 27 percent of the unemployed. While youth unemployment rates, in any given month, are higher, the unemployed 45 and over constitute a continuing high proportion of the long-term unemployed (almost 40 percent of those unemployed 27 weeks or more). For most men, and many females, age 55 or 60 and on up to the normal retirement age of 65 (and beyond for some), employment remains their primary and largest source of income. Further, it is well established, physiologically and psychologically, that work and useful activity constitutes, for many older Americans, a principal source of good health and emotional stability.

Beyond this, in a period of labor shortage, particularly in the skilled and service occupations, industry and society needs the contribution in wisdom and experience which mature workers can make if given the opportunity to do so. Theoretically, some of the components projected in this proposal are already available by virtue of Federal, State and local statutes and appropriations, but few, if any, of the existing programs are taking a sound and comprehensive approach to the problems and needs of the middle aged and older person for information employment and retirement counseling training, job placement, job development and volunteer services. These programs need to be augmented with trained and qualified personnel so that middle aged and older people will be served promptly and effectively whenever they need such help. Furthermore, these services require central coordination and planning at Federal, State and local levels *to ensure that there is proper funding and a continuum of services which help middle aged and older American workers to find a proper outlet for skills, abilities and interests needed both in competitive employment and in volunteer service.*

While the Department of Labor, through the employment service, BWTP and the Manpower Administration does administer sizable programs for middle aged unemployed and underemployed older workers, the USES and its State and local affiliates readily admit that too little has been achieved because of inadequate financing and attention to their needs. A properly staffed and financed older worker program in the Federal-State employment service system ought to provide the hub for the administration of this proposal. Similarly, special earmarked funds should be made available under the MDTA program to fund special training programs for middle aged and older workers. The work program and Service Corps aspects of the program could be partially funded under several phases of the Economic Opportunity Act and the Older Americans Act. However, the real need is for a comprehensive manpower services and training approach. The test

that should be applied to each and every unemployed middle aged and older worker (male or female) in a period of labor and skill shortages should be:

(1) Can he fill a job in the competitive economy?

(2) Can he be trained or retrained for a job in the competitive economy?

(3) Can a job be developed for him in some form of public or non-profit service organization or program?

(4) Can he serve effectively as a volunteer?

Given this range of fulfillable options, he could decide where he wanted to fit. The real need here is to provide this range of choices under a single comprehensive umbrella, thereby eliminating present confusion over where to go for what. This is why it is believed that the counseling, referral and follow-through roles for all aspects of the program should be under the direction of the Federal-State Employment Service.

There has long been a need for federal coordination and leadership of a comprehensive effort to meet the employment training, service and retirement planning needs of middle aged and older people. The Department of Labor, through the United States Employment Service, maintains a minimum level of job counseling and placement service for older workers. However, this service has always operand with inadequate personnel resources to fulfill its promise and potential and to attract and maintain the caliber of personnel required to sustain an effective and quality operation. With limited funds, the ES has never been really embraced the totality of the need for employment assistance particularly for those 55 or 60 and over, and for the retired, who may wish to work full or part time either to supplement their incomes or because work is a vital factor in their personal sense of usefulness and well-being.

The basic argument frequently advanced against this type of total program effort, particularly for those who are 60 and over who are eligible for retirement, is that the work they do might threaten job opportunities for younger people who need employment. However, this argument assumes that there is a one-to-one relationship between the jobs held by older people and those that might be filled by younger people, which is not substantiated by the facts, particularly in a period of national skill shortages. It assumes further that those old enough to retire will have adequate income in retirement which doesn't follow automatically for many older persons. And, finally, it ignores the fact that we do have a national commitment to Full Employment and that, in a democratic society, older people should have freedom of choice to work or to retire particularly if they regard work as essential to maintaining their sense of usefulness, status and physical and mental health.

Under this proposal, middle aged and older people could be recruited by general publicity, as well as outreach, and exposed to a full range of employment, training, work training, and service opportunities.

In implementing this proposal we would hope to develop a volunteer outreach and job development system manned by older and retired people themselves. We have experimented with this idea in several communities in the past two years and we are convinced that it not only affords useful roles for older people; it also adds a new dimension to our services and reaches hundreds of older people who need to work, want to work and do, in fact, work well when given a chance.

In Fiscal year 1970 we are planning to extend this kind of program, within the limits of available funds, to the 50 major metropolitan areas in the United States. There are special Older Worker Units tied into our Human Resources Development program in 27 of these 50 cities.

We are asking for additional resources to staff such units in the additional 23 cities. We also plan to introduce the continuum concept into all these cities and to provide intensive training and technical support to insure that the concept is understood and accepted in these cities. Hopefully, additional resources in training, work training, and volunteer service support programs will also be available to permit an effective implementation of the continuum concept in these major cities.

Mr. ORIOL. I was at a meeting in Iowa one day and a USES employee, a young lady, got up and said that she was trained to be an older worker specialist but she was spending all her time with vocational rehabilitation guidance. There are also always great pressures in USES offices, aren't there?

Mr. ODELL. Yes, indeed.

Mr. ORIOL. Mr. Norman has a question.

Mr. NORMAN. Mr. Odell, what, if any, evidence do you have that a cutback in personnel in USES would cost money, not save money, by perhaps reducing some tax revenues from people who would otherwise be employed if we had adequate staff to find jobs for them, and perhaps also by increasing some assistance outlays? Do you have any information along that line?

Mr. ODELL. I think in a general way we could put that kind of information together without too much difficulty. We have done some limited cost-benefit analysis studies which indicate clearly that there are significant savings. One study showed for job seekers in general that there is a saving of approximately $284 to $1.

Mr. NORMAN. You mean the funding of that particular study was that for every dollar we invest in USES we make or save $284 for the U.S. Treasury?

Mr. ODELL. That is right, in terms of reductions in unemployment insurance costs, reductions in welfare costs and reductions in losses from the point of view of tax revenue to individuals who are not employed.

Now, I don't want to stand on that as a national ratio or a national figure but this is one study done for us by the Stanford Research Institute on local office operations in San Jose, Calif., and we are trying to mount other kinds of studies which get at this basic problem.

Mr. NORMAN. That just included the outlays for that one local office and in arriving at the $284 to $1 ratio no account was taken of overhead for the national operation or anything of that sort?

Mr. ODELL. This was based essentially on the investment of that office in services to applicants for work in that community.

Mr. ORIOL. May we have for the record a summary of that study?

Mr. ODELL. Yes. I will give you the whole study.

Mr. NORMAN. Thank you, Mr. Odell.

Mr. ODELL. Well, I don't want to take too much more time.

I simply want to make it clear that our problem is essentially not one of a reluctance to plunge headlong into the pond and take a major role and a major responsibility in this area. I am not ashamed of the record.

The Secretary indicated that approximately 15 percent of our total intake in the Federal-State system in the last full calendar year was made up of people over 45 years of age and that approximately 20 percent of our regular placement activity was made up of people 45 and over. I think we could do better, at least in terms of total numbers of people served and total numbers of people served effectively, with more adequate resources.

EMPHASIS ON DELIVERY SYSTEM

I think the Government in general could do better in putting together a delivery system which makes sure that every individual, among those million and a half middle aged and older Americans who come to us seeking help, and probably twice that number who need such help in any given year gets access to a full range of options and choices. Instead they now get a relatively limited exposure because of limitations in funding of the available options and also because of limitations in funding of the employment service to carry out the

so-called switching yard continuum approach that is so necessary to do the job.

I think it would be unfair to the rest of the panel for me to say any more at this time.

Mr. ORIOL. Mr. Odell, you have a new training film for older worker specialists. I wonder if we might have a script of that for the record? [1]

Mr. ODELL. I would love for you to see it. Maybe Mrs. Baxter, when she gets on, could tell you of the audience reaction to that film when we had a sneak preview out in Montgomery County, Maryland, at a session which she sponsored on retirement planning. I was very pleased to see that the audience reaction indicated that the film really hit at basic problems and did not seem to be a kind of snow job varnishing over what we are doing and how well we are doing it.

Mr. ORIOL. Some very funny moments, too.

One of the reasons for wanting that script is that it is almost an art form in some ways providing the right sort of counsel especially from a younger person.

In the President's Manpower Report, there is some questioning by experts, I suppose, on the value of having specialized worker personnel in USES offices. I take it, though, that the official stand of USES is that there is great value.

Mr. ODELL. I try to make a distinction, Mr. Oriol, in my own thinking between specialized personnel and specialized units for the delivery of services to the older worker.

The only reason I am making that distinction is because my experience tells me that specialized units, if they get too far removed from the totality of the regular employment service offices in operations, tend in effect to become segregated units in which the individual's exposure to job opportunities and training opportunities is pretty much limited by what that particular unit has to offer at any given point in time.

Our concept of the specialist is that he should have a catalyst role in seeing to it that the individual is exposed to the full range of options and choices available across the system. I think that is easier to achieve if the specialists are located throughout the system instead of being set up in a corner where they may do a very effective job for a limited group but where they are really not exposing the totality of the clientele who need the special attention to the full range of information about job and training opportunities.

Now, this is a problem that we are struggling with as we try to integrate our Youth Opportunity Centers, our older worker units, our handicapped units, and a number of other special categorical programs into what I call an integrated approach to human resources development which takes people as they are and attempts to develop with them as individuals a comprehensive employability program and plan which is followed up and followed through by the specialists.

Mr. ORIOL. May we also have for the record complete details on your contract with the National Council on the Aging for an institute of industrial gerontology and some description of how its research goals are coordinated with other research activity within the Department of Labor and I guess elsewhere in other departments?

Perhaps you would care just briefly to describe some of its major purposes now.

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[1] To be found in committee files.

Mr. ODELL. Our purpose in going in this direction was an attempt to link up the interests of the private and nonprofit interests and the academic interests in the field of aging with the pragmatic problems of an operating agency.

What we are really hoping to do under the aegis of the National Council on Aging is to develop focal points of interest around the country in which universities, nonprofit and private sector interests, and the public agency interests in this field will begin to work together in seeking answers to some of the unanswered problems in the field.

For example, Sol Swerdloff mentioned job reengineering. The BLS study is very interesting but what it really shows is that, for the most part, what has been done in job reengineering is almost an accident rather than a purposeful design.

PROGRAMS WITH INDUSTRY

I am interested in stimulating programs with industry, the academic community, and the public nonprofit and private agencies working together in an attempt to reengineer jobs and restructure job opportunities so more middle-aged people and older people can be employed.

I am interested in exploring what can really be done to redesign training programs so that the experience we have from Sol Barkin, who is going to be here tomorrow and from others still working in Europe which indicates that with relatively little extra expense training programs can be redesigned, can be adapted and consciously built into our MDTA planning, programing and our retraining efforts in this country. This is why we moved in the direction of attempting to link up these three components in our society with a very modest grant, hoping that we can get some money out of ongoing programs, both our own and the foundations, in order to mount a significant effort in this field in maybe eight to 10 or a dozen States.

Mr. ORIOL. You are at the beginning of an entire new field, industrial gerontology?

Mr. ODELL. This is correct. We have had a lot of social, medical, and psychological interest in the problems of aging usually centering on the problems of retirement, the use of leisure and health. We have had very little central interest in the problem which is now before this committee in the ongoing creative utilization in industry and in society of the talents, abilities and potentials of middle-aged and older people.

Mr. MILLER. I have a question or two that relates primarily to the actual matter of placement of workers or work applicants at all ages.

I assume that the three major channels through which people secure employment are the Federal and State employment agencies, the private employment agencies which charge a fee for the service and direct employer-employee contacts through answering ads or other means of that sort.

My question relates to how much involvement the U.S. Employment Service has with the private employment agency that charges a fee. I am curious as to how much you follow their activities, the extent of employment achieved through their services. That is the first part of my question.

Secondly, how much effort, if any, does the U.S. Employment Service engage itself toward meeting this older worker problem as it is confronted in the private agency, or is your whole effort directed purely to your own services?

Mr. ODELL. Well, historically, as you know, Mr. Miller, the public employment service system was set up in order to make it possible for people to seek a job through an organized professional placement service without having to pay a fee. There is a considerable amount of very hostile feeling, much more so in the States than in the Federal end of the system, toward any kind of day-to-day rapprochement with the private fee charging employment agencies.

I would say that most of the private agencies that are prospering today, outside of those that traffic entirely in headhunting at the managerial and technical level on a national and international basis, really feed off the public employment service system in the sense that they learn that if they locate physically somewhere closeby and people have to come in to file claims for unemployment insurance and they don't get a job, there is a possibility that they will step next door and seek the help of a private agency.

I would say that on the basis of those who are well qualified and on whom a quick turnover of fees can be made, the private agencies do a very workmanlike job these days in a tight labor market.

We have attempted nationally to establish some kind of rapprochement with the private agencies. We have talked about the possibility of some kind of continuing dialog and exchanging of information and ideas, but I can assure you that we don't get a very enthusiastic response for those efforts from the State employment services who feel that that is like welcoming the fox into the henhouse.

The central point is that the private agencies really do not give the older worker the kind of attention and the kind of intensive service he needs in order to get a new job for the simple reason that it takes an inordinate amount of time and effort to work up an appropriate employability plan for the individual and to follow through on that plan to get the individual a job.

So, in a sense, the older worker is much more dependent on the public employment service system than the younger worker who has a skill and whose problem is simply one of getting a new job. And it is in this area where I think we are being pushed more and more in the direction of doing more for the disadvantaged and for the special applicant groups who are not readily employable, and a lot of our State agencies are very unhappy about that because they see it as sort of putting them out of the business of serving better qualified jobseekers. They reason that is easier for them to place the disadvantaged if they can also refer reasonably well-qualified persons along with some who are not so well qualified to an employer who is looking for the best he can get.

Mr. ORIOL. Thank you very much, Mr. Odell.

One of the reasons for this hearing is your eloquence on this subject over the years. We are very grateful to you.

Mr. ODELL. I am very happy I could be here.

Thank you.

99-064—68—pt. 1——9

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. In its 1964 "Report to the President", the President's Council on Aging expressed the opinion that part-time employment is especially attractive to the elderly, many of whom feel unable to work full time but are fully capable of working part-time, and want to do so. From your experience, both inside government and outside, would you agree with this conclusion?

2. That report recommended that a "Part-Time Employment Service" be established within the U.S. Employment Service. What has been done to implement that recommendation?

3. If there is a better administrative mechanism to provide more part-time employment opportunities for the elderly, what would it be?

4. Is there anything Congress should be doing to help increase part-time employment opportunities for the elderly within private industry?

5. In your testimony, you cited the results of a study which indicated that the Federal government benefits to the extent of approximately $250 for each one dollar it invests in the United States Employment Service. Does that study indicate the amount of benefit to the Federal government for each dollar invested in assisting older workers?

6. To quote from your testimony:

"I think it is entirely conceivable that a major investment in retraining for middle aged and older people . . . would have tremendous impact in dealing with the problem of shortages of skilled people and technical people in our work force."

I would like to have additional commentary on that point. What kind of shortages of skills can best be met in this way? What would be the scope of the "major investment in training?"

7. What now is being done to implement your recommendation that programs be stimulated with industry, academic, the public and the nonprofit and private sectors to re-engineer jobs and restructure job opportunities in order to employ more older workers?

8. On the day before you testified, Professor Oscar Kaplan of San Diego University suggested that our national purpose in the area of employment should be more clearly stated in a declaration that the United States should seek "something approaching full employment continuously through the work life span."

At your convenience—and not necessarily for the hearing record—you can provide us with suggestions for actions that Congress might take in this area, if you believe that such actions are necessary?

9. Dr. Kaplan also observed that "there is almost no 'follow-up' after job referral of older workers. He asked "that there be more initiative on the employment services in staying with individuals who have been reported out of work." What is your reaction to his statement?

(The following reply was received:)

AUGUST 15, 1968.

DEAR SENATOR RANDOLPH: It is a privilege and a pleasure to respond to the questions raised in your letter of August 5. I want to make it clear that the views and judgments expressed do not necessarily reflect the views of the Department or the Administration at this point in time. While I am certain that nothing I have said in my answers conflicts with overall policy, the views expressed with regard to funding of training and other aspects of the CONTINUUM CONCEPT are really personal "ballpark" estimates as to the level of funding that would be required to make a significant impact on the employment problems of middle-aged and older workers. They obviously have not been reconciled with the overall priorities and funding restraints under which we are now operating.

Sincerely yours,

CHARLES E. ODELL,
Director, U.S. Employment Service.

RESPONSES TO QUESTIONS FROM SENATOR RANDOLPH

1. There are significant numbers of older people who are working part-time and many more who appear willing and able to do so. There is both an economic and psychological aspect to this desire for useful activity as well as supplementary income. There is also some danger of exploitation by unscrupulous, and even well-meaning, employers who cut wages to accommodate the retirement income

test for Social Security beneficiaries, convincing the older workers, as well as themselves, that they are doing the older person a favor by permitting them to work at less than the going rate. It is difficult to measure the degree to which this is going on, but an intensive study of it would be a worthwhile endeavor for the Committee.

2. For reasons which I tried to make very clear in my testimony before the committee we have not been able to do what we should be doing in the field of "Part-Time Employment Services." We have run some experimental programs, described in Secretary Wirtz' testimony, which indicates that such services can be organized and successfully staffed and operated by trained volunteers who themselves become part-time workers. We would like to extend this kind of program to all local employment offices, or at least to those where the need is greatest. But we are operating on a reduced budget which will require cuts rather than expansions in State and local services. Under such circumstances it is impossible to launch *new* programs requiring redirection of staff and funds already in short supply.

3. I believe that the mechanism developed in our demonstration programs in Louisville, Kentucky and Sacramento, California is practical, inexpensive and viable in any community. We are trying to get some extension of the concept through cooperative programs with the National Council on Aging and the National Council of Senior Citizens funded by the Bureau of Work Training Programs under Title I–B of the Economic Opportunity Act. But the funds available are limited, and the number of cities, as well.

4. Congress might well specify its interest in part-time employment for older workers programs both in legislation and in appropriations. The Secretary of Labor has often expressed to me his interest in building this kind of component into the manpower systems run by the Employment Service. I'm sure he would welcome congressional support to implement the recommendations of the 1964 "Report to the President's Council on Aging" on this particular point.

5. A copy of this very rough approach to cost-benefit analysis of employment service operations was forwarded to the committee at the request of the committee staff. I do not believe that data have been gathered or analyzed by age. However, I would speculate that older workers would represent a comparatively higher cost-benefit risk because of their tendency to remain unemployed longer, to draw unemployment insurance benefits to the point of exhaustion and to end up eventually on public welfare because of their less competitive position in the job market.

6. If employers and labor unions could accept the concept that a man or woman over 40 has 20 or 25 years of competitive work life remaining, there are many jobs for which "older workers" could be trained that are now occupations where shortages exist. In periods of high levels of production in many basic and supplier industries even retirees are called back to serve as tool and diemakers, patternmakers, machinists, machine tool operators, etc. But beyond these highly skilled jobs there are many service occupations, clerical and sales occupations, and even professional and technical occupations in which middle-aged and older workers could be profitably trained and employed. Finally, there are many occupations in health, recreation, education and social welfare in which middle-aged and older people could be trained to serve their peers as well as younger people. Home Health Aides, Senior Center Directors, teacher aides, practical nurses, nursing home aides are but a few examples. An additional $100,000,000 a year could be effectively spent in training middle aged and older people under MDTA.

7. Not nearly enough is being done primarily because the basic attitude in business and labor is to "gracefully dispose" of the older worker rather than to accommodate the work setting to his employment or continued utilization. We are trying, however, to pull together and publicize the good experiences which the Canadians and Western Europeans have had in this field. We are also trying, through the NCOA Institute of Industrial Gerontology to stimulate colleges, business and labor people and State employment services to join together to promote both research and action in this field. NCOA plans to publicize a monograph by Dr. Lee Koyl, a Canadian industrial physician who has experimented widely in this field, and to build a seminar around his findings for which efforts will be made to stimulate employer and labor interest in U.S. adaptation of Koyl's approach.

8. I do not think that, as a Nation, we can really guarantee and underwrite a job for everyone throughout "their work-life span" as suggested by Dr. Kaplan. I do believe, however, that we must strive mightily and continuously to develop

an economic and social climate which makes the opportunity for continued employment meaningful and available for those willing and able to work throughout their work-life span. I believe the CONTINUUM CONCEPT developed in my testimony approaches this goal. Its implementation will require sizeable additional appropriations for training, work-training, and part-time or volunteer service opportunities for middle-aged and older people. I believe this might cost as much as $500,000,000 a year, but I believe it would be a sound investment that would be repaid five or ten times over in tax production, productivity, and services which middle-aged and older people would contribute without replacing or displacing anybody else who wants or needs to work. Finally, I believe we need legislation to clarify the responsibilities of various agencies in planning and administering such a program and I firmly believe that the *hub* of such a program should be the Federal-State employment service system. By the *hub*, I mean the system with full access to the range of opportunities available under various components of such a program and responsibiilty for informing, guiding, counseling and placing middle-aged and older people in the various components. This kind of coordination and linkage is essential to making the concept work. Also required is follow-up and follow through to make sure that the older worker gets the services and the opportunities to which he is referred.

9. Dr. Kaplan is correct that we do too little follow-up for middle-aged and older workers except in experimental and demonstration projects. The reason again in *cost*. If it were simply a matter of mailing out forms and analyzing results, the cost would not be too great, but it is frequently necessary to conduct personal visits both at home and at work and this takes three or four times the staff input involved in the initial contact with the client. We are simply not funded to do extensive follow-up except on a sampling basis and as required for comparatively small groups of clients under MDTA. I agree we should do more and I am trying to encourage more follow-up by our older worker specialists. It is difficult to get much done when confronted with across-the-board curtailment of services by budget cuts.

Mr. ORIOL. Mr. Ravin, who is next?

Mr. RAVIN. Mr. Lundquist.

We go from the oldest program to the most recent program.

STATEMENT BY MR. LUNDQUIST

Mr. LUNDQUIST. Mr. Chairman, my name is Clarence T. Lundquist, and I am Administrator of the Wage and Hour and Public Contracts Divisions which has responsibility for the administration and enforcement of the Age Discrimination Employment Act along with other acts such as the Fair Labor Standards Act, Equal Pay Act, Public Contracts Act, Service Contract Act and, of course, the Davis-Bacon Act, all relating to basic labor standards involving wages, hours, and working conditions.

The clearly stated purpose of the Age Discrimination in Employment Act of 1967 is to promote the employment of older workers based on ability rather than age, to prohibit arbitrary age discrimination in employment and to help employers and workers find ways of meeting problems arising from the impact of age on employment.

Needless to say, the concern of this subcommittee in focusing the attention of the Nation on the employment problems of older workers is fully shared by those of us who have been charged with the administration and enforcement of this new statute, and I am glad to be here today to discuss the provisions of the act and the program undertaken by the Wage and Hour and Public Contracts Divisions in connection with its enforcement.

In brief, the Age Discrimination in Employment Act prohibits most employers, employment agencies, and labor organizations from discriminating against individuals who are at least 40 but less than

65 years old on the basis of age in such matters as hiring, discharge, compensation, and other terms, conditions, or privileges of employment.

Now fully effective, the act applies to employers of 25 or more persons in an industry affecting commerce, to employment agencies serving such employers, and to labor organizations with 25 or more members in an industry affecting commerce.

The act specifies that it is unlawful for covered employers, employment agencies, and labor organizations to use printed or published notices or help-wanted advertisements indicating any preference, limitation, specification, or discrimination, based on age.

Exemptions in Antidiscrimination Law

But certain exceptions from its provisions were provided by the Congress. These exceptions relate to situations where age is a bona fide occupational qualification reasonably necessary to the normal operations of a particular business, where a differentiation is based on reasonable factors other than age, where the differentiation is caused by observing the terms of a bona fide seniority system or any bona fide employee benefit plan such as retirement, pension, or insurance plan, which is not a subterfuge to evade the purposes of the act, or where the discharge or discipline of an individual is for good cause.

The act provides that no employee benefit plan shall excuse the failure to hire any individual.

Basic enforcement of the act has been delegated within the Department of Labor, as I indicated, to the Wage and Hour and Public Contracts Divisions. Its investigation and enforcement provisions essentially follow those of the Fair Labor Standards Act, but a special feature of the Age Discrimination in Employment Act involves a Federal-State relationship with States which have comparable age discrimination laws.

The purpose of this provision is to protect employers doing business in a number of States from a multiplicity of suits or enforcement actions.

The act, itself, provides that we attempt to effect voluntary compliance through conciliation, conference, and persuasion, and our experience with the enforcement of the Fair Labor Standards Act and other statutes within our jurisdiction has plainly shown that concentrated efforts to persuade employers to comply voluntarily avoid time-consuming legal actions and promote more economical administration of the law.

In a large majority of cases, the WHPC Divisions have historically been able to obtain compliance through educational methods and through conciliation and persuasion. What this means, of course, is that we shall be looking for voluntary compliance under the Age Discrimination in Employment Act to the maximum extent possible. Enforcement by court action is, however, authorized where voluntary compliance cannot be obtained, and we will be taking such actions where necessary.

In conducting investigations for compliance with the Age Discrimination in Employment Act, we are now making such investigations concurrently in all Fair Labor Standards Act cases where the new age

discrimination law applies. Special investigations for compliance with the Age Discrimination in Employment Act are also in process. Numerous reports from the field indicate that workers in the 40 to 65 age bracket have obtained employment as a result of our activities in positions which were previously closed to them.

Although legal sanctions combined with a vigorous voluntary compliance program are essential to a successful enforcement program, in enacting the Age Discrimination in Employment Act the Congress also recognized and emphasized the importance of a comprehensive education, information, and research program to the effectiveness of this law.

Mr. ORIOL. May I ask you what the present level of funding is for that research and education program, and how far along you are in it?

Mr. LUNDQUIST. No funds have been made available to us in the Wage and Hour Division; up to now we do not have an appropriation for the act specifically. There is a House markup involving $500,000, but that has not been voted on finally.

Mr. ORIOL. You have the responsibility, but you do not have the money.

Mr. LUNDQUIST. That is correct.

The statute requires that studies be undertaken to provide information to management, labor unions, and the general public, concerning the needs and abilities of older workers and their potential for continued employment and contribution to the economy.

For this purpose, the Secretary of Labor is authorized to promote research to reduce barriers to the employment of older persons, to publish his findings, to foster through the public employment system and through cooperative effort the development of facilities of public and private agencies for expanding the opportunities and potentials of older workers, and to sponsor and assist State and community information and educational programs in this area.

The act also directs the Secretary of Labor to make recommendations to the Congress regarding the older worker and his employment opportunities and to recommend to the Congress, before January 1969, any measures he may deem desirable to change the lower or upper age limits as established in the statute.

An annual report to the Congress is also required, covering activities for the previous year, along with appropriate information and recommendations for any additional legislation that may be considered desirable. Appraisals for such future recommendations will be based primarily on reports received from the field staff of the Wage and Hour and Public Contracts Divisions, and will be drawn from information obtained in the course of conducting the 20,000 to 25,000 investigations which we anticipate making under the Age Discrimination in Employment Act during the current fiscal year.

BROAD INFORMATIONAL PROGRAM

As indicated by Secretary of Labor Writz in his testimony, we are carrying out a broad informational program. We in the Wage and Hour and Public Contracts Divisions are receiving excellent cooperation from employer and employment agency organizations, Labor unions, and from a number of civic groups in making the terms and

provisions of the Age Discrimination in Employment Act known to their members.

Of major importance in our administrative and enforcement action is the formulation of regulations required by the act and of official interpretative positions on the more complex features of the law.

The regulations which concern recordkeeping and posting requirements and the procedures for issuing administrative exemptions, if any are deemed appropriate, were published in the Federal Register on May 24, 1968.

Our initial interpretations were printed in the Federal Register on June 21, and other interpretations will be published as they are adopted. Copies of the regulations and interpretations are available in our field offices throughout the United States as are, of course, all other published materials concerning the act.

Actually, we are confident that our educational, informational, and enforcement activities will provide a positive force in accomplishing the legislative purposes of the Age Discrimination in Employment Act. We believe the act and activities thereunder have already done much to dissolve the arbitrary discrimination in employment of older workers. We intend to execute vigorously the purposes of this legislative mandate within the framework of budgetary authorizations granted to us.

Thank you.

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

In your statement you are discussing voluntary compliance. That is desirable; it is a philosophy that we are hopeful will be followed; but there comes a point where that does not operate and we go into the so-called legal steps. When do these become necessary?

Mr. LUNDQUIST. These would certainly be necessary where there is a refusal to comply.

Senator RANDOLPH. Do you issue a warning?

Mr. LUNDQUIST. Yes. There is a built-in requirement in this statute that we use conciliation, conference, and persuasion to the maximum extent possible, but where we find that there is a refusal to comply, we will take action. We are convinced that if the employer or the employment agency or perhaps the labor union is wrong in its procedure, and refuses to comply, we will litigate, and this involves injunctive action, as you know.

Senator RANDOLPH. You speak of the workers in that 40 to 65 bracket obtaining work because you think the act was beginning to work. Is this correct?

Mr. LUNDQUIST. Yes. We have some informal advices, Mr. Chairman, which have been obtained by us through our staff. We have 100 field offices throughout the country, 10 regional offices and investigators assigned to particular field stations and the informal reports indicate that employees have visited them and that as a result of making inquiry and calling attention to the fact that this statute is now effective and on the books, employers have recognized it and have changed their ways, let us say.

We are receiving reports currently, but it is very early, as you know. The law really came into effect only completely July 1 or this year but we are receiving and have been receiving about 50 complaints per month but it is really too early to make a statistical judgment.

We anticipate as we get into this to a greater extent we will encourage people to come to us to tell us about their problems and we intend to do something about them.

Senator RANDOLPH. Mr. Lindquist, I would like to ask one question that is more or less a personal question in reference to the program.

This program that there must be a real selling job on—will it fall into place naturally or are you and others going to find it necessary to go out and let the reluctant business and industry segments know this is something they need to do or are you going to use different methods of showing them that it is to their advantage to do it?

In other words, will this be an all-out frontal attack or will you be just timid and touch it at one point or another when somebody prods you?

Mr. LUNDQUIST. I think I know what you have in mind, Mr. Chairman.

Certainly my experience as an enforcement officer for some 25 or 30 years now under the Fair Labor Standards Act makes me very firm in my view that we must have voluntary compliance and we must work at attaining voluntary compliance by way of calling attention to the law with respect to its provisions and the need for complying. Some people are careless; some are grossly careless; some violate laws willfully.

Our experience in the past has led us to believe that we must constantly be on the alert in terms of a vigorous informational program and we intend to do this. We have done this under the Fair Labor Standards Act and our exposure to some 20,000 or 25,000 firms that will be investigated for compliance this fiscal year throughout the country, we believe, will provide an effective basis.

I would also say we must work at the informational program. I would dare say hardly a day may be passing now that we don't have somebody making a speech somewhere in the United States about this law currently. My reports from the field indicate that we have had a number of requests. We intend to be effective in the enforcement program. We will be working at it.

I think your point is absolutely valid, Mr. Chairman, that it must be done in order to make this law effective.

Mr. RAVIN. Senator, may I supplement that response?

Senator RANDOLPH. Yes.

Mr. RAVIN. One of the things we are concerned about, of course, is that to great pressure will drive this discrimination and evidence of it underground, because as the Secretary said yesterday there are some real problems having to do with costs.

Under this law, a man cannot refuse to hire because of a pension plan, and the employer, of course, would not so state. We want to create a situation where he does not have in the back of his mind that the pension plan is going to cost him a great deal more money. Of course, he can find in any individual case many good reasons that someone else was hired; it is not why this fellow was not hired.

So, part of our program of research and education has got to be to develop pension plans which do not in fact cost more for the hiring of people 40 and over, 55 and over, which perhaps provide smaller returns at his retirement age, and to sell those plans to the employer so that this reason will not in fact be behind their rejection, perhaps surreptitious rejection of these older persons.

Senator RANDOLPH. The thought occurs to me that there might be a tendency, when we think in terms of the 65 age level, for the employer to think of that as a hard and fixed cutoff point.

How can we keep this flexible so that he will think in terms of hiring at 68 if a person has the skills, aptitudes, and the attitudes?

Would you discuss that more?

Mr. RAVIN. Well, that is a very difficult question.

We do know, of course, that the Social Security Act in itself has had that tendency over the years. In other countries—it has been testified before you—in Sweden and in West Germany, contrary to our experience, the participation of older persons is not any less than it was some years back. The participation rates here continually fall off. There is no question that employers will feel freer not to employ people over 65. This has been going on for some time. When the retirement age was reduced to age 62, a good many employers did take advantage of that.

One of the recourses the Secretary has is to recommend to the Congress that we move the age up to 70, if such discrimination becomes increasingly the case. I hope that would not be necessary.

What we have to do, essentially, in an educational program is to convince employers and people generally, that these older people have a very important contribution to make and that we are losing skills and depriving ourselves of people we should be using if we don't take advantage of it.

Now, that is not going to happen overnight. I think the best illustration is in the experience of the employment of the physically handicapped. It was over a period of years that they had been working on the same kind of problem, but I think they have been quite successful in getting a change of attitude on the part of many employers.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

U.S. DEPARTMENT OF LABOR,
WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,
Washington, D.C., August 16, 1968.

Hon. JENNINGS RANDOLPH,
Chairman, Subcommittee on Employment and Retirement Incomes, Special Committee on Aging, U.S. Senate, Washington, D.C.

DEAR SENATOR RANDOLPH: In response to your request of August 2, 1968, we have prepared the following answers to your four questions relating to our procedures for administering the Age Discrimination in Employment Act of 1967:

1. "Enclosed is testimony given on July 28 by a Mr. Alan Dodd. You will see that he describes several practices likely to be practiced by an employer intent on evading provisions of an Age Discrimination in Employment law. We would like to have some discussion from you about his arguments."

Mr. Dodd's testimony emphasizes the problems faced by middle-aged and older persons employed in a "white collar" capacity—administrative, executive and supervisory personnel. We agree with Mr. Dodd that these workers are frequently subject to loss of employment due to mergers, automation, changes in marketing policy and the like at periods of maximum productivity in their careers and that employer-attitude education must be initiated, in addition to literal enforcement of the ADEA, to eliminate these employment practices.

Already in the Department of Labor a number of programs are operating to encourage fuller utilization of older "white collar" and production workers. Mr. Dodd's suggestion of expanded counseling services for executives and establishing "clearing houses" to match the needy employer with the searching executive offers creative possibilities.

Employment centers, outreach and job development systems, intensive service units and training models are but a few of the programs which are in operation

now or have been proposed to help ease the dislocation of older workers. Secretary Wirtz cites the Manpower Development and Training Act of 1962 as the most important authority for training. In addition, programs authorized by the Economic Opportunity Act have proven helpful in training the "redundant" older worker in our society.

2. "You mentioned at the hearing that you do not yet have funds specifically earmarked for the research and education program required under P.L. 90–202. What will be your priority projects as soon as you can begin that program?"

Due to cuts in appropriation requests, research activities planned in connection with the Age Discrimination in Employment Act will be restricted to those studies and reports specifically requested in the Act. It is our hope that in the next fiscal year additional research programs can be initiated.

As of this time, educational and informational services have consisted of the wide distribution of pamphlets, posters, and radio and television material. In addition, investigations of alleged age-discrimination practices are now being made in conjunction with investigations under the Fair Labor Standards Act.

3. "What measures are you taking to assure that the Federal government itself is vigorously and sympathetically adhering to the provisions of P.L. 90–202?

The Age Discrimination Act excludes the Federal government from coverage. Therefore, these Divisions lack the authority for investigating age discrimination within the Federal government. However, letters concerning alleged age discrimination in Federal government employment are referred to the Civil Service Commission for investigation and correction under the terms of a memorandum issued by President Kennedy on March 14, 1963 on the subject of utilizing older workers in the Federal service. The memorandum reads as follows:

"In the message to the Congress transmitting my recommendations relating to a program for our older citizens, I pointed out that it is the policy of the Federal Government as an employer to evaluate each job applicant on the basis of ability, not age. This policy is intended to assure that the Government obtains the best possible talent from the widest range of choice.

"The Federal Government has been an exemplary employer in this regard. There is no age restriction on appointments to competitive positions. However, with older persons constituting an ever increasing proportion of the Nation's work force and with growing evidence that older persons are capable of the highest quality work, Federal appointing officers shall take positive steps to insure that current practice carries out this policy. Older persons must receive fair and full consideration for employment and advancement in the competitive service. Personnel actions should be based, in accordance with merit principles, solely on the ability of candidates to meet qualification requirements and physical standards of the position to be filled.

"With respect to Federal personnel systems outside the competitive service, these same principles are to be followed. All departments and agencies are requested to review their policies and practices regarding maximum age limits in other than the competitive service, and to take steps to insure that such limits are established only when absolutely necessary."

In addition, Executive Order No. 11141, issued by President Johnson on February 13, 1964 bans age discrimination by Federal contractors.

4. "Several witnesses who deal with employment placement problems every day testified that they believe that there should be no maximum age under the Age Discrimination Act. In other words, they want to strike age 65 from the law and leave it open-ended. Do you foresee administrative difficulties if such a change is made?"

It is too early to accurately predict the administrative difficulties which will be encountered in the enforcement of the Act's provisions. However, section 3(b) of the Act requires the Secretary of Labor to submit to the Congress by December 12, 1968 his recommendations for changes in the age limits of the Act. A study is in progress and we are unable at this time to predict what recommendations ultimately will be made.

Sincerely yours,

CLARENCE T. LUNDQUIST,
Administrator.

Senator RANDOLPH. Mr. Mendenhall, would you close out our panel discussion?

STATEMENT BY MR. MENDENHALL

Mr. MENDENHALL. Thank you, Mr. Chairman.

I am Dick Mendenhall from the bureau of Work-Training Programs.

I am here to present the statement on behalf of Mr. Battle, the Administrator of the Bureau.

As you know, the Bureau of Work-Training Programs administers a group of manpower training programs. These programs reach persons as young as 14 and—according to the latest reports—as old as 91. As I am sure you also know, BWTP is an outgrowth of the Neighborhood Youth Corps. It is, to me, an appropriate outgrowth. The original mission was to assist young adults.

But to successfully nurture and develop the talents of young people, we must take into account the influence on their lives of those who are older. To help the elderly achieve dignified living patterns, we must recognize the impact on them—either positive or negative—of the opportunities available to the young—for it is partly through the young that the elderly are able to hold on to their hopes and dreams.

The Secretary of Labor, in his statement to you yesterday, described the Department of Labor's efforts to assist older workers through programs of the Bureau of Work-Training Programs and the success of these efforts.

I would like to offer some brief observations on these responsibilities and accomplishments in terms of the human element.

BWTP's service to older workers grows out of its responsibilities under the Economic Opportunity Act and the Manpower Development and Training Act.

Through title 123 of the Economic Opportunity Act, the Bureau of Work-Training Programs carries out Operation Mainstream, a program that offers paid work-experience to chronically unemployed persons who, according to the legislation, are unable because of "age, lack of employment or otherwise to secure appropriate employment or training assistance."

As operated, this program has given priority to providing older persons with opportunities for work activities that improve the environment of the community in which they work.

The increase in the number of older workers in this program between September 1967 and April 1968, to which the Secretary referred in his statement, has meant an increase in service provided by older workers in the 41 States where these projects have operated. It has meant additional parks and playgrounds and well-equipped roadside picnic areas. It has meant better flood control and the restoration of historical sites.

These accomplishments are significant in themselves. But they also have a special kind of significance:

Poverty is destructive at any age but for older persons it can be a psychological and physical killer. Not only has Operation Mainstream alleviated physical suffering, it has restored spirits.

One quote from a Green Thumb enrollee is typical of the many comments:

> Now this Green Thumb, this is something. We all enjoy knowing this work is needed. We'll live longer, I'll bet you that. We have appetites for a change and something worthwhile to occupy our minds and hands.

You cannot purchase human dignity. But through meaningful paid work, Operation Mainstream has made it possible for older workers to participate in their local communities in a fashion that instills self-respect. It has made it possible for men to assume their roles—expected in our society—as productive workers, able to earn the money to make repairs on their homes, pay bills or treat a grandchild to a new pair of shoes for school.

The Secretary discussed the role of on-the-job training programs in providing opportunities for older workers. One of these projects—Operation Late Start—typifies what can be done in terms of human lives when the commitment to train older workers is coupled by a community commitment to provide jobs.

Thirty unemployed men, average age 55 plus, all receiving some kind of welfare assistance for as long as 17 years, undertook 26 weeks of classroom and shop training and 52 weeks of on-the-job training as engine lathe operators. Those who completed the classroom and shop training were assured jobs.

Some of these men had not been in a classroom in more than 40 years. Some had as little as a fifth-grade education.

Of the original 30, 21 completed the project and are now employed in permanent jobs. This achievement not only touches the 21 persons directly involved but the 93 wives and children of the trainees. It also touches the employers for it means the skilled workers necessary for the success of their businesses.

In terms of the human element, two recently funded projects described by the Secretary yesterday are expected to provide outstanding service to individuals. These are the Labor Department projects in cooperation with the National Council of Senior Citizens and the National Council on the Aging.

Through these projects, older workers, after a period of training, will advise homemakers on household management, serve as day care, museum and recreational aides. They may work as aides in city planning, follow up on social security and medicare services to older people and recruit persons for adult education courses. All of these are human service areas where there has been a shortage of personnel.

BWTP's attention to the older population preceded its responsibilities in this area. Not only have countless hours of service been given to elderly persons by NYC enrollees but since the early days of the Neighborhood Youth Corps sponsors have been encouraged to look toward the older population for staff support.

To carry out the counseling and remedial education which are an important ingredient in successful Neighborhood Youth Corps projects, sponsors have been urged to recruit, both as paid staff and volunteers, retired persons who had the skills, experience, and motivation to work with young people.

In its own way, BWTP, and NYC before it, may have helped to bridge the generation gap—for these programs have demonstrated meaningful contributions made by each generation to the other.

Thank you.

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

I was particularly impressed with the illustration which you have given of the Operation Late Start. In what part of the country and under what circumstances was this program carried forward?

Mr. MENDENHALL. This was predominantly, sir, of a demonstration nature to see whether or not this type of program can have an impact on preparing the middle-aged and older persons to again take their place in the world of work.

Senator RANDOLPH. Where was it carried forward?

Mr. MENDENHALL. This was in Cincinnati, Ohio, sir.

Senator RANDOLPH. Is the program in Cincinnati, Ohio, also being carried forward in other areas of the country?

Mr. MENDENHALL. Not as of this time, sir. This project was just completed and we are just now taking a look at it in terms of applicability to other parts of the country, based to some degree upon, of course, the types of occupations which may be available.

Senator RANDOLPH. I think that this would have to be in a metropolitan area; could it be in a more rural or smalltown area? Or do you think that it is applicable in any section?

Mr. MENDENHALL. The particular demonstration, sir, was in an urban area and the conclusion might be drawn that it would lend itself primarily to that but I see no reasons personally why it would not be applicable to rural areas, as well.

Senator RANDOLPH. What problems exist in a new career or subprofessional program which moves forward with local and Federal agencies on a permanent basis and in which trainees feel that they are going to have jobs? What is available?

Mr. MENDENHALL. Of course, our primary problem there is getting a firm commitment upon completion of the training.

The secondary problem is getting a realistic career ladder for these employees once they begin their work careers.

Senator RANDOLPH. Gentlemen, we are grateful for your contribution as members of the panel. You have been definitive and this has been helpful.

We are in a sense moving into new areas, working with people who have problems that in dimension are very, very deep—the very age of the person is involved.

Yet, that does not mean that we need be frustrated in this program. I think it is going to take a patient, continuing effort and I believe that we can succeed. I believe the act was valid; I believe the intent of Congress was good and that we will lean on you, of course, to help us to carry it into reality.

Thank you, gentlemen.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to Mr. Battle:)

1. According to a report submitted by Secretary Wirtz to the Committee on Aging earlier this year, the Manpower Administration is conducting several evaluations of existing programs. What have been the findings?

2. In order for our hearing record to have the most complete and current information available, may we have the number of all "older workers" now participating in either training or employment programs. If possible we would like to know how many are in the following age brackets: 45–55, 55–65, 65 and over.

3. It has been pointed out often that the proportion of 45+ individuals in MDTA is disproportionately small in relation to unemployment in that age group. What is the present situation? What more, do you think, can be done to increase participation?

4. You said that you "are taking a look" at Operation Late Start to determine whether it will be applicable in other parts of the nation. When will your evaluation be completed? I hope you will keep us informed of your progress.

(The following reply was received:)

* * * * * * *

As the Secretary of Labor stated July 24th in his report to the Committee on Aging, it is futile to attempt to generalize or define simple solutions relative to problems that affect the older worker. Problems may be identified and isolated, but are seldom encountered except in obverse and conflicting combinations. This is especially true in regard to the long-term unemployed, or otherwise disadvantaged worker. Older unemployed persons with definable skills, functional achievement levels, and good employable characteristics face some of the same problems as those encountered by older disadvantaged persons. But through individual efforts and efforts by public and private employment agencies, older persons in the latter category are able to rejoin the mainstream of the labor market more quickly.

All Manpower Administration programs are designed to (1) seek out and serve disadvantaged persons who comprise a majority of the segment of the population described as hard-core unemployed; and (2) to locate employers in the private and public sectors who are willing and able to participate in meaningful work-training agreements for disadvantaged persons. In regard to the older disadvantaged worker, this most often involves overcoming rigid attitudes of workers and employers, alike.

Statistics disclose that the longer an older worker is unemployed, the longer he is likely to remain unemployed. His skills are limited or non-existent, his education minimal, and his motivations have lapsed into despair and apathy. Despite enactment of the Age Discrimination in Employment Act, there is still real resistance on the part of private and public employers to hire and train older workers. This is especially evident among employers when extended training is necessary to acquire new skills; when participation in retirement, health and accident plans must be taken into consideration.

The enormity of the problem is brought into clear focus when viewed in light of the fact that older workers, 45 years of age and older, comprise approximately 25 percent of the unemployed but employable populace.

Recent budgetary limitations by the Congress have restricted our capabilities to conduct research, experimentation, and development of special ways and means to absorb more older disadvantaged workers into established or special Manpower Programs. Funds were available during the two previous fiscal years to conduct 13 experimental programs for older workers in 11 States. Five projects included persons 45 years of age and older; six included persons 50 years of age and older; one included persons 60 years of age and older; and one included persons in the age range between 35 and 65 years. Final evaluation of the 13 programs is precluded until terminal reports may be received and studied.

At present, there are three on-going programs for older disadvantaged workers who are 55 years and older:

(*a*) Operation Green Thumb is an adjunct of the Operation Mainstream Program administered in conjunction with the National Farmers Union in 14 States. It is a rural program designed for 2044 persons 55 years of age with no upper age limit. The average age of persons enrolled in Green Thumb is 68.

(*b*) Two experimental programs for persons 55 years and older are conducted in conjunction with the National Committee on Aging (New York City), and the National Council of Senior Citizens (Washington, D.C.). The programs involve employment of 40 persons in the upper age bracket in 20 representative cities throughout the United States. They are engaged in various occupations in public agencies within their communities.

To proceed to a direct answer to your first question, limited evaluation of the projects described in the preceding paragraphs, and continuing evaluation of regular Manpower Administration programs provide the following conclusions relative to the older disadvantaged worker:

(*a*) The older disadvantaged worker, particularly the hard-core unemployed, requires intensive and extensive supportive services in order that his confidence and ability to perform again in the competitive labor market may be restored and sustained.

(*b*) Individual needs for supportive services must be recognized and provided at the earliest possible contact with Department of Labor, Office of Economic Opportunity, and other coordinating agencies.

(*c*) Closer coordination and cooperation between local Manpower Administration agencies, local Employment Agencies, Welfare Agencies, and various Community Action Agencies, must be effected.

(*d*) The time required to recruit older workers and to actually start them in training/work-training must be reduced to the minimum.

(*e*) The time required to place older workers on jobs with participating employers must be reduced to a minimum to preclude the necessity for an interested employer to hire individuals from other sources.

(*f*) Increased means must be developed to promote effectiveness of the Age Discrimination in Employment Act without alienation of prospective employers.

(*g*) Participation of small employers in the work-training programs must be encouraged, provided they are able to offer training in meaningful skills at more than sub-standard wages during and after training.

In reply to your second question regarding the number of older persons enrolled in Manpower programs, the reporting system does not include a break-out of the age brackets you requested. Except for the programs described in paragraph g, above, age characteristics are reported on the basis of 45 years of age or older. Latest reports available for compilation here at the national office disclose the following information:

Program	Total enrollment	Age 45 plus	Percent
Manpower Development and Training Act	84,788	8,400	9.95
Institutional training	57,525	5,700	9.99
On-the-job training	27,353	2,700	9.99
Operation Mainstream	7,917	3,562	45.0
Operation Green Thumb	1,779	1,779	100.0
Concentrated employment program	30,000	2,760	9.2
New careers	3,764	637	16.7
Job opportunities in the business sector	140,000	(1)	(1)
Special impact [1]			
Work incentive program [1]			

[1] No information yet available.

In reply to your third question regarding the proportion of persons 45 years or older enrolled under Manpower Development and Trainnig Act programs, enrollment of older persons under MDTA programs has steadily fluctuated at about 10 percent throughout the last three fiscal years. There appear to be four main reasons for this experience:

(*a*) Older workers are less educated than younger workers with whom they are in competition for the same jobs.

(*b*) Older workers have more dependents than younger workers and cannot afford to enter long-term training agreements, or remain unemployed for an extended period.

(*c*) Employer resistance to hiring older workers as described earlier in this correspondence.

(*d*) Competing opportunities for work-training offered under other Manpower programs, i.e., Operation Mainstream, New Careers, Job Opportunities in the Business Sector, and the Concentrated Employment Program.

You ask also what we think can be done to increase participation of older workers in the MDTA programs. Mention has already been made of recognition of the need for closer coordination between all agencies; local, State, and Federal, in the recruitment of older workers and development of jobs for them. Increased emphasis by the Department of Labor will be placed on individual placements of the disadvantaged older worker.

In reply to your final question about evaluation of the Operation Late Start project, the evaluation is all but complete pending receipt of terminal reports in which follow-up information pertaining to enrollees will be included.

As you are aware, this was an experimental project in Cincinnati, Ohio, that was designed to study problems and experiences involving training of a group of hard-core unemployed, under-educated, older men with no particular training, into a hard skill. It terminated May 4, 1968. Thirty men between the ages of 44 and 62 were selected for training as journeymen-lathe operators. The project ex-

tended over an 18-month period during which the first six months consisted of classroom and vocational shop training in remedial education and basic shop practices. The last 12 months were spent in on-the-job training (OJT) in machine shops of participating employers. Of the 30 persons initially selected, ten completed the training successfully and are presently employed as skilled lathe operators.

In disregard of any assessment of the project based upon the number of persons who completed the training vis-a-vis those who did not; the project is considered to have been successful in accomplishment of its objectives. Certain conclusions based upon the Operation Late Start experiment appear to be valid:

(*a*) Handicap suffered by the older worker attributed to age, lack of education, training, and motivation; and other negative factors are arbitrary and artificial in many instances.

(*b*) Provisions for supportive services must be flexible and extensive in scope in order to afford maximum individual attention to extraordinary problems encountered by the older unemployed person.

(*c*) Training and retraining of older workers requires specialized and coordinated efforts by industry, labor, local community and government agencies, and Federal agencies.

Finally, there are no plans at present to establish Operation Late Start as one of the regular Manpower Administration programs in other parts of the nation. Because of the funding situation, no new programs are projected for the current fiscal year. Instead, application of the information gained through Operation Late Start is being exploited through established OJT programs, particularly Jobs in the Business Sector (JOBS) program.

I trust that this information is responsive to your questions, and thank you for your interest.

Sincerely yours,

MARK BATTLE, *Administrator.*

Senator RANDOLPH. Miss Fait, please.

Miss Fait, you proceed, if you will, without reading your statement. It will be included in the record as if it were given. You highlight the points that you would like the subcommittee to give attention to today.

STATEMENT OF ELEANOR FAIT, SUPERVISOR, OLDER WORKER PROGRAM, STATE OF CALIFORNIA

Miss FAIT. My name is Eleanor Fait. I am State supervisor of the older worker program in the California State Employment Service.

(The prepared statement by Miss Fait follows:)

PREPARED STATEMENT OF ELEANOR FAIT, STATE SUPERVISOR, OLDER WORKER PROGRAM, CALIFORNIA STATE EMPLOYMENT SERVICE

Mr. Chairman, distinguished members of the Senate Special Committee on Aging, it is a privilege for me to appear before you as an advocate of Work for Older People. The fundamental premise of our program is that any individual has the right to work for as long as he is able, physically and mentally, to compete successfully and productively—and wishes to continue in remunerative employment.

It may be helpful to describe briefly the Older Worker Program of the California State Employment Service and the qualifications of the people in the program.

They are trained, experienced professional people. The education requirement for our trainee position is a bachelor's degree; for counselors, a master's degree. Most of our people have worked outside the state civil service system in private industry and the military service before coming to our agency. They undergo one year of in-service training before becoming Employment Security Officers. They move up the professional ladder by means of examinations. They obtain out-service training in the colleges of the area where they work. From the journeyman ESO-I classification, the Older Worker Specialists are selected, one for each of our 130 Employment Service Offices. This Specialist is responsible for

the functional supervision of the Older Worker Program in his office. In addition to interviewing applicants, he analyzes the application file, reviews intake to check on services needed by applicants. He makes visits to employers to discuss the values of employing older workers. He makes follow-up calls to employers when the employer's order has been cancelled and service stopped because of age restrictions which he has refused to remove. This Specialist is responsible for community relations as regards the older worker and is customarily a member of the local committee on aging. He is expected to develop and create jobs when such action is indicated.

The 40-plus worker coming into our offices is not automatically referred to the Specialist. Only when age appears to be a problem in employment does this occur.

As to the need of older workers for employment service in California, statistics on the unemployment *rate* for the total labor force are skewed by the number of youth looking for after-school and summer jobs, and the hard facts about those who are truly unemployed are obscured. Using the criterion of *length* of unemployment, California 45 years of age and older comprise almost half (43%) of the long-term or hard-core unemployed. This figure does not reflect the number of workers, particularly in the 55-plus age bracket, who leave the labor market permanently after repeated unsuccessful efforts to find a job.

Prior to 1965, there were 40 full-time Specialists in our larger offices; the Specialists in the smaller offices spent time on the program as the need arose, either in the office or in the community. But for three years, there has been a gradual erosion of the time allocated for special services to older workers. Now, each Older Worker Specialist has multiple assignments.

A more optimistic development has been the creation, early in 1967, of Older Worker Service Units which intensify and individualize employment services. They are units of five to eight interviewers who work exclusively with persons having job difficulties because of age. Each staff member carries a special assignment such as Part-Time Jobs Specialist, Job Development Specialist, etc. There are seven such units in California, located in regular local offices—not isolated from the mainstream job activity—where the registration of applicants 45 years of age and older numbers 2,500 through 4,000. (San Diego, Long Beach, Los Angeles Industrial and Commercial, Van Nuys, San Francisco Professional and Commercial and Oakland Employment Service Offices.)

A report from the manager of the Los Angeles Commercial Office gives an idea of the impact of such a unit:

> "The percentage of older worker placements was considerably higher in every month of 1967 than in the corresponding month of 1966. In fact, the net placement of older workers increased by 37.3%. This result indicates the effectiveness of the Older Worker Service Unit and indicates it influence on the office as a whole."

The California State Employment Service is enthusiatic about this method of increasing the effectiveness of our services to older workers. We hope that we can extend the number of these units to other large urban offices in ensuing months.

Under-Utilization of Older Workers

Since this hearing is concerned with the present under-utilization of older workers, despite severe manpower shortages, it may be appropriate to report some of the results of a California study on how to improve employment opportunities for older people.

A part of this study concerned management-labor seminars in eight cities, and one of the conclusions is that the public insurance programs are militating against the hiring of older workers. We found many other legal impediments which are preventing or discouraging employers from hiring older people.

Daniel Bell, Columbia University Sociologist, has said that "knowledge is gained not only by new observations and experiment, but by new ways of looking at familiar facts." Thus, when we look at the public insurance programs from the point of view of job opportunities for older workers, we find such facts as these:

1. The second injury law in workmen's compensation wherein the employee is unable to waive his rights, and the employer is penalized by higher costs if an employee's previous injury or disability recurs. It was recommended that a supplementary type of insurance coverage was needed under which the employee could be paid, yet the employer not penalized.

2. The trend toward findings that heart attacks and loss of hearing are work-incurred certainly discourages an employer from hiring middle-aged people no matter how healthy they are.

3. Employers are reluctant to hire older workers because of the effect on their Unemployment Insurance experience rating when the worker may not be satisfactory because of lack of skills, obsolete skills, physical condition or other circumstances. A recommendation was made that a probationary period of 30 days be allowed in order to give the older worker a chance to "prove" himself during which time the employer's experience rating and reserve would not be affected. The management-labor groups felt that this might stimulate the hiring of workers in their late fifties and sixties, particularly.

4. The study recommended that the age minimum for non-disabled for eligibility for Social Security benefits should not be lowered any further since this action has an immediate effect on the retirement practices of private industry. In addition, the hardship which the earnings limitation brings to persons forced to live on their Social Security benefits plus these limited earnings has been the subject of testimony before this committee and certainly has a bearing on the poverty level to which so many older people are brought in retirement.

5. The study recommended that a State Portable Pension Act be enacted which would require that a pension plan be a requirement for doing business, that each plan should contain vesting rights, that the rights be reciprocal and they should be regulated to protect the employee interest in them. We have twice sponsored legislation to establish such a plan for the 45-plus worker in California for the purpose of increasing the mobility of older workers and protecting their pension rights when changing jobs.

6. The study discovered an employer practice may be illegal if put to a court test—that of forbidding retired employees from working in the occupation or industry in which they have been employed if they wished to draw their pension. If these former employees decide to continue working, or must continue to work, their chances for employment are considerably reduced if they cannot work in the occupation in which they have skill and experience.

7. The study recommends a further investigation of the practice of compulsory retirement since there are many indicators that it is an outmoded, outdated personnel practice which should be dispensed with. Compulsory retirement as a means of removing older people from the labor market is no longer successful if we note that earnings are still the largest single source of income for persons over age 65. The ratio of people over age 65 who engage in some work each year has risen from 25% in 1963 to 33% in 1965. Dr. Robert Oldenwald's studies in 1966 showed that one-third of the men 65 and over are still in the labor force and two out of every five men between 70 and 75 are employed. But compulsory retirement is a source of great hardship to many by causing a reduction in income and difficulties in reemployment.

What is needed to replace the practice of mandatory retirement is a set of alternatives for the employer who has an employee he wishes to be rid of, without victimizing all older workers in the process.

Another aspect of this outdated personnel practice is the trend toward an earlier compulsory retirement age in private industry. Yet this trend is beginning to worry insurance companies who sell and operate pension plans. The ability of pension funds to continue to absorb this downward trend without jeopardizing the funds and the quality of the benefit is now being questioned by leaders in this industry.

Early retirement cannot be regarded as a solution to the problem of employment of older workers. But flexible retirement and portable pensions might be.

Training

The fact that older workers have not responded to the training opportunities offered by the Manpower Development and Training Act and other programs has led some to doubt the trainability of the older worker. However, the failure of MDTA to assist older workers is based on several other reasons:

1. Rigid application of the concept of "reasonable expectation of employment" as a prerequisite for training.

2. Timing. No course availiable at the proper time: A lag from date of referral to testing to acceptance to activation of the course.

3. Definition. The definition of head of household proved to screen out many older workers who could otherwise qualify. This interpretation of head of household was in effect almost two years.

4. Reliance on tests which screened out older applicants.

In addition, the pedagogical techniques in use in adult education and vocational training fail to recognize the difference between children and adults as students.

Modern research has exploded the notion that learning capacity dwindles rapidly as a person ages; in fact, it shows that adults can learn effectively at all ages. But it also shows that adults learn in their own way. For example, adults must want to learn, they will learn only what they feel a need to learn, they learn by doing and must have immediate and repeated opportunities to utilize newly-learned skills, their learning centers on realistic problems, the learning must be relational and integrated with the accumulated results of a lifetime of learning experiences. They must have the opportunity to discuss, in an informal atmosphere, and a variety of teaching methods should be used. Adults want guidance, not grades, and competition has a negative effect on adult learning. But teachers and equipment are "child-oriented".

Recognizing the failure of the public school system to respond to the needs of adults for vocational training, the California study, previously mentioned, recommended certain changes in order to attract older workers to the training they now need, not once, but several times in their work life.

The semester system should be eliminated and efforts made to compress into the shortest possible time the needed training. Local school districts should provide full-time adult vocational centers in urban areas, daytime vocational courses for adults in smaller districts. Vocational counselors should be located in all adult schools and colleges in order that counseling service can be provided prior to choosing a course of study. Such counselors should receive the appropriate training to enable them to advise mature and older workers. Modern innovations in equipment are lacking for most adult education classes and the training received is dated and almost obsolete before the students complete it.

We suggested that job retraining programs for employed workers can properly be a subject for negotiation between management and labor after examining conditions within their own industry.

We recommended that private and government enterprise develop a system of educational leaves, financed jointly by the employer, employee and the state, directly related to the employment rate.

We have called attention to the fact that there are age restrictions on study for higher degrees in colleges and universities which prevent the men and women in middle and upper management positions who are declared "obsolete" because of lack of training from ever acquiring the needed training.

We feel that action on these measures will serve to open up the entire field of vacational training for adults and provide recognition and encouragement for the older students who embark on such training.

Research

The chairman's letter stated that you would be interested in suggestions for research projects. Since human beings, and especially older workers, are not too well understood, either by themselves or the agencies designed to keep them out of trouble, much research needs to be done.

One of the most puzzling phenomena with which the Older Worker Specialist comes in contact is the job crisis—the successful business or professional man, who in his forties, or early fifties, want to change occupation.

This job crisis has been called middle-aged depression, the mid-career crisis, the occupational menopause and *Time Magazine*, in a March 1968 issue, calls it "The Second Act in American Lives." They considered it a sufficiently general problem to devote a Time Essay to it. What is it? Is it a good thing or a bad thing? How long does it last? Is it physiological as well as psychological? How long do men stay this way? Does it happen only in certain occupations? What happens afterward? No one knows. Certain novelists and playwrights have used this stress condition as the plot for their work, but it has not been investigated as a job problem.

What are the indicators? *Time* describes them thus:

> "Along in his forties, the American male often plunges into strange fits of black depression. He wakes in a sweat at 4 a.m. He stares at the dim ceiling. His once bright ambitions creep past like beaten soldiers. Face it: he will never run the company, write the novel, make the million."

The first interview I had with a man suffering from this condition made an indelible impression on me. He was 42 years old, good-looking, had money and recognition. He was the leading attorney in the community and his name was well-known to me. He just came in and asked that I get him a job in another field. I have talked with dozens of attorneys, teachers, ministers and managers—since then faced with this same occupational dilemma. Our Employment Service training suggests that a discussion about job adjustment—rearranging some of the factors in the job and perhaps, even the location of the job is the best assistance we can give. We remind him of the investment in training and experience, the hardship on the family, the loss to the economy, etc. But these are not the things he has come to hear. And he is soon through with the Employment Service. Should we insist that he stay in his occupation or encourage him to change? Shouldn't we rather assist him in a vocational reassessment. And what should the indices for these actions be?

Lockheed California has done some studies on worker morale as related to age which may bear on this point. They have found that morale is lowest in the male executive and management personnel and trainees between the ages of 34 and 39 years. The studies note that men during this period of low morale are very introspective and hard to work with.

Time concludes its essay on "The Second Act" with this thought: "Just how discontented middle-agers should change their lives is obviously a case-by-case problem. But change they should—say the successful "second-acters'." All the Employment Service knows is that something is happening to many middle-aged male workers which has a great bearing on the remainder of their work life.

John Kenneth Galbraith has said that one of the greatest pieces of economic wisdom is to know what you do not know. And one of the things we do not know about is Age Balance in a work force. I have never seen a definition of age balance, and perhaps it does not need a definition. But this factor is evidently overlooked in current personnel practice, and for this reason it appears to be a factor which needs study. Let me give you two examples of what can happen when personnel planning does not include age balance.

1. Our agency is responsible for the administration of the California law on age discrimination. A union business agent telephoned from San Francisco to ask that his union be allowed an exception under the law for the reason that most of the working members were in their late fifties. Their apprentice program, which had suddenly been activated, would not provide sufficient workers for some time. They wished to take into their union several hundred workers in their late twenties and early thirties.

2. A large state agency with 9,000 employees recently did a management study related to age and found that most of their key executive, management, middle management and key field people would be retired from state service within five years. We now see a hasty hiring of young people as they graduate from college, an entire echelon of unseasoned youth, with management potential, undergoing hurried grooming for the "heir apparent" positions; while several hundred highly motivated people at the submanagement and technician level are abruptly denied promotional opportunities *because they are in their late forties.*

Industry, business and government need studies on age balance, how to tell when there is an imbalance, and how to avoid situations such as those I have just described. How many is too many older workers? How many is too many younger workers?

The Employment Service, and employers as well, need to know how to tell when a person is ready to go to work. Our inability to measure this Readiness factor causes us to deal ineptly and inefficiently with two very large groups coming within the older worker category; namely, the middle-aged woman reentering the labor market, and the retiree wishing to continue working or to return after an absence from the labor market. Since women between the ages of 45 and 54 years are one of the most rapidly increasing groups in the labor market, this lack is a very serious matter.

You may think that because an individual comes into an Employment Service office he is ready to go to work. But this, unfortunately, is not the case. Let me give you a typical case—the retiree who decides to reenter the labor market. He tells us that pension or Social Security benefits do not provide for the basic needs. He has good skills in a demand occupation. He takes the referral cards, then returns several days later with the card. He had "got to thinking it over."

He wondered if he could have a job in another location, or a little more salary, or more hours, etc. Perhaps the interviewer has such a job and gives him another referral card. He takes it and then he just disappears.

Then there is the situation wherein the interviewer calls an employer and is successful in developing a job, but the applicant fails to go for an interview or turns down the job during the interview with the employer.

This ambivalent applicant has been described as one who has problems he cannot identify, and we are reminded that: "The things we complain about are not necessarily the things that really trouble us." Research is needed in how best to serve this applicant.

The national anti-poverty programs have been directed toward improving employment opportunites for the minority youth of the nation with an almost total disregard for the employment needs of the minority parent and grandparent groups.

There is very little information about the older minority worker. Research in this area would be of tremendous value. I have found some interesting information on the workers 45 years of age and older covered by unemployment insurance. Workers in this age group constitute about 50 percent of the claimants. Among whites, the highest number drawing benefits is in the 45–54 year bracket; but among Negroes and Mexican-Americans, the highest number drawing benefits is in the 25–34 year bracket. Moreover, the 65-plus white workers constitute 5.8 percent of the total white workers; among Negroes, 3.1 percent of the total Negro workers; and among Mexican-Americans, 0.4 percent of the Mexican-American group. There is an inference here that age problems among minority race workers are different than they are among white workers.

Community Action

The chairman's letter asks for examples of community action which have led to the employment of older workers.

Since 1959, the Kern County Mature Workers Advisory Committee has met regularly for nine months out of the year. From the very beginning, the membership has been respresentative of the community's interests and industries and has had a measurable impact on the community of Bakersfield. The committee has a constitution and by-laws, maintains a steady flow of news releases and radio and television spot announcements directed toward training and retraining and giving the reasons why the employment of older workers is good business. The committee maintains a speaker's bureau to inform other community groups about the objectives of the Older Worker Program. It has surveyed the Bakersfield area industrial background and evaluated its adequacy to meet the employment needs of older workers. It has explored local industries' ability to assimilate mature workers and provide on-the-job training for them. It has assembled a list of occupations subject to periods of unemployment, the extent to which mature workers are affected, and the remedies. It has scrutinized local industrial personnel practices to establish a climate of understanding toward the mature worker. It has dispatched teams of two committee members, usually friends of the employer, to "talk it over" with employers who have indicated reluctance to consider or to employ the mature worker. The initial membership ceiling was 12. In 1962 it was increased to 20, and in 1965 the ceiling was raised to include 25 members. Locally, age restrictions on job orders at the Employment Service Office dropped to zero long before the state law on age discrimination was passed in 1961. This committee is the only community committee in California organized *expressly* to serve the needs of older workers, and it does this very successfully.

The opinion was frequently expressed in our management-labor seminars that employment opportunities for older workers can be improved considerably by the establishment of Joint Older Worker Committees to create a climate of understanding between management and labor on this subject. Certainly our experience with these groups in the seminar setting was gratifying and productive. They are able to explore together the advisability of establishing maximum and minimum educational requirements, physical requirements and actual duties of each job. This permits job reengineering wherein each job can be re-examined jointly by union and management to identify suitable jobs for older employees and permit identification of retraining and upgrading needs for the individual firm.

We have just completed a research and demonstration project for the U.S. Department of Labor on the use of volunteers to extend employment services to

older people in the neighborhood setting. Two centers were established: one sponsored by the Sacramento Business and Professional Women's Club, and the other by the National Council of Senior Citizens. Gratifying response from the Carmichael neighborhood included major assistance from the Chamber of Commerce, Kiwanis and Lions Clubs. The volunteers were given Employment Service training in selected activities, and their enthusiasm and success clearly demonstrated that volunteers can respond to the technical training of the Employment Service and accept responsibility for serving job applicants when they are supervised directly by Employment Service staff.

The most exciting discovery in this project was the fact that applicants recruited from the file to work as volunteers gained valuable experience which accelerated their own placement in jobs.

We passed this information to our Older Worker Service Unit in Van Nuys—called "Project 45" to get rid of the term "older"—and they immediately incorporated into their operation the use of volunteers drawn from their older applicant file. In the first six months of operation, a total of 207 volunteers contributed approximately 4,700 hours of volunteer time to the Van Nuys office performing 72 different tasks. They issue a publication to employere, *Profile 45*, which contains thumbnail sketches of the job experience of applicants. A special section for the 60-plus worker is called Profile 60. There have been five issues. Eighty-one of the 85 applicants listed in the first issue were working at a new job within three weeks of the first mailing. The supervisor of Project 45, Carl Herbrecht, says:

> "Each volunteer seems to have a special skill to offer and once their capabilities are detected, they are used in conducting statistical studies, verification of applicant availability, mass mailings, design and drafting of promotional materials, supervision of other volunteers, making speeches to public groups and on radio, assisting applicants in writing of their resumes. This program is beneficial to the whole office but, more importantly, has proven to be of great therapeutic value in reinstilling confidence, updating lost skills and the realization that they are making an important contribution toward a common goal. We have a waiting list of volunteers."

Because of the gratifying response from the older volunteers and the unexpected effects of this work on them, we are now in the midst of putting this "work-conditioning" process into three other Older Worker Service Units in the Los Angeles Area. This program is especially useful in assisting middle-aged women who have never worked before, those who have been long absent from the labor market, retirees returning to the labor market and the ambivalent applicant, previously described, to acquire work discipline, brush-up on rusty skills, and acquire confidence.

Need for Older Workers

Finally, I would like to comment about Work and Jobs, generally. Any discussion about older workers inevitably brings up the argument that older people must leave the labor market to "make room". There is a fallacious view taken by individuals, organizations and some branches of government that there should be restraint on the reemployment of older workers thereby reducing the number seeking reemployment.

Yet the need of the older worker is for Work—not a substitute for it. Why suggest to him that there is something benevolent about leisure time and something malign about wishing to Work in later years. Perhaps, if the time, money and effort now spent in trying to sideline these workers were spent in developing employment opportunities for them, the economic problems of this group might be relieved considerably. It seems obvious that housing and health problems yield quickly to the magic of regular paycheck.

There is no hard evidence that the economic system cannot accommodate the workers who wish to work in it. It is time for a thorough evaluation of the current interpretations of population and labor force statistics which create the impression that it cannot. The birthrate has been dropping for ten years. The World War II boom babies have become the young marrieds and workers in their mid-twenties. There are more jobs in every occupational and industrial category than ever before—and more people working—and manpower shortages in all directions. The Bureau of Labor Statistics projections for 1975 tell us that the number of clerical workers will grow by one-third; craftsmen and foremen by 25%; service workers are expected to increase by 40%.

Paul Armer of the RAND Corporation, in the book, "Social Implications of the Computer Utility", (1968) says:

"In the 1950s, a number of people were predicting mass unemployment as a result of the introduction of computers and automation into the U.S. economy. Predictions were made that a few percent of the labor force, utilizing machines, would soon be able to produce all the goods and services society could consume... that we are fast approaching the day when very little, if any, human labor will be necessary in our economy. I think this is nonsense.

"I have not denied that computers and automation displace people from jobs. I do believe that computers and automation do cause problems in the employment arena, problems for which society must develop solutions. But I disagree with the prediction that the problem will be one of massive unemployment and say that the problem is more one of retraining, relocation and placement, of providing for continuing education and of keeping the economy growing. Further, I have not said that we will not suffer from unemployment in the future. Rather I have said that we will be in need of the output of our entire labor force."

Fortune Magazine has recently issued a book for managers on this subject, asserting that initial assumptions about the effects of automation were incorrect. Jobs are changing, not disappearing; and they are increasing in number.

The amount of work and the number of jobs are not a fixed quantity. Consider the needs of the American people, their sophisticated demands, the services they will use and don't get, their comfort and recreational standards and the amount of machinery needed to maintain these standards. There is literally no end in sight to the services that the American people want and will pay for. Hugh McLeod of the Minnesota Mining and Manufacturing Company has put it this way:

"The need for people with specialized knowledge is so great that whole services businesses are growing out of it. Our modern economy is so involved with mass sales, mass service, mass production, mass research . . . that the *exceptions* provide vast opportunities for self-employment, a changing concept which should be more attractive to older workers."

Equality of opportunity to work should certainly be one of our social goals. In this context, it is hard to reconcile theories that say that the only way to attain full employment is to decimate the work force—and, in particular, the number of middle-aged and older workers.

Miss FAIT. Before I begin the summary of my statement, I wonder if I may make one comment about the new Federal law on age discrimination and one way of determining its immediate effectiveness; the miraculous disappearance of age in classified advertising in all the Los Angeles and San Francisco papers was one way of determining immediately its effectiveness.

I have described the older worker program in some detail pointing out that we have an older worker specialist in each of our 130 local offices.

As to the need of older workers for employment service in California, statistics on the unemployment for the total labor force are obscured by the number of youth looking for afterschool and summer jobs and the hard facts about those who are truly involved are obscured.

Using the criterion of length of unemployment in California, workers 45 years and older comprise almost half of the long-term or hard-core unemployed. This figure does not reflect the number of workers, particularly in the 55-plus age group, who leave permanently after repeated unsuccessful efforts to find a job.

I have commented on the fact that we formerly had full-time older worker specialists. We no longer have any; they all have multiple assignments. But there is an element of optimism in the creation of the older worker service units, which Mr. Odell did mention, where we

are able to intensify individual employment services. We have seven of these units and hope to have more of them.

Since this hearing is concerned with the underutilization of older workers, I have referred to a study that we did in California on how to expand employment opportunities for older workers. I mentioned that one of the results of the study was the discovery that the public insurance programs, themselves, are one of the principal reasons for difficulties.

I mention workmen's compensation and unemployment insurance, as they affect these opportunities. Also, the social security program.

State Portable Pension Act Proposed

Our study recommended that a State portable pension act be enacted which would require that a pension plan be a requirement for doing business, that each plan should contain vesting the rights, that the rights be reciprocal and they should be regulated to protect the employee interest in them.

We have twice sponsored legislation to establish such a plan for the 45-plus worker in California for the purpose of increasing the mobility of older workers and protecting their pension rights when changing jobs.

We in our study recommended that a thorough examination of the practice of compulsory retirement be undertaken since there are many indicators that it is an outmoded, outdated personnel practice which should be dispensed with and made illegal.

Mr. Oriol. Miss Fait, as you know, the Federal Age Discrimination Act requires the Secretary to conduct the study of arbitrary age retirement policies.

Perhaps you could give us some suggestions in a later statement on some of the areas that should be covered in this Federal survey.

Miss Fait. Yes. I will be glad to.

Mr. Oriol. To go back to portability again, would you comment on why this is so important to the older worker?

Miss Fait. Prior to the passage of the law on age discrimination, the pension plan of an employer was one of the principal reasons for refusal to hire older workers. It can no longer be that legally but we must wait to see how the law really affects this situation.

Regardless of the Federal law, we feel that the mobility of the worker needs to be increased and that is our principal concern with such a pension plan. When he does not have to consider the pension plan of the employer he is leaving, or the employer he is going to, the employer is relieved of that responsibility as well.

What is needed to replace the practice of mandatory retirement is a set of alternatives for the employer who has an employee he wishes to be rid of without victimizing all older workers in the process.

We feel that the lowering of compulsory retirement age is an alarming factor in our economy at the present time. The ability of pension funds to continue to absorb this downward trend without jeopardizing the funds and the quality of the benefit is now being questioned by leaders in this industry. Early retirement cannot be regarded as a solution to the problem of employment for older workers but flexible retirement and portable pensions may be.

The fact that older workers have not responded to the training opportunities offered by the Manpower Development and Training Act and other programs has led some to doubt the trainability of the older worker. I have pointed out some of the failures of the MDTA programs as regards older workers.

Mr. ORIOL. Miss Fait, I believe that of all MDTA trainees, older workers make up only about 9 percent.

Miss FAIT. It is less than that.

Mr. ORIOL. Even though they comprise about 20 percent of the total long term unemployed.

Miss FAIT. Right.

Mr. ORIOL. What is the California ratio?

Miss FAIT. Eleven percent, and it went down last year in spite of the 1966 amendments.

I suggest that one of the reasons, besides the way the program was administered, is the failure of the public school system, not necessarily exclusively with the MDTA training programs, but many others.

Recognizing the failure of the public school system to respond to the needs of adults for vocational training, this California study recommended certain changes in order to attract older workers to the training they now need not once but several times in their lives.

Such suggestions as the semester system should be eliminated and efforts made to compress into the shortest possible time the needed training, the need for full time and day time adult vocational centers in urban areas and daytime vocational courses for adults in smaller districts, the need for vocational counselors for adults and the need for training for these counselors. Modern innovations in equipment are lacking for most adult education classes, and the training received is dated and almost obsolete before the students complete it.

I note that Time magazine this week calls adult education in this country an educational junkyard.

AGE RESTRICTIONS IN COLLEGES

We have called attention to the fact that there are age restrictions on study for higher degrees in colleges and universities which prevent the men and women in middle and upper management positions who are declared obsolete because of lack of training from ever acquiring the needed training.

About research, we believe that we know really very little about older workers. One of the most puzzling phenomena we come across is the job crisis in middle age. I described this job crisis as it comes to our attention.

I have suggested that we know nothing about age balance in the labor force. What is too many older workers? What is too many younger workers?

The employment service and employers as well need to know how to tell when a person is ready to go to work. Our inability to measure this readiness factor causes us to deal ineptly and inefficiently with two very large groups coming within the older worker category; namely, the middle-aged women reentering the labor market and the retiree wishing to continue working or to return after an absence from the labor market.

In our mind, one of the most important areas of research needed at the present time is that of the older minority worker. The national antipoverty programs have been directed to improving employment opportunities for the minority youth of the Nation with an almost total disregard for the employment needs of the minority parent and grandparent groups.

There is very little information about this older minority worker, and research would be of tremendous value.

We have just completed a research and demonstration project for the U.S. Department of Labor on the use of volunteers to extend employment services to older people in the neighborhood setting.

The most exciting discovery in this project was the fact that applicants recruited from our files to work as volunteers gained valuable experience which accelerated their own placement in jobs. We have passed this information on to our older workers service units.

In the first 6 months of operation in the Van Nuys unit, a total of 207 volunteers contributed approximately 4,700 hours of volunteer time. But the principal ingredient of this volunteer activity is what it does as a work-conditioning process for older workers.

My final comment I would like to be about work and jobs generally.

The Economy Needs Older Workers

Any discussion about older workers inevitably brings up the argument that older people must leave the labor market to "make room." There is a fallacious view taken by individuals, organizations, and some branches of Government, that there should be restraint of reemployment of older workers, thereby reducing the number seeking reemployment.

There is no hard evidence that the economic system cannot accommodate the workers who wish to work in it. It is time for a thorough evaluation of the current interpretations of population and labor force statistics which create the impression that it cannot.

I would like to quote from Paul Armer, of the Rand Corp., on this point:

> In the 1950's, a number of people were predicting mass unemployment as a result of the introduction of computers and automation to the U.S. economy. Predictions were made that a few percent of the labor force, utilizing machines, would soon be able to produce all the goods and services society could consume * * * that we are fast approaching the day when very little, if any, human labor will be necessary in our economy. I think this is nonsense.
>
> I have not denied that computers and automation displaces people from jobs. I do believe that computers and automation do cause problems in the employment arena, problems for which society must develop solutions. But I disagree with the prediction that the problem will be one of massive unemployment and say that the problem is more one of retraining, relocation and placement, of providing for continuing education and of keeping the economy growing. Further, I have not said that we will not suffer from unemployment in the future. Rather, I have said that we will be in need of the output of our entire labor force.

Mr. Miller. Mr. Chairman, if I may interrupt.

What you in effect are saying with reference to automation is that the impact of that upon society will be about the same thing as the so-called industrial revolution of the 1850's.

Miss Fait. Yes; job changes.

The amount of work and the number of jobs are not a fixed quantity Consider the needs of the American people, their sophisticated demands, the services they will use and don't get, their comfort and recreational standards and the amount of machinery needed to maintain these standards. There is literally no end in sight to the services that the American people want and will pay for.

Hugh McLeod, of the Minnesota Mining & Manufacturing Co., has said it this way:

> The need for people with specialized knowledge is so great that whole services businesses are growing out of it. Our modern economy is so involved with mass sales, mass service, mass production, mass research * * * that the exceptions provide vast opportunities for self-employment, a changing concept which should be more attractive to older workers.

Thank you.

Senator RANDOLPH. Thank you, Miss Fait.

I recall your testifying in San Francisco when I had the privilege of hearing you on an earlier date.

I am gratified that you have returned to counsel with us.

I noted in your statement something which in a sense shocked me.

When you spoke of the fact—I presume it is a fact—that the 45-year-old or older workers or those that are not working really form just about one-half of the hard-core unemployed in California, was it?

Miss FAIT. Yes. I believe the representative from the Bureau of Labor Statistics this morning pointed out that same fact generally.

Senator RANDOLPH. Yes.

Miss FAIT. It is not a problem exclusively in California.

Senator RANDOLPH. Is it the shape of things to come?

Miss FAIT. Yes.

Senator RANDOLPH. You also said that what is needed to replace the practice of mandatory retirement is an alternative for the employer who has an employee he wishes to be rid of without victimizing all older workers in the process.

Now, how would you proceed in a situation like this?

Miss FAIT. Well, work performance and physical and mental tests. The American Medical Association already has made that as a suggestion and has a set of criteria worked up for any employer. I don't know of any employer who has used it, but it is available.

Senator RANDOLPH. I have no political interest in this question.

Are cutbacks occurring in California at the present time under the State administration in this type of program?

Miss FAIT. No, sir.

Senator RANDOLPH. No lack of interest, then, at the present time in the administration in California in an effort of this type?

Miss FAIT. I don't believe that they have noticed the program yet.

Senator RANDOLPH. What did you say?

Miss FAIT. Well, I was trying to account for the fact that they have not done anything to it yet. We have had cutbacks from our Federal financing for reasons which Mr. Odell has outlined this morning.

Senator RANDOLPH. Yes.

Miss FAIT. There is a proliferation of programs which has diverted much of the mainstream operation of the employment service, at the present time, to special programs.

Senator RANDOLPH. I want to repeat, there is nothing political in what I am saying but I have heard that there is a lack of interest now in California in the State administration of some of these programs. You say that is not true?

Miss FAIT. Perhaps I misunderstood your question.

I think the State administration has shown very little evidence of interest in older people.

Senator RANDOLPH. Very little efforts?

Miss FAIT. Yes.

Senator RANDOLPH. Presumably that could be said of other States. I am only pinpointing California because you are from California and you are familiar with the work and because I have heard this from several sources.

Miss FAIT. There is almost an obsessive, compulsive attitude toward work for youth and nothing for older people.

Senator RANDOLPH. Very interesting.

Is that because of the type of sophisticated aviation, space, electronics industries in California, would you say?

Miss FAIT. It is due to the change in administration. I don't know how else to answer it.

Senator RANDOLPH. And you feel that there is a need for the State administration to do more in creative resourceful thinking and acting on this subject?

Miss FAIT. Very definitely.

Senator RANDOLPH. Thank you very much, Miss Fait.

Mr. MILLER. Mr. Chairman, I would like to direct a question to the witness.

I would like to make some reference to the observations made in the testimony yesterday and today and get your reaction on a couple of points.

The observation was made by at least one witness yesterday that attention has been given largely to individuals going up the ladder economically employmentwise and whatnot, and that there needed to be some attention given to processes for gracefully coming down the ladder, and particularly I would suspect in the late years of life. This observation of yesterday relates to my question.

Testimony given today observes that the older worker suffers most seriously in seniority status and pay. Dr. Kaplan testified yesterday on the study in San Diego and made the observation which I think startled the members of the committee that 18 percent of the older workers who were unemployed were of the managerial class. I offer this also as a basis for my question.

Understandably no person wants to go down the economic ladder if they can avoid it, but I am curious on two counts. One, with reference to the length of unemployment in this age group, how much of this is due to the reluctance of the individual to take a step down in income which may be necessitated because of the fairly high income level at which he had attained income earlier, and on the other side of the coin, to the reluctance of employers to employ people when they know that that person is stepping down in income if they take the job that might be available? Do you have any comment on this?

Miss FAIT. The process of stepping down gracefully, I think, has—I am not sure in what connection this discussion occurred—but I think

that in industry and government if there were ways where people could step back down gracefully and without loss of status and perhaps not prejudicing their pension rights and so on, and that it was left up to the individual, that it would be a very satisfactory way of getting some older people into jobs that were advisory, think-type jobs instead of line jobs.

Now about the 18 percent managerial and professional, we have a very high proportion, as the Senator has pointed out, because of defense and space industries. We have a great many people in California in those jobs who are subject to the sudden changes in those industries. With this managerial group we do not encourage them to lower their sights because they are still valuable people to industry, and through no fault of their own they are without a job. Perhaps Dr. Kaplan told you it takes about a year or a year and a half to get one of those people reemployed.

For the general labor force, no, we do not encourage people to take less money because that is the trend without our urging. That is the trend with older people, each job pays a little less, each time a longer period of employment until they finally get so discouraged that they leave the labor market.

Mr. MILLER. Now, to my question as it relates to the employer, and willingness on the part of the person who has been out of work some time to take a lower pay, does that tend to make him less acceptable in the eyes of the employer?

Miss FAIT. Yes. The term "overqualified" is the one we are very familiar with. It is another form of age discrimination.

Senator RANDOLPH. Good point. Thank you for discussing it.

Miss Fait, you come from, as it were, the firing line in this type of program and we are helped by your comments. You are very frank and your assistance to us as we try to do a job here in a very difficult area is appreciated. Thank you.

Miss FAIT. Thank you, Senator.

The continuing interest of this committee is a source of great encouragement to us.

Senator RANDOLPH. Thank you very much.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. As was discussed at the hearing, we hope that you can give us suggestions on areas that should be covered in the Department of Labor study of arbitrary age retirement policies.

2. You said in your statement that Older Workers Specialists in California "make visits to employers to discuss the values of employing older workers." On the basis of their experience, what would you say are the most common employer attitudes that stand in the way of hiring the elderly? How should the new federal law authorizing educational programs deal with such attitures?

3. May we have additional information on your statement that a downward trend in compulsory retirement age could jeopardize pension funds?

4. A copy of Mrs. Elsa Porter's testimony is enclosed. As you can see, she describes an attempt within a federal department to open new part time employment opportunities. What more can be done within government to promote similar opportunities elsewhere?

5. What is the source of funds to the Kern County Mature Workers Advisory Committee. I take it from your testimony that you believe that similar advisory units elsewhere can be very helpful. Do you have any recommendations for federal or state action that may be helpful in this area? I also direct the same question in connection with the use of volunteers to extend employment services, as you have done in Sacramento.

6. Many witnesses at our hearing called for research in many areas related to older workers. Do you see a need for a structured research effort which will attempt to arrive at certain goals within a given period of time? Do you think that the new Institute of Industrial Gerontology might be helpful in such an effort?

7. You criticized "current interpretations of population and labor force statistics" which create the impression that the economic system cannot accommodate the workers who wish to work in. May we have additional details?

(The following reply was received:)

Question 1. Areas which should be covered in the U.S. Department of Labor study of arbitrary age retirement policies.

Answer. The most useful study would be one which shows that the use of arbitrary retirement ages is not performing any useful function in the labor market or business world at the present time; that the employer needs to be provided with some alternatives to arbitrary age retirement which will prevent "dry rot" from settling into his organizaton.

In a discussion of criteria for retirement, Dr. Leonard Breen, University of Indiana, suggests that "If industry wishes to maintain a set of consistent retirement practices and increase the flexibility of present pension programs, it must develop criteria which may be objectively measured and applied and be clearly specified".

The elements of any retirement criteria program are measures of physical and mental condition and productivity on the job. Criteria acceptable to employers must be developed through research but there is sufficient new knowledge in the past 10 years to cause optimism as to the results.

The American Medical Association points out that there are no diseases of aging and that it is not logical to assume that functional deterioration is necessarily the direct result of time. In answering the question: "If you eliminate a compulsory retirement age, just who's going to take the responsibility of deciding that one individual should retire while another can stay on?", AMA in their publication, "A New Concept of Aging", says:

"Management is constantly making subjective judgments of a worker's ability to do a job, regardless of age. When a younger worker is not producing satisfactorily, he is either transferred or dismissed. Refusing to judge the older worker by the same standards denies management the right to make the kind of decisions which will produce the most effective labor force.

"This is an area in which the practicing physician can be of considerable help, by thoroughly evaluating physical and mental capabilities of his patient, and working with the employer and company physician to match these capabilities with a specific job situation. In an effort to assist such evaluations, the Committee has prepared a report outlining a suggested medical system for determining physical and mental fitness for continued employment; a system which can be applied periodically over the employee's entire work life."

In "Office Executive's Bulletin" for June 15, 1963, a retirement index is suggested which includes the following factors: physical and mental condition, personal desire of individual, monetary factors (purchasing power of retirement income, the company's monetary investment in the individual), current demand for available skills, job performance record for three to five years prior to retirement and the trend in obsolescence in the individual's skills. They also suggest four categories for the work force with the index weighted differently for each: top management, middle management and supervision, clerical and skilled workers and semiskilled and unskilled.

I believe that a full-scale effort to develop criteria for retirement should be the principal part of the USDL study. Efforts in any other direction, especially information-gathering, would repeat work already done by the U.S. Senate Special Committee on Aging. I hope such a study will begin with the information you have accumulated and conclusions that have been drawn from your hearings rather than to provide another platform for insurance companies to promote the virtues of their pension plans.

Question 2. Common employer attitudes that stand in the way of hiring the elderly. Direction of educational effort under the new federal law on age discrimination.

Answer. What is "elderly"? The employer has a different attitude about the 40-plus worker, the middle-aged woman returning to the labor market, the retiree.

Employers reflect the attitudes of the rest of the population about aging. There is a great deal of negative information and innuendo about aging pouring from the communications media—nothing that indicates that age has values and, in particular, the beneficial aspects of age on the worker.

Our employer contacts give the employer information about a group of workers, information which he does not have readily available. In my personal experience in employer visiting, which reflects the current experiences of our field staff, most employers are interested in the type of information we make available to them, and are interested in the reasons why we believe that older workers will help him in his business. They also want information about workmen's compensation, unemployment insurance and social security as these programs affect older people—points which I raised in my previous statement.

We note, as do many management "thinkers" of today, that the hiring level in most organizations has been delegated to the clerical level. In the day-to-day hiring contacts with a business firm, we are, in reality, dealing with clerks and the point at which people are hired is a clerical level in the organization, in many instances by quite young people. It is here that the problem about hiring older people lies. Thus, when we make employer visits, we try to contact a "policy-maker".

Our Los Angeles Area Office is experimenting with a new method of employer contacts. A luncheon, given by the Mayor of Los Angeles, is scheduled for the Executive Dining Room of the Mayor's office to which fifty industry leaders are invited. The program is prepared by our Area Coordinator of the Older Worker Program with staff assistance from the Mayor's office. The meeting held this week was attended by the top echelon of banker and insurance executives in the Los Angeles area. This meeting was highlighted by the presentation by a bank executive of his computer unit staffed by older women, average age 52 years. This was the second industrywide meeting. The first, held three months ago, was attended by the leaders of the hotel-motel industry in that area. The program is presented in an interesting and sophisticated manner. There is no hard-sell, no "you ought to" appeal, just a straight story about how by getting rid of age barriers in an organization business can increase. The Mayor has attended both meetings with members of the City Council. The impact from these meetings has been tremendous.

To answer your question on how the educational program under the new federal law should deal with employer attitudes, educational efforts should be directed to employers through their own channels of communication: management associations, professional journals and executive training programs including the graduate schools of business administration in universities.

Question 3. Jeopardy of pension funds.

Answer. The basic question in earlier retirement: benefits paid for a longer period and contributions made for a shorter period. It is an actuarial problem; the actuarial equivalent of the normal retirement benefit (the actual amount of the early retirement benefit) is not standardized and, in fact, varies widely.

Sylvia Porter, in a column appearing January 20, 1965, stated: "The cost of earlier retirement provisions can be brutal for a company. One actuary estimates the early retirement provisions won in 1964 by the United Auto Wokers under which a worker may retire as early as age 55, have more than doubled retirement costs to the major auto companies. Raising earlier retirement benefits to meaningful levels, another expert believes, would hike pension costs by 300 to 400 per cent, a load few companies are prepared to carry."

In another column, she poses the question: "Can industry take on the overwhelming cost of providing extra pension benefits for workers who retire at 60 or 55?"

Fortune Magazine for May 1965 carried an article "The Drift to Early Retirement". Martin E. Segal, pension-plan consultant, is quoted: "Even when workers are covered, the actuarial facts of life make it exceedingly costly for companies to offer adequate pensions to men who retire early. In most instances, you must choose between reducing pension benefits to meaningless amounts, and increasing the cost of providing them by 150 to 300 percent."

Later in this same article: "Early retirement can impose severe penalties. The actuarial reduction or discount in a typical pension is heavy; and any effort to make it up would be costly. To make a pension that is now paid at sixty-five available five years earlier (making sixty the base year from which actuarial discounts are computed) a company would typically have to pay about 60 percent

more into its fund. Lowering the age to fifty-five would raise costs approximately 135 percent."

William Bechill, when he was Executive Secretary of the California Advisory Committee on Aging, called attention to the economy effects of earlier retirement in this way: "If the modal age of retirement in California is reduced to age 55, the post-retirement population will double and, in fact, constitute 17 percent of the population."

A task force of businessmen appointed by Governor Reagan in 1967 to examine state government recommended moving the mandatory retirement for state employees from 70 years of age to 65. The California Retirement System reported that this would cost the System $35.00 per employee. Naturally, the plan was abandoned.

Question 4. Comments on Mrs. Elsa Porter's testimony.

Answer. Her statement, on pages 5 and 6, certainly summarizes the problem: "changes in attitudes, habits and practices that are deeply immersed in the system". She has suggested that her department's administrative practices need revamping in order to accommodate part-time workers. That would be true in any federal or state agency. I had not known of her effort and find it a very exciting one. The idea needs circulation; if other people knew about it they might try it. She and her group are tackling the problems; budget slots, cost of training, etc. But the advantages of hiring from this group, without the problems of upward mobility which the full-time career development personnel bring, would certainly appeal to personnel people if the administrative problems can be solved.

Question 5. Kern County Mature Workers Advisory Committee. Use of volunteers.

Answer. The secretary of the Kern County Mature Workers Advisory Committee is the Older Worker Specialist in the Bakersfield local office. There are no funds, as such, for this committee. But the regular Employment Service resources are available for duplicating, mailings, photographs, etc. The committee is the creation of the OWS, Fred Cox, and he has been able to maintain the integrity of this committee for seven years. He estimates that about 18–20 hours per month is spent on committee work.

As for federal-state action in the matter of advisory or supportive committees, a program letter from the Bureau of Employment Security, USDL, encouraging them to form such committees made up of employers and union representatives, would place a welcome emphasis on this activity. I believe very strongly in committee support of this kind, particularly at the state level.

Unfortunately, the state commissions on aging seldom have an interest in employment so cannot provide the needed support for the program.

The use of volunteers to extend employment services can also be accelerated by a program letter from BES to the states which points out that (1) the use of volunteers is legal, and (2) gives needed guidelines on procedure and training. We are expanding the use of volunteers in the Older Worker Program very rapidly because of the terriffic shortages of personnel. This emergency is causing the mental reservations of the local office managers on the use of volunteers to abate, somewhat.

Question 6. Research

Answer. Money spent on research on older workers has been largely wasted because of sloppy techniques and lack of competent direction. It is time for a top-notch research organization such as the Upjohn Institute for Employment Research to be given the overall responsibility for a structured research effort, such as you suggest.

Question 7. Current interpretations of labor market statistics.

Answer. I can only suggest some indicators which, if studied, might show that current interpretations are not based on accurate information but on pressure groups emphasis. They are:

1. Most people do not believe, and do not want to believe, that almost half of the long-term unemployed are 45 years of age and older.
2. Labor force statistics never show the adult work force. By inclusion of summer-time, and after-school youth and other youth whose attachment to the labor market is questionable, the unemployment statistics are magnified out of all proportion to the true facts about unemployment.
3. Why are there no adjustments of projections of the population and labor force to show that the birth rate in this country has been dropping for ten years?

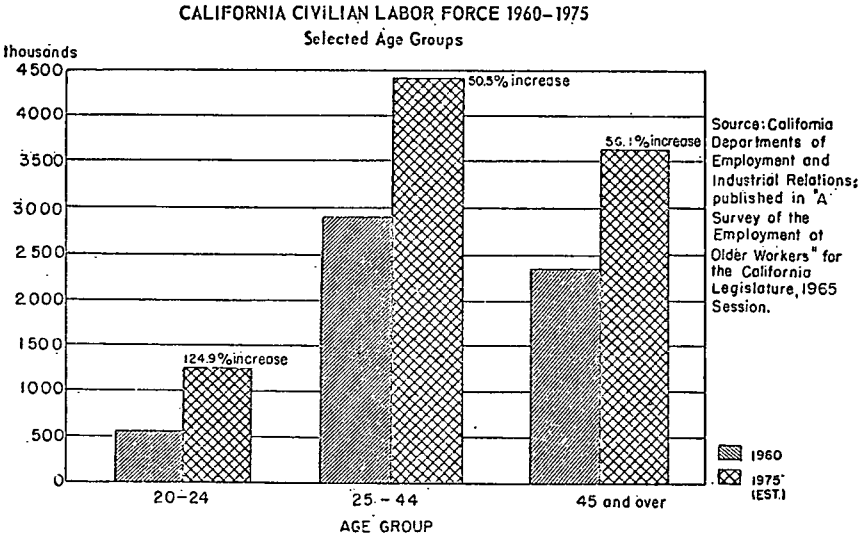
4. There is an assumption that youth is the most rapidly growing group in the labor force whereas this group is women between the ages of 45 to 54 years who are reentering the labor market. Also, the 65-plus worker, instead of being written off, as labor force projections show, has increased from 25% of the total in this age group in 1963 to 33% in 1965.

5. There is a concept of automation current at the present time, given credence by official information releases, which gives the impression that automation is destroying jobs, that the job market is shrinking, and, therefore, youth should have the available jobs. Yet, the facts are that:

1. the number of jobs steadily increases.
2. the total labor force steadily increases.
3. manufacturing and production jobs which were supposed to be phased out by 1970 are steadily increasing.
4. an increasing number of jobs go unfilled each month.
5. unemployment is at an all-time low.
6. the total of goods and services steadily increases and the demand outruns the supply of many consumer goods.

We recognize that job structures and skill requirements are changing and workers must be willing to accept these changing conditions; also that automation causes dislocations which appear to have been incorrectly diagnosed as elimination of jobs.

Selected information from Reports to the Governor (California) on the Older Worker Program:



It is evident from Chart 1, California's Civilian Labor Force, 1960–1975, that the age distribution of the labor force will not materially change in the next decade in spite of the so-called "baby boom". This chart points up the fact that, although the 20–24-year-age group is increasing rapidly, and includes all youth who were five years of age and older in 1960, numerically they are and will continue to be a small fraction of the State's labor force.

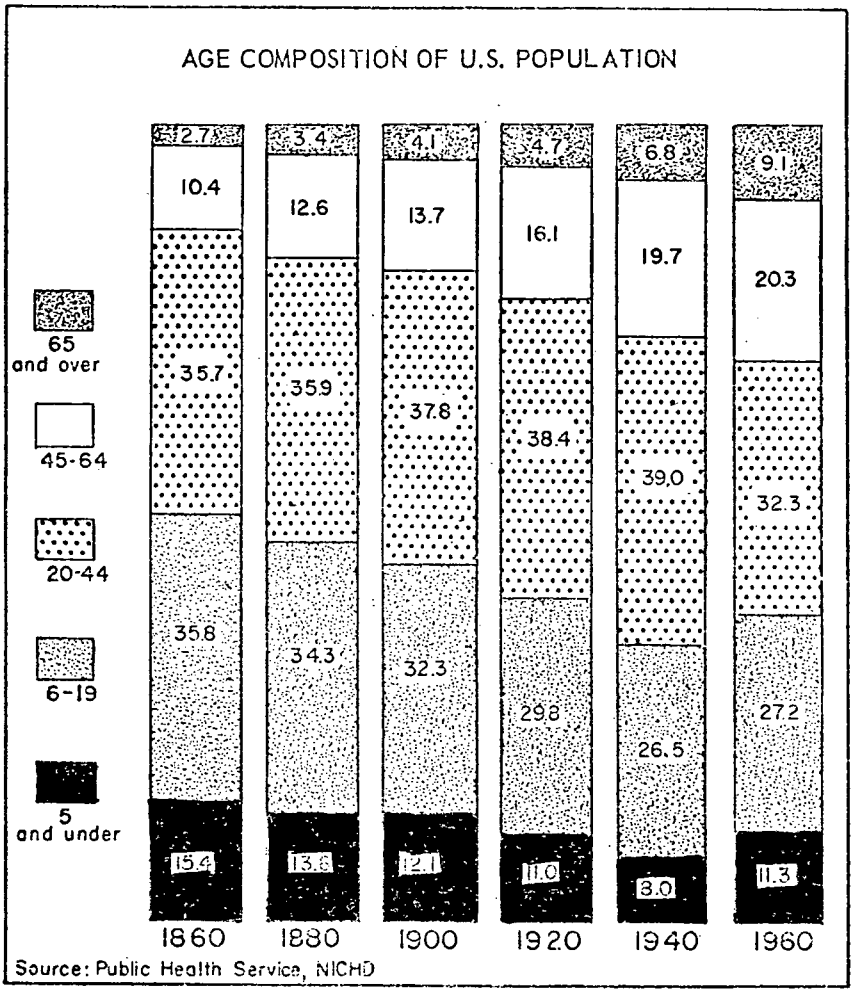
It would appear from these figures that more of the State's resources, time and attention must be devoted to our older population to assist them to continue to be productive citizens. The plight of the middle-aged worker in California can easily become the most serious economic and sociological problem in our State unless more adequate planning for and utilization of these people begins immediately.

Section V. Statistical Analysis

Any discussion of the problems of the older worker must take into consideration population trends, both national and state. An analysis of current U.S. Census figures and projections clearly shows that the population segment represented by the person 45 years of age and older will continue to be a significant factor in American life in the forseeable future.

A. DEMOGRAPHIC CHANGES

1. Chart: Age Composition of U.S. Population:



It is evident from this chart that the age group 45–64 years is growing rapidly as is the population 65 years of age and older. The so-called "prime group", 20–44 years has grown smaller because of the severe drop in the birthrate in the 1930s. The birthrate as represented by the population five years and under rose slowly over the low of 1940 but has begun another drop which became evident in 1960.

B. POPULATION: 1966

1. *United States.*—The number of persons 45 years and older was 58,049,000 in 1966 and the segment, 20–44 years was 60,839,000. The number of persons 45 years and older will be 64,522,000 in 1975, and those between the ages 20–44 years will be 73,181,000. (Regardless of birthrate, this is how these age groups will change because these numbers have already been born.)

The figures of the 45 years and older group are significantly greater, both in absolute terms and as a proportion of the entire adult population than was true ten, twenty or fifty years ago.

Senator RANDOLPH. Mrs. Baxter and Mr. Vilimas.
Mr. ORIOL. I presume we will hear from Mrs. Baxter.

STATEMENT OF MRS. JAMES H. BAXTER, TRUSTEE, AND MRS. GLADYS SPRINKLE, DIRECTOR, OVER-60 COUNSELING AND EMPLOYMENT SERVICE, MONTGOMERY COUNTY FEDERATION OF WOMEN'S CLUBS

Mrs. BAXTER. I have with me the director of our Over-60 Service, Mrs. Gladys Sprinkle.

I am Mrs. James H. Baxter, a trustee and one of the founders of the nonprofit Over-60 Counseling and Employment Service of the Montgomery County (Maryland) Federation of Women's Clubs. Although in my testimony today I am speaking only for the Over-60 Service in our Montgomery County Federation. I come with full encouragement from the president of our Maryland Federation of Women's Clubs, Mrs. Walter R. Vollberg, and the president of the General Federation of Women's Clubs, Mrs. Walter Varney Magee.

Last fall, I was invited, on behalf of the Montgomery County Federation of Women's Clubs, to testify before the Special Subcommittee on Aging, the Committee on Labor and Public Welfare, because I had been instrumental in organizing our "good neighbor" aide training and placement program for older women. We, in Over-60 Service, felt honored to have such an opportunity, but at that time we were not aware of the "seemingly magical claim of events" that would follow testifying before members of the highly esteemed U.S. Senate Committee on Aging.

Rather suddenly, people in our local area, on the State level, and beyond, became readily available to listen to us. This provided stimulation and promoted courage for our next undertaking, which I will discuss later. So today, with much more awareness, we feel truly grateful to have been given the opportunity to assist your committee.

The Montgomery County Federation of Women's Clubs has been successfully operating a free, part-time, Over-60 Counseling and Employment Service since 1961—the first such service in Maryland. Financial support from the Women's Clubs comes from donations and proceeds from participation in the Montgomery County Thrift Shop. The Over-60 Service is given rent-free office space in the Bethesda-Chevy Chase Recreation Center and in Springvale Terrace in Silver Spring.

In February 1968, the service received approval for a grant under title III, Older Americans Act, from the Maryland State Commission on the Aging.

Over-60 Service has three paid, part-time employees—director, secretary, and public relations worker. The clubwomen give countless hours in volunteer work at both the professional and nonprofessional levels. I am one of the volunteer workers.

In consideration of the list of items you plan to explore in your study of "Adequacy of Services to Older Workers," I will describe our Over-60 Service according to:

1. The needs of over-60 workers, as we have observed them.
2. How the Over-60 Counseling and Employment Service is attempting to meet some of these needs; and
3. What we believe to be one of the most urgent needs for the future.

Perhaps the needs of our applicants can be summarized as one big need, in all caps: TO OVERCOME THE BARRIERS TO THE EMPLOYMENT OF OLDER PERSONS. These barriers are very real, and they are in two locations—in the employment field and with the over-60 applicants themselves.

In our over-60 service, we attempt to overcome barriers by using a broad educational approach. The process is time consuming, but the required patience and persistence pays off in heartwarming results.

On barriers involving the employment field: Jobs have to be sought out, and employers have to be convinced that the applicant is not "just any person over 60 years of age." This rather ironclad barrier melts best when professional personnel experience is applied, along with heartfelt interest.

Proof of Success Offered

Our director explains to the employer that no special consideration is asked or expected. The applicant is considered qualified to handle the job, and wants work on the same basis as any other employee. The possibility of a trial period may be discussed in order to help overcome the fear that employers have of "being stuck with older workers." The director expresses followup interest. Proof of success has been shown time and again. Where one over-60 worker is placed, the door so very often stays open for the placement of another and another, as job vacancies in that company occur. Two hundred and eighty-six applicants were placed during 1967. Our director, Mrs. Gladys Sprinkle, is here and willing to answer any questions you may care to ask her.

On barriers within over-60 workers themselves: These barriers range from the lack of flexibility to the lack of a skill in demand in the market today. Counseling is the strong barrier breaker here. Older workers are helped to realistically consider what can still be.

Without a deep understanding of the factors involved, some employers, some persons working in employment agencies, and with hesitancy I say even some persons working right in the aging field, declare that "older people don't want to work." Our experience refutes this. Our over-60 workers' reasons for wanting to work range from the "desire to be useful" to a "desperate need for income."

Other than from Montgomery County, requests for interviews at our over-60 service offices come from adjoining counties in Maryland, from the District of Columbia, and from Virginia. On one day, the first call for our director in the morning was from Florida and the last one that same afternoon was from Illinois. In those latter cases, it had to be explained that it really wouldn't be possible to help them that far away. Three hundred and fifty-five applicants were interviewed in 1967. This meant that our part-time director gave volunteer hours far beyond those for which she was paid. This is part of what we mean when we refer to "heartfelt interest."

In attempting to arrange job training for over-60 workers, and even those over 50, barriers are found stacked on top of barriers: In this particular part of our Over-60 Counseling and Employment Service,

I have spent over 2 years of almost full-time effort, with an occasional 80-hour week along the way. To the astonishment of many who assured us that it could not be done, we do have a successful, ongoing training and placement program for older women—the "good neighbor" aide program. This cooperative project, involving volunteer help from professionally trained persons and community agencies, helped break down the barriers here.

In this "good neighbor" aide program we are matching and meeting two urgent needs in our community—the need for a job opportunity for the older woman who is without skills in demand in the business world, and the need for help in homes to care for elderly persons and/or children. This program of training and placing older women as family aides touches hearts and homes of all ages. We have trained 87 women.

Mr. ORIOL. Mrs. Baxter, is there any Federal program which is helpful to you in this program?

Mrs. BAXTER. In the early part of this we attempted to get Manpower Development Training Act funds. We tried for those and we could not qualify because we could not guarantee that we would have applicants. See, we were having to do an all-around educational program.

Mr. ORIOL. This is related to what Miss Fait said about having to have guaranteed placement before training could be given.

Mrs. BAXTER. Yes. We had the jobs, we knew we could place them, but we could not guarantee that we would have applicants. In fact, every director with whom I talked told me we would not have applicants.

Mr. ORIOL. What directors were these?

Mrs. BAXTER. These were directors of local State employment services, health and welfare agencies, and others in the metropolitan area.

Mr. ORIOL. So you found a widespread negative attitude from people in the field?

Mrs. BAXTER. Yes. Our feeling was that perhaps we could only succeed if we were willing to fail. We had to try it.

Mr. ORIOL. You didn't plan on it, but you were willing.

Mrs. BAXTER. We were willing.

When we got the program set up, not even any of our over-60 applicants would give us the promise they would take it. We had to sell it educationally and then our applicants came.

Now beyond the 87 that we have trained there are over 20 right now working in this field waiting for training.

Mr. ORIOL. Waiting?

Mrs. BAXTER. Waiting. We hope. We like to put it that way. They are working in private homes in the meantime.

We have received requests for information from States and universities from Maine to California. A magazine article on the "Good Neighbor" program is appearing in the August issue of Harvest Years magazine.

(The article referred to follows:)

[From Harvest Years, August 1968]

"GOOD NEIGHBORS" HELP EACH OTHER

The program serves the community in two ways: it provides jobs for older women and it fills a need for help in private homes. . . .

"She looked so much younger, I hardly recognized her. She held her head high, her eyes sparkled, and her voice was buoyant. . . ."

Mrs. James H. Baxter was reporting her impressions of one of the woman who found a live-in job through the "Good Neighbor" program in Chevy Chase, Md.

"I'm putting money in the bank, and it's simply wonderful to feel needed again," the woman had told Mrs. Baxter.

Mrs. Baxter—a volunteer who organized the "Good Neighbor" program—has received similar comments from many of the women who trained in the project.

The "Good Neigbhor" program originated to meet two urgent community needs: the need for job opportunities for women more than fifty years of age; the need for help in private homes.

Women who have trained in the program work part-time and full-time as mother-substitutes and companions to elderly persons.

Clubwomen in the Montgomery County Federation of Women's Clubs, Inc. have sponsored and financed a free Over-60 Counseling and Employment Service for men and women since 1961. The "Good Neighbor" program began in 1966 within the older program.

Community education has erased the idea that work in private homes was unwanted. In the five courses conducted so far, eighty-seven women have been trained, and 93 percent have worked for pay in private homes as "Good Neighbor" aides. Others have worked without salary for relatives and friends.

The "Good Neighbors" range in age from mid-fifties to the late seventies. They come from all social classes and races.

During the course there has been only one "dropout"—that one due to illness.

Requests for "Good Neighbors" continue to exceed the number available. During one thirty-day period there was a ratio of twelve employer requests for each available aide.

At the start of the program government funds weren't available, so Mrs. Baxter asked for volunteer help. She got it and continues to have it from psychiatrists, nurses, home economists, and personnel workers from six community agencies that are involved in teaching and training courses.

To overcome suburban transportation difficulties, clubwomen volunteered to drive "Good Neighbor" aides to and from class. After the training, aides were placed in jobs in their own neighborhoods.

The program has worked satisfactorily in the Maryland suburbs of Washington, D.C. and it can be duplicated in other communities. For details write to Over-60 Service, 4700 Norwood Drive, Chevy Chase, Maryland 20015.

Editor's note: The Over-60 Service received Title III Older Americans Act grant in March.

Mrs. BAXTER. Just this week, I received a request for detailed information on this training program from Meals on Wheels, Inc., in Baltimore. The coordinator of that program and I have discussed what a meaningful expansion of home care services to our elderly would be provided by the availability of both meals on wheels and "Good Neighbor" aides. May I interject right here the very real and urgent need we have for secretarial assistance and for means of publishing a training manual on our "Good Neighbor" aid program.

Mr. ORIOL. May I interrupt to put in a plug for Senate bill 276, on which I believe you either testified or just commented in general. It would have provided funds for other forms of assistance to volunteer programs, enough so that volunteers would be paid because in some programs it is not desired that the volunteers be paid, they would not be

volunteers any more. But the bill would also provide funds needed, let's say, for secretarial assistance or other things needed to keep the volunteer effort going.

Mrs. BAXTER. May I explain, Mr. Oriol?

Mr. ORIOL. Yes.

Mrs. BAXTER. What we really need is free publication. Since the volunteers are so busy doing other things, we could use the secretarial assistance. We do it with one-finger typing if we need to, if only we had the facility for free publication. Would S. 276 provide that? I didn't realize it would.

Mr. ORIOL. I think an administrative decision could be made.

Mrs. BAXTER. We would be very interested in having an administrative decision.

Mr. ORIOL. Not congressional.

Mrs. BAXTER. On the topic of what we believe to be urgently needed in present and future planning for older workers—a continuing program in preretirement counseling: We believe that a well-prepared adult education program in preretirement counseling would promote flexibility in thinking about jobs, community service, retirement, and aging.

VALUE OF EMPLOYER EDUCATION

We know, first hand, the value of counseling to the individual older worker applicant. We also know the value of the educational approach with employers. We are seeing the beginning of a trend in which the older worker is asking for an interview at our over-60 office just before retirement begins. In some cases younger adults, the grown children of elderly parents, are coming and asking for interviews to discuss broad retirement planning. Even 11-hour approaches are beneficial. Doesn't it sound logical to promote sound planning in advance of "when your tomorrow becomes today?"

Last winter we considered plans for a preretirement seminar to test the community interest in such a possible program. We went to Mr. Charles E. Odell, Director of U.S. Employment Service, seeking his advice regarding the merit of the idea. We received the best possible help—he agreed to arrange a workshop program and he also accepted our invitation to be the keynote speaker. Our seminar overview: "retirement or rehirement," was conducted on May 23, 1968. Nearly 200 persons participated—including representatives from the business community, educational institutions, community organizations, commissions on aging, young and old citizens, and your own very able staff director of the Special Committee on Aging, Mr. Oriol.

As one direct result of the seminar, we have met with representatives of the Montgomery County Chambers of Commerce, at their request, to discuss possible plans for creative job development for older workers in the area of arts and crafts for a tourist market need. It is an example of "spin-off benefits," not always fully anticipated in the original planning.

In order to establish an on-going community service program in preretirement counseling, we must reach out for more help. With this in mind, I want to quote a part of section 3, education and research program of the "Age Discrimination in Employment Act of 1967" as follows:

In order to achieve the purposes of this Act, the Secretary of Labor shall carry on a continuing program of education and information, under which he may, among other measures * * * (3) foster through the public employment service system and through cooperative effort the development of facilities of public and private agencies for expanding the opportunities and potentials of older persons; (4) sponsor and assist State and community informational and educational programs.

We like to interpret section 3 to mean the fostering of a private agency, such as ours, for expanding the opportunities and potentials of older persons. In our case, it would be most helpful to have the fostering take the form of sponsoring and assisting in the promotion of a community educational program, such as training for and a continuing program in preretirement counseling. We have not actively pursued this possible opportunity for continuing assistance from the Department of Labor, but we hope to do so.

I might add if I heard the witness correctly this morning there is money, but we would like it.

Mr. ORIOL. That was my interpretation too and I think that we should. One of the things that should come out of this hearing is that perhaps members of this committee can urge that appropriate action be taken.

Mrs. BAXTER. Mr. Chairman, this concludes my prepared testimony, but in closing, may I express to you the appreciation of our Over-60 Service for the invaluable assistance the Special Committee on Aging has given to us.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness:)

Question No. 1. In your Over-60 program, according to your testimony, you have three paid workers, but "club women give countless hours in volunteer work at both the professional and non-professional levels."

Can you provide additional details on the type of work thus given? Is the "professional level" work done by women who had been trained earlier, or have they taken some kind of special training for this work?

Question No. 2. May we have a few examples of how the "iron-clad barrier" of employer resistance to older workers is melted "best when professional personnel experience is applied, along with heartfelt interest?"

Question No. 3. Another witness suggested that there be prepared an inventory of employers who would be willing to hire older workers. Have you already prepared such an inventory for your own work? If not, do you believe that one is needed? If so, what coordination do you have with the USES?

Question No. 4. Under your "Good Neighbor" program, 87 women have been trained. I understand from your testimony that they serve as family aides, primarily helping elderly persons or the young. Does your project in any way duplicate any existing homemaker services that may exist in Montgomery County? Do you believe that your program serves different purposes than homemaker programs?

Question No. 5. You mentioned several magazine articles or other publications during your testimony. May we have copies for study and for possible inclusion in our hearing record?

(The following reply was received:)

Answer No. 1. Clubwomen from the 21 member clubs in the Montgomery County Federation of Women's Clubs agreed to jointly undertake sponsorship and financial support of our part-time Over-60 Counseling and Employment Service in 1961. The member clubs had always undertaken their own welfare projects, but this was the first time our County Federation had jointly undertaken financial support of a new project. We opened the office "with faith" and $500 in club contributions. At that time, we could only afford a director 3 hours a day, 3 days a week.

Clubwomen with secretarial, personnel, and administrative experience have assisted in the running of the service over the years. One of the clubwomen with training in business administration guided the Federation into a participating membership in a Montgomery County Thrift Shop operation. Earnings, all ear-marked for our Over-60 Service, moved toward the $5,000 per annum mark. The Federation membership of nearly 2,000 is encouraged to give old clothes and bric-a-brac to be sold in the Thrift Shop. Clubmembers serve as volunteer "pricers" and "sellers" in the shop. Over 200 clubwomen volunteers are involved in the Thrift Shop operation.

Clubwomen volunteers have helped with the Over-60 office work, both in and outside of the office. At various times, clubwomen have manned the telephones, filed the records, typed the correspondence, conducted the interviews, visited the employers, arranged for interviews between employers and employee applicants, prepared and given talks on the Over-60 Service, written news releases and magazine articles, and attended to the preparation of hundreds of letters sent out announcing new services and/or programs in our Over-60 Service. I hardly know how to estimate the number of clubwomen involved in such activities.

I have been the clubwoman volunteer who organized our pilot training and placement program for older women—the "Good Neighbor" Aide Program. Over twenty clubwomen volunteers have provided transportation for these "Good Neighbor" Aide Program. Over twenty clubwomen volunteers have provided transportation for these "Good Neighbor" trainees in order to make it possible for them to attend the training course in spite of suburban transportation difficulties.

You asked specifically about whether our women have taken special training for the work they do in Over-60 Service. I am doing part-time graduate study in education and counseling, and relating it to my volunteer work. Having seen many examples of the person over-60 in unexpected financial difficulty, I realized that being academically up-to-date or currently-at-work in a field was a wise precautionary step to take well before 60. Therefore, I have chosen to try to "practice what I preach."

Answer No. 2. Melting employer resistance to older workers involves much more than suggesting the job to the applicant. Our Director, with her personnel experience, is able to "size-up" what the applicant can do well, and then act as the "go-between" in an objective discussion with the employer. There is absolutely no pressure put on the employer "to take so many older workers regardless," but rather persuasion that this man or women is qualified to do this job and "will you give him a chance to show you?"

It may take heartfelt interest in the applicant in order to boost battered morale or to scale-down an inflated self-estimate-of-value in the job market. In the former case the applicant has fear of the employer, and in the latter case the employer has fear of the employee applicant. In either case, counseling time is required, and then the job-to-match-the-applicant must be found.

Files at the local Maryland State Employment Service are open to our Director. Jobs listed open to "older workers" are followed-up, although the employer frequently means over 35 and not over-60 years of age. Newspaper ads are also followed, as well as any other leads.

Specific examples: The Director pursued the "go-between" role in the placement of an older woman as an assistant to the manager of a dress shop when the ad was merely for a "sales clerk" and the employer didn't expect to hire a retired person. An employer, afraid of "being stuck with the older men," hired three of our applicants as salesmen in a leather goods store when the Director suggested a 3-month trial basis for hiring.

Answer No. 3. Sometime ago our Over-60 Service attempted a mail inventory of employers willing to hire older workers. From a practical standpoint, this proved to be of very little value. Records are kept of the employers who do hire our Over-60 applicants.

We do see real value in the personal contact with employers. Hiring one of our own applicants as a public relations worker is proving very successful in increasing the number of job offers we receive. (The salary for this part-time worker is one of the expenditures made possible by funding assistance from Title III, Older Americans Act.)

Answer No. 4. The metropolitan area Homemaker Service was one of the first agencies I checked with before starting our "Good Neighbor" Aid Program planning back in 1965–66. At that time, the over-all cost for each homemaker

hour was $3.09, and only one homemaker was available to come near the Maryland-D.C. line because of the cost of transportation time. We did not have their UGF funds available to us. We could not qualify for the OEO Home Health Air program because we couldn't provide follow-up supervision, nor did our County Health Officer think that it could be arranged through our Health Department. We could not qualify for MDTA funds because we couldn't guarantee applicants for the training.

As a substitute for what we didn't have to offer, we attempted to give heart-appeal and status to work in the home. Our professionally-trained volunteer staff of instructors plus the development of esprit de corps among the trainees, along with community education, seemed to turn the tide toward success in the program. We must not be duplicating any service because the demand for such help far exceeds our supply. One thirty-day tally showed 12 employer requests for each available "Good Neighbor" Aid.

Answer No. 5. I am enclosing a bibliography of published articles, along with some of the copies, about our Over-60 Service and the "Good Neighbor" Aid Program. The most detailed article on the development of our "Good Neighbor" Program was published along with my testimony at the *S. 276 Hearing* on September 19, 1967. The article on our Over-60 Service which was published in the *General Federation Clubwoman* in 1965 was reprinted in the *Congressional Record* at the request of Senator Williams on Jan. 30, 1967.

The Maryland Clubwoman article, "It Pays To Be A 'Good Neighbor'," is scheduled to be reprinted in the *General Federation Clubwoman* this fall. (Copy enclosed.) Another article on the "Good Neighbor" Aid Program is tentatively scheduled for publication in *Nursing Outlook* this November.

I'm enclosing August issue of *Harvest Years* which includes article, " 'Good Neighbors' Help Each Other," on page 19. (Copyright by *Harvest Years*—all rights reserved for the material.)

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Mr. ORIOL. Mrs. Baxter, I have questions for you and I am sure there are others, but perhaps we can hear from Mr. Vilimas and then have all questions at once.

STATEMENT OF JOSEPH VILIMAS, EXECUTIVE DIRECTOR, JOHN F. KENNEDY FAMILY SERVICE CENTER, CHARLESTOWN, MASS.

Mr. VILIMAS. Thank you.

To save time so you can direct your questions, if I may, I would like to make some observations of what I heard this morning and abstract a little from the text of my remarks which you have copies of.

I think the comment of the late President Kennedy really holds up and holds true for those of us who have to deal with the problems of the aging, if I may quote him:

"The great enemy of truth is very often not the lie—deliberate, contrived and dishonest—but the myth—persistent, persuasive and unrealistic."

I thought Senator Randolph's observation this morning was very appropriate when he raised the question of Mr. Ravin on the point of low visibility, we happen to call it: The problem of dealing with the silent multitude.

Unfortunately, we are faced nationally and in our cities and in our communities with an urban revolution, the full origins of which I am sure, we don't all understand, or its philosophy and we are probably even less certain as to its outcome. The problem that the silent multitudes are facing in this country is that they cannot rise to any significant social protest or organize in any vitally informed manner. Not that we wish them to do so, but the difficulty for this country is to be fully appreciative of the condition of the aging American not just in the field of employment but in health and medical care.

His social existence is something that must be dramatized, if not overdramatized, just for the sake of acknowledging the problem with force.

Now we in the Kennedy Center in Boston are Boston's first experimental multiservice center in which we are dealing not only with the problems of the aging and unemployment, but also are engaging in an experiment of comprehensive health care and employment, manpower, legal aid services designed for an entire community involving the school systems, public and nonpublic, and very shortly in partnership with the Massachusetts General Hospital.

New Concepts in Service Delivery

We hope to unveil a whole new concept in service delivery systems. Mr. Odell was speaking this morning to one of the problems that we have in the neighborhoods and the field which again is, How are you going to create viable mechanisms to ameliorate the human conditions within our neighborhoods and within our communities?

While this is a hearing designated for the aging and a major problem in the community in which I am working, nonetheless, I think that we have to begin to view our neighborhoods and our communities in a little more volitive fashion.

I have quoted in my statement here a rather, I thought at the time that I read it, penetrating observation of Dr. March of the U.S. Bureau of the Budget on page 6. The quotation reads that, "There were 162 major aid programs in effect early in 1966, and that they were provided under 399 different statutory authorizations. The 1967 Office of Economic Opportunity catalog of Federal programs lists 459 separate programs which are available for aid to communities or to individuals. Coordination has not kept pace with the accelerating fragmentation resulting from new programs."

Those of us who are trying to devise some new systems are caught in the bind here of what we have to acknowledge in fact and in truth, an evolving creative federalism, which I think we are all happy about, and a movement away from this categorical grant approach to everything. Nonetheless, Dr. March in this analysis for the Bureau of the Budget speaks again of this compartmentalization with regard to service for people because the aging have children and grandchildren and a family structure, this whole business comes into play.

What is happening from a funding point of view is a series of like-parallel lines and they are going to meet only in infinity, but we cannot wait until infinity.

I would hope that this committee might make some study of this multiservice concept and maybe recommend some effective legislative process from the point of view of trying to prepare legislation that would stimulate comprehensive planning, comprehensive granting to organizations and institutions capable of providing new or innovative delivery system networks.

I think philosophically that what we are talking about is that the urban oligarchies, be they development authorities, State departments of health, school departments, et cetera, must in some way be given encouragement and authorization to enter into new alinements in the urban community.

I think the health centers concept and model cities concept is a beginning step at multiservice delivery systems. We are going to try it very shortly. We hope that the first major grant will be in effect in Boston. Nonetheless, we are evolving our multiservice programs to aid these aging groups, including the aging at a very slow and snail's pace only because we cannot get comprehensive granting.

Mr. ORIOL. May I interrupt?

Mr. VILIMAS. That is my statement.

(Mr. Vilimas' prepared statement follows:)

PREPARED STATEMENT OF JOSEPH VILIMAS, JR., EXECUTIVE DIRECTOR, JOHN F. KENNEDY FAMILY SERVICE CENTER, INC.

In an era of increasing and widespread personal and corporate affluence, we are confronted by constantly widening polarities in society. Though richer, we are poorer.

Increasing attention is paid to youth, yet delinquency and crime continue to rise at an alarming rate. More houses and highways are built to meet the pressures of a burgeoning population, which multiply physical and urban congestion. Costly and inefficient duplication and fragmentation of services which are delivered differentially and without equal access. Even these services are often lacking in some areas. Increased educational and cultural opportunities are not necessarily accompanied by equal availability. Equal access to leisure time activities, legal assistance, and health care has always been more nominal than real. Unemployment and underemployment continue to plague large segments of our population due to improper training and skill development.

The daily malaise of the older American is often reflected in reduced income, ill health, physical and mental handicaps, difficult living arrangements, loss of family and friends, loneliness and lack of meaningful activities.

In our zeal for ameliorative solution to human problems, we often move hastily in the reorganization of this or that institution, program, service or law. And what we tend to overlook in these rearrangements is the individual who once again is shuffled back and forth on the waves of programmatic whim and fancy.

The late President Kennedy once observed, "The great enemy of truth is very often not the lie—deliberate, contrived and dishonest—but the myth—persistent, persuasive and unrealistic."

Shrouded in myth, the handmaiden of prejudice, the disadvantaged aging represent not just the loss of manpower, but a loss of wisdom and experience that affects the economy, the family, and general societal enrichment.

Suffering the housing blights of urban areas, job rejection and unemployment, and discontinuous and inadequate health care, he stands alone amidst the current urban revolution as but a member of the "silent multitude." Incapable of mounting effective social protest, this "silent multitude" represents a rapidly growing national constituency most generally unnoticed, unheard, untended and often unwanted.

Today we hope to offer some observations of the problems facing our aging population and draw some reference to the need for decentralized, comprehensive multi-service centers for American communities.

For while we are here now to speak about the problems of aging, it is important that this societal group not be further alienated from the environment in which it lives, but in fact must be made to become a more integral part of the total society.

With only a slight exercise of imagination the full force of the problem hits home when you consider that today the older American represents two-fifths of America's labor force.

In most general terms, the causes for unemployment among older workers have been automation, age discrimination, mergers or plant closings, physicals and mental competition with younger employees and unwillingness to retrain for new jobs. But, whether it be because of health or changing patterns of employment opportunities, the tragic fact is that these men and women are jobless, and growing jobless in ever increasing numbers.

In Massachusetts, over 50 percent of the jobless men and women receiving unemployment benefits are over 45 years of age, and their chances of getting another job diminishes every day. Less than 20 percent of those unemployed will find a job through state agencies. And less than 9 percent will find employment through private employment agencies. These figures dramatize the fact that manpower programs emphasizing placement alone cannot realistically cope with the problem.

The Kennedy Center has devoted the better part of three years in the study of the problems of older workers as part of a seven-city demonstration project of the United States Department of Labor. In some terms, we have been successful having found gainful employment for 816 individuals out of 1,100 applicants but in comparison to the level of employment in the Commonwealth of Massachusetts, the job ahead is still unchallenged.

The success of our program must be attributed in large measure to the multi-service context in which it was framed—providing complementary service in family counseling, mental consultation, recreation, legal assistance, and general social service. The unemployed older worker is not simply regarded as a placement problem. The Center is concerned with all the elements of his life that could possibly militate against his satisfactory re-employment.

The peculiar personal requirements of the older worker are characterized by a need for an immediate job coupled with his short-term employment goals. He will often take the higher paying job of short duration as against preparing for a new skill with its initially lower monetary return.

Ill-Equipped for Labor Market

The financial difficulties of the retiree cannot be emphasized enough. In the last year over 20 percent of our applicants were retired workers over age 62 seeking part-time employment to supplement inadequate social security and retirement benefits. In many cases, these individuals were ill-prepared and ill-equipped to assume a responsible position due to physical and mental disabilities, but were forced to enter the labor market nonetheless.

Out of the 1,100 applicants to the program, only 30 individuals found M.D.T.A. training as a successful route to employment, and only three were able to utilize on-the-job training. While 90 percent of the enrollees in local M.D.T.A. classes will graduate, the fact is that less than 2 pecent of the unemployed in Massachusetts are in training programs. Yet, 90 percent of the applicants to our Older Worker Program indicated a willingness to take training, but there were no available training courses geared to their skill level, interest, ability, financial need, and, in some cases—even age.

The subtle life style of the aging and some old market place myths proved to be the biggest obstacles in returning the older worker to productive life.

We had no problem in finding older workers—their official age now begins at 45. Nor did we have particular difficulty in recruiting some firms, businesses, or governmental agencies which agreed to employ the older worker once the employer understood their economic value.

There are many factors that discourage even the most courageous older worker: age, unemployment after years of service to a single employer, premature forced retirement, limited job opportunities for those over 45, poor health, lack of con-

fidence or ability to adjust to new work situations and ignorance of the techniques for selling himself into a new job.

Our experience as a multi-service center, with the aging citizen, is not limited to employment problems. For two years now, we have operated an elderly services program and senior citizen's lounge as our beginning efforts toward comprehensive services for this age group.

We at the Kennedy Center in a new partnership of service with over 100 community agencies have begun to demonstrate the efficacy of the multi-service center as a new and viable community institution.

In this context, we have worked for several years in the design and development of a whole new systems concept for delivering coordinated services to an entire inner-city neighborhood.

While we are addressing ourselves today principally to the problems of the older worker, we must realize that almost all resolution to the problems of the human condition must return to the framework of the community and the family. Thus, we talk of new systems of neighborhood service in holistic rather than piecemeal terms.

Community integrity becomes significant. While organizationally we submit separate programs for the elderly, youth, children, teenagers, etc., to meet federal funding requirements, we must not lose sight of the fact that they are all a part of the whole community which mixes in indeterminate proportions and relationships making up the most generic system—life.

With the emphasis on life, we call our program the Bunker Hill Life Services Center. While we have conceived of a comprehensive program to provide new delivery systems including the use of modern technology, we are encumbered in our attempts by the lack of Federal legislation to fund programs of this type completely.

Social philosophers, private foundations, local, state and federal governments have long been aware of these deficiencies in the functioning of our social institutions. This awareness has been often translated by private foundations and social agencies into projects of remedial solution. The Federal Government, its executive department and the states are now attempting to restructure and cope with the deficiencies evident within our social fabric, and the knowledge we now possess about human development acknowledges that the interplay of psychological forces must now receive major consideration in developing and delivering services along with the emphasis on innovation and prevention.

"Creative Federalism" Falls Short

The attempts at creative federalism still fall far short of the intended goal of system reorganization and the perpetuation of the categorical grant syndrome continues. As service compartmentalization grows, it can be visually portrayed as a series of parallel lines destined to meet only in infinity.

As Dr. Michael H. March of the United States Bureau of the Budget wrote recently: "There were 162 major aid programs in effect early in 1966, and that they were provided under 399 different statutory authorizations. The 1967 Office of Economic Opportunity catalog of federal programs lists 459 separate programs which are available for aid to communities or to individuals. Coordination has not kept pace with the accelerating fragmentation resulting from new programs. The volume of public services financed upon state and local funds has also increased sharply in this period."

With the inauguration of neighborhood health centers and model cities programs, we are beginning to see, on a limited basis, the need for alternative modes of action.

Sovereignty and jurisdiction within federal, state and city agencies have become the obstacles to the implementation of creative federalism. For in order to create a new alignment, a new coalition or a new urban partnership—a new system must evolve to which the urban oligarchies must relinquish a share of authority and responsibility with new community resource coalitions at more manageable neighborhood levels. But if creative federalism is reduced to public administration by simple fiscal accretion, we are only perpetuating that system which still treats life's requirements on a linear or *ad hoc* basis. The restoration of the personal relationships of the people with their service institutions is also the challenge of these days—for we are at a point in history where endless time is not on our side.

So we conclude with practical conviction that the direction to be taken must be in decentralized neighborhood service structures that provide, in fact, co-

ordinated comprehensive programs in education, manpower, health, and law. Eleven guiding elements provide us with some insights as to the nature of the new instrument of community service:

1. The pursuit of health, education, and employment—a right rather than a privilege;
2. Delivery of neighborhood services to serve the whole person;
3. Services on an equal basis to every inhabitant of the community, regardless of ability or inability to pay;
4. Free flow among all service components—a family or individual seeking service at one access point is automatically registered in all services;
5. Service which is available, acceptable, and accessible;
6. Community expression of effectiveness and appropriateness of services;
7. The unit of care being the family;
8. Active community outreach;
9. Full utilization of existing services in the community with collaboration between the agency and other existing services;
10. Practical use of community pre-professional and non-professional staff with adequate provisions for necessary in-service training; and,
11. Utilization of technology to the fullest and most realistic extent in the solution of individual and community problems.

The shape of the new neighborhood service agency becomes a functional partnership between independent corporate and governmental entities under unified staff and administrative direction. The flexible interlocking of these entities form a new realignment and commitment for multiple treatment and prevention of individual and family problems in a coordinated, continuous and comprehensive service constellation.

With each partner assuming its most logical administrative and resource task under coordinated management, the community becomes the beneficiary of total service from all the institutions devoted to its well being.

The multi-service concept is still a unique approach to the solution of community problems. While no concentrated effort has yet been made to strengthen this concept and provide legislative authority for its operation, our experience has shown that it works for the treatment of individual and family problems.

From this framework we in Boston are evolving a program patterned on these lines, evolving only because the opportunity does not presently exist for us to receive the block type funding necessary to carry out a comprehensive program. Nonetheless, we are excited at the prospects for the service applications and implications of the Bunker Hill Life Services Program to the people of the city and the potentiality that this new system holds for research and replicability as a modern instrument of melioration.

Mr. ORIOL. I want to point out to you that in the statement submitted by Senator Kennedy for the record, he points out the need for more rational organization of services and he quotes Professor Lowy of Boston College on the need for social utility concept instead of just services that some people get because they happen to be in a welfare category.

I think there is close harmony.

Another thing I wanted to ask, if in a community you had this rational organized organization of services and in that city there happened to be something very much like what Mrs. Baxter and her associates are working on, I think if ways could be found to maintain that as the unit while maintaining its independence that would take care of certain services.

Mr. VILIMAS. Yes.

Mr. ORIOL. So you would make use of existing resources.

Mr. VILIMAS. Yes. In our little experimental operation we coordinate on a referral and delivery basis with 100 agencies.

Jane Adams had it right and I think this is what we are turning to now, you see. We have commitments from major institutions and the key and art of the success of this whole approach is in unification of staff and administration.

Now, I feel that the multipurpose approach, if I may make the distinction between that and the multiservice approach, is that it too often ends up as a real estate function through which a number of services are available in a building, but there is no management continuity or power to see that you are delivered the comprehensive care that you really need.

Mr. ORIOL. Mr. Vilimas, in your statement you said that over 50 percent of the jobless men and women receiving unemployment benefits are over 45 years of age—and this is in Massachusetts—and their chances of getting another job diminish every day.

Has anyone ever totaled up the cost in unemployment insurance benefits and other costs caused by this?

Mr. VILIMAS. You mean in the State?

Mr. ORIOL. Yes.

Mr. VILIMAS. Not that I am aware of.

Also, I believe you raised the question earlier, Mr. Miller. I think it is interesting to note there was a quick kind of an observational study done by the Boston Globe from which we had derived our figures that these unemployed people are not finding jobs through State agencies and that in fact the private employment agencies are really ineffective in representing the interests of the older worker because the age discrimination bill notwithstanding, these agencies are not submitting people in these age categories for jobs.

Further to the point, we have discovered that the white collar and the professional group is one of the most aggravated problems in this older worker field. We have had men earning up to $25,000 a year come to us seeking jobs and the questions are still the same. Companies don't like to put a higher guy in at a lower salary for morale reasons internally and otherwise. Also the question of bringing somebody in on top of somebody else in an organization presents problems with those people rising up through seniority.

Then there is the mobility question. I am going to leave for the committee our book on "The Older Worker Training and Employment Program in Massachusetts," their problems, and dozens of pages of statistics.

We are convinced it is a growing problem in Massachusetts; it is above the national average. I think it is now close to 56. It will be safe at over 50, while the national average is running around 40.

We have not been able to determine, although we would like to study, why it is such a particularly aggravated problem in Massachusetts.

Mr. ORIOL. If I may ask, Mrs. Baxter and Mrs. Sprinkle, what is the total number of volunteers you have in just the over-60 counseling service?

VOLUNTEER MANPOWER IN LARGE NUMBERS

Mrs. Baxter. We have over 200 workers connected with raising the funds that the women's clubs contribute to make the project possible. We have approximately 2,000 members in the federation, not all actively spending so many hours, but let's say all hearing the message and participating in some small or large way.

Mr. ORIOL. So you have individuals with much enthusiasm and many man-hours or woman-hours.

Mrs. BAXTER. Yes.

Mr. ORIOL. Mr. Odell at the meeting you mentioned said that he believes that the Department of Labor could use its resources well in communities that have such activity by giving whatever assistance might be possible. What sort of assistance would you like to see forthcoming, and if there were an organized program through the Department of Labor to organizations such as yours, might it have encouraged the General Federation of Women's Clubs to try to get similar activity elsewhere?

Mrs. BAXTER. Mr. Oriol, I have spoken with both the president of our State federation and the president of our general federation about some of these possibilities. We discussed at length the present outline of work for the next 2 years in the federations. There is an opportunity right now to encourage programs in such fields as preretirement counseling. I think this might be one way to open the door and promote the educational value. If we had help with this, we might interest other clubs in going into the kind of work we are doing.

The row we have hoed has not been an easy one, and we have not found help readily available. I was very sincere in my statement when I said we found much more help available after we testified before your committee last fall.

Mr. ORIOL. That is the first time I have ever been accused of causing a magical chain of events.

Thank you.

Mr. MILLER. To what extent is your project publicized, or what avenues are available to give such publicity to the general federation membership throughout the country?

Mrs. BAXTER. The General Federation of Women's Clubs jointly with Sears, Roebuck Foundation promotes a community improvement project contest. Two years ago we won on the national level a thousand dollars as a cash award and this received considerable publicity. Since we deal in pennies, the $1,000 was valuable to us.

Mr. MILLER. Does the general federation have a publication that reaches all federation members?

Mrs. BAXTER. Yes, and that magazine, the General Federation Clubwoman magazine has published a very complete article on our Over-60 Service which was circulated. Right now I have a copy of an article on our good neighbor program which appeared in our Maryland Clubwoman magazine this spring, and the editor of the general federation magazine has asked to reprint it completely within the next few months.

Mr. MILLER. Has there ever been any effort made on the part of the general federation, or would such be practical, to get in touch with organizations of the other sex, such as Kiwanis, Rotary, Lions, and so forth, to interest them in what you have done?

I mean, you have similar points of view and interests, and this might be a very productive effort.

Mrs. BAXTER. May I answer it this way: I cannot speak for the general federation on that but I can speak for the Over-60 Service in the Montgomery County Federation. We have knocked at those Service doors, they have not been too open to us. We have not given up. We have board members whose husbands are in there, and we intend to continue knocking.

Since the seminar on retirement or rehirement we have had representatives from the chambers of commerce, also in some of those organizations, asking us to meet with them. So we think maybe the door is beginning to crack and this is what we hope happens in the next magical chain of events.

Mr. ORIOL. May I ask Miss Fait, who is still with us, whether in your California projects using volunteers you had assistance from organizations of one kind or another?

Miss FAIT. Yes.

Mr. ORIOL. What?

Miss FAIT. Kiwanis and Lions and the chamber of commerce in the matter of the volunteer project.

Mr. ORIOL. Maybe you can find a way to get that link between the California Kiwanis and Maryland.

Miss FAIT. The Soroptimist Club in Van Nuys is giving financial assistance to our Project 45.

Mrs. BAXTER. The Soroptimist Club sponsored a program in Virginia. We went to them for early leadership help. The project is not in existence in that form right now but we got very valuable assistance from them, so I suppose we should say indirectly the Soroptimists have helped us.

Mr. ORIOL. Publication of one kind or another, would that be useful to you in discussing?

Mrs. BAXTER. Miss Fait and I spoke before the hearing. We received help from California from the older worker program. We received their publications and actually we used one in developing our good neighbor program. We look up to California in what it has accomplished.

Mr. ORIOL. The reason I pursued this, and I suspect the reason Mr. Miller pursued it, you said you have 2,000 people in your area who know what the older worker problem is and who are concerned about it. I think that is in itself a very great accomplishment. As we have seen again and again during this hearing there is an understanding barrier.

I think you had some questions, Mr. Norman.

Mr. NORMAN. Yes.

Mrs. Baxter, you testified in February 1968, your service received approval for a grant under title III of the Older Americans Act. What was the size of that grant?

Mrs. BAXTER. $10,065.

Mr. NORMAN. What percentage of your total operating expenses does this represent?

Mrs. BAXTER. We were running on a budget between $5,000 and $6,000 and this grant was in terms of matching funds. Approximately one-third is ours, they are giving two-thirds. This enabled us to add a public relations worker, it enabled us to increase the number of hours of the service and bring up the salary of our director to where we could at least whisper about it outside of our own meetings. We were embarrassed before that.

Mr. NORMAN. Have you found that since receiving that grant it is harder to raise operating funds from other sources, easier to raise those funds, or about the same?

Mrs. BAXTER. I don't know that it has directly affected funds but it very directly affected, shall we say, a boosting in morale. If we looked good enough to be approved for a grant, we wanted to do an even better job. Therefore, our first branching out was the attempt at a public seminar to raise the possibility of a preretirement counseling program. So I think it has had a very definite beneficial effect.

Mr. NORMAN. You have testified that before you received the grant you were operating on $5,000 to $6,000. When you received the grant, was that on top of this $5,000 to $6,000? When the Older Americans Act grant was received did the $5,000 to $6,000 melt away because of people saying, "Well, the Federal Government is taking care of that; why should we put any money into it?"

Mrs. BAXTER. Those workers in the thrift shop are working just as hard and those members in the federation are bringing just as many old clothes and bric-a-brac to raise the money so we can expand the service still more. There was such a fear expressed within our own federation.

Mr. NORMAN. But it certainly has not materialized?

Mrs. BAXTER. No.

Mr. NORMAN. In addition to the need of your applicants to meet current living costs, do you find that many of them need this employment to help them earn the quarters of social security coverage needed for social security cash benefit?

Mrs. BAXTER. Yes.

Mr. NORMAN. And needed for medicare?

Mrs. BAXTER. Yes.

Mr. NORMAN. In other words, that is one of their problems that this helps them solve.

Mrs. BAXTER. Even if they have that, their problem is not solved. They can not live on what they are getting from those benefits and they still need extra income.

Mr. NORMAN. I realize that, but for the people who can't qualify for social security benefits——

Mrs. BAXTER. For those who had no income at all.

Mr. NORMAN (continuing). This is a boon not only in the earnings they received but also in permitting them to qualify for social security benefits.

Mrs. BAXTER. One of the first good neighbor trainees we put on the job in 1966 has been on that same job, moving from, I believe, $60 a week up to $125 a week with increasing duties. She was on that same job until this past month when the elderly employer had to go to a nursing home. That is an example of helping one qualify for social security.

DIVIDENDS IN WELL-BEING

Mr. NORMAN. That is good. In addition to the financial benefit of this employment which you helped your clients find, do you have any evidence that the employment they find with your assistance improves their physical health, their mental health, or their morale and psychological well-being?

Mrs. BAXTER. The article that will appear in Harvest Years magazine plays this up—how much younger these older women look, how much healthier they appear. The whole mental outlook is better.

One phrase described that not only are they putting money in the bank but they are feeling needed and very useful. We don't recognize some of the people in a period of 6 months or a year. You may want this directly from the person who does it, but this is so.

Mr. ORIOL. May I ask what the top age in both of your centers is for persons placed? Do you happen to know that offhand?

Mrs. SPRINKLE. I have a gentleman 86 years of age.

Mr. ORIOL. What is he doing?

Mrs. SPRINKLE. He is a guard.

Mr. ORIOL. Is that pretty high? I imagine most of your placements are in their 60's and 70's.

Mrs. SPRINKLE. Most of them range from 60 to 70. We have some people in their 80's still working.

Mrs. BAXTER. One of the first men we placed in 1961 is now 80, and I think Mrs. Sprinkle has just placed him again because he could not stop work.

Mr. VILIMAS. I think it is 85 plus, somewhere along there, and we are getting a lot of people, believe it or not, who are seeking part-time employment which was raised earlier to supplement retirement and social security benefits.

If I may quote from Senator Kennedy's observation, because he is gravely concerned about the Massachusetts problem, it is that this is a tragic waste. As he said, "The guiding factor in the placement of America's older worker must be skill and reliability, not age."

What we are saying here is that, in fact, people do have skills even though they may be 80 or 90.

Mr. Odell gave a talk at our conference entitled "Ability Is Ageless" last May at Boston College. He made a very interesting comment, though I am thinking he might have viewed it slightly facetiously when he said that, "We should take the restrictions off of the elderly and let them work as long as they wish but let our youth retire earlier."

Mr. NORMAN. Here is a question I would like to direct to all the witnesses at this point. Have you noticed any improvement in employment possibilities for older applicants for employment since June 12 when the Age Discrimination in Employment Act of 1967 went into effect? Has it been easier to place these people? Have you noticed any difference at all in the past month or so?

Mr. VILIMAS. I would have nothing that would support anything pro or con.

Mrs. SPRINKLE. May I answer that. Our public relations man, our job developer contacts businesses daily. He reports that the age 65 is very much in evidence but the subject receives considerable double-talk. And yes, they say they do hire to age 65 but then they stipulate reasons why the over-60 applicant would not qualify for this type of job.

Mr. NORMAN. Then what would be your conclusion?

Mrs. SPRINKLE. I think it has made the business community more aware of the cutoff age of 65.

Mr. NORMAN. So instead of saying nobody over 60 need apply they are saying nobody over 65, is that the difference?

Mrs. SPRINKLE. The closing comment on the telephone to me with the turndown is always reinforced by the statement that: We do hire up to age 65.

Mr. NORMAN. That at least lets the people who are under 65 get their foot in the door and sell themselves. Would that be a fair conclusion?

Mrs. SPRINKLE. Yes, to some extent. This past week I referred a woman aged 62. The job in question was a clerk-typist. Her skills were current. She was interviewed and considered for employment until the age question came up. Then she was approached by the reasoning that there would be a 2- or 3-months training period and at 65 she would be out, so it would not be worthwhile plus too costly to the firm to hire this particular individual. She was not hired for the position. I think employers are very much conscious now of the ceiling 65.

Mr. NORMAN. Miss Fait, are you running into that, too, the refusal to hire those over 65 becoming really fixed and hard to overcome since the age discrimination law went into effect?

Miss FAIT. Well, I think it is a little too soon to make a judgment about that. It is just 5 weeks now, or 6 weeks. I don't think it has that kind of an impact. But I think it will have a tremendous impact.

Mr. ORIOL. Would you like to see open ended, or top age?

All four of you are nodding yes.

Mr. MILLER. Have you encountered any problems because of the penalty imposed on social security recipients who are under 72, if their earnings exceed a certain amount?

Mrs. BAXTER. Yes. This is used as an excuse to keep the salary offer very low and to expect all kinds of hours and duties—if you are on social security you can only earn this—very definitely.

Mr. MILLER. I was most interested in a witness some months ago from Baltimore, the over-60 employment activity there, testifying that one of the principal staff members was employed—how long ago I think can be indicated by the salary—$1,200 a year because of the earnings limitation. When the earnings limitation was raised to $1,500, and then $1,680, I am quite certain that her salary went up exactly by that amount. This was in a 60-plus employment group. They were quite candid in discussing this.

Mr. ORIOL. Well, we thank the witnesses.

Mr. Vilimas, Mr. Don Haider of Senator Kennedy's staff regrets very much not being able to be here. As you well know, he is very much interested in your center and would have been here if he could.

I would like to thank all the witnesses and all the people who are still with us.

The next hearing will be at 10 a.m. Monday in the caucus room of the Old Senate Office Building, where we are having an informal roundtable type meeting. Thank you.

(Whereupon, at 1:17 p.m. the subcommittees recessed until 10 a.m. Monday, July 29, 1968.)

[NOTE.—Transcript for July 29 begins on p. 197.]

APPENDIX TO HEARING OF JULY 25, 1968

Appendix 4

ADDITIONAL MATERIAL FROM WITNESSES

ITEM 1. ADDITIONAL MATERIAL FROM LOUIS H. RAVIN, SPECIAL ASSISTANT FOR OLDER WORKERS, OFFICE OF MANPOWER POLICY, EVALUATION AND RESEARCH, MANPOWER ADMINISTRATION, U.S. DEPARTMENT OF LABOR

PROBLEMS IN THE IMPLEMENTATION OF THE OLDER WORKER PROGRAM: THE SITUATION OF OLDER WORKERS, HISTORY OF LABOR DEPARTMENT'S EFFORTS AND CURRENT PROBLEMS AND ISSUES

(Prepared for the Fifteenth Meeting of the National Manpower Advisory Committee, Washington, D.C., March 17, 1967)

AGENDA TOPIC E

PREFACE

To implement the Department's Older Worker Program, delegated to the Manpower Administration by the Secretary, several steps have been taken recently, including the appointment of a Special Assistant for Older Workers. It would be most valuable to have right at the outset, guidance from the NMAC on the directions of program and policy development. The attached background paper covers the situation of the older workers, a history of Labor Department's efforts, current problems and issues, and raises some pivotal questions.

These questions are listed below and others will arise. For those who must "run and read," the gist of the document is presented in a synopsis.

SYNOPSIS

I. Situation

In the face of prevailing opinion, this paper finds that the size and seriousness of unemployment among older workers is even greater than for youth.

A. Basic Data

The older population is increasing. There are now more than 22 million men and women age 45 to 55, 17 million between 55 and 65, 18 million 65 and over—significantly greater in numbers and proportion of adult population than in previous decades. One out of 5 of the total population is between 45 and 65 years of age today.

Older workers (45+) are about two-fifths of the labor force. Participation rates fall consistently, beginning with middle age and with increasing rapidity. The situation has worsened since 1947 when 48 percent of men 65 and over were in the labor force compared to less than 28 percent now. There has also been a significant decline in participation for men 55 to 64—from 89.6 in 1947 to 83.2 in 1965. There are now more than 1¼ million men aged 55 to 64 who are not in the labor force.

The median income for men steadily declines after age 45. Duration of unemployment rises. Once unemployed, older workers remain unemployed substantially longer than younger workers and some may never find a job again Actually, their overall rates of unemployment are understated. Their economic

problem is serious—they are the breadwinners. Unemployment compensation and other income is insufficient to cover extended unemployment. We do not know what becomes of them and their families 2, 3, or 4 years after loss of a job. We know little about the composition and characteristics of the 1¼ million men between 55 and 64, "out of the labor force."

More than one-third of families below the "poverty line" are headed by persons 55 and over; more than half by persons 45 and over.

Poverty persists, especially among older people.

B. Problems and Issues

There are a number of basic issues, of trends and social goals requiring much more in-depth exploration. But older persons particularly live in the "here and now." Experts differ on proposed solutions and few of these permit immediate applications. The older worker would like a choice of options. If he is below retirement age, he has no real options—he must find employment.

Serious unemployment is two or three times as large among older workers as among youth, despite the familiar difference in rates of unemployment—because their numbers are greater, and the duration of unemployment longer. In 1965, a "very good year" for older men, of all those unemployed for more than half a year, men 45+ were 30.2 percent; boys 14–19 were 9.1 percent.

In volume and seriousness, if not in terms of ratios, the older worker problem is greater than that of young workers. The reverse has been true of governmental efforts toward job solutions.

Recent Federal investments in employment and employment-related programs are compared for youth and older workers. The comparison is complicated by the difficulty in identifying older worker programs—a fact significant in itself.

MDTA and relevant titles of the Economic Opportunity Act are examined. Investments of funds are about 23 to 1 in favor of youth and in a broader frame of reference more than 100 to 1.

Assuming this investment in youth pays off, it increases the competitive disadvantages of older workers. Further, while we have a variety of work programs for unemployed youth, this is not true for their unemployed fathers. Certain questions are raised. Have we a situation in Federal work programs in which it is easier for a boy of 16 to get paid work than for his father? If so, is this good for the youth, for the family structure? Do we need programs for transition from work to retirement as there are from school to work? What will dramatize the situation of older workers?

II. History of Program Efforts

A. Departmental and BES

In the last year, there have been clear expressions of policy, and definite steps have been taken. These hold great promise. The problem is to assure that the policies are carried out and progress sustained. The history of the older worker program reveals that sincere affirmations of policy and some similar steps taken in the past have not guaranteed growth and development of this program over the period of two decades since its inception. It has continued as an "on-again, off-again basis."

Studies by the Employment Service of the problems of older workers were done in 1950 and repeated in 1955, 1963, and 1965. The findings were essentially identical. In 1956 and again in 1957, funds were provided for the assignment of older worker specialists in State and local offices and to raise the levels of services to older workers. What became of these positions between 1957 and 1965–66 when special funds were made available for similar purposes is not clear, and the effects cannot be traced. The older worker program has been at best stagnant, and for the most part declining, from FY 1958 to FY 1966. This trend is particularly evident when related to the increases of persons between 45 and 64 in the labor force.

It is clear that relatively minor resources of staff and budget were allocated to the program, and these were so diluted as to make their potency doubtful and indiscernible. Future infusions of funds will need to be "tagged" so they can be traced.

Blame accrues to no one person or agency. Political and executive leadership has changed over 20 years, and good intentions have always been manifest.

B. Other Agencies—Present Needs and Potentials

The potentials for service and some of the problems in the Bureau of Work Programs, OMPER and other agencies are discussed. There is a need for some strengthening of legislation and expanded funds. Two bills introduced in this session are reviewed.

III. "Age Discrimination in Employment" and other Possible Legislation

The Secretary's findings and recommendations in his report to Congress in 1965—"The Older American Worker" are briefed. Three problems are described: (1) the legislation is narrow in relation to the Secretary's 1965 report; (2) the matters of pension plans and, (3) administration—may be controversial in the hearings. Possible further legislative goals are touched upon.

DISCUSSION QUESTIONS

1. How can the problems described in the paper of many older workers—long term unemployment, premature and involuntary retirement, discouragement in search for work, decreased real income, family hardship and poverty—be brought into public awareness? How can this problem, widespread in impact but low in visibility, claim attention and priority in competition with more dramatic and concentrated problems, like those of youth?

2. How best, within the Department of Labor, do we gain momentum and sustain programs for the long haul, learning from the "march up the hill and down again" history of past year?

3. Will a build-up of staff specializing in services to older workers result in more employment, or will such staff be frustrated in their efforts unless new resources are made available as they have been in work programs for youth—NYC and Job Corps? Can we do one without the other? Would $10 million invested in staff services bring more jobs to older workers than investment of a similar amount in part-time work programs? Will Nelson-Scheuer and other OEO programs meet such needs? Should we seek the passage of legislation for a Community Senior Service Corps and its assignment to the Labor Department? Do we need research and development programs to find adult equivalents for NYC—programs in which Government is "the employer of last resort?"

4. In relation to the proposed "Age Discrimination in Employment Act" what should be the Secretary's position on the exemption of the operations of pension systems from its prohibited practices? What should be the approach to organization and administration of the Act? Should a new unit be established with staff at Federal, State and local levels or should existing agencies be utilized, with additional funding as necessary, to carry out functions within their competencies?

5. Should we plan and press for a comprehensive legislative package directed to all four areas of action recommended in the Secretary's 1965 report to Congress—The Older American Worker, or should we concentrate for a year or two upon administration of anti-age discrimination legislation, if enacted?

6. In launching the older worker program, what should be stressed and what avoided in policy, program and specific activities? Are there one or two goals or activities which are most important for this year and the next?

AGENDA TOPIC E—PROBLEMS RELATED TO IMPLEMENTATION OF THE OLDER WORKER PROGRAM BACKGROUND PAPER

I. SITUATION

FORTY IS THE OLD AGE OF YOUTH; FIFTY IS THE YOUTH OF OLD AGE

The term "older persons" conjures up for many the gray, bent man of advanced age; for many others it means simply someone ten years older than themselves. Either concept can be misleading and prejudicial. In much of the discussion of age and employment, the subjects of pensions and retirement at age 65 have been in the forefront. Yet many men and women feel the impact of age on their employment opportunities long before they reach their "sixties." Their difficulties may become acute at 40 or 50 years of age and even earlier, when retirement is not a feasible alternative.

In this presentation the categories of age 45–64 and 65+ will be used (with emphasis on the middle-age men). This is a conventional distinction in part imposed by the availability of statistics and is useful provided one keeps in mind

differences in individuals and their surrounding circumstances. In terms of health and even employment, age 70 might be a more useful and appropriate dividing line; in terms of pensions, age 60 for women or 62 for men is becoming increasingly significant.

Population.—There were in July 1966 more than 22 million men and women between the ages of 45 and 55, 17 million between 55 and 65, and 18 million 65 and over. The numbers are significantly greater in absolute terms and as a proportion of the adult population than in previous decades. For example, between 1960 and 1966 when the population under 45 increased 9 percent, the age group 50–64 increased by 11 percent. One out of five of the total population are between 45 and 64 years of age today. By 1975 there will be 44 million people between 45 and 65, and 21 million 65 and over.

Labor Force Participation.—Older workers (45+) account for about two-fifths of the labor force. Labor force participation rates beginning in middle age, fall consistently and with increasing rapidity with increasing age.

CIVILIAN LABOR FORCE PARTICIPATION RATES, BY SEX AND AGE, 1965

Age	Both sexes	Male	Female
45 to 49	73.1	96.1	51.7
50 to 54	71.8	95.0	50.1
55 to 59	67.8	90.2	47.1
60 to 64	54.9	78.0	34.0
65 to 69	29.0	43.0	17.4
70 plus	11.7	19.1	6.1

Among males, nonwhites had somewhat lower participation rates than did whites in the 45–64 range but an identical rate at 65+. Among females, however, nonwhites had significantly and consistently higher labor force participation rates than did whites.

CIVILIAN LABOR FORCE PARTICIPATION RATES, BY SEX, AGE, AND COLOR, 1965

Color	Male				Female			
	14+	45 to 54	55 to 64	65+	14+	45 to 54	55 to 64	65+
White	77.6	95.9	85.2	27.9	36.9	49.9	40.3	9.7
Nonwhite	75.2	92.0	78.8	27.9	46.0	60.2	48.9	12.9

The situation has worsened since 1947, when unemployment was generally lower. In 1947, 48 percent of men 65 and over were still in the labor force; in 1966 less than 28 percent. In addition to a substantial fall in participation rates for men 65 and over, there has been a significant decline in participation rates for men 55 to 64, from 89.6 in 1947 to 83.2 in 1965. There are now more than 1¼ million men aged 55 to 64 who are not in the labor force—a number much greater than in the 20-year span between 35 and 54 with a much larger total population. The average 55-year-old man has 12 additional years of work ahead of him, or more than one-fourth of the entire work-life expectancy for men.

Early Retirement.—The drop-out from the labor force may be accounted for in part by earlier retirements. To the extent that this reflects the retirement of men 62 to 64 under the optional retirement provisions of the Social Security Act, they are for the most part persons of low income compelled to accept low benefits continuing throughout their lifetime. Such a decision is not voluntary retirement to enjoy leisure as a fruit of long years of work, but simply acceptance of the inevitability of a life of poverty.

Lower Income.—Difficulty in finding jobs and longer periods of unemployment, more part-time work, larger proportions in low-skilled jobs—all result in lower average incomes among older workers who have not yet reached the usual retirement age. The median income for men steadily declines after age 45.

Unemployment.—Older workers are under-represented in the occupations which have had marked employment increases in recent years, and overrepresented in those which have suffered marked declines. Duration of unemployment rises with increasing age past 45. Of all those unemployed for more than half a year in 1963, one out of four were men 45 to 64 years of age. The average

duration of unemployment for those 45 to 64 was more than 20 weeks and for those 65 and over about 30 weeks.

In 1965 when the employment situation improved, long-term unemployment lessened for older workers, although this change may reflect earlier retirement of those 62–64. In any case, once unemployed, older workers remain unemployed substantially longer than do younger workers.

DURATION OF UNEMPLOYMENT, BY SEX AND AGE, 1965

Number unemployed and weeks of unemployment	Males			Females		
	14+	45 to 64	65+	14+	45 to 64	65+
Number (in thousands)	1,980	474	75	1,476	284	27
Percent	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	47.6	38.2	28.0	52.5	41.7	(1)
5 to 14 weeks	29.2	28.3	30.7	27.4	30.0	(1)
15 to 26 weeks	11.7	15.0	17.3	11.7	15.2	(1)
27+ weeks	11.5	18.6	24.0	8.3	13.1	(1)
Average number of weeks	12.9	19.1	23.4	10.3	13.8	(1)

[1] Base too small.

The overall rates of unemployment for older workers, as commonly discussed, understate their actual situation, partly because the relatively large proportion who are farmers or other self-employed persons who are not completely out of work. Among wage and salary workers the rate of unemployment is significantly higher for older than for younger workers.

Mass Layoffs and Plant Shutdowns.—A BLS report provides a profile of workers affected by mass layoffs or shutdowns in six plants in five industries. Typically, he is a man in his late forties, married with two children. He went to high school but is likely not to be a graduate. He cannot support his family for an extended period on benefits provided to him while unemployed. Even in favorable labor markets, he is unable to find a new job for periods ranging from 8 to 21 months and his family suffers hardship. He usually loses seniority and pension rights.

The Studebaker shutdown in South Bend showed a similar picture. Even though the union, the company, the community and the Federal Government rallied their resources in an unprecedented manner, 18 months after the closing, hundreds were still seeking work.

Consequences of Extended Unemployment.—What becomes of these men and their families two, three, or four years after loss of jobs. The BLS profile of victims of plant shutdowns describes their dilemma over a relatively short span of time. We know also that most of those who do find jobs must accept lower pay and lower status. What happens to those who do not find steady employment Part of the answer might be found in a study of the group age 55 to 64 who are out of the labor force. We know too little about the composition of this body of 1¼ million men, other than those between 62 and 64. A cross-section analysis of adults out of the labor force will appear soon, and an in-depth longitudinal study to last ten years has been initiated by BOASI and OMPER.

Theirs is a far different problem from that of the unmarried youth of 18 or 20 who has been seeking work for one or two months.

Poverty Incidence.—Individuals and families of middle-aged and older persons are a major portion of the poor. More than one-fifth of all poor families are headed by persons aged 65 and over; more than one-third by persons 55 and over; and more than half by persons 45 and over.

Poverty persists, especially among older people.—A University of Michigan study in 1963 showed that over a period of a year or two, whereas 55 percent of those of age 25 to 45 remained poor, 71 percent of those 55 to 64, and 80 percent of those 65 and over remained poor.

Causes of Poverty.—For older persons, as for other poor, poverty is often a condition persisting from early years.

Some Not Born Poor but Made Poor.—There is also evidence that existing trends are creating a class of older people who did not always live in poverty. A bureau of Census study shows that men who were age 65 and over in 1959 had suffered a decrease of one-third in real income, as compared to their income 10

years earlier, whereas the income of men 34–44 in 1959 had *increased* by one-third. Most of these older men had not retired.

It is apparent that retirement in itself is sufficient cause for poverty, since OASDI benefits represent only about 30 percent of average factory earnings, and a large number of beneficiaries have little or no cash income aside from their benefits. In 1962 about one-third of the unmarried beneficiaries received less than $150 of money income other than benefits during the year, and one-fifth of the couples had less than $300 in addition to their benefits.

In addition to prior low incomes, among the causes of poverty in middle age and later years, are reduced labor force participation, high rates of unemployment, discrimination because of age or race, limited education and limited opportunities for retraining, lower rates of migration and lesser job mobility, prior incidence of ill health, lower earnings when employed—including a greater frequency of part-time employment.

Some Born too Soon.—There are other factors which do not appear in statistical analyses. Nevertheless, they have strongly affected the conditions in which older people find themselves today. First, when these older people were young, families were large, and the father was the only breadwinner; when they were young or in their prime years, a higher proportion of families were poor than is true today. *And poverty persists.*

Lived too Long.—Secondly, there is a great likelihood that those who live long enough will encounter misfortunes, sudden or gradual, from which some individuals will not recover—such as loss of jobs when firms or industries contract, business failures, illness, widowhood. The impact of such events is particularly to be anticipated among people who have lived through the unsettled times which have been characterized in the lives of older people—war, depression, recession, inflation. These blows suffered in the past have lingering effects. The clock cannot be turned back.

I.B. ISSUES AND PROBLEMS

In an affluent society, the problem of employment of older workers relates to the distribution of work, leisure and income in the context of a changing economy and social expectations, and to a balance in the interests of all groups in the population. Undoubtedly there is here a broad area for in-depth study and debate leading to a consensus on compatible goals. Some exploration along these lines has taken place. No extensive review is attempted here. Facts and solutions have been advanced and disputed. We need more and better studies. But older persons particularly live in the "here and now." We need to act now on what we know now.

From the point of view of the economist looking at overall statistics, the conclusion may be that the economy does not need all the available labor supply and that lopping off a given number of older workers will bring supply and demand into balance. There is a value judgment here that the young rather than old should have the available jobs. There are also costs involved in providing support for unemployed or retired older workers. Techniques to meet that cost are varied—earlier retirement, higher benefits and most recently proposals of the guaranteed income type. The latter promises the most flexibility—but also long-term debate. It challenges the Protestant ethic, the work incentive.

From the point of view of some physicians and psychologists, continued activity, particularly paid employment, is beneficial to the physical and mental health of older persons. Others will argue that leisure and the opportunity for volunteer service offers the greatest satisfaction for older persons. Still others will argue that leisure ought to be distributed over the total lifetime; that youth and young adults can make better use of leisure time.

Experts and others may debate endlessly. What is the view of older workers? Among them, we are likely to find far less difference of opinion.

The older worker would like to have options: a choice of real and reasonable alternatives—to work or to retire, to work full-time or part-time, for pay or as a volunteer. Workers at retirement age may have these options—though many do not in the face of low income and compulsory retirement. The worker below retirement age does not have any option today—unless it is public assistance. He must find employment.

Relative Employment Needs—Older Workers and Youth.—The year 1965 was a very good year for men 45 and over. Their unemployment rate dropped to 2.9 percent from 3.5 percent a year earlier. Their long-term unemployment was down one-fourth. Still, the average number of unemployed men 45 and over in 1965 was about 550,000, compared to 545,000 teenage boys, *half* of whom were

enrolled *in school.* (The annual average includes the flood of young job-seekers in the summer.) Rates of unemployment seem considerably higher for teenagers than for older workers, but the difference may not be as sharp as it appears, when strength of labor force attachment is considered. Further, some of the job shifting reflected in the rates, is desirable for young people trying to find themselves vocationally.

Rates can be misleading without reference to wide differences in base figures.

Serious unemployment in absolute numbers is probably two or three times as large for persons 45+ as for youths. In 1965 men 45+ were 25.2 percent, boys 14–19 were 10.6 percent of those unemployed for 15 weeks or more. For unemployment of 27 weeks or over, men 45+ were 30.2 percent; boys 9.1 percent. Those differences are consistent and even greater in previous years.

Comparing those over 45 with those under 25, we find that older workers are about double the number of youthful workers in the labor force. Clearly, in volume and seriousness, the older worker problem is even greater than that of young workers. The reverse has been true of recent governmental efforts toward job solutions.

Relative Services—Older Workers and Youth.—It is enlightening to compare new Federal investment for youth and older workers in employment and employment-related programs. The comparison is complicated by the difficulty in identifying older worker programs—a fact significant in itself.

MDTA.—Male trainees under the Manpower Development and Training Act for the last complete year were as follows:

[In percent]

	Institutional	OJT
Males under 19	18.5	15.5
Males 19 to 21	24.3	26.9
Males to 21	43.0	42.4
Males 45 plus	9.0	7.9

Including women, the overall percentage over a period of three years has been consistently about 10 percent for trainees 45+, most between 45 and 50 years of age. The appropriation for FY 1967 totals $439 million. If the proportion continues, MDTA costs related to 45+ will be about $40 million.

Economic Opportunity Act.—Title I Youth Programs has available funds totaling $696 million. Of this, $211 million is allocated for the Job Corps for about 45,000 youths age 16–21, and $325 million to Neighborhood Youth Corps for about 400,000 youths 16–21; the remainder goes to Work-Study for about 100,000 college youths and other smaller programs. Except for the possibility of minor amounts under the Kennedy-Javits Special Impact Amendment, nothing of Title I will go to middle-aged men.

Title II Community Action Programs has a total of $846 million, of which $73 million is for the Nelson-Scheuer amendments for adult work-training projects. "Adult" is defined as 22+. Under present interpretations, the Scheuer program will not reach above age 40. There appears to be a commitment of an amount under $2.5 for rural elderly in the "Green Thumb" project which will be financed under the Nelson Amendment. Under other sections of Title II, probably about $6.5 million will be allocated to "Foster Grandparents" and $1 million for Home Health Aides. Thus a total of about $10 million will go to employment of older persons out of the total of $846 million under this Title, unless under Labor Department administration there is a shift in emphasis with respect to Nelson-Scheuer. Possibly a few jobs will go to older women in the Head Start program which is financed at about $350 million. Last year, an informal estimate was made to OEO that about 4,000 older persons had some kind of employment in Title II projects.

Title V Work Experience Program is funded at $100 million. It is intended for unemployed parents in the Aid to Dependent Children Programs, and other needy persons. At the start of the program, opportunities were restricted essentially to mothers. Towards the end of the first year, when it was found that the initial priorities would leave a major portion of the funds unallocated, these opportunities were opened up to older needy persons to some extent. Overall 13.7 of Title V trainees have been men and women age 50 and over.

The employment aspects of Title V were assigned to the Labor Department under a transitional arrangement directed by 1966 amendments. The division of responsibilities and funds are still in flux. We hope more emphasis on older persons can be achieved under Labor Department auspices.

However, two factors are important to note. First, the major portion of the funds are used for social services, including child care for mothers in the program. This means that a lesser proportion of the funds will be expended than is indicated by the ratio of older men and women.

Second, and much more important, earnings in Title V projects are deducted from the total budgets of those receiving public assistance, and earnings under this title are considered income for purposes of unemployment compensation. Thus, little added income goes into the pockets of older men under these projects. By way of contrast, earnings under Title I-Youth Programs and Title II-CAP are almost completely exempted as income to be deducted from public assistance and unemployment compensation payments. An anomalous situation results: the earnings of a teenager can add to the family budget, but the earnings of his father cannot.

Title VIII-VISTA, has available $32 million. It has endeavored to draw older persons into the program with some success. These volunteers receive essentially only expenses. The older persons recruited are retired. It offers nothing for those who need paid employment.

In summary, MDTA and Economic Opportunity activities have more than $2 billion, 100 million available, but even a generous estimate would indicate less than $100 million of expenditures for older workers. This is less than ½ of 1 percent. Limiting the comparison strictly to employment and work training programs: Totals: MDTA—$439 million, Job Corps—$217 million, NYC—$325 million, Nelson-Scheuer—$73 million, Work Experience—$100 million; for Older Workers, MDTA—$40 million, Nelson-Scheuer—$25 million, Work Experience—$14 million; the totals are $1 billion, 158 million, of which $56.5 million benefit older workers. The ratio is about 23 to 1 in favor of youth; it should be 2 or 3 to 1 in favor of older workers on a scale of significant unemployment. Not included in the preceding comparison is the matter of staffing of Employment Service activities. For FY 1967 the State employment services will have about 6,700 positions set aside for youth services, and 520 for older workers, a ratio of more than 12 to 1.

Increased Competitive Disadvantages of Older Workers.—The investment in youth training and work experience has relevance not only in terms of relative allocation of funds and implicitly of relative priorities. Assuming this investment in youth pays off, it must inevitably make less favorable the older worker competitive situation. The older worker who has high level skills of a craftsman like that of a good electrician, toolmaker can transfer this experience to another firm. But for many, longe experience may be valuable only with the particular organization and in a specific job in which it has been acquired. When that organization contracts and lays off the older worker, his chance of being equally useful to a new employer and of starting anew at his previous level is small. Limited education and lack of up-to-date skill training handicap the older worker in competition with youth. If this is so, the success of MDTA, Job Corps, NYC in improving youth skills and work attitudes cancels out the factors of experience, good work habits and dependability which until now was all the older worker could offer as a counterweight to youthfulness.

Jobs for Youth—Forgotten Fathers.—The passage of the Economic Opportunity Act in 1964 brought a great upsurge in opportunities for youth. The basic studies and reports supporting the legislation showed considerable poverty among adults, but the Task Force and key staff initiating OEO was to a considerable extent grounded in problems of juvenile delinquency. Sharp criticism has been expressed in Congress concerning OEO's relative neglect of older persons, and adult programs have been recently enacted in the face of OEO reluctance.

No one would suggest taking "bread" away from poor youths, although it might be better for many young people if their fathers brought home pay checks to buy that bread. Even when jobs in the private economy are not available, it would seem preferable for money to come to youth through their fathers, where this is possible, rather than directly from government sources.

It is possible for a boy on an in-school NYC assignment to bring home about $80 a month and for his father working on a Title V Work Experience project to bring home only self-respect. It is now possible for a boy to benefit and receive income first from NYC then from Job Corps and then from MDTA, conceivably

over a period of 5 or 6 years, if necessary. There is nothing comparable at the other end for the man "too young to retire and too old to hire."

To the cliche "our youth is our future," the middle-aged man's rejoinder might be "I'm not dead yet." But their voices are unheard. These are surely the men who lead "lives of quiet desperation" or resignation—weighed down by a humiliation that hides its hurt.

What will dramatize their situation? What can be their equivalent of violence in the ghetto? Their Watts? Will there be new "Molly Maguires" and "Wobblies" if their numbers increase? This is doubtful. Perhaps, what is needed is a Harrington to write another *The Other America* to bring these invisible men to public attention. Harrington was able to draw on much government produced data and this does not seem to be available for this problem. But perhaps we have all the data we need but do not recognize its implications in human terms.

II. HISTORY OF PROGRAM EFFORTS

Recent Action and Emphasis

1. In the last quarter of 1965, the Secretary of Labor, calling attention to the serious and increasing problem of employment of the older worker, issued an order for "continued, intensive and coordinated activity" of all elements of the Department. The order delegated authority to the Manpower Administrator for overall operation and coordination of all Departmental activities related to the Older Worker Program.

2. In April 1966, the National MDTA Program Planning Guide, recognizing a continuing imbalance in training opportunities, set a national goal of 56,400 training opportunities for persons 45 and over, or 24 percent of the total. In past years the actual proportion was 10 percent. At the same time, strong emphasis was placed on the development of on-the-job training, which would be better suited to the older worker.

3. In December 1966, the Manpower Administrator issued Order No. 21-66 establishing a policy for providing special services to older workers. In the Manpower Development and Training Amendments of 1966, Congress had mandated a special program of testing, selection and referral of persons 45 years and older for occupational training and further schooling. The Manpower Order went beyond training, to job development and placement services, and detailed measures for improvement of services.

In the same month, a Special Assistant for Older Workers was appointed to implement the responsibility delegated to the Manpower Adiministrator for the Older Worker program.

4. On January 23, 1967, in a message on Older Americans, the President included a section of Job Opportunities for Older Workers calling for legislation to end arbitrary discrimination in employment based on age, and on the same day the Secretary transmitted to Congress a draft bill entitled, "Age Discrimination in Employment Act of 1967."

5. Funds were provided in fiscal year 1966 for 100 older worker specialists, of whom 33 were placed in State offices and the remainder in five local offices. In FY 1967 funds in the amount of $2,500,000 were provided to extend to 20 additional cities, 291 additional older worker specialists.

6. The Human Resources Development Program which relates to disadvantaged persons, including older workers, was given high priority, denoting a shift in program emphasis to the "hard-to-place" job seeker.

Earlier Efforts—Departmental and BES.—Substantial progress is promised by clear expressions of policy, and definite steps taken in the last year or two. The problem is to assure that these policies are carried out, and progress maintained. The history of the older worker program reveals that sincere affirmations of policy and similar steps taken in the past have not guaranteed growth and development of this program over a period of two decades.

The Department of Labor began giving special attention in 1947 to employment problems of older workers. In 1950, studies were conducted in five cities on the special problems of older workers and the services they needed. The findings and recommendations were published in "Workers Are Young Longer." Guidelines and staff training materials were issued to local employment offices in 1951. It may be noted that similar studies pursued in later years revealed the same problems. It should also be noted that staff at the national USES office devoted to this function was equivalent to 1½ positions. The same number is available today.

In late 1955 a repeat study was initiated in seven cities with special funds appropriated by Congress and a new position was created—Special Assistant to the Secretary for Older Workers. This position was filled for about 2 years, until the incumbent resigned.

In 1956 the Secretary of Labor allocated about one-half million dollars in special funds to help pay for older worker specialists for State offices of the Employment Service, and in local offices of 70 large communities. In 1957 funds were provided for the assignment of older worker specialists in each State office and 125 offices of larger cities. What became of these positions between 1957 and 1965–66 when special funds were made available for similar purposes is not clear.

The passage of the White House Conference on Aging Act in 1959 resulted in the re-establishment of a position of Special Assistant on Older Workers to the Assistant Secretary. This position was filled until mid-1961, apparently for the period when White House Conference funds were available.

In 1963 President Kennedy in a Message on Aging to Congress directed the President's Council on Aging to undertake a searching reappraisal of the problems of older workers. A study in eight cities similar to the two prior studies, was undertaken with similar findings. One of the major recommendations was a Federal policy against age discrimination by Federal contractors. Such an order was issued in February 1964 by President Johnson.

In 1964 Congress, in passing the Civil Rights Act, required the Secretary of Labor to make a study of age discrimination in employment. Such a study was made, including a new survey of hiring practices in five cities. In his report to Congress, *The Older American Worker*, in 1965 the Secretary recommended four types of programs: (1) Action to eliminate arbitrary age discrimination; (2) Action to adjust institutional arrangements which work to the disadvantage of older workers; (3) Action to increase the availability of work for older workers; (4) Action to enlarge educational concepts and institutions. The Secretary emphasized that a narrow approach to age discrimination in employment would be unfortunate.

In 1966 Congress, in amendments to the Fair Labor Standards Act, required specific legislative recommendations on age discrimination and generally on the implementation of the Secretary's Report of 1965. The Report required under the 1966 FLSA Amendments took the form of the transmittal of a draft "Age Discrimination in Employment Act of 1967." For reasons of timing and other circumstances associated with the transmittal of the report, it did not encompass in full the recommendations of the Secretary in 1965, although proposals of such scope were developed.

The perplexing problem we face is, why over a period of years, the older worker program has not expanded perceptibly, and how to secure lasting results from this point on. During twenty years, there have been four comprehensive studies with almost identical findings; funds for expansion of services in employment offices were provided ten years ago, but their effects cannot be traced; Special Assistants responsible for the Departmental program were active for only three or four out of twenty years; national office staff in the Employment Service began with 1½ staff persons and stands at that level today; at one time, FY 1957–58, fourteen positions were provided in the Department's budget for the Older Worker Program, but these were all almost immediately absorbed into other activities.

Employment Service.—The review of past derelictions mainly in relation to the Employment Service should not be construed to lay all faults at its door. To the contrary—first the sheer volume of its contacts with older workers gives it high visibility, and its record is open to examination. Second, the Employment Service is the agency on the front-line, and that is where the bullets fly. Obviously, no other agency in or outside the Department of Labor approaches the scale of involvement in employment of older workers. For example, in FY 1966 ES workload data show 1,590,000 new applications and 1,310,000 nonagricultural placements of applicants age 45 or over.

On the other hand, these figures by no means indicate that almost 9 out of 10 older workers found steady or regular employment. These data are principally useful in reflecting changes in the level of activity over the years, and in these terms, it is evident that the older worker program has been at best stagnant, and for the most part declining, from FY 1958 to 1966. This is especially evident in terms of the intensive individualized services represented by counseling. Actually only 7 percent receive counseling. Even a static level represents a sub-

stantial decline in relation to absolute increases of millions aged 45 to 64 in the labor force in the last 20 years. Between 1958 and 1966, proportionately older workers went from 12.4 percent to 9.3 percent of counseling, and non-agricultural placements held steady at about 19 percent. Older workers during this period have accounted for 30 percent of the total unemployed. In contrast between 1960 and 1966, workers under 22 went from 13.1 to 27.9 percent of counseling and their nonagricultural placements from 13.7 to 27.9 percent. Most of the jump for youth started in 1963.

Blame accrues to no one for this situation. Political and bureaucratic leadership has changed, and always, good intentions have been manifest. Bugle calls have sounded and some ammunition passed out. Whether advances were made, or the fire directed at the specified targets, is difficult to discern retrospectively. Perhaps retreats cancelled advances.

It is clear that relatively minor resources of staff and budget were allocated to the program, and these were so diluted in the total mixture that their potency may have been negligible. For the future, ways must be found to tag added resources so as to facilitate tracing their use and effects.

BES and Other Agencies—Potentials and Problems.—Each of the major agencies of the Department of Labor has a potential for contributing to greater or lesser degree. Focus has been on MDTA and Employment Service activities because they have a long history on record and they provide direct services.

Following the President's Message of January 23, BES developed some tentative proposals for expanded activities subject to availability of funds for staff resources at all levels, particularly National and regional. They are:

1. Obtain assurances for expanded work training and work opportunities for older workers within the various government programs—MDTA, OJT, VISTA, Peace Corps, Nelson-Scheuer, Kennedy-Javits, regular adult vocational training and others.
2. Streamlining of services for applicants in professional occupations to free staff resources for more intensive services for those less able to help themselves, particularly the middle-aged professional.
3. Use of middle-aged and older volunteers to develop more job and training opportunities for other older workers.
4. Use of older volunteers to reach out to people who need job market help in hospitals, institutions and other community organizations, including outstationing in facilities such as Senior Centers and Multi-Purpose Neighborhood Centers.
5. Providing more opportunities for specialized out- and in-service training for ES personnel assigned to serve older workers, including the development of capacity to provide counseling and advice concerned with both employment and retirement problems.
6. Referral to the ES of all Unemployment Insurance claimants over 45 years of age, except the seasonally unemployed, to assure intensive service and consideration for MDTA and other training; and to serve as an "early warning" of higher unemployment in this age group.
7. Expansion of special programs for older workers affected by mass lay-offs who have little prospect of re-employment in their normal occupations or place of employment.
8. Independent evaluation and audit of older worker activities.
9. Tie-in with employer and union sponsored OJT and placement programs.
10. A systematic educational program directed to employers, unions and the general public, developed and coordinated with other organizations and activities.
11. Development of closer working relationships with organizations and agencies serving the aging and aged to assure a proper consideration of the employment and retirement problems and needs of middle aged and older men and women.

Another direct service agency, the *Bureau of Work Programs*, which until recently had an exclusively youth concern in the NYC, has now been delegated adult work programs in the Nelson-Scheuer Amendments and the Kennedy-Javits Special Impact Programs. A major portion of the EOA Title V-Work Experience Program has also been delegated to the Department of Labor, although the division of funds and responsibilities is still being negotiated. These programs offer opportunities for older workers if the responsible agencies make it so.

It is recognized that your oriented agencies will have some difficulty in enlarging their perspective to take in workers past 45 years. There is at the moment an inclination to view the target group as starting at age 22 and possibly extending to age 30 or 40. This derives from the emphasis in the Scheuer Amendment on entry jobs with prospects for advancement, and the association of "Youth and the Future." Most men of 45, however, would not accept the assumption that they have no future and no desire for advancement. In any case, the legislative history of the Nelson-Scheuer Amendments does not support exclusion of the middle-aged. In fact, the report on the Economic Opportunity Amendments of 1966 in the section of the Scheuer Amendment states:

"The Job Corps and the out-of-school component of the NYC are designed to focus on employment for youth. . .

"There remains a substantial pool of hard core, chronically unemployed persons who have not been effectively reached by these Federal programs.

"This pool consists primarily of nonwhite adults whose rate of unemployment is twice that of white adults, and people 45 years of age or older, almost 1 million of whom were actively looking for work in March 1966."

The congressional mandate seems clear, but it seems equally clear that in the execution of the program there will need to be persistent efforts to restrain tendencies to return to patterns established earlier.

OMPER is not a direct service operation. Insofar as its policymaking function, it has taken strong and clear action. It needs to follow through consistently in its evaluation function to assure compliance with stated policy. In its research and demonstration, it is difficult to find more than a few projects directly relevant to older workers. One area of obvious and immediate need is research into causes and cures for the difficulty in getting older workers into training.

Similarly, the *Bureau of Labor Statistics*, the *Bureau of Labor Standards*, the *Women's Bureau* have in the past done valuable work in the field of employment of older persons. However, these have been discrete efforts to meet ad hoc demands, usually supported by special fund allocations. There does not appear to be a continuing concern or staff responsibility to deal with research in the older worker field.

Yet there is practically virgin territory awaiting exploration. Broad areas for research include:

(a) to study and to find, test, and promote solutions to institutional arrangements which work to the disadvantage of older workers in such matters as pensions and other private annuity coverage, workmen's compensation and disability income, seniority in collective bargaining;

(b) to explore and evaluate proposals related to early or flexible or phased retirement; planning, preparation for and adjustments to requirement;

(c) to explore proposals for systems of continuing educational and training opportunity to prepare workers, while still employed, for job changes, to reduce their vulnerability to displacement and to open the way to satisfying activity in retirement; and to consider methods of financing such educational programs and interweaving them into the individual's working life, including such proposals as sabbaticals and contributing educational insurance;

(d) to develop principles and guides for job redesign and effective methods for training older persons;

(e) to explore, forecast and define goals in the relationship between work, leisure and income with reference to a changing economy and social expectations, and to a balance of the interests of all groups in the population; and

(f) to develop techniques, guidelines and models for advance planning of manpower requirements, for encouraging the employment of older workers through tax incentives or other aids, and for programs of public service employment by which the Government as the "employer of last resort" may provide work for the "hard-core" unemployed in useful community enterprises.

Most of the activities discussed could be carried on under existing authorities, although there is a need for some strengthening legislation and quite evidently some expansion of funds. Certain new legislation proposed by the Administration, if enacted could involve other segments of the Department. For example, the proposed "Age Discrimination in Employment Act" could be administered in a way which would use the competencies of staff of the *Labor-Management Services Administration;* the *Wage, Hour and Public Contracts;* the *Bureau of Veterans*

Reemployment; the unemployment compensation referees of the State agencies affiliated with the BES. Legislation proposed to provide extended benefits to long-term unemployed is tied in with training, guidance, and other supportive services. Since so many of the long-term unemployed are older workers, this would put new emphases on another area of coordination with the Department.

A mechanism for program development and coordination exists in the recently reconstituted Departmental Committee on Older Workers. However, regardless of redirection, emphases and coordination, existing and currently proposed legislation is not comprehensive enough to encompass all the programs needed to meet the need of older workers. It would be the height of naivete to imagine that it will be possible to reverse the long-term downward trend of labor force participation of those age 65 and over; it would be more practical to help them plan and prepare for retirement. Short of full employment and even with it, it would be almost as naive to think that the most efficient operation of our training and placement programs will eliminate unemployment for all those 55 and over who need and are able to work. But there are more than enough needs in public service employment, which could with Federal support, tide many over until a return to competitive employment or retirement. Bills for a Community Senior Service Program introduced last year have wide support in this session of Congress.

These bills would provide funds for the employment of workers 55 or 60 and over by public and nonprofit agencies in community services that would not otherwise be provided. Pay would be at prevailing rates up to a stated per annum maximum of $1500–$1000 a year, except for those who volunteered their services and requested only out-of-pocket expenses. The program would be administered by the Administration on Aging through State agencies on aging.

Assignment to the Department of Labor, if this program is enacted, would be justified on the following bases:

1. The program is a vital part of a comprehensive approach to the needs of older workers.
2. The Department should have the positive aspect of job creation along with the negative aspect of anti-discrimination enforcement—the honey as well as the sting.
3. Such a program can be administered most effectively and economically by Labor by reason of its present programs and facilities.
4. The program is properly part of the manpower function since it provides employment for pay.

III. AGE DISCRIMINATION IN EMPLOYMENT AND OTHER LEGISLATION

Secretary Report of 1965.—The Report of the Secretary of Labor—"The Older American Worker-Age Discrimination in Employment" provided a comprehensive review of the difficulties facing older workers. In his testimony, the Secretary presented some hard, cold facts. A wide survey showed that one-fifth of employers hired no workers over 45. Overall, only 8.6 percent of total new hires were workers 45 and over. Half of all job openings are closed to those over 45. In 1964, an average of 1 million workers 45+ were unemployed. During the year, three or four times that many had some unemployment. Two-fifths of those between 45 and 65, and three-fifths of those 65 and over, were out of work for 15 weeks or longer. About a billion dollars was paid to workers 45 and over in 1964. A substantial proportion of this can probably be charged to age restrictions.

Among reasons for setting upper age limits, physical requirements ranked first by far. Pension plans ranked fourth. Fewer than 15 percent of the establishments which had pension plans reported that pension plans were a factor. Few related this to costs; more referred to maximum age specified in the pension plan, or implied by its provisions on length of service required for retirement benefits. Despite the relative infrequency of references to pension plans, establishments with pension plans reported considerably fewer new hires at ages 40 and above than did those without pension plans.

Problems of Legislation.—There are two problems related to the legislation introduced this year to implement the Secretary's Report to Congress of June 1965.

1. The legislation is almost exclusively directed to discrimination although the report strongly emphasized that while legal prohibition of arbitrary age discrimination was essential, such action was too narrow and superficial a prescrip-

tion unless accompanied by other programs to widen opportunity. Three other broad areas of action were urged.

2. The legislation as introducd includes two subjects on which opinion has not jelled and which may be points of controversy. They are left flexible in the bill. One relates to pension plans and policies. The other relates to plans for administration.

Yarborough-Perkins Bill—Pensions.—In the course of Congressional Hearings, we expect to be pressed for an amendment which would provide that the prohibited practices do not apply to the operation of bona fide retirement or pension plans and policies. Most state laws have such an exemption, although some of these states would want to see that exemption eliminated.

The Administration bill provides that it shall not be unlawful "to separate involuntarily an employee under a retirement policy or system where such policy or system is not merely a subterfuge to evade the purposes of this Act." Note that the exemption does not extend to hiring. We believe that an unrestricted exemption of retirement policies can be used as an escape hatch and open wide the door to discriminatory practices. Although pensions are not the primary reason stated for age limitations, elimination of some other existing justifications could result in a substantial swing to this as an explanation for non-hiring.

On the other hand, we did not want to interfere wih reasonable retirement practices, nor hamper the growth of private pension plans although these have some unfavorable aspects. Therefore, the Secretary is directed to study "institutional arrangements which give rise to involuntary retirement" and to make legislative recommendations. We recognize that we do not have all the answers in the complex field of pension plans. In another section the Secretary is empowered to "establish such reasonable exemptions to and from any or all provisions of this Act as he may find necessary and proper in the public interest." This should permit considerable discretion with respect to the operation of pension plans; for example, avoidance of actions which would require immediate and wholesale revision of existing plans. Further, the prohibitions do not reach beyond the age of 65, the usual retirement age.

The proposed provisions may be too liberal or too restrictive. In drafting of the bill, pensions and retirement systems were most debated.

There was agreement that the use of such plans as an escape hatch should be narrowed or eliminated. Six other alternatives were developed. The provisions incorporated in the present bill represent a compromise among the Departments of Labor, Commerce, and Justice; and the Bureau of the Budget. They are likely to be further changed in the legislative process. The position of the Labor Department is flexible, pending further guidance.

Yarborough-Perkins—Administration.—The authority given the Secretary in the "Age Discrimination in Employment" bill gives him almost complete flexibility in administrative machinery. Present thinking is to avoid establishing a distinct organization with staff at Federal, State and local levels. Rather, the plan is to use existing facilities in the Labor Department and probably some outside help, including voluntary groups—(supplementing their funds as necessary) to have major responsibility for various phases and levels of enforcement: (1) research, (2) public information and education, (3) investigations, (4) informal conferences, conciliation and persuasion, (5) local hearings, (6) Departmental hearings and policy formulation, and (7) preparation for court action.

For example, OMPER, BLS, LSB, BES, WB could all contribute to research; USES has been conducting informational programs; WHPC could conduct inspections for purposes of identifying patterns of age discrimination along with its present inspections; competencies for the conduct of conciliation efforts and informal hearings can be found in older worker specialists, unemployment compensation referees, representatives of the Bureau of Veterans Reemployment, and in WHPC, the Conciliation Service and NLRB. Also local experts in conciliation and arbitration of labor disputes could be appointed agents on a fee for service basis. Not all these agencies would be willing to participate, but not all would be needed. Further, in States which have effective units on age discrimination in employment, most of the Secretary's authority could be delegated to them.

Coordination and accountability under this concept would be more complex. A new organizational unit with exclusive responsibility for the program as a single entity would be simpler administratively. On the other hand, such an agency would tend to emphasize its function as a regulatory agency. But the

primary objective is to promote employment of older workers; the enforcement aspect—prohibitions and penalties—is intended to be power held in reserve. The number of grievances requiring formal rulings by the Secretary is expected to be small. Test cases need to be decided in terms of developing sound policy—that is, the spirit rather than the letter of the law. The Secretary can go either way in his organizational approach. However, beginnings often set the pattern.

Further Legislative Goals.—Anti-age discrimination legislation was originally intended to be only one of several titles in an "Older Workers Employment and Retirement Act," a comprehensive approach to the problems of older workers. This would have encompassed the four types of necessary action recommended by the Secretary in his 1965 Report to Congress—"The Older American Worker":

1. Action to eliminate arbitrary age discrimination in employment.
2. Action to adjust institutional arrangements which work to the disadvantage of older workers.
3. Action to increase the availability of work for older workers.
4. Action to enlarge educational concepts and institutions to meet the needs and opportunities of older age.

The five interrelated titles of the proposed bill would have been consistent with the Secretary's call for attention to all, and not just one or two, of the employment problems of the older worker. It balanced the necessary but negative aspect of job discrimination regulation with the positive aspect of job creation. It relied on, and stimulated private efforts, but prepared to supplement these with government efforts. It undertook to do now what we know how to do and laid a basis for learning what we do not now know.

The proposed contents of the bill were as follows. Title I set forth findings and the following purposes:

1. afford the older worker a range of real and reasonable alternatives from among which he can make a free choice depending on his individual needs and capacities;
2. help clear the obstacles which confront the older job-seeker and eliminate arbitrary discriminatory practices which deny work to qualified persons solely on account of age;
3. increase the availability of jobs by finding new work opportunities, including part-time employment in needed community services to supplement income and to facilitate the transition to full retirement or the return to full-time work;
4. improve and extend existing programs intended to facilitate the matching of skills and jobs, and to cushion the impact of unemployment;
5. pave the way for older workers, employers, labor unions and educational institutions to prepare for, and adjust to anticipated changes in technology, in jobs, in educational requirements and in personnel practices, to prepare for and satisfying retirement;
6. make maximum use of existing programs and agencies and provide the special efforts required to improve significantly the employment prospect of older workers.

Title II would provide essentially the same program as in S. 830.

Title III, Part A dealt with efforts to find *non-subsidized* paid work so as to reduce the necessity to have recourse to subsidized created work opportunities in the Community Senior Service Corps (Part B). Included were measures for anticipating work opportunities arising from new Federal legislation, and a small grant program for voluntary organizations.

Title III, Part B provided for a Community Senior Service Corps with two types of workers—paid and volunteer—of age 55 and over, providing per annum supplemental incomes for paid workers and reimbursement of out-of-pocket expenses including meals and transportation for volunteer workers. Administrative relationships with the Employment Service, the Neighborhood Youth Corps and other Economic Opportunity programs operated by the Department of Labor, and with the Department of Health, Education and Welfare, were set forth. Public and private agencies would be sponsors of projects utilizing such workers for needed community services.

Title IV provided for a wide range of research, experimental and demonstration projects related to: barriers to employment; retirement preparation; lifetime adult education; relationships of work; leisure and income; manpower planning and job creation. It would encourage the development and use of new methods and materials, providing guides and models.

In addition to filling the Secretary's prescription, it would have accomplished much of the intent of various bills introduced in the present and past sessions of Congress. One of these bills has many sponsors and may pass without Administration support, in a form bypassing the Department of Labor.

The draft bill could have been a large part of the solution to the discontinuity and impermanence of programs for older workers, described previously.

Timing was unfortunate. The bill was drafted in December, and unknown to its drafters, in the year-end speedup, decisions had already become firm on items in the President's Message on Older Americans and in the President's Budget. (The budget itself was not a major obstacle, since the funds necessary for the first year were small.) With respect to the Labor Department, the only new proposal was the anti-age discrimination program.

It is late, but not too late to propose additional programs, if there is substantial evidence and opinion supporting further efforts this year. Question: Shall we rest with anti-discrimination legislation for this year or press for a package implementing the Secretary's broad recommendations of 1965?

ITEM 2. MATERIAL SUBMITTED BY SOL SWERDLORF.* CHIEF, DIVISION OF PROGRAM PLANNING AND EVALUATION, DEPARTMENT OF LABOR

CASE STUDIES OF DISPLACED WORKERS

I. INTRODUCTION AND SUMMARY

INTRODUCTION

The experience with technological change in this century has demonstrated its long-term beneficial effects in terms of increased productivity, faster economic growth, more jobs, and higher wages and employee benefits. However, where technological change has been accompanied by plant shutdowns or mass layoffs, it has had serious adverse effects on individual workers.

The Bureau of Labor Statistics has conducted five case studies of the effects of plant shutdowns or large-scale layoffs related in part to technological change in recent years. These studies concern plants in the following manufacturing industries: petroleum refining, automotive equipment, glass jars, floor coverings, and iron foundries. The plants were located in six areas (4 in the Midwest, 1 in the East, and 1 in a Mountain State). The number of workers displaced totaled close to 3,000, ranging from about 100 in one plant to more than 1,000 in another. The layoffs took place over the period July 1960 through June 1962. The surveys were conducted between April 1962 and April 1963; and the periods between surveys and layoffs ranged from 6 to 21 months.

These case studies supplement studies of displaced workers which have been made over the years and which reflect varying economic conditions. Noteworthy among industries covered by some recent studies were meatpacking, newspaper publishing, railroad equipment, textiles, and automotive equipment. Appendix B lists a number of displaced worker studies conducted prior to and after World War II.

This chapter summarizes the highlights of the findings from the five case studies. It covers the causes of displacement; labor market conditions at the time of displacement; measures taken to prevent displacement and help workers find jobs and maintain income; the characteristics of the displaced workers; their job hunting experiences; and some job effects of displacement.

In the subsequent sections, each of the cases is described following the outline indicated above. The analysis points up the relation between selected personal characteristics (age, education, etc.) and reemployment experience. The scope and method of conducting these studies are explained in Appendix A.

SUMMARY

This section compares data for the different case studies, to bring out any consistent patterns or contrasts. Some generalizations have been made, but it should be noted that the data in the separate case studies have not been combined statistically.

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*See p. 10S for request for this material.

Factors Influencing Displacement

The experience in attempting to select cases for study of worker displacement due uniquely to technological change clearly indicates that such cases are difficult to find. Although technological change was a factor in each of the five cases studied, it was by no means the sole factor. Along with an outmoded production process, a change in consumer demand to a product using a different material, or an old and outmoded plant, other factors such as the loss of an important industrial customer or a history of labor-management conflict were involved. In each instance, it was extremely difficult to determine which factor or factors had a decisive influence on the ultimate decision to shut the plant or lay off workers.

Labor Market Conditions

The plants were located in six substantially industrialized and highly diversified areas. The smallest area had a labor force of a little under 50,000; the largest, well over 500,000. Unemployment rates at the time of the layoffs were in excess of or close to the "relatively substantial unemployment" level of 6 percent in 5 of the the 6 areas. Subsequently, conditions improved and, by the time the surveys were conducted, unemployment had declined substantially in each of these five areas.

Measures to Prevent Displacement

Layoffs may be prevented or minimized by various means such as the use of attrition, i.e., quits and retirements, to reduce the work force; the early retirement of older workers; spreading available work by measures such as the elimination of overtime; and timing the change to take place during periods of business expansion. Four of the case studies involved plant shutdowns where none of these means was used. In the fifth case, more than half of the projected employment reduction was achieved by attrition. No new employees were hired for over 3 years before the first group of employees were laid off. The same firm, the oil refinery, also induced older workers (over age 51), not scheduled for layoff under the seniority regulations, to retire early by offering them a substantial "age allowance" as a separation payment in addition to their regular severance pay and to an immediate annuity. In that case, 1 out of 6 of the displaced workers accepted early retirement and thereby saved the jobs of a like number of younger workers.

Measures to Help Displaced Workers Find Jobs

By far the most effective source of assistance in locating jobs appears to have been personal contacts. From one-half to two-thirds of the displaced workers responding to this question stated that "friends or relatives" was the source responsible for finding their jobs. Relatively few workers credited the State employment service with locating their jobs. However, employment service records in one case indicate that some workers may have understated the help given them by the employment service.

The nature and extent of assistance in finding jobs given displaced workers by their employer varied considerably from case to case, depending on management attitudes, the history of labor-management relationships, and union contract provisions. In four of the cases, the majority of the workers were represented by unions affiliated with the American Federation of Labor and Congress of Industrial Organizations (AFL–CIO); in the fifth case there was an independent union. Types of assistance used in one or more of the case studies included: early notice of the impending layoff; placement services; interplant transfers; retraining programs; and in-plant reassignments and transfers.

Early Notice.—One firm ceased new hiring 3 years before the layoffs began, notified the workers well in advance of termination, and phased out the layoffs over a period of a year. In all other cases, notice was considerably shorter. The longest advance notice was 6 months; the shortest, little more than 2 months.

Placement Services.—Substantial and effective assistance in securing jobs for displaced workers was given in only two cases, in one by the company and in the other by the union. The oil company assisted in placing workers through its own employment office and also entered into an agreement to pay the placement fees of two private employment agencies. The company stated that it had assisted one-third of the reemployed workers in locating their jobs, although one-half of those so placed were no longer working on those particular jobs at the time of the survey. In another case, that of the automotive equipment plant, the union invited all displaced members to fill out a job referral form which

was circulated among companies with which it had contracts. As a result of these efforts, approximately 200 out of more than 1,000 displaced workers were employed by companies under contract to the union.

Interplant Transfers.—Although all five companies were multiplant firms, only two offered interplant transfers, in both instances under union negotiated plans. In neither instance were relocation allowances granted. In one case, the contract with the major union representing production and maintenance workers provided that, if the company shut down a plant and transferred its operation to another plant, the employees would be given an opportunity to transfer to the other plant, with their jobs. They would be credited with full seniority for layoffs and recall as well as for economic benefits such as pension and vacation. In the second case, the contract required only the transfer of economic benefits, but no job security benefits. The importance of job security to the displaced workers is indicated by the fact that a much larger proportion of eligibles accepted transfer in the first case than in the second, despite the fact that the new plant was twice as far away. Some effects of these provisions are discussed in the subsequent section on "mobility and reemployment."

Employer Retraining Programs.—None of the five employers adopted programs to retrain displaced workers for jobs elsewhere. One company publicly announced the establishment of a $100,000 retraining fund shortly after announcing the impending shutdown; but the program was not implemented. About 30 percent of the displaced workers registered for training. The company reported that for over 70 percent of the registrants, there was no reasonable prospect for job placement after retraining because of age, inadequate schooling, or low scores on aptitude tests. It stated that many were not willing to train for service jobs paying much lower wages than they had been receiving, and that few were willing to give up unemployment compensation and supplementary unemployment benefits, for which they would have been disqualified under existing regulations, while engaged in a full-time training program.

Inplant Reassignments and Transfers.—In one instance, where a substantial number of workers were laid off but the plant was not closed, the persons to be laid off were determined on the basis of plantwide seniority. This procedure left numerous vacancies which were filled by reassignment, transfer, and retraining of the employees remaining with the plant.

Measures To Maintain Income

Unemployment Insurance.—The most important source of income for the displaced workers was unemployment insurance. In four cases, the number receiving such benefits ranged from 69 to 94 percent of the total, for an average of from 18 to 27 weeks. Even in the fifth case, with relatively low unemployment at the time of the survey, close to half of the workers received U.I. benefits.

Supplementary Unemployment Benefits.—These benefits had been negotiated in only one case. By the time of the survey, benefits had been received by 2 out of 3 of the displaced workers of that company for an average of 22 weeks.

Severance Pay. Some form of severance pay was obtained by displaced workers in 4 of the 5 cases, but in only one in sufficient amount to be of substantial assistance in a period of protracted unemployment. The oil refinery paid a "service allowance" based on weekly base pay and length of service. The lowest amount paid to any of the displaced workers was in excess of $600.

Early Retirement Pay. While the pension program in each case provided for early retirement at age 60 or sooner, in only two cases did more than a very small proportion of the displaced workers benefit from this provision. One involved a substantial number of older workers and, in a period of 14 months after the shutdown was announced, pensions were paid to 375 workers, 283 of them in the major bargaining unit. The bulk of them were for early retirement; otherwise, for normal or disability retirement. It should be noted that, with the payment of these pensions, the pension fund was not sufficient to cover the vested rights of the younger workers. Under contract provisions, therefore, deferred pensions were substantially reduced for those in the 50–59 age group and were wiped out for those under 50. In the second case, a contributory plan provided immediate or deferred annuities for those with 10 or more years of service regardless of age. Ninety percent of the laid-off workers 55 years old and over received immediate annuities and another 5 percent, deferred annuities. One out of 3 displaced workers under 55 received immediate or deferred annuities.

In all other cases, many workers with long service who had been accumulating pension rights lost those rights entirely.

Personal Characteristics of the Displaced Workers

The average displaced worker was a white male in his late forties. He had some high school education; was married, owned his home, and had two dependents. Women accounted for 2 out of 5 workers in one case, 1 out of 5 in another, and insignificant proportions in the others. In no case did nonwhites exceed 7 percent of the total. While most workers were age 45 or over, the proportion in this category varied from 21 percent in one case to 94 percent in another. In four of the cases, a majority of the displaced workers had at least some high school education; in all but one case the proportion of graduates was relatively small.

Job Hunting Experience.

The search for a job was a difficult experience for many displaced workers. For a large number it was fruitless. Most of the displaced workers had had long years of service in a particular line of work. Many were ill-prepared for the strenuous efforts of job hunting. The evidence indicates, however, that most made the effort with the following results:

Employment and Unemployment. Only 2 out of 3 of all 3,000 displaced workers in the 5 cases studied were employed at the time of the surveys, and in the separate cases the proportion ranged from one-half to four-fifths. One-tenth were retired or for other reasons not seeking employment. Close to 1 out of 4 were seeking employment but were unemployed. The rate of unemployment varied from a low of 8 percent in one case to a high of 39 percent in another. In each case, it was substantially higher than the unemployment rate in the labor market area as a whole (ranging from 3 to 5 percent). In 5 of the 6 areas, it was more than 5 times the area unemployment rate.

There was substantial long-term unemployment. In four cases, workers unemployed 16 weeks or more at any time between the layoff and survey constituted over half of the displaced workers; in two of those cases, it was two-thirds. In the same four cases, those unemployed a half-year or more ranged from over two-fifths to more than half.

A substantial proportion of the displaced workers in the surveys had held no jobs at all from the time of their layoff. A considerable number, however, ranging from 1 out of 8 to about 3 out of 8, had changed their jobs and had held 2 or more jobs.

Early Withdrawals from the Labor Force.—Sizable numbers of displaced workers, ranging from 9 to 14 percent of the total, indicated they were no longer seeking employment. Such withdrawals from the labor force represented substantial proportions of workers in the 60–64 age group. It seems clear that many found themselves compelled to end their careers as wage earners earlier than they had planned. At best, their withdrawal meant early retirement with pensions below the amount which would have been due them at normal retirement and a lower income than had been anticipated. In many instances, particularly in the case of women, older workers without pensions withdrew because of their inability to obtain jobs.

Age and Reemployment.—Unemployment was markedly higher among workers of age 45 and over than among younger workers. In two cases, where finer age breakdowns were feasible, by far the highest unemployment rates were found in the 55–59 age groups. A substantial proportion of workers in the 60 and over age groups were not seeking work. A considerable number of these had taken early retirement benefits. Many others may have been discouraged from looking for work, foreseeing age discrimination. More displaced workers volunteered comments on the subject of such discrimination than on any other subject in each of the five cases. Most were workers in their fifties or above; but many were younger.

Education and Reemployment.—Displaced workers who had completed high school had substantially lower unemployment rates than those who did not—less than half in three cases. The differences in unemployment rates between those who had no high school and those who had some were smaller.

High school education seemed, from case to case, to have helped older workers obtain reemployment. In general, among older workers, high school graduates fared better than nongraduates; and workers with some high school had lower unemployment rates than those with no high school. Workers not seeking employment were found for the most part among the less educated. The combined handicap of inadequate education and older age caused many to withdraw from the labor market before they normally would have retired.

Reemployment of Women.—The rate of unemployment among women was almost 3 times that among men in the two cases where meaningful comparisons were possible. Only one-fourth of the displaced women workers were employed, in both cases. In one, almost 7 out of 8 women, compared with 1 out of 3 men, had been out of work a half-year or more. In the other case, the ratio was 2 out of 3 women compared with 1 out of 4 men. Likewise, displaced women workers in the two cases had a much higher unemployment rate than men at each educational level and at each age group under 60. A larger proportion of women than men in the 60–64 age group were not seeking employment. The impact of discrimination because of age would seem to have been felt earlier among women than among men. The highest level of unemployment was reached by women at age 45–54, by men at age 55–59.

Skill Level and Reemployment.—All case studies reveal a higher unemployment rate among the less skilled workers. Unemployment ranged from none to 33 percent among maintenance workers, from 8 to 39 percent among machine operators, and from 20 to 59 percent among laborers. A similar pattern was revealed when hourly earnings were used as a rough measure of skill. In these studies, most of the unemployed were found at the lowest earnings levels.

Industries Providing Jobs.—Very few displaced workers were able to find jobs in the same industry. In four cases, such workers constituted, at the most no more than 1 out of 5 of the total reemployed. In two cases, the bulk of such placements were due to interplant transfers under union contracts.

Most reemployed workers, except in one of the cases, did secure jobs in manufacturing industries. However, substantial proportions, ranging from about 1 out of 4 to almost 3 out of 5, found employment in nonmanufacturing industries (including government).

Mobility and Reemployment.—For most workers, it was necessary to look outside their home area to obtain a job in the same industry. That willingness to move was a positive factor in obtaining employment is also indicated by the fact that greater proportions of employed workers than unemployed had sought work outside their home cities.

The two cases involving interplant transfers cast some light on inducements and obstacles to worker mobility. Only the guarantee of job protection—the transfer of full seniority rights—was sufficient to induce a substantial number of displaced workers to undertake relocation. Even in that case, a large majority of the displaced workers did not accept relocation. Relatively few workers were willing to transfer with accumulated rights to pensions, vacation, and other economic benefits, but no seniority on layoffs. However, the need to conserve rights to pensions and other employee benefits was one among other inducements to relocate, such as age discrimination by local employers, and the economic pressures of larger families.

Obstacles to mobility included: home ownership; family and social ties; the secondary role in the family of the job of the displaced woman worker: children in school; uncertainty regarding the company's intentions; and fears of future layoffs. Another factor impeding mobility was the high cost of transfer. Apart from costs of relocation, many transferred workers found it necessary or expedient to maintain two homes and to commute between areas on weekends, at least in the first year after transfer.

Training and Reemployment.—Only a small number of displaced workers, ranging from 2 to 7 percent, took any training courses, other than on-the-job, after displacement. Nevertheless, a large majority indicated that they would be interested in taking a training course if they did not have to pay for it. Many men were interested in learning special skills such as welding, electronics, auto mechanics, and machine repair. Women emphasized office and clerical occupations and nursing.

Job Effects of Displacement

Besides long-term unemployment, displaced workers who found jobs experienced lower earnings, work of lower skill, loss of employee benefits, and loss of seniority protection.

Effects on Earnings.—A majority of those who obtained reemployment accepted reduced hourly earnings. In each of the five cases, more than half of the reemployed workers had lower earnings, with the ratio as high as 4 out of 5 in one case. Moreover, many workers took a substantial decline in earnings, amounting to at least 20 percent. Those who did so constituted at least 1 out of every 4

reemployed workers, and in one case were more than half of the total. In contrast, only small proportions of the reemployed achieved higher earnings.

Older workers who obtained employment experienced a greater decline in hourly earnings than younger workers. The proportion of workers who earnings had dropped at least 20 percent increased substantially after age 45. Also, by the same measure, the workers with the least schooling took the sharpest cuts in wages.

In each case studied, the proportion of wives who were working increased after the layoff. In most cases, the greater part of the increase was in part-time rather than full-time jobs.

Effects on Employee Benefits.—In their comments on the questionnaires, dis placed workers frequently complained, often bitterly, of the loss of employee benefits. This was considered one of the most serious hardships resulting from worker displacement, since most workers were at least partly dependent upon such benefits for security to themselves and their families in old age or in illness. Moreover, many types of benefits are based upon length of service and workers obtaining other employment had to start anew in accumulating rights. Most of the reemployed workers indicated that employee benefits on their current jobs were less favorable than on their previous jobs.

Changes in Type of Job.—As a concomitant of the loss in earnings, many of the displaced workers experienced a downgrading of skill. This was truer of semiskilled than of skilled occupations. While in four cases the change in jobs for a majority of workers in maintenance occupations meant no change in occupational group, in no case did as many as one-third of the machine operators obtain jobs in the same occupational group. Substantial proportions of the operators who were reemployed were working as laborers or in custodial jobs.

Effect on Union Membership.—The layoffs had a serious impact on membership in labor unions. Prior to displacement, some 9 out of 10 of the displaced workers were union members. By the time of the surveys, membership in unions was reduced to no more than 1 out of 3 in two cases and in no event more than slightly higher than 2 out of 3. The highest proportion of retention of union membership by displaced workers was found among displaced workers of a plant where substantial numbers were either transferred to another area under union contract or obtained jobs at unionized plants with the assistance of the union. Part of the decline in union membership was due to the substantial proportion of displaced workers who were unemployed or not seeking employment at the time of the surveys. However, even when consideration is limited only to those workers who had found jobs, the figures still show a substantial drop in union membership, resulting in a range of membership of from two-fifths to three-fifths of all reemployed workers. An important reason for this decline is the fact that many of the new jobs were in unorganized industries or plants, and workers in such jobs were no longer eligible for membership in the union to which they had belonged.

Effects on Seniority.—Displacement resulted in loss of benefits that long service conferred on individuals. The large majority of the displaced workers had over 10 years of seniority. In some plants, substantial proportions had longer service. Workers with at least 20 years of seniority amounted to 1 out of 4 in one plant, 1 out of 3 in a second, and 7out of 8 in a third. The loss of seniority meant the loss of protection in layoffs for reemployed workers.

ADEQUACY OF SERVICES FOR OLDER WORKERS

MONDAY, JULY 29, 1968

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND RETIREMENT INCOMES AND SUBCOMMITTEE ON FEDERAL, STATE, AND COMMUNITY SERVICES OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittees met, pursuant to recess, at 10:15 a.m., in room 318, Old Senate Office Building, Senator Jennings Randolph (chairman of the Subcommittee on Employment and Retirement Incomes) presiding.

Present: Senator Randolph.

Also present: Representative Scheuer.

Staff members present: William E. Oriol, staff director; John Guy Miller, minority staff director; J. William Norman, professional staff member; Mrs. Patricia Slinkard, chief clerk; and Peggy Brady.

Senator RANDOLPH. Good morning, ladies and gentlemen.

Representative Scheuer and I hope other Members of the Senate and the House can join us as we continue hearings on the adequacy of services for older workers.

We are following a format this morning which is unusual in a congressional hearing. We hope that it will work well. Sometimes the guidelines or ground rules are not too straitjacketed but have enough order to keep the hearing moving.

We would like to suggest that we have 10-minute statements. These are going to come from knowledgeable persons at these tables, who know the subject that we are discussing today.

We may have to tell you that your time has expired. We do not want to do that but, in the interest of time, we may have to let you know, and we know that you will feel no offense.

The first of our speakers will be Dr. Harold Sheppard of the Upjohn Institute for Employment Research. He is going to give us a summary of the hearings conducted on our problems as we held them last Wednesday and Thursday.

He will add certain remarks and observations. I add that Dr. Sheppard, former staff director of the Senate Special Committee on Aging, is acting as a consultant on this study. He is doing this without any monetary compensation. We appreciate his interest and his dedication to the field of aging.

We will withhold questions until the last of the 10-minute statements is completed. This should be about 11:30 or 11:40. Then we will have our open discussion.

With a group this large we cannot expect to hear from all whom we would like at the round table. We reemphasize that each one of

you has an interest in this subject. You are knowledgeable on the subject. You can make very helpful contributions to the subject.

We are going to keep our hearing record open until August 20 for all those persons who might wish to file written statements.

We come to an exchange of ideas and suggestions for future action by the two subcommittees involved in this study.

Now each speaker will give his name and title. No panelist needs any indoctrination on this subject. I commend you, I know of your backgrounds. Copies of the statements made in the hearings last week are before you for your later study. Copies of all the hearings will be supplied when printed.

I hope we can set 1 p.m. as a tentative target for completion of our hearing. After we have heard Dr. Sheppard's statement we will hear the six reports in alphabetical order; Representative Scheuer, does this plan fit in with your thinking and your schedule?

Mr. SCHEUER. Certainly.

Senator RANDOLPH. We will begin. Dr. Harold Sheppard will be our first panelist.

STATEMENT OF DR. HAROLD SHEPPARD, SOCIAL SCIENTIST, UPJOHN INSTITUTE FOR EMPLOYMENT RESEARCH

Dr. SHEPPARD. Thank you, Senator Randolph. I want to thank you for having given me an opportunity to renew our acquaintanceship again from the time I was with the Committee on Aging when it was first created. I hope I can do justice to the detailed testimony presented in the last 2 days. I know I can't. I am going to be accused of editorial selection in terms of my own professional and personal biases.

The first witness was Secretary of Labor Willard Wirtz. Some of the points I picked up in his testimony had to do with the following: One of his major emphases was on the need for education in the later years and the need for continuous learning.

I think that this brings up a very critical question, something that the Secretary harped on time and time again; namely, that our current employment and retirement patterns in the 1960's might not make sense by the year 2000 and that we should be acting and planning now to prepare for that eventuality.

This also relates to the need for midcareer retraining and the selection of a new career in one's middle years. That was brought up, for example, the following day by Miss Eleanor Fait, who is in charge of the older worker program for the California State Employment Service.

She runs across this phenomenon time and time again, people who are unhappy with the careers they have had, sometimes successfully for 10 to 20 years, and want to change.

We are doing nothing to structure our learning and job opportunities to meet that problem.

On the research side, and this affects what we can do in the way of policymaking, we have been living for too long with the broad category of the 45-and-older worker.

We need, and I think Dr. Louis Levine, the former Director of Employment Service, also pointed out that we will need now and in the future more detailed age breakdowns in our research, including Gov-

ernment reports, in order to make more sense out of current policies and to make decisions about new programs.

We now have several older worker specialists placed in various offices of local employment services. We now find, however, that these people have not been trained primarily in the field of what is now being called industrial gerontology.

Many of them have been trained as competent counselors, for example, but where do most counselors get trained? They get trained in colleges of education which are concerned with problems of youths and adolescence. There might be a special area of knowledge needed here and I will come back to that with some later comments.

Prof. Oscar Kaplan from California gave excellent testimony on, again, the needs in the future for new work roles of people in their fifties, maybe people in their sixties and seventies, as we move into a period where our medical services make it possible for people not only to live longer but to live better while living longer, and that we might need to have a radical shift in our retirement and employment policy.

Dr. Kaplan also pointed out that simultaneously we are getting less physical stress in our technology and in our jobs which reduces one more barrier that has been used against the hiring of older workers.

White-Collar Workers as Well

I think it is important also to point out that we are not talking just about blue-collar workers when we deal with the older worker problem. Increasingly we are recognizing that managers, perhaps more so than blue-collar workers—I think Professor Grace may have pointed this out—that the blue-collar worker is perhaps better off because he is willing to recognize that he has job problems whereas the older white-collar worker and managerial type has difficulty in facing up his situation.

I have with me, incidentally, a report by a professor who studied the layoffs of engineers and scientists in the defense industry in California, pointing out that age was the major reason for their employment problems, and not competence as measured by degrees, participation in professional organizations and articles they had written, and so forth.

We need a lot more basic knowledge on the relationship between work capabilities and age—and not the superficial type of testing that we have been using in the past 10 to 20 years, as indicated in Charles Odell's testimony.

Mr. Odell is the current Director of the U.S. Employment Service and a person who I label as a pioneer in the field of industrial gerontology.

We gerontologists are lucky in his being selected as Director of the Employment Service. One of the major stresses in his testimony was on the need for a structured continuum of services to older workers. I won't spell those out but I will merely list them.

First, a job counseling and placing component; second, a skill training component; third, a work and training component; fourth, a volunteer service component; and finally, a retirement counseling component. All of these are important.

Finally, Miss Eleanor Fait dealt with some of the research needs in this field of applying and providing services to the older worker and including recognition of this need for a possible change of career as one reaches his middle forties, late forties, early fifties.

Now I would like to briefly discuss some important needs in research and demonstration in the field of what is now called industrial gerontology.

In doing this I want to concentrate on those research needs related to the practical problems of older workers themselves and to the practical problems of men and women interested in or responsible for the implementation of ideas and policies designed to prevent or reduce the penalties of growing old while still desirous and capable of belonging to the prosperous minority in the American population. The prosperous minority is the 40 percent or so of our total population which belongs to the labor force.

Thanks to the recent legislative action of Congress through its passage of the Age Discrimination in Employment Act, I believe we now have an atmosphere in which research in industrial gerontology can no longer be treated as a form of academic luxury.

Employers Need Technical Help

First of all, employers increasingly are going to need a variety of technical assistance efforts to help them comply with the new legislation.

Second, Government and nonprofit organizational personnel who are involved in achieving this compliance will also need reliable knowledge and tested techniques in order to make them more competent in meeting the challenges of the new policy.

Third, as a result of these practical needs, research in industrial gerontology will need support in the form of detailed statistics in the specified age groups in the so-called older worker category.

I might add that that sometimes requires more money. It is a word of warning to the Congress. We need more than just a broad classification of 45 and older.

We might need it in such detail as 45 to 49, 50 to 59, 60 to 64, 65 to 69, and so on—cross tabulated by such other variables as occupation, industry, region, sex, and color.

If Congress and the public in general wants to make any judgments as to how effective our legislative, our persuasion and educational programs are in the field of older worker problems, then it will be necessary to collect and record the facts in these kinds of detail.

Fourth, we have been facing over the past decade or so a new and perplexing phenomenon—a trend toward an increasing number of labor force dropouts. Our information today, as it is currently organized and presented, suggests that something is happening among males in their midforties and early fifties as they interact with the forces of a changing world of work. These forces culminate in a subtle and gradual easing out of the labor force, a discouragement process.

This discouragement process, easing out, this dropping out from the effort to seek and find employment, contributes to what we now know as hidden unemployment.

This is a social pathology that can lead to a breakdown in social order and has not yet been appreciated by the establishment. I can re-

fer to some research findings on alienation and extremism among older workers, if need be.

It is my conviction that a good part of American poverty cannot be explained by the oversimplified and uncritically accepted proposition that all the poor are born poor. We need better information about this labor force dropout process. We must learn how and under what conditions it occurs, who is most vulnerable to it, not just for the sake of new knowledge but for the sake of developing new techniques and intervention strategy policies to prevent and reduce this type of social and individual waste.

Fifth, we need more specific knowledge, not general knowledge, that will help us create better placement and selection methods. Here I am moving into what might be called the field of industrial physiology. There is some research going on here in a few private firms such as by Eastman Kodak in Rochester and by a private doctor in Toronto, Canada, Dr. Leon F. Koyl, for the Government of Canada and De Havilland Aircraft.

All of these ideas and research suggestions now have a chance of being aired and supported by the recently formed Institute of Industrial Gerontology, ideas generated over the past decade by such people as Norman Sprague, the director of the National Council on Aging's Institute of Industrial Gerontology; by Charles Odell when he was head of the United Auto Workers older worker program, and there are many others.

These ideas and hopes have been given a great chance of being made into reality, first of all, because of the persistence of people like Norman Sprague, and because it has been given material support by the decision of Charles Odell to have the USES, the U.S. Employment Service, finance some definite projects designed by NCOA's Institute of Industrial Gerontology.

Institute on Industrial Gerontology

I am not going to take the time of this committee to detail these projects. I have taken the liberty, though, of adding to my formal statement an excerpt from the Introduction to the Curriculum Materials for Older Worker Specialists,[1] an introduction written by Mr. Sprague, which outlines the purpose and accomplishments to date of the National Institute of Industrial Gerontology. These include the development of materials for the training of older worker specialists and their supervisors in the USES.

If my knowledge is correct, nothing is being done along these lines to train the personnel responsible for enforcing the new Age Discrimination in Employment Act and this will be necessary.

The institute's achievements also include the sponsorship of a seminar for researchers and practitioners—the results of which are to be published jointly by the NCOA and by my own foundation, the Upjohn Institute.

The NCOA Institute is in reality only a small effort in relation to the total range of services, service needs and research needs, that must be provided and conducted by such a group.

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[1] To be found in app. 5, p. 291.

Its funds actually only amount to $150,000 and by virtue of the various progress to date it has generated demands requiring far beyond that trivial figure.

The new legislation and the development of such professions as the older workers specialists will create greater demand for a sophisticated field of applied and evaluation research that will not be met if researchers continue to experience a poverty of funds in relation to amounts now available for studying and evaluating other programs.

That is the end of my statement, Mr. Chairman.

Senator RANDOLPH. Thank you very much, Dr. Sheppard. We are grateful, as I indicated earlier, for your attention to these hearings, for your counsel, and we will move along now; we may want to talk with you in colloquy a little later.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You requested that special attention be given to training programs for those expected to train older workers. How would you proceed in this effort?

2. May we have a copy of the report on unemployment among engineers and scientists in California defense industries.

3. To judge by the number of suggestions received during three days of hearings, it would appear that much research is needed about older workers and their problems. Do you believe that a comprehensive research plan could be developed with definite goals to be achieved within a given number of years? Do you believe that the Institute of Industrial Gerontology is now proceeding in that fashion. If not, should the functions of the Institute be broadened? Or do you believe that the Institute should work with government agencies and private organizations toward what might be called a 5- or 10-year plan to provide answers needed in this area?

4. How would you go about implementing your recommendation that the broad classification of older worker (45+) be superseded by categories such as 45 to 50, 50 to 55, etc. Can this be done by Department of Labor policy declaration, or is more needed?

5. Can you give us a few examples of what you mean by "hidden unemployment."

6. To whom should we write for more information on the examples you gave of action in industrial physiology?

(The following reply was received:)

1. I have no precise, fixed suggestions on how to proceed in training programs for trainers of older workers. One way might be to offer special stipends, fellowships, etc., among candidates for industrial arts (and vocational education) certificates and degrees at selected universities; or special in-service incentives to vocational instructors already in educational systems. All this might require, first of all, an intensive re-training of current instructors of such candidates, starting out with a small number under the tutelage of such authorities as Meredith Belbin, of England, and his equivalents in the American educational and research circles.

3. I believe the Institute of Industrial Gerontology could be instrumental in helping government agencies and private organizations to map out a 5 to 10 year comprehensive program of research on the problems of older workers, by perhaps being asked to select a senior research planning group whose advice, partly as a result of close consultation with government agencies and other organizations, would be taken seriously, and not in just a pro forma fashion.

4. In order to obtain detailed age classifications of data concerning the "older" worker, more than a policy declaration is needed. The broader the age groupings, the smaller the total sample of household interviews, for example. If we want such categories as 45–50; 50–55; etc., more cases are needed, and this costs

money. But this should be attempted at least on a less frequent but periodic basis, e.g., every other quarter, or ever other year, etc.

5. "Hidden unemployment" can be exemplified by those cases of persons who, after some period of discouragement in their job search, stop looking for jobs and thus are no longer technically defined as unemployed in official statistics; or by persons, again for the same reason—discouragement—are old enough to qualify for a public pension and therefore retire—again, no longer technically unemployed, even though their retirement is involuntary.

6. Dr. Charles Miller, of the Human Factors Group, Eastman-Kodak Company, in Rochester, New York, would be an excellent source for direct information and further leads in the field of industrial physiology.

Senator RANDOLPH. We are very happy that coming over from the other side of the Capitol is our Representative James H. Scheuer, of New York. We are going to have his opening remarks and then later, Representative, we will have the privilege of colloquy with the persons who are here.

STATEMENT OF HON. JAMES H. SCHEUER, A MEMBER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE STATE OF NEW YORK

(The prepared statement of Representative Scheuer follows:)

PREPARED STATEMENT OF REPRESENTATIVE JAMES H. SCHEUER

I am happy to join this panel on employment problems of the aging and the adequacy of services to older workers.

As the representative of a District with twice the national average over 65, I am fully aware of the many problems the elderly have to face in America in 1968.

The dream of a blissful retirement in the Florida or California sunshine is only a tantalizing dream and a cruel hoax for the majority of senior citizens in our society. But in many ways this is all to the good. For the sooner we move away from the concept that the purpose of retirement is to spend the last years of one's life sunning oneself in a chair and reading the morning and evening papers, the better it will be for both society and elderly people.

The deck-chair and sun patios may look fine on the covers of the Florida and California retirement home brochures, but the reality is very different from the picture and the dream.

Isn't it time we ditched the idea that a man and woman has no further contribution to life and society after he reaches the mystical age of 65?

Why do we still accept this myth in an age in which a 78-year-old de Gaulle still runs his country with an apparently firm hold on the levers of power, an 87-year-old Picasso is still opening up new paths in art, a 92-year-old Pablo Casals produces new interpretations of the great composers, and a 77-year-old Averill Harriman represents our country abroad in grueling negotiating sessions with toughness and vigor.

None of these people need to work. On the contrary, they earnestly desire to contribute their talents and energies to our society.

Surely this is the approach we should encourage all elderly people to follow. At the present time we do the reverse. People are expected to retire. Only the famous, or the unfortunate people with an inadequate pension, are expected to continue to work.

Why should we arbitrarily cut off the invaluable contribution elderly people could make to our society? Why are we so intent in making the lives of most people over 65, meaningless and purposeless? Why are we so intent in denying society the benefits of experience and wisdom which comes with old age?

As the author of the New Careers program, I believe it has an unlimited potential for meeting the employment needs of many elderly people. To date the program has concentrated almost entirely on unemployed young people. I believe it should now be extended to meet the problems of the middle-aged and the elderly.

We must reverse these attitudes. And the earlier the better. The situation of many old people is desperate. The office in my District is inundated with calls for help from old people, searching for work but unable to find any. Many of these people are in financial straits which makes their plight even worse than the people who are only looking for work to create a more purposeful life.

CRUCIAL GROUP: 50 TO 65

A particularly crucial age group for the unemployed is the people between 50 and 65. Ineligible for social security until 65, the unemployed worker over 50 often has great difficulty finding work because of the discrimination against the older worker in our society.

Last month, however, a nationwide pilot project was launched in my district to provide jobs for these middle-aged people and for the more elderly in the field of social services. More than 400 jobs will be provided in 10 areas in the nation under two one-million dollar Labor Department programs. One program being contracted to the National Council of Senior Citizens and the other to the National Council on the Aging.

The programs will not only benefit the old people but also the social services, both private and public, where there is a tremendous manpower shortage.

Although the programs are designed as a pilot project, I hope the Labor Department will study means of providing continuing employment for the people employed in the project.

I hope they will go one step forward and adopt the essential concept of the New Careers program, to provide a career ladder so that those employed in the project have an opportunity to advance.

The need for jobs that are more than mere jobs, jobs that allow for growth and change, jobs that are concerned with the needs of the worker as well as with the needs of the society, is one that the New Careers Program is peculiarly effective in meeting.

While it is neither desirable nor feasible to provide a career ladder with four, five, or six promotion steps for the middle-aged worker, there is no reason why there should not be ladders with one, two, or three steps.

As for people over 65-years old, provisions must be made to keep job opportunities open—particularly part-time jobs.

New Careers can be the new horizon, not only for youth but for the middle-aged and elderly. My good friend and colleague, Frank Riessman, will deal more specifically on how the New Careers program can meet the needs of the elderly and the problems which will have to be overcome.

Mr. Chairman, it is right that we are concerned with the unemployed teenagers and youths in our society. But we should not forget the elderly. There is a tendency in our society to reject the old and familiar—that is all right for cars and washing machines, but we must be on our guard that it does not extend to people.

Mr. SCHEUER. I would like to speak very, very briefly and say, to rob a few phrases from the previous speaker, I think you could sum up our problem by saying there has been a fractionalization of the structure of continuum of our intervention policy. Translated into the King's English that means there is something wrong with the Federal programs because they ain't coming from the field.

I think we are going to get some very interesting statements today on the needs of older people, the desperate plight of some, the tragic plight of many, the particular plight of the 50-to-65 group where they are too young for social security but too old in many cases to have a meaningful, attractive job.

I hope we will learn something of the marvelous programs that the National Council of Senior Citizens and National Council of Aging are carrying on with a $2 million Labor Department grant in bringing social services to senior citizens via the senior citizens themselves.

I am sure that will come up in the conversation. We will also hear from Sol Barkin about the policy of the OECD, the policy statement on older persons which a Commission on Manpower he chaired in Paris a number of years has devised.

I would also like to say a word from another point of view that I hope will be hit on and that is the desperate need in our society for the contribution that older people have to make.

I am sure Frank Riessman and others will be hitting this, too. But we have an enormous manpower need in social services, public social services, that isn't being filled; to some extent because we have not allocated the dollars and resources to provide those services but to a significant degree because we don't have the trained manpower available.

There are 500,000 jobs at State, county, and municipal levels that are budgeted for and unfilled today because we don't have the trained manpower to fill those jobs.

If you will take a look at the new concept current today in the field of health services, the new concept of neighborhood health services on the block level, the new concept of education extending both below and above the normal education, the normal structured continuum of education, again to do obeisance to the professionals here, where we now have a virtually 25-percent increase in the elementary and secondary school years.

If we go to a Headstart program that starts at 2 and goes to 3, 4, and 5, you add a 25-percent increase in a 12-year education continuum.

How am I doing?

Dr. SHEPPARD. Very good.

Mr. SCHEUER. If you start talking about a universal postsecondary education system as I and many other Members of the House and Senate are doing, I hope that in this year's higher education bill we will have a Presidential Commission on Universal Postsecondary Education that I sponsored on the House side of the Congress and Senator Yarborough sponsored on the Senate side, but when you think of the enormous increase in our education years, both preschool and extending down and postsecondary extending up, if you contemplate the depth and scope of these new education services in which they are not only going to embrace the young preschool child but his older siblings and his parents and invades the home and has a positive influence on the home, if you contemplate the impact of the Coleman Report on Education Manpower Needs and the necessities involved in the parents making the home a broader place for education, you will see the desperate manpower needs in the field of education and in the field of health services, the whole concept of taking health services to the neighborhood and making it part of the life on the block.

The desperate need in the one area alone of family planning services. Less than 15 percent of the women in childbearing years who need family planning services are getting them in our country today.

DESPERATE EDUCATION SERVICE SHORTAGES

If you consider that need and the desperate education service needs you will see we have a manpower need that we can't possibly meet through professionals in the normal profession years.

We know through various experiments in our poverty program and in our Headstart program, in the Elementary and Secondary Education Act, various title I programs and title III programs, that our elderly people can serve a vital function in expanding a cadre of public service professionals and aids.

We know that other people can work beautifully and richfully with school-age kids. We know that elderly people can work with teenage

children who are in trouble. We know they can serve in rehabilitation efforts, counseling young kids who are in trouble.

I would like to look at the problem of galvanizing the elderly and giving them productive and useful and meaningful roles in our society not as one of charity, taking care of their needs, but one of helping them take care of our needs.

I think it is useful to look at it on that basis. I think that that is certainly an approach which is likely to strike a sensitive chord in the American public and the Congress which ultimately will have to provide the funds.

Senator RANDOLPH. Thank you very much, Representative Scheuer. You are very helpful and you are very pointed in your remarks.

In fact, I think you should sit with our subcommittee in the Senate. We would find your assistance of real value.

Mr. SCHEUER. If you would be willing to have a quiet chat with Governor Rockefeller on that subject maybe it could be arranged.

Senator RANDOLPH. We are happy to welcome Solomon Barkin back to the Hill. This is his first appearance for a considerable time from the University of Massachusetts to discuss with us retraining and job design.

STATEMENT OF SOLOMON BARKIN, PROFESSOR OF ECONOMICS, UNIVERSITY OF MASSACHUSETTS

Mr. BARKIN. Thank you, Senator Randolph. It is a great pleasure to appear before you. This is my first opportunity in some 6 years to appear before a committee; a congressional committee.

This subject is a most appropriate one. I am particularly delighted that we are now discussing constructive action in this field.

The problem of older worker employment became one of public note back in 1870 and then at the beginning of the century when the phrase was coined of "scrapping at forty." We have been mouthing these phrases for many years. Those of us who have been fighting both against the discrimination and for positive action found our efforts unrewarded until the passage of the present act.

We are very delighted, of course, to be able to turn to positive programs for our outlets for converting antidiscrimination into an employment program.

The United States is prepared to initiate positive programs for the employment of older workers now that it has enacted a prohibition against discrimination of these persons in employment.

The punitive approach must now be coupled with programs for facilitating the profitable employment of older persons. The object of the legislation is not merely to eliminate unworthy prejudices, but primarily to advance the employment of these persons.

It rests on the conclusion that older individuals encountering difficulties in getting employment will be found to be qualified, and fully productive or that through their appropriate or personal adaptation or that of the job they can also reach this stage and make substantial contributions to our economy—and meeting Congressman Scheuer's broad vision program, the extension of our social services.

The goal is not just to get a job for these persons but to advance them to the most productive employments to which they can be guided.

Emphasis on a Positive Approach

In pursuing this positive approach toward the continued employment of older persons, the United States has a number of decided technical advantages over other advanced industrial nations though, of course, we still suffer from a relatively higher level of unemployment and have a large uncounted reservoir of potential recruits for the labor force.

By mounting a positive program, and implementing it effectively we shall be contributing to world knowledge in this area.

We would thereby help these other nations move ahead from their relatively unproductive appeals for the employment of these persons and the unimaginative and possibly even self-defeating efforts at setting up quotas or job reservations for older workers.

This field has for many years required new ideas and practices and this country is now in position to advance them.

In fact, many of the things I will be talking about today were urged back in 1938, 1939, 1952, and 1953 and we were laughed at in those days. Fortunately, we are now prepared to discuss these seriously.

The national technical advantages are clear. First, we have not only banned discrimination on the basis of age but our Nation and employers have also broadly accepted the principle of employing a cross section of the population, including those whom we do now identify as disadvantaged.

It is more than 10 years since the National Planning Association on behalf of a multi-interest group including employers and trade unionists proclaimed this principle. But it required a social crisis and labor scarcities to project the practicality and social and political necessity to secure public commitments on its implementation. But we have finally attained this stage.

Second, management and the Government have learned that positive "outreach" or employee recruitment programs coupled with deliberate training efforts and job redesign can bring hundreds of thousands of so-called marginal persons to a higher level of productivity and competence; such efforts are moreover financially rewarding.

Management has learned the very simple lesson that jobs are clusters of duties to be arranged through job design to suit the people in the labor force, a simple idea that is very often forgotten.

The advocates of the special-interest groups among the disadvantaged—whether it be the poor, ethnic groups, the physically and mentally handicapped, the medically limited, women, youth and older persons—now realize that their cause is one; the basic principles for attaining their goals are similar.

They must promote and facilitate imaginative personnel recruitment, and human resource and job development to accommodate people and the nation's and employers' preeminent concern for growing productivity and efficiency. The specific programs for individual groups or plants or jobs may be transitional but the program of job redesign and of appropriate training method must be permanent in character, ready to aid individuals and employers for the positive alinement of men and jobs; fitting the man to the job and the job to the man.

Third, we now know many of the basic principles for the retraining and job design for older persons and other disadvantaged groups.

We learned this the hard way in the face of great skepticism. We have acquired the technical know-how for their implementation to older workers. Moreover, a number of professionals are available who can become the nucleus for conducting further experiments and proselytizing the use of these programs.

Such positive efforts are essential to the very operation of the Antidiscrimination Act. We want employment for older persons and employers have to be persuaded that they can productively and profitably employ such workers. Otherwise, the results will at best produce token or overt compliance with the act.

Moreover, and this is extremely important, the very agents enforcing the act may become excessively legalistic and at worst punitive without producing the desired results.

Much of the criticism of State and local efforts at enforcing similar prohibitions stems from this same failure to look to positive programs of or patterns to aid the employers.

The repression of discrimination of the older person will not automatically create employment for them.

Before considering our specific techniques for extending the range of employability of older persons, it must be stressed that the majority of them carry on their normal work duties very proficiently and that their performance is as good as and often better than that of younger persons.

This conclusion has been borne down upon us over the centuries but needs constant repetition. Older persons do suffer a decline in physiological responsiveness to stimuli and do react differently than younger persons but these are generally irrelevant to performance at most jobs.

Rarely do jobs call for the use of a person's maximum capacity. People are able to adjust their methods of working to severe demands and strains by making their own personal accommodations or by adapting their own nonprofessional life patterns to the need of sustaining job performance.

It is when these are constrained by the nature of the job or the world in which the person lives that problems truly arise.

Moreover, there is a great variability among individuals and because of the continuing improvements in the conditions of life and rearing of people, the effective range of capacity is being broadened for the older cohorts.

Job Training and Redesign

Two major positive techniques are those of job training and redesign. The first is concerned with the preparation of persons for jobs and is the more universal.

For those who were not previously sensitive to individual differences in requirements—that is the key—recent endeavors under the poverty program should have reemphasized them.

Education, training, and social adjustment are closely interconnected in preparing people for their work life. One pattern will not

do for all. Therefore, it is essential to determine the method of training which would be particularly appropriate for older persons.

This basic lesson is one that many people didn't recognize and is the cause of the failures of past programs of training for older people.

The search for new underlying methods grew out of the conviction that more appropriate methods would eliminate much of the alleged difficulty in their training.

Fortunately, our research to date confirms this hypothesis and shows us the direction for building the new methodology. The traditional training procedures were developed to serve the very young and probably those who are theoretically oriented.

Exposition and presentation of theory to be followed by later application does not appear to be appropriate for older persons. Experiments conducted under the auspices of the Social Affairs Division of the OECD in four different countries including the United States point to the conclusion that problem-solving procedures which knowledge and skill help adults learn more quickly where there is a discovery situation conducive to creative learning.

According to this procedure they are able to consolidate and retain the knowledge or skill they acquire.

Under the discovery method, as this procedure is known, the individual is presented with a series of tasks to be handled at his own pace, in terms of his own background, experience, and know-how with a minimum of verbal instruction and physical demonstration.

The primary tool is a series of graded tasks in which the learning schedule is divided.

Good methods must be assisted by other conditions for effective results. These include relief from financial concerns respecting himself and his dependents and an assurance of a job at the end of a successful training period. Some individuals need supplementation of education and other assistance. The training setup should also minimize disturbances and distractions for the learner.

The U.S. demonstration of this method in New Haven, Conn., involved 242 subjects who spanned the ages from 23 to 65 years and who were trained in electrical work, data processing, and machine shop work. The older trainees achieved results at least equal to those of the younger persons prepared by the traditional methods.

A film is available reporting the training and the performance at this demonstration. It was recently reported that further efforts were contemplated in extending the application of this training technique.

Another significant approach to extending the employability of older persons whose productivity may be declining or who find that particular jobs become too strenuous and demanding is that of fitting jobs to people.

We are increasingly aware of the utility of this procedure in industry though the military and the airspace manufacturers have been the primary and almost exclusive users of human factors engineering in the design of equipment and buildings.

The particular challenge we face is that of designing jobs to fit older persons.

MODERATING STRESSES AND STRAINS

And in the paper I have presented here and in other references I have illustrated the research, the experiences, the practical experience we had in accomplishing this. The task is to moderate the strains and stresses in the work environment, design and layout of equipment, work place, and the organization of work so as to reduce the pressures which are deleterious to the older person.

Generally, his ability to carry them has been reduced by his lowered reserves. The techniques for achieving this objective are numerous and will differ from job to job. In some cases it involves increasing sensory stimuli to facilitate the recognition of signals; in other cases it may be desirable to mechanize specific operations, add auxiliary tools and services, alter positions or reallocate work duties among the existing job classifications or create a new hierarchy of jobs, of which the "new" career movement" is one illustration.

The experience in the United States with this technique has been summarized on several occasions, the last one being a recent special report by the U.S. Bureau of Labor Statistics entitled "Job Redesign for Older Workers" made as part of an international survey conducted by the Social Affairs Division of the OECD. One of the distinct advantages of these adaptations for older persons is that they tend to redound to the benefit of the entire staff and many of those which have been utilized have been simple in nature and low in cost.

The fact is every time you do it to the older person in this case it also redounds to the benefit of all other employees. I may say during the years I spent as head of the Department of Social Affairs in the OECD we have not only written about these matters but have also produced manuals and reports on the national experiments in five or six countries illustrating how this may be accomplished and how in fact this was accomplished.

In conclusion, the use of special training techniques for older workers and job redesign are positive parts of a program for extending the work life span of older persons. They are new and have not been widely known or applied. They have to be specifically promoted; demonstration projects are essential; positive experience must be reported and broadcast; information on the principal methods of application and case studies must be released. Government leadership is essential in theses fields.

Incentives should be offered to industry to apply these programs and management must be trained in their use. Progress will not be spontaneous. Advances will come slowly after diligent experimentations, demonstrations, and promotions.

They can be made the positive methods for realizing the fundamental goals of the present Age Discrimination in Employment Act which is the more extensive employment of older persons.

Thank you very much.

Senator RANDOLPH. Thank you very much, Professor. You are stressing the partnership between industry and Government—the understanding between all elements. We shall read very carefully your paper and appreciate your cooperation in presenting most of it but it will all be made part of the printed record.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. In the statement you submitted for our record, you stated that one of the points made in the report by the Bureau of Labor Statistics on "Job Redesign for Older Workers" is that adaptations for older persons "tend to redound to the benefit of the entire staff". Would you please explain how workers of other ages benefit? Do they benefit in a greater feeling of security, knowing that when they, in turn, become older workers, management will make a similar effort to redesign jobs to fit their capabilities?

2. Should the Federal government play a more active role in job redesign for older workers than it is now playing? If so, what should it do that it is not now doing?

3. Do you believe that the "Age Discrimination in Employment Act of 1967" will give an impetus to job redesign for older workers? Might employers who employ older workers in compliance with the Act be motivated to redesign jobs to fit their capabilities?

4. Should the Department of Labor maintain a full-time corps of specialists in job redesign for older workers to render free advice and assistance to employers who are willing to redesign jobs but who need such advice and assistance to do so?

5. Can you provide the Subcommittee with a summary of the OECD experiences in such form that we can include it in the hearing record?

(The following reply was received:)

1. Workers of all ages it would appear tend to benefit from job redesign because our experience to date indicates that the diminution or the elimination of strain or exacting demands reduces the pressures on people of all ages. The lower pressure may or may not improve the productivity of young persons; the results will vary among situations.

2. The Federal government should play a more active role in job redesign by stimulating demonstrations, encouraging employers to engage in such practices and also by publicizing the actual experience in the field.

3. The "Age Discrimination in Employment Act of 1967" will not of itself, I believe, activate employers to initiate programs for the redesign of jobs to fit their capabilities. Basically, the act seems to eliminate restraints on and employment of these persons.

4. I believe that the U.S. Department of Labor should maintain a series of specialists in job redesign for older workers who would offer free advice and assistance to employers willing to redesign jobs. Many employers may be encouraged to initiate such programs and would benefit from such counsel. Without such aid employers might not even have the confidence in their ability to or may even doubt the feasibility of redesiging jobs to maintain the productivity of older workers.

5. The OECD report on job redesign by Mr. Marbach has been published in a separate volume. You may wish to examine it to develop a series of extracts. You may obtain a copy of the report from the OECD Distribution Center in Washington, D.C.

Senator RANDOLPH. On-the-job training will be discussed by Edward Jakubauskas. If you will identify yourself, Mr. Director, the institution with which you are associated, we will be delighted to hear your statement.

STATEMENT OF EDWARD JAKUBAUSKAS, DIRECTOR, INDUSTRIAL RELATIONS CENTER, UNIVERSITY OF IOWA

Mr. JAKUBAUSKAS. Mr. Chairman, I am Edward Jakubauskas, professor of economics and director of the Industrial Relations Center at Iowa State University. I am also a member of the Iowa Commission on the Aging.

Rightly or wrongly most employers prefer younger to older workers for most occupations. Younger workers give the employer greater

flexibility for promotion and career advancement, are often better educated, and appear to the employer to be more adaptive to change.

As long as the older worker is able to maintain job security through seniority, collective-bargaining provisions, or a high level of skill and experience, he is able to avoid the hazards of unemployment and poverty.

If, however, an older worker loses this protection through displacement, layoffs, or plant shutdown and, if, in addition to the handicap of age, he is also unskilled, poorly educated, or possesses other barriers which reduce his desirability to the employer—there is a great probability that the older worker may work only on a casual basis—or not at all—for the rest of his life.

Social scientists have become aware of the existence of a large body of so-called unwanted workers in our society who are seriously handicapped in finding jobs in the labor market.

These unfortunate workers have been termed the "hard-core unemployed," the "long-term unemployed," and more recently, the "discouraged workers."

On-the-Job Training and Reemployment of the Older Worker

One program, not specifically designed for the unemployed older worker but which merits consideration in this area, is the on-the-job training program administered by the U.S. Department of Labor under the provisions of the Manpower Development and Training Act.

Under OJT, unemployed and underemployed workers are trained directly by the employer at the job site. The employer is reimbursed for training costs, and the employee receives a wage—at or above the Federal minimum—while learning his job.

OJT is particularly effective for the unemployed older worker who may be either unprepared for or fearful of attending classroom training prior to reemployment.

Another advantage of OJT is a sliding scale of training payments to the employer. The greater the training or employment handicap that an individual has, the greater is the payment to the employer. The Iowa OJT program provided for a maximum of $25 a week for a period of 26 weeks per trainee.

OJT provides experienced job developers who seek out interested employers in the labor market, and also counselors who are concerned with the special problems of individual trainees.

The Iowa OJT Program

In 1966, the Iowa Manpower Development Council, operating under the Governor's office, contracted with the U.S. Department of Labor for a statewide OJT program. An analysis and evaluation of this program is being conducted by the Industrial Relations Center at Iowa State University.

One segment of the evaluation is concerned with the effectiveness of OJT in facilitating the employment of older workers in the labor market.

During 1966 and 1967, the Iowa OJT program processed 123 applicants who were in the 45-to-65 age group. Of these, 53 were placed as trainees with employers, while 70 had not been placed. Of the 53 who were placed, 10 dropped out—or were requested to leave—before training was completed.

Characteristics of the Older Worker OJT Trainee

All applicants to the OJT program, particularly the older group, are seriously handicapped in their labor market activity. Referrals are made to OJT primarily from welfare agencies, community action agencies, State parole board, correctional institutions, as well as walk-ins who have failed to secure employment through other channels.

Within the age group 45–65, the typical applicant appeared to be a 52-year-old white male who was married with about two dependents. With 10.4 years of education he was unskilled, and had been unemployed 5.3 weeks before applying for OJT—in a labor market characterized by severe shortages of labor.

At the time of application he had been receiving no unemployment compensation benefits, welfare, or other relief. Many, however, had been applying for welfare at the time that they had been referred to OJT.

Many of the applicants had been either physically or socially handicapped.

Thirty percent of the group had 8 years or less of education, while 36 percent were considered to have other handicaps in addition to that of age.

Characteristics of Subcontracting Employers

These were 20 OJT subcontractors, eight of which were public agencies. These public agencies trained 64 percent of the older workers. Five of the 12 nonpublic contractors were unionized.

There seemed to be no specific pattern as to size of firm that was willing to take the older worker. The range of work force size for firms was from 7 to 2,800.

The occupations for which the older workers were trained are shown in the following list. (The asterisked occupations indicate heavy utilization for training purposes):

*Custodian
*Delivery truckdriver
*Nurse's aide
*Welder
*Cottage parent in State institution
*Mobile home installer
*Ward attendant
*School assistant
Inventory control clerk
Sewing machine operator
Materials handler
Correctional officer
Dietary aide
Die casting machine operator
Auto mechanic helper
Feed grinder
Cook
Tailor

Wages paid to employees were at or above the Federal minimum wage. Provision was also made for at least one wage increase during the training period.

Characteristics of the Placed Versus Unplaced OJT Trainee

As we compare the placed group of 53 trainees with the 70 who remained unplaced, we find the following differences:

The placed group (in comparison with the unplaced group):

(*a*) Is slightly younger;

(*b*) Has a higher educational level;

(*c*) Has fewer handicaps (26 percent of those placed were handicapped versus 44 percent of those not placed);

(*d*) Has slightly more females;

(*e*) Has slightly more whites (68 percent versus 63 percent);

(*f*) Indicated less interest in mobility (20 percent versus 40 percent of the unplaced indicated an interest in relocation);

(*g*) Received less outside income (6 percent versus 16 percent received unemployment insurance; 13 percent versus 26 percent received welfare or other allowance); and

(*h*) Had a more stable marital relationship (19 percent versus 33 percent were divorced).

These differences are, of course, merely suggestive and should not be interpreted as statistically significant.

The Dropout Group

As indicated above, 53 workers were placed in a training situation. Of these, 10 dropped out or were asked to leave.

The dropout group (in comparison with the group that completed training):

(*a*) Was younger;

(*b*) Had less education;

(*c*) Had greater disability and handicaps (40 percent versus 23 percent);

(*d*) Had greater interest in relocation;

(*e*) Received more outside financial assistance (20 percent versus 2 percent received unemployment insurance; 30 percent versus 9 percent received welfare or other assistance); and

(*f*) Had a much higher rate of marital instability with 40 percent of dropouts being divorced versus 14 percent of those completing training.

The Unplaced Group

Unfortunately, we do not know why the 70 older workers were not placed. We might hypothesize that some were just inquiring about the program, others received employment elsewhere, while possibly many were simply too handicapped to be placed in an employment situation.

There was no research built in at the time that this program was launched, and consequently much valuable data was lost or not available at the present time.

(The following table summarizes the characteristics of applicants, placed trainees, and unplaced individuals under the Iowa OJT program:)

OLDER WORKER CHARACTERISTICS BY TRAINING STATUS IN PERCENTAGE FIGURES: IOWA OJT PROGRAM, 1966–67

Number of applicants placements, and unplaced applicants, aged 45–65:

Applicants	123
Placements	53
Completed training	43
Dropped out or fired	10
Unplaced applicants	70

[In percent]

Characteristics	Overall	Unplaced	Placed	Completed	Dropped out
Age:					
45 to 51	53	51	55	46	90
52 to 58	34	34	34	42	0
59 to 65	13	15	11	12	10
Education:					
8 or fewer years	30	31	25	26	20
9 to 11	29	24	36	30	60
12 plus	41	45	39	44	20
Race:					
White	65	63	68	67	70
Nonwhite	35	37	32	33	30
Sex:					
Male	68	70	66	65	70
Female	32	30	34	35	30
Marital status:					
Married	61	56	68	77	30
Single	12	11	13	9	30
Divorced	27	33	19	14	40
Handicapped:					
Physically	28	33	21	19	30
Socially	19	20	7	5	30
Unidentified or both	36	44	26	23	40
Relocate:					
Yes	33	40	20	17	33
No	67	60	80	83	67
Unemployment insurance:					
Yes	11	16	6	2	20
No	89	84	94	98	80
Welfare and other relief funds:					
Yes	20	26	13	9	30
No	80	74	87	91	70

Mr. JAKUBAUSKAS. Some tentative conclusions and recommendations:

Keeping in mind that we are dealing with a very small sample in a training program which was not designed solely for older workers, we nevertheless feel that the U.S. Department of Labor's OJT program can be a highly useful, efficient, and low-cost instrument in assisting older workers to return to meaningful employment in society.

OJT is particularly useful for the older worker who is:

(1) Not too severely disabled;

(2) Not suited or motivated for a classroom training situation;

(3) Unfamiliar with the complexities of searching for a job in the labor market.

It should be kept in mind that each of the 43 older workers completing training cost the taxpayers no more than about $600 each. This is the maximum for each trainee. Many were placed at a lower cost than the maximum level.

A one-third placement rate—43 successful completion out of 123 applicants—is, in our estimation, an indication of success, inasmuch as the program was dealing with a very difficult group of workers.

Our experience with the Iowa OJT program indicates that there are many employers who are willing to hire older workers if a training subsidy is made available to help offset training costs.

Our experience also has shown that even with an overall shortage of manpower in a labor market there are older workers who are severely handicapped in the process of seeking reemployment.

Therefore, there are four recommendations that we would like to suggest to the committees of the Senate and the House concerned with this problem:

(1) That State commissions on the aging work with other agencies in developing an inventory of employers who would be willing to hire older workers under the OJT program;

I don't think it is enough to pass a law outlawing discrimination. I think something in addition to this is necessary, something positive, that we seek out employers who are willing to hire older workers, either under this program or directly without a subsidy.

(2) I recommend that State commissions on the aging work with other agencies in developing a roster of older workers who are interested in obtaining meaningful employment but who find themselves severely handicapped and unable to secure jobs;

We find a piecemeal type of approach. There are older workers on many lists of different agencies. There is no clearinghouse which is able to focus all of the resources of the community upon the needy older worker.

This should not be misinterpreted as a call for State commissions on the aging to duplicate live services performed by other agencies. A coordinating role is recommended to facilitate the development of an "outreach" system to locate the discouraged older worker, and also to coordinate the large number and variety of services which are needed to provide for the reemployment of the older worker.

(3) The third recommendation is that OJT funds be expanded and a portion of the appropriation be earmarked for older workers;

(4) That a portion of OJT funds be allocated to a built-in evaluation, research, and followup of OJT applicants, those placed, and those who drop out of the program.

We have found that in many cases records are not suitable. We knew very little about the 70 people who were not placed in this program. This would have been in our estimation vital information for the committee.

Obsolescence of capital equipment is recognized as a cost of doing business. In like manner, obsolescence of our human capital should be recognized as a cost. It is a cost that is most often borne by those least able to afford the burden. Reclamation of the human resources of our older workers should be a high priority item for our policymakers.

Thank you, Mr. Chairman.

Senator RANDOLPH. Thank you, Doctor. You indicate that there is a resistance, a reluctance by older persons to going back to school and when they have an on-the-job training program this at least in part is eliminated.

Is this correct?

Mr. JAKUBAUSKAS. Yes, Mr. Chairman. I think that if training is included as an integral part of the job, once a person is placed, then classroom instruction can be very useful.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. Is the analysis and evaluation of the statewide OJT program (mentioned on p. 3 of your statement) now available? We would like to have a copy when it is possible for you to send it.

2. You recommended that OJT funds be expanded and a portion of the appropriation be earmarked for older workers. To what extent, do you think, should it be broadened? If the program is increased significantly, won't you run into a problem mentioned so often during the hearing: a scarcity of trained instructors who can train others? How did you find the instructors for your own program?

3. You may remember that Mrs. Eone Harger (Director of the New Jersey Division on Aging) expressed some reservations about your recommendation that state commissions on aging work to develop rosters of employers and workers who could be helped by OJT. What is your reaction to her comments?

4. May we have a brief description about the relationship of your OJT project with the overall objectives of the human resources development effort in Iowa?

(The following reply was received:)

1. The final analysis and evaluation of the statewide OJT program is not as yet available. This will be forwarded to you as soon as it is completed.

2. I would recommend a two-phased operation. Phase I would include a training program to develop the necessary job developers, and older worker counselors for the proposed expansion of the OJT program. Although there is a severe shortage of trained counselors who understand the problems of older workers, I do not think that this is an insurmountable problem even in the short run. University extension centers are capable and willing to move in this area if funds are made available and if the need is recognized. I can visualize, for example, a cooperative program in Iowa between the Institute of Gerontology at the University of Iowa (Iowa City) and the Iowa State University Industrial Relations Center to develop qualified personnel for our state, and possibly even our region. The University of Michigan has recently received a U.S. Office of Education grant to train instructors, supervisors, and administrators of job-upgrading programs in 12 states. Two similar programs are being planned for Watts, California and for Washington, D.C. Programs for training older worker counselors could be patterned after these programs, or amendments made to incorporate the training of older worker counselors.

There is another approach which should be considered. There are many retired teachers, school counselors, and retired executives who could attend training counrses at a number of colleges and universities and be retrained as counselors to older workers. A by-product of this concept would be a demonstration of the idea of "new careers for older workers."

OJT funds are, to a great extent, locked into "coupled" programs at the present time. This means that a trainee must first attend MDTA classes before being given OJT. I think that this arrangement is highly suitable for a young person, but that it becomes inflexible for the older worker who is not interested or qualified for classroom training.

After a sufficient number of counselors were developed, phase II would include the establishment of a number of statewide "model-states" older worker demonstration programs. I would visualize that at least 6 states would be chosen giving proper balance to rural, urban, minority group, and other relevant variables. Research-evaluation funds should be built-in so that the experiences gained could be generalized to the country as a whole.

3. My recommendation that state commissions on aging work to develop rosters of employers and needy older workers who could be helped by OJT should not be misinterpreted as a call for duplication of line services performed by other agencies. A coordinating role is recommended to facilitate the development of an "outreach" system to locate the discouraged workers, and also to coordinate the large number and variety of services which are needed to provide for the re-employment of the older worker.

Our experience with OJT in Iowa has shown that the hard-core unemployed older worker is faced with numerous problems which act as barriers to re-employment. No one agency, by itself, is capable of doing an effective job. Working together, public and private agencies in the community can maximize their efforts and reduce the barriers to re-employment. At present, no single agency is equipped to counsel, place, and conduct the necessary followup of the hard-core

unemployed older worker. State commissions on the aging, can, and should, provide needed stimulation and coordination of community services. Otherwise, services to the older worker tend to become secondary to the primary mission of manpower agencies which is usually training or placement. The problem of the unemployed older worker is complex and requires the efforts of agencies that have a special interest in promoting the welfare of older citizens.

4. The Iowa OJT program is administered by the State Office of Economic Opportunity-Manpower Development Council. The two formerly independent agencies have been merged under a single director who reports directly to the Governor of Iowa. On the one hand, OJT is coupled with MDTA classroom instruction under an MDTA coordinating committee composed of representatives from the Department of Public Instruction, Employment Security Commission, State OEO–MDC, and the Iowa Office of the U.S. Bureau of Apprenticeship and Training. On the other hand, since the State Office of Economic Opportunity is responsible for coordinating all Community Action agencies in Iowa, OJT is an integral part of economic opportunity programs in the state.

Senator RANDOLPH. Thank you very much.

Mrs. Elsa Porter is going to discuss the HEW Professional and Executive Corps work.

If you will identify yourself, your position, we will appreciate it very much.

STATEMENT OF MRS. ELSA PORTER, SPECIAL ASSISTANT, OFFICE OF PERSONNEL AND TRAINING, HEW

Mrs. PORTER. I am Elsa Porter. I am Director of the HEW Professional and Executive Corps.

Mr. Chairman, I want to thank you for this opportunity to talk about one of the new approaches that we are taking in the Department to the establishment of more flexible employment patterns.

What we are trying to do through the Professional and Executive Corps is to make the best possible use of the talents and skills available to us in this area. Like all other organizations today, HEW has critical manpower needs. There are simply not enough highly trained people to go around.

At the same time, we know that large numbers of people—most of them women—who have the skills and talents we need are not using them because they can't work the conventional 40-hour week. They may be mothers with home responsibilities that prevent them from working all day every day. Yet they could work during the hours that their children are in school or on days when help is available.

Many older people, men and women, would like to work on a less-than-full-time schedule. They, too, are often forced to choose between full-time work or no work at all.

Our aim is to expand their choices by providing an opportunity for part-time work. We are a very large organization with many different kinds of skill requirements. And it seemed to us that our agencies could adjust themselves to flexible work schedules more easily than these individuals could meet the requirement for full-time work.

By going out of way a little to design jobs for people, we expected that we would find a rich new source of talent. And those expectations have been fully realized during the months that the program has been in existence.

We started last summer with a mandate from former Secretary Gardner to identify the kinds of jobs that needed to be done and could be done on a part-time basis. More than 60 different assignments of a professional or technical nature were identified in that survey.

Then we went out and began to recruit people for these jobs. We had a great deal of help, particularly from an organization called WOW (Washington Opportunities for Women), a voluntary organization which has been active in the area for several years.

WOW had established an association with the U.S. Employment Service and had in its files the applications of several hundred women who were looking for part-time work.

We also had the assistance of the Civil Service Commission, the Urban League, the National Council of Negro Women, and many other organizations, in reaching out and identifying exceptionally talented women who might qualify for the various jobs we had to offer.

Part-Timers Meet All Requirements

We granted no special privileges. Every person that we have placed is eminently qualified in her own right. Candidates for jobs take the regular civil service examinations and are selected on a competitive basis from the registers of eligible applicants maintained by the Civil Service Commission.

This means some women who have been out of school for 20 years come back and take a rigid 4-hour examination. Some of them see that they have to refresh their talents. They have gone back to school, and they will be coming back into the labor force because we have an opportunity for a part-time situation.

Some women were already working part-time in the Department, and on their supervisors' recommendation, they were included in the Corps.

We now have 37 members, five of whom were working before the project began. We have lost four members during the year. Three had to move away from the area when their husbands were reassigned. The fourth, who was the youngest, has insurmountable problems of child care and has dropped out temporarily.

This—the problem of adequate child care—is the greatest problem that women face in getting into the labor market.

All the others are carving out new careers in HEW and from their supervisors' reports are making an exceptional contribution to the work of our agency.

As an example of the skills we are tapping, we have a data systems specialist, a city planner, a criminologist, two research psychologists, a health nutritionist, several economists, a mathematician, a statistician, a research chemist, several science writers, social scientists, and public information specialists.

They work an average of 25 hours per week. The schedule is worked out between the supervisor and the employee. Some work three full days a week, others from 9 to 2:30 every day. We expect a minimum commitment of 20 hours per week.

The grades range from GS–7 to GS–15, with the average at GS–11. The average age of our members is about 40. The youngest is 29 and the oldest is probably over 65, although we are strictly not concerned about chronological age.

What we are looking for are skills.

They are exceptional people, individually, and as a group. Many who were hired on a temporary, trial basis, are being converted to career status with the emphatic commendations of their supervisors.

Where someone does an outstanding job, I inevitably get calls for more people like them.

One of the special features of our experiment is its organization as a Corps. Although the women work at different jobs in different agencies, they are members of a group and they meet monthly for seminars which they design themselves.

They have also organized study groups to look into some of the problems that working women face. One group has surveyed HEW's administrative practices concerning part-time employees and is writing up recommendations for more uniform, equitable policies within our own organization.

Another group had addressed itself to the problem of adequate day care for the children of working mothers in the Department.

This, as I say, is the really crucial problem.

Another group is working with the Civil Service Commission on a research project to measure the productivity of part-time versus full-time employees and to explore the attitudes of supervisors toward professional people, especially women, who want only part-time jobs.

There is a lot we don't know about attitudes, organizations, and job design which our current experiences and the experience of other Government agencies might help to illuminate.

I should point out that HEW is not the first Federal agency to undertake a special program for part-time employment. The first was the Atomic Energy Commission which began a similar program in 1965.

Dr. Mary Bunting, president of Radcliffe, was serving as an Atomic Energy Commissioner that year. That is why it began there.

Mrs. Bunting, former Secretary Gardner, and many other national leaders have long urged business and Government to be more flexible in organizing work so that women can play a fuller role in the life of this Nation.

The Veterans' Administration also has a special part-time program and under the new Federal women's program, the Civil Service Commission is urging other agencies to create additional part-time opportunities.

But in spite of the enthusiasm and backing of top management not only in our Department, but throughout the executive branch, it must be admitted that progress is slow.

We are trying to change attitudes, habits, and practices that are deeply immersed in the system. The way that part-time employees are counted for budget purposes is a case in point.

This is an administrative determination, and I suspect that when agency personnel ceilings are fixed, little thought is given to the item marked "Other."

But for those of us who are trying to encourage the establishment of part-time jobs, that "Other" column is crucial, because some fraction of that column represents the limits of our possibilities in terms of creating new part-time jobs.

Employers are understandably reluctant to use their full-time slots for part-time people because the jobs are frequently placed in jeopardy when they do so.

The problem seems to be that part-time employees are equated with temporary employees, and these are considered less than serious personnel commitments and therefore are the first that fall under the ax when retrenchment is underway.

Changing Life Patterns Need Consideration

Until we have more understanding about the changing life patterns of people and more flexibility in shaping our organizations to fit them, we will continue to lose the skills and talents of large numbers of our citizens.

It is a waste that hurts the society in many ways. We lose their productive energies, and much of the time and money and effort that went into their training and education. But what is worse is the dimming of individual hopes and expectations.

Everyone, man or woman, wants to be the most that he or she can be. And our society is a very special society because we believe that here we each have a right to develop to our full potential. Everyone ought to have a chance.

And what we are working at hardest is the elimination of all the barriers that prevent people from being whatever they have in them to be, whether it is poverty, ill health, racial prejudice, or poor education.

In this instance the barrier is simply a thoughtless habit—an administrative convenience that denies countless women and older people an opportunity to participate in the thought and work of their society.

It seems to us a habit that HEW and other agencies might now seriously begin to change.

Mr. Chairman, at your kind invitation I have brought with me today two members of the Profession and Executive Corps, Dr. Inabel Lindsay, and Mrs. Eileen Gutman. Dr. Lindsay retired last year as dean of the School of Social Work at Howard University. She has authorized me to say she is older than 65. She is continuing her distinguished career on a part-time basis as special adviser to the Assistant Secretary of HEW for Community and Field Services.

She works 20 hours a week and we are very delighted to have her skills.

Mrs. Gutman lives in Baltimore and is a public information specialist for the Social Security Administration. She is returning to paid professional employment after rearing a family and participating very actively over the years in local civic affairs.

She now works 3 days a week as an information liaison with national women's organizations and is doing an outstanding job.

Dean Lindsay, Mrs. Gutman, and I will be very happy to answer any questions about this program that you may care to ask. [Testimony resumes on p. 230.]

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

Question 1. Can you give a few examples of how you went "out of your way a little to design jobs for people?"

Answer. One example is the case of a highly experienced data systems specialist who came to us looking for a 20-hour per week job. She wanted to spend more time at home with her year-old daughter, yet she was in the most productive years of her professional career and did not want to abandon it completely.

Ordinarily, a person of her rank (GS–14) occupies a supervisory position. We try to avoid such assignments for part-time workers. We have found it better to design the part-time job so that others are not dependent on someone's presence eight hours a day.

In this case, the employing office offered her a self-contained project—the development of a highly sophisticated standardized data code system—which took full advantage of this woman's specialized skills yet did not require her constant presence on the job.

Other examples may be found among our economists who work in various program planning and budgeting operations. They are given functionally discrete assignments which require a high level of research and analytical skills. Where interaction with other professional staff is required, such as staff meetings or committee meetings, it takes only a little consideration to schedule such meetings at hours convenient to the part-time employee.

Question 2. What are your criteria for determining what kind of jobs are "needed to be done and could be done on a part-time basis?"

Answer. The statutory functions and priorities of the various agencies of HEW determine manpower and skill requirements. In our initial survey of the agencies, we simply asked for an indication of the continuing tasks or the priority "ad hoc" tasks that might be done by part-time employees. A copy of that survey is attached. It served as an initial guide for recruitment and placement, but it is by no means a definitive list of part-time opportunities. Opportunities for part-time assignments present themselves in many ways. For example, a full-time job in a shortage field might go begging because no qualified full-time person can be found to fill it. In that case, the employing office will alert us to the particular skill needed, and will engineer the job to suit the individual whenever we find someone with the needed talents. This is the case with a number of occupational specialties such as data systems specialists, budget analysts, economists, mathematicians, physicians, scientists, etc. When an individual with exceptional skills in any one of these areas is found, we can design a job to fit her schedule, because we face a chronic shortage of these skills.

Attachment.

LIST OF ASSIGNMENTS AND PROJECTS SUBMITTED BY AGENCIES AND STAFF OFFICERS, MAY 1967

Agency:	*Number of assignments*
Social Security	9
Saint Elizabeths Hospital	10
Office of the Secretary	6
Food and Drug Administration	7
Office of Education	10
Public Health Service	13
Welfare Administration	12
Administration on Aging	(1)
Vocational Rehabilitation Administration	(1)

[1] To be submitted.

SOCIAL SECURITY ADMINISTRATION

Project/Assignment	*Comment*
Produce magazine articles and booklets on the social security program.	Experience as a Writer/Author required.
Carry out liaison function with headquarters of national organizations with the objective of arranging for local units of the organization to study the provisions of the social security law with the help of district office staffs.	A good understanding of the social security system and experience in organizational work is desirable.
Conduct studies of the relationship of social security programs to overall economic conditions in foreign countries, e.g., to determine whether the program is essentially a welfare activity, or a major economic program.	Wives of foreign service officers may be a good recruitment source for this project.
Conduct studies of economic and socioeconomic conditions in foreign countries.	Wives of foreign service officers may be a good recruitment source for this project.
Conduct a study of social security developments abroad in respect to eligibility of foreign nationals for social security benefits and the legal and Treaty implications involved.	

SOCIAL SECURITY ADMINISTRATION—continued

Project/Assignment	*Comment*
Develop and conduct a "Moneywise" counseling program for employees in the headquarters office of the Social Security Administration. Through group training and individual counseling inform low-income employees on principles of money management.	
Plan, organize and conduct a pre-retirement seminar program to help employees in the headquarters office of the SSA prepare for retirement.	
Conduct a study of employment turnover in the SSA to identify causes and develop proposals to reduce turnover.	
Develop an Employee Communications Handbook incorporating policies and procedures for use by personnel throughout the SSA who have employee communications responsibilities.	
SAINT ELIZABETHS HOSPITAL	
Assist Recreation Specialist in project on mental retardates.	Prefer an individual with a background in teaching—art, music, drama, etc.
Assist Clinical Psychologist in project on "Creative Living."	Prefer an individual with a background in teaching—art, music, drama, etc.
Assist Occupational Therapist in project involving industrial therapy.	
Assist Occupational Therapist in physical medicine program.	
Assist Clinical Psychologist in various activities, e.g., individual therapy, diagnostic testing, speech pathology.	
Assume case load in Social Services.	Requires a professional social worker.
Compiling of social data from medical records.	
Nursing, in Geriatrics and General Medicine.	Requires recent (within 3 years) experience or special refresher course, i.e., Georgetown, Washington Hospital Center.
Coordination of Student Volunteer Program.	
Medical Doctor, in occupational health program and in conducting medical examinations.	With such part time help, the Hospital would hope to set up a mobile unit.
OFFICE OF THE SECRETARY	
Special projects in the immediate office of the Secretary.	
Studies and reports on International Education programs for Assistant Secretary for Education.	Education background desired.
Study of problems relating to use of drugs and alcohol for Assistant Secretary for Health and Scientific Affairs.	
Studies (work) and reports on DHEW program analysis activities for the Assistant Secretary for Program Coordination.	Requires background as Writer and/or Economists. Could use 2–4 people part-time.
Special projects in the immediate office of the Assistant Secretary for Administration.	PhD in History desired.
Projects involving assistance to Career Service Boards, and Office of Personnel Management.	Could use 2 people.

FOOD AND DRUG ADMINISTRATION

Project/Assignment	*Comment*
Project involving assuring the consumer's understanding of FDA mission and activities, e.g., food standards, drug abuse, packaging, labeling, etc.	Experience in public relations, group activities, conferences, etc.
Conducting experiments and tests relating to toxicological aspects of drugs and pesticides.	Qualification requirements, range from GS–9 to GS–13, Pharmacologist.
Development of test procedures for detection of contamination in food, cosmetics, drugs, etc.	Qualification requirements range from GS–5 to GS–13, Chemists.
Sterility testing of antibiotics and insulin.	Qualification requirements range from GS–7 to GS–13, Microbiologist.
Testing for bacteriological and microbiological contaminates in food, drugs, etc.	Qualification requirements range from GS–7 to GS–13, Microbiologist.
Evaluation of medical and clinical data contained in new drug applications.	Qualification requirements range from GS–13 to GS–14, Medical Officer.
Evaluation of veterinary data contained in new drug applications.	Qualification requirements range from GS–12 to GS–13, Veterinarian.

OFFICE OF EDUCATION

Projects involving the administration of educational grants programs.	Ten assignments envisioned.

PUBLIC HEALTH SERVICE

The National Center for Health Statistics

Assist in analyzing vital statistical data and prepare analytical reports.

The Office of Program Planning and Evaluation

Assist in the development and preparation of program analysis which are being undertaken in major areas of national health needs. The analysis will include tactical planning of alternatives, cost effectiveness, benefits, etc.

Bureau of Disease Prevention and Environmental Control

Collect and index or classify all the projects carried on by the Population Center.

List all types of diseases and classify research activities and projects.

Bureau of Health Manpower

Gather and evaluate statistics on the supply of physicians in the United States by such categories as age, sex, geographical location, etc.

PUBLIC HEALTH SERVICE—continued

Project/Assignment	*Comment*
Bureau of Health Services	
Assist in projects such as determination for special health service needs in children's hospitals and consulting with voluntary health groups to determine unique problems in Washington, D.C.	
Work with organizations interested in the Migrant Health program to recommend courses of action in that area.	
National Institute of Mental Health	
Study and review literature, research findings and publications in general as to the extent and nature of activities and of programs in the area of problems dealing with children and youth.	
Study and review literature, research findings and publications in general as to the extent and nature of activities and of programs in the area of problems dealing with epidemiology.	
National Institutes of Health	
Work involves serving as a research assistant or support technician in the performance of professional and scientific laboratory investigations of a variety of biological processes.	Qualification requirements—Biologist.
Work involves the application of a knowledge of professional nursing in providing nursing care to patients in a hospital setting, clinical, and other medical care facilities.	Qualification requirements—Nurse.
Work involves the organization of plans and programs specifying the nature and sequence of actions to be accomplished by digital computers in the processing of data relating to biomedical research and administrative management operations.	Qualification requirements—Computer Programmer (Mathematician).
Work involves serving as a research assistant or support technician in the performance of professional and scientific laboratory investigations in the field of chemistry, such as the study, analyses and interpretation of the composition, structure and properties of various biomedical substances.	Qualification requirements—Chemist.

WELFARE ADMINISTRATION

Office of the Commissioner	
Rewrite research materials in a more popular vein or style of writing.	Background in writing and research desired.
Review public works programs in earlier periods and contrast with concepts of work-training programs today; draw parallels, point up significant elements of similarity and difference.	Skill as an historian or analyst required.
Assist in reception and orientation of foreign visitors.	

WELFARE ADMINISTRATION—continued

Project/Assignment	*Comment*
Office of the Commissioner—Con.	
Review reports of overseas projects, technical assistance reports, and participant reports to identify materials useful in public information concerning international exchanges in the social welfare field.	
Bureau of Family Services	
Conduct library research in one of a variety of subject areas in program or administration, to identify what is available in the literature and to prepare a digest or annotated bibliography.	
Identify and summarize special studies or State etxperience around a given problem.	
Prepare a directory, either locally or nationally, on the resources available through public or private facilities, service cubs, and the like, to meet certain problems.	
Assist with the setting up of resources or precedent files and other references sources within the Bureau.	Requires a person with skill in classification and subject matter knowledge.
Develop a guide statement on volunteer services drawing from a variety of materials but with special emphasis on active experience of the author in providing direct services as a worker with the poor.	
Children's Bureau	
Prepare legislative guides for licensing of child-caring institutions using material assembled which could be the basis for a new document in the Division's legislative guide series.	Legal training and some experience in social welfare activities desired.
Review child welfare services plans and child welfare training grant applications to: (a) identify innovative programs of child welfare services and new approaches to child welfare training; and (b) analyze available data on the some 670 trainees who have received traineeships through the Child Welfare Training Grant program.	Familiarity with Child Welfare program desired.
Participate in a project concerning recruitment of staff for the field of child welfare including identifying suitable women's groups, agencies and undergraduate schools and help plan approaches to them with appropriate materials.	Some knowledge of field of Child Welfare combined with abilities in writing and public speaking desired.

VOCATIONAL REHABILITATION ADMINISTRATION

No assignments developed as of now. Are currently in the process of identifying suitable projects.	

ADMINISTRATION ON AGING

Project/Assignment	*Comment*
Supports the objective of the program but is severely limited because of ceiling limitations. (NB: Have hired two part-time professional women in past two years to run "Senior Citizens Month" program).	

Question 3. May we have a few examples of the cases in which members of your corps "are being converted to career status with the emphatic commendations of their supervisors?"

Answer. Mrs. Margot Kernan, a film writer, was given a temporary, one-year appointment in December 1967. She has made an extraordinarily creative contribution to the Department's public information program, and her appointment is being converted to career-conditional status, GS–9, effective in November 1968. She works three full days a week.

Mrs. Jeanette Pelcovits, a health nutritionist, has served as a part-time consultant to the Administration on Aging. Her work is of such a caliber that her supervisor has requested her career-conditional appointment, GS–12, effective immediately.

Mrs. Betty Beller, a social worker, has been working for the past year in the Office of Citizen Participation of the Social and Rehabilitation Service. Her temporary appointment, GS–9, has been extended for an additional year and her supervisor has recommended that she be converted to career-conditional status as soon as a permanent part-time position becomes available.

Question 4. When your survey of administrative practices concerning part-time employees is available, we would like to have a copy, if at all possible.

Answer: A copy of the survey is attached.

Attachment.

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
OFFICE OF THE SECRETARY,
July 8, 1968.

To: Professional and Executive Corps members.
From: Inhouse Study Section.

I. SUMMARY OF INHOUSE GROUP PROJECT

The Study Section on Inhouse Problems took, as its first assignment, a review of personnel policies and practices as they pertain to the various members of the Professional and Executive Corps. A questionnaire was sent to appropriate personnel directors to elicit information on appointments, time limitations, if any, leave and retirement benefits, compensation for time worked beyond tour of duty, and job ceilings.

As can be seen by the attached summary and tabulation, a great deal of flexibility and/or ingenuity has been used in making appointments. The Inhouse Group feels that this is an excellent approach in that it has opened many doors for highly qualified women to join the Department as part-time employees. However, it can also work to the detriment of the employee who may be losing leave and retirement benefits because of her type of appointment.

The Inhouse Group would like to submit the following recommendations:

(1) That as the Professional and Executive Corps becomes a permanent part of the Department's personnel structure, more and more appointments be made on a career or career conditional basis and that temporary appointees be converted to career status as quickly as possible; but that such policy not be allowed to limit agency flexibility in hiring.

(2) That three months after the appointment of a part-time employee a follow-up be made to determine whether there are any problems in regard to appointment status, leave, or compensation.

(3) That as a person is employed on a part-time basis a regular tour of duty be established to assure that the employee can accrue leave.

(4) That, as another avenue of part-time opportunity in DHEW, personnel offices could explore the possibility of utilizing part-time employees as winter counterparts to professional summer graduate student assistants.

(5) That the Department advise all agency personnel directors of its support and sanction of part-time appointments, not only in recruiting qualified personnel but to make possible transfer of persons now in the Corps from one agency to another.

II. PROJECT REPORT

As of April 1967, thirty-two women have been in the Womens Professional and Executive Corps. One member resigned from HEW on April 6, but the information regarding her appointment is included in this report.

The 32 appointments are distributed among six offices in HEW in the following way:

Office:	*Number of positions*
OS	12
OE	5
SSA	5
SRS	5
FDA	3
PHS	2
Total	32

The grades of the corpsmen range from GS–7 to GS–15, with GS–11 being the grade at which the largest number of persons (i.e., ten) were appointed. In addition, five women were hired as Consultant Experts at varying per diem rates.

Half of all positions are either career or career conditional. The distribution by specific type of appointment is shown below:

Type of appointment:	*Number of positions*
Career	8
Career-Conditional	9
Temporary NTE	8
C/E	5
Temp PER	2
Total	32

The question concerning whether or not the employee could receive a career conditional was not answered in all cases. Of the fifteen appointments that were not career or career conditional three did not have an answer for this question. Only four of the remaining twelve could have received a career conditional appointment. Thus, it can be seen that half or eight persons could not receive a career conditional appointment.

Most of the 15 appointments that are not career or career conditional are for a limited time. The limit varies from one month to 1 year with the most frequent number of appointments being one year.

	Number
No time limit stated	2
1 month	1
3 months	1
4 months	1
5 months	1
9 months	1
1 year	8
Total	15

It might be said at this point that one person with a year limit is now being converted to career conditional.

In general, all persons with positions other than C/E earn leave. There are, however, three exceptions to this situation. Two of the eight persons who have temporary appointments receive no leave; one is in OS and one is in OE. The third exception is a C/E who earns leave, while no others with this type of appointment do.

Most women have a regular tour of duty. However, three of the five C/Es do not. Only one other person hasn't a regular tour of duty. The Office of the Secre-

tary did not know if five of its staff had a regular tour of duty, but they probably do in order to earn leave.

In general, personnel offices did not complete the parts of the questionnaire concerning time worked in excess of the regular tour of duty. The actual number of responses to this question was so insignificant that personnel policy regarding paid or compensatory time should be pursued further.

Retirement is deducted only for career and career conditional appointments.

There appears to be a great uncertainty about the ceiling against which a position is counted. All sorts of answers were received for this question. Some personnel offices didn't know; some said "not counted"; while others said "other than permanent." Very few personnel offices indicated a "permanent" ceiling even though the position was career or career conditional. It would appear that policy and practice regarding employer ceilings leave much to be desired for consistency.

JOAN LEWIS, *Chairman.*
CAROLYN JACKSON.
ANNABEL HECHT.

Question 5. What is the number of male participants in your program?

Answer. There are none at this time.

Question: Do you foresee the possibility that your program may some day be be useful to:

a. Male employees who wish to have a change in work assignment on a part-time basis as a kind of tapering-off period in the years before retirement.

b. Men or women who wish to begin "second careers" in their mid-forties or early fifties?

Answer. We see the barriers to part-time work opportunities primarily as attitudes, habits and administrative rigidities. We hope that our program will succeed in changing some of these attitudes by showing how productive and profitable part-time jobs can be for the employing institution (in addition to the benefits reaped by individuals). We also hope that by patient and constructive attention to the administrative problems, which are exceedingly complex, we will help to make it easier for other government agencies to employ more individuals—men and women—on a part-time basis.

Question 6. May we have more details on your statement that Dr. Bunting and others are urging business and Government to be "more flexible in organizing work so that women can play a fuller role in the life of this Nation?" What are the special problem areas in need of adjustment?

Answer. Long before, and increasingly since President Kennedy established his Presidential Commission on the Status of Women, the need for broader opportunities for American women has been discussed by our national leaders.

President Johnson's interest in promoting opportunities for women in the Federal service has been strong and sustained. Among educators, the leading voice for change has probably been Dr. Mary I. Bunting, President of Radcliffe College.

In a foreward to a booklet entitled *Washington Opportunities for Women* (published by Robert B. Luce, Inc., 1967), Dr. Bunting said:

"Clearly there is part-time talent to burn in Washington. It can work without harness. All it asks is a chance to pull its weight but on flexible schedules please. And now that there are computers this should be entirely feasible in large organizations as well as small.

"This is one lesson and I hope that the Federal government will be responsive and thereby provide the leadership the nation needs to integrate women effectively along advancing frontiers of thought and action."

From our experience at HEW, the immediate practical problems are primarily administrative, i.e., personnel ceilings and controls, and the absence of uniform policies. The longer range problems are attitudinal. One has to bend one's mind to think of organizing work in non-conventional ways. The long range problem also belongs to the educational system. The world of work and the world of education ought to walk hand in hand, but we are far from the ideal and the possible in arranging the learning and working components in our lives that ought to reinforce each other continuously. This is a special problem for women, whose life pattern, after all, is vastly different from men. Yet most women are now educated like men and are expected to conform to a work world organized for men. When we acknowledge that the sexes are different, and that individuals at different stages in life have different work needs and different kinds of con-

tributions to make, we can begin to design a more flexible system of employment and education, recreation and retirement—in short a more humane environment, a society of truly equal opportunity for all.

[Testimony continued from p. 221.]

Senator RANDOLPH. Thank you, Mrs. Porter. And thank you, also, for having two of your active and creative workers in this field who are present with you this morning.

I was impressed by what you were saying as to the action being taken in HEW. This causes me to comment very briefly on the report of the National Commission on Technology, Automation, and Economic Progress, volume 1, February 1966.

It was titled "Technology and the American Economy."

Mrs. Porter, on page 68 I find these words under a heading "The Government Is a Model Employer."

Change and adjustment are not confined to the private section. Just as public policy urges greater private labor and management responsibility for facilitating adjustments, so should Government assume like responsibility for managing the adjustment to changes affecting its own employees.

So, we know that the Federal Government, with approximately 2½ million workers, does have a very real responsibility for leadership in this field.

You have pointed out to us what you and your associates are doing. This is very helpful. Thank you very much.

Professor Riessman, you are going to talk with us on new careers and the elderly.

Will you identify yourself, please.

STATEMENT OF FRANK RIESSMAN, PROFESSOR OF EDUCATIONAL SOCIOLOGY, NEW YORK UNIVERSITY

Mr. RIESSMAN. My name is Frank Riessman, professor of Educational Sociology at New York University, and director of the New Careers Development Center there.

Nineteeen million Americans are over 65 years of age, and between 30 and 50 percent, depending upon the agency making the estimate and the basis of the definition, of them are poor.

Only in the past several years has the country moved beyond the sense that one's older years were a time for retirement, in a sense a time to be "put out to pasture."

The Older Americans Act of 1965, the special attention given to senior citizens in the 1967 amendments to the Economic Opportunity Act, the establishment of this Special Senate Committee on Aging, the holding of these important and creatively structured hearings are all signs that new and needed attention is now being given to the problems and strengths of older persons.

Rather than reviewing in any detail programs of the various agencies at the Federal, State and local levels—although I must take this opportunity to commend the Department of Labor and Congressman Scheuer for the recent innovative funding granted to the National Council on the Aging under the senior community service program—I will spend my time raising various issues, suggesting points of view, and proposing new program perspectives.

While for some older people, as for some of those who are younger, an income support system is necessary, we believe that for the great number of older persons, as with the great number of the younger, meaningful work is a central activity.

Further, it is our judgment that human services work, work of helping others, is particularly suited for many older persons.

There are a number of new jobs developing in education—150,000 teacher aides now working as research aides, community aides, program aides, and so forth.

This work can be of older people helping other older persons, as in the senior community service program, or older people helping those who are younger, as in the OEO initiated foster grandparents program.

It is worth noting that the significant dimensions of the self-help programs is that the person giving the help is frequently most helped, most rehabilitated, learns most as indicated now in a great variety of studies; in other words, the basic finding now is that the person giving the help, put in the helping role, is the person who benefits even more than the person needing help.

In both areas—helping of their peers and helping of other age groups—the older person is called up to make a productive contribution, to give to others, to draw upon his or her life experience of working and living with other people.

For many older persons who have in their earlier years worked in a different type of activity, this human services work will be new, challenging and will require training and education.

Indeed, we would urge that college programs be developed for older workers engaged in "second careers." To those who scoff at college for the older person—the unstated argument is why the investment for someone who will soon be dead, we answer first that the older person does not look at his life that way.

And, further, that the new college programs which give credit for "life experience" (the post-World War II model of credit for military service), credit for work experience (the Antioch work-study model) credit for life learnings (achievement examinations which are the college counterpart of equivalency tests), and which are tied directly into the new work being done by the older person, can sharply decrease the length of time spent "in college,"—we would think no more than two and a half years, while working and earning.

There are programs developing around the country, not particularly at this point for older people but in this model.

We envision a society unlike the traditional picture when an individual is trained in school to do one job, does that one job for a lifetime, and then retires. Rather, we think that the growing pattern will be for people to be engaged in a variety of activities over the course of a lifetime and that school and work must increasingly be seen as operating in tandem and not as sequential activities.

A concern which many have of older people working is that they cannot or do not want to work a full day, or that they are infirm, or suffer from some handicap, in short, that they are "unemployable."

Jobs, Not People, "Unemployable"

If you will permit the word, I think that far more jobs are "unpeopleable" than people are unemployable. Of course, there are those who cannot and should not work, but we believe that a great many activities, especially in the human services area, can be structured and restructured to permit the older person to engage in them.

There are such activities as "friendly visitors"; persons to accompany others on trips or visits; persons to do marketing for others; persons to counsel, and advise others; persons to love, cherish, befriend others; persons to help others obtain needed services, find their way through bureaucratic mazes; persons to teach other skills, activities; older people to teach the young about the "old country," to add meaning to the pluralism of America; and so forth.

The crucial dimension of this which has been referred to this morning is the need for jobs first and applying the training to the jobs. We cannot give people a long period of training and then hope they can get a job at the end of it. This model has not proven successful in the American job world.

What is more successful is providing a job, giving the training from the beginning. This has been proved; such as the friends project and many others.

What we are seeking then is a fluid society, a society which does not limit entry points into education or careers to prescribed age groups but is open to those of all ages to take up new work, to acquire the training and education to engage in new activities.

As to the problem of pension systems, public benefit programs, and the like, we suggest that people be given incentives to do just this, to embark on "new careers." A pension or social security should be seen as payment for what one has done and not a payment for present work.

Thank you.

Senator Randolph. Thank you very much, Professor Riessman.

I recall your volume that you coauthored some 3 years ago, "New Careers For the Poor."

I know it is a stimulating book. It gave an opportunity for rather vigorous debate about how important it is, as you have indicated, that there be no lapse between doing the job and being ready to do another job—the continuity of employment.

I think this is the theme that you have expressed very well. I am grateful for your contribution this morning.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

1. You suggested that college programs be developed for older workers engaged in "second careers." And yet, Dr. Sheppard and others expressed some reservations about using educational institutions designed for the young for such purposes. I am impressed with methods now in use at the "Institute of Lifetime Learning" in Washington, D.C. Do you see a need for entirely new teaching institutions for the older person, or do you believe existing arrangements can be modified for such purposes?

2. May we have additional information about "new college programs which give credit for life experience," "credit for work experience," and "credit for life earnings."

3. The book written by you and Mr. Pearl in 1966 recommends that local community self study units be established to involve people in new career planning. Do you believe that the new Department of Labor "Senior Aides" projects go far enough in that direction. What more is needed, do you think, to make community leaders more aware of their responsibility to help make the best possible use

of available manpower. How can federal policies help generate momentum for such local initiative?

(The following reply was received:)

The question of whether present educational institutions designed for the young could be adapted to serving the needs of older workers engaged in "Second Careers" merits both theoretic and practical consideration. In a large University, such as the land grant Universities in the various states or private schools such as New York University, there is no reason to doubt that both the younger and older students could participate. We thing that the limited role that colleges have played in terms of serving in a four year on campus program the needs of the young must be expanded while in some institutions there might well be separate courses, or separate sections of courses, in general, we favor the heterogenity of a mixed population and the value to be gained therefrom of cross-socialization.

Regarding credit for life experience, work experience, and previous learning, there are several examples: Many colleges gave academic credit to post World War II veterans, and several continued this practice for Korean War veterans as well as Vietnam war veterans. Antioch College and a host of others operating cooperative or work-study programs give credit for work experience (I believe the Office of Education several years ago issued a pamphlet describing this throughout the country.) Numerous colleges permit students to obtain academic credit based on examination of material learned through TV courses, correspondence courses, individual study, previous educational activities.

The need for communities to plan for the best possible use of available manpower and the most effective delivery of human services has many components. Special attention needs to be given through such manpower devices as the Concentrated Employment Program, the CAMPS program, the State Plans of the Educational Services, etc. In addition, agencies with broad human services responsibilities need to take cognizance of New Careers planning; these include the Model Cities program, the Comprehensive Health Planning Act (Hill-Staggers), the work of the Community Action Program of OEO, local health and welfare council, etc. We believe that all Federal manpower programs and all Federal human services programs should contain as one of their prime objectives the career training and upgrading of the program staff. A way to generate this is to require in those programs where there are State plans the inclusion of a career training and career advancement component. A similar requirement could be included in programs funded directly from the Federal government. Also, we'd suggest that programs for the training of professional personnel, such as teachers, doctors, social workers, etc, should provide for the training of the professionals in working with para-professionals and developing New Careers opportunities (illustrative, to some extent, of such efforts are the recent amendments to Title 8 of the Housing Act and the EPDA.)

Sincerely yours,

FRANK RIESSMAN,
Director, New Careers Development Center.

Senator RANDOLPH. Dr. Usdane, will you discuss with us "Lessons To Be Learned From the Federal Rehabilitation Programs."

Will you state for our record who you are, sir. As you begin I would like for you and others to know that we have a delegation with us today from the Men's Breakfast Club of the Institute of Lifetime Learning in the District of Columbia. We greet those persons who are with us today.

STATEMENT OF DR. WILLIAM USDANE ON BEHALF OF MISS MARY SWITZER, ADMINISTRATOR OF THE SOCIAL AND REHABILITATION SERVICE, HEW

Dr. USDANE. Thank you very much, Senator Randolph. I appreciate the opportunity to appear before the joint subcommittees today.

I represent Miss Switzer who is Administrator of the Social and Rehabilitation Service, Department of Health, Education, and Welfare.

I do not substitute for her. No one substitutes for Miss Switzer.

Senator RANDOLPH. I want to take 30 seconds. I have not spoken much and won't, but you are talking about substituting. The position of Ambassador to France was held, as you know, by Benjamin Franklin, and Thomas Jefferson replaced him. Meeting Jefferson at the boat was Talleyrand who was a man of great talent, and he showed his disdain of the replacement for Franklin by saying that, "You come to take the place of Franklin," and Jefferson replied, "I come not to take his place. No man can do that. I come simply to succeed him."

Not a very interesting story but it is a true story.

Dr. USDANE. My particular spot in the Social and Rehabilitation Service is the Chief of the Division of Research and Demonstration Grants.

In that capacity the goal, my goal and the goal of the Division, is to see that the purpose of our projects, particularly concerning the older worker, the aged, are cranked into State programs.

I think that the services in the field of rehabilitation offer three things for the aged: First, they provide a cohesive, a communication channel, a series of events which allow the aged to go from the time he is first contacted not only into employment but into a followup procedure at a time when he really needs the assistance of individuals who might not be able to adjust to his employment.

The second is the utilization of research consultants for the individuals who need them. The research that is being done by the Division of Administration and Social Rehabilitation Service is more geared to the consumer who is the aged, not the researcher.

The research findings must be brought to people who most benefit by it.

The third is a round table approach more or less to services which provide the aged a job adjustment, a community adjustment, a family adjustment and a self-adjustment in terms of his self-concept, his view toward his involvement in the community.

Now the State-Federal program of vocational rehabilitation is uniquely qualified because it first begins with the individual. It begins with an individualized approach. The individual might be in the hospital, he might be in the nursing home; he might be in a family setting.

But the major approach is to see him as an individual and a specialized program in this capacity consists of several members of a team and this team is to meet the needs of the older American who requires rehabilitation.

Now the hope is to assist each individual to reach his most adequate functioning level and his highest potential. This is usually accomplished essentially through a diagnosis of his condition followed by various services designed to overcome his specific handicap.

Of course, the major concern is to help the individual to help himself. This starts with an evaluation. There is no need for evaluation to take place in any specific spot. It can take place in a hospital setting, that is his employment, his social evaluation, his community capacity for adjustment.

This can take place in any one of a variety of spots. One of the major settings in which it usually takes place is in a rehabilitation facility such as a rehabilitation center.

On the other hand, we have several projects in which we are using employers to do the evaluation. In one particular spot in the city of Everett, Wash., and another in the city of New York, we have at least 35 to 38 employers in a wide region who are doing the evaluation, themselves, in conjunction, of course, with the State vocational rehabilitation division.

The employer takes a good look at what the competencies are of the individual but most of all he takes a look at the social relationships of the older worker because it is here that competencies really count, as you know.

Job Interviews As Part of Evaluation

The evaluation also includes job interviews. Once you get by the job interview then very often the employer begins to think through just exactly what the competencies ought to be. These services are destined for developing a good vocational plan, medical care to reduce or remove the disability, artificial limbs and other prosthetic devices to aid work ability, counselors, evaluation, training.

Most of all, there is followup to assure satisfactory replacement. Progress in the rehabilitation of the aged has been greatly expanded through a variety of assists.

We have a consultant on aging in the Rehabilitation Services Administration. It was sought to make sure that all the aspects that go toward the rehabilitation of the aged are cohesively arranged so that the programs in the States gain recruits by whatever the legislation provides, whatever research provides, whatever training provides.

In the 1961 fiscal year, 27,000 persons aged 47 and beyond were rehabilitated. This figure reached 47,000 in the fiscal year 1967, 27.2 percent of the total number of individuals rehabilitated through the public program.

Of this number, 1.9 percent were aged 65 and beyond. It is estimated around 53,000 people 45 and older were rehabilitated in fiscal year 1968 and that this figure will reach 60,000 in fiscal year 1969.

The Rehabilitation Services Administration also coordinates with the Social Security Administration in utilizing the social security disability applicant load as an important referral source of older disabled persons for vocational rehabilitation services.

Over the past several years more than half a million persons have applied annually for disability benefits.

In 1965, amendments to the SSA authorized use of certain social security trust funds to pay the cost of such services to be selected for disability beneficiaries.

Once again, coming to the research and demonstration projects for the aged, we have an interesting program for a project in New York City by the Federal Employment and Guidance Service.

It was one of 70 projects which we have conducted in the past 13 years. In that project, more than 700 individuals previously felt to be either too old or too disabled were placed. One hundred and ninety-seven handicapped men over 60 years of age were placed in the competitive industrial employment and the oldest individual placed was over 80.

In order to get the fruits of this project out into the States, we decided to use it as a prototype. We started 11 more throughout the

country between 1963 and the current time. These were stretched all over the Nation and included a project in the Virgin Islands.

This same agency completed another project which is what we call the satellite project, stretching out from Manhattan it conducted in Brooklyn and Queens two satellites which did exactly the same thing, demonstrating that the program could restore vocational fitness even to clients who were so limited that they were confined to neighborhood areas, private residences, hospitals, and homes for the aged.

We have another project at a hospital which is an attempt to provide a community adjustment of the aged within the hospital wards and corridors before they leave. This has been successful so that when the individuals leave the hospital, they have a sufficiency of self-care to allow other individuals in the home to undertake productive sources of employment. And, in addition, the aged in the home become part of the community structure.

Our emphasis, as far as we are concerned we place on bridging the gap from hospitalization to returning to the community. More programs need to be developed to help the patient shed his habits and way of life acquired from long term hospitalization to develop more independence, to establish old skills, and to develop increased work tolerance.

Titles of other projects related to the problems of the homebound older American include removal of architectural barriers and the use of subprofessional personnel selected from the aged population.

Our training program in the rehabilitative services and administration in the past 10 years has conducted 18 training institutes throughout the country in both voluntary agencies, State agencies, universities and colleges. This has provided an opportunity for professional and technical personnel to become more proficient in serving our older citizens.

I was in San Francisco State College a number of years ago and recall that my entering class of rehabilitation counselors and professional individuals had a median age range of 47.2.

For example, the Department of Physicial Medicine and Rehabilitation of the New York Medical College's Metropolitan Hospital Center conducted a 2-week course on the principles and practices of geriatric rehabilitation for registered nurses, occupational therapists, physical therapists, and social workers.

Last year, the Rehabilitation Services Administration supported the following training conferences: a Seminar on Orthopaedics and Gerontology cosponsored with the Public Health Service, the American Orthopaedic Association, and the Orthopeadic Research and Education Foundation; an Institute on Rehabilitation of the Aging sponsored in cooperation with the Univeristy of Tennessee in Knoxville; and a conference on Dynamic Programing in Rehabilitation of the Aging cosponsored with Northeastern University in Boston.

We plan to continue sponsoring such conferences in the future, and to expand this kind of training activity if funds permit.

Conclusion

Mr. Chairman, it is my hope that the information I have presented to you and the members of the subcommittees today on the activities of the Rehabilitation Services Administration in restoring disabled

older Americans to employment has been helpful. I think you have seen how we have meshed all of our resources; the individualized case services provided through the State rehabilitation agencies; the research-demonstration projects, with subsequent translation of project results to direct services; and the training program, with its capability for providing needed manpower. Because it has been possible to review only certain highlights in the time availiable, I am submitting a more detailed supplement [1] on activities of the Social and Rehabilitation Service related to employment of the aging for your use.

Thank you, Mr. Chairman.

Senator RANDOLPH. Thank you, Dr. Usdane.

You stress the possibility, which you indicate is a probability, that the older worker can become a vital part of our economic life to a degree not now experienced. You base that on the success of the programs with handicapped workers in finding positions and holding them.

I have had a special interest in the field of the blind. I was thinking this morning, as you talked, of those persons who told us at the time we passed the Randolph-Shepard Act that these blind persons could not operate these small businesses; they could not sell the products to people and do the job. Yet they have done just exactly what people said they could not do—more than 3,000 operators in the program last year, with total sales of over $71 million and average earnings of over $5,000.

It goes to prove, I think, what you are saying, and I use this only as an illustration. If a handicapped person can become, in the period of an older age bracket, self-sustaining part of the community, a taxpaying citizen, certainly a person who does not have that handicap—I mean the physical handicap as we know it—can do the job.

Yet we have not made the all-out attack on this problem. We have been too timid as we have approached it, so I compliment Miss Switzer and all of you who are working for what you have indicated today.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness:)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
SOCIAL AND REHABILITATION SERVICE,
Washington, D.C., August 16, 1968.

DEAR SENATOR RANDOLPH: Thank you for your letter of August 2, 1968, concerning the recent hearings on the problems of the aging. I am sorry that I was not able to be present, but I am pleased to learn that the previously submitted supplementary statement has proven helpful to you.

At this time, I am enclosing the additional materials which you requested relating to the new Vocational Evaluation and Work Adjustment Program authorized by the Vocational Rehabilitation Amendments of 1968.

Sincerely,

MARY SWITZER, *Administrator.*

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1. As you know, the Vocational Rehabilitation Amendments of 1968 defines the term "disadvantaged individuals" to include "individuals disadvantaged by reason of . . . advanced age . . .". Do you interpret this to authorize vocational rehabilitation services to an older person who is in good health, physical and mental and in good condition for his age but who is disadvantaged or handicapped in finding employment only because he is of "advanced age"?

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[1] See app. 5, p. 312.

The Vocational Rehabilitation Amendments of 1968 authorize a new Vocational Evaluation and Work Adjustment services to disadvantaged individuals. The disadvantaged individuals, to be served by this special program, may include individuals disadvantaged by circumstances such as advanced age, low educational attainments, ethnic or cultural factors, prison or delinquency records, or other conditions which may constitute barriers to their employment.

Although this new program is to be administered by those State vocational rehabilitation agencies administering the vocational rehabilitation program for the physically and mentally disabled, the program is to be distinct both in terms of its focus on the disadvantaged and in terms of the scope of services which might be provided under it. An older person who is disadvantaged solely by reason of advanced age in his efforts to secure employment, as stated in the question, would therefore, be an appropriate individual to receive the "evaluation and work adjustment services" authorized by this new program. These services are different from the vocational rehabilitation services provided to the physically and mentally disabled individuals under the State-Federal vocational rehabilitation program, however, and an individual, disadvantaged solely by advanced age and not by any physical or mental disability, would not be eligible to receive "vocational rehabilitation services" under the State-Federal vocational rehabilitation program.

2. If so, what type or types of services do you envision under this amendment to assist such individuals in being employed?

Under the Vocational Rehabilitation Amendments of 1968, "Evaluation and work adjustment services" means as appropriate in each individual case, such services as—

(A) a preliminary diagnostic study to determine that the individual is disadvantaged, has an employment handicap, and that services are needed;

(B) a thorough diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychological, vocational, educational, cultural, social, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including to the degree needed, an evaluation of the individual's personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) services to appraise the individual's patterns of work behavior and ability to acquire occupational skills, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) other goods or services determined to be necessary for, and which are provided for the purpose of, ascertaining the nature of the handicap to employment and whether it may reasonably be expected the individual can benefit from vocational rehabilitation services or other services available to disadvantaged individuals;

(E) outreach, referral, and advocacy; and

(F) the administration of these evaluation and work adjustment services.

3. What is your interpretation of the age group to which the term "advanced age" refers? Would a person who is 41 years old qualify if, though in good physical and mental health, he is having difficulty becoming employed because of his age?

Under the Vocational Evaluation and Work Adjustment Program the concept of "advanced age" is to be interpreted flexibly in order that any individual, disadvantaged solely by reason of age in his efforts to secure employment, would be an appropriate individual for the provision of "evaluation and work adjustment services." The individual whose circumstances are described in the question, would therefore qualify for consideration under the Vocational Evaluation and Work Adjustment Program.

4. What, if any, relation do you see between this authorization and the "Age Discrimination in Employment Act of 1967" (PL 90–202)? Would you say that this amendment authorizes employment assistance for those over 65 years of age, who are beyond the age protected against age discrimination in employment by PL 90–202?

The "Vocational Rehabilitation Amendments of 1968" and the "Age Discrimination in Employment Act of 1967" both assist older Americans who desire employ-

ment, but in different ways and with different primary emphasis. The relationship, however, is essentially a complementary one.

The Age Discrimination in Employment Act of 1967 protects individuals 40 to 65 years old from age discrimination by employers, employment agencies and labor organizations. The Act enables the older citizens in this age group to obtain jobs or be referred to jobs by employment agencies, and to maintain membership in labor organizations.

The "Vocational Evaluation and Work Adjustment Program," authorized by the 1968 Vocational Rehabilitation Amendments provides evaluation and work preparation for those individuals who may be disadvantaged by any of a number of factors, including advanced age, in their efforts to secure employment.

Therefore, whereas the Age Discrimination in Employment Act of 1967 is concerned with preventing discrimination based on the single dimension of age, the 1968 Vocational Rehabilitation Amendments are concerned with providing meaningful vocational services to individuals who may have been disadvantaged by a wide variety of conditions and who may have been discriminated against—for a variety of reasons—in seeking employment.

Since "advanced age" is to be interpreted flexibly under the Vocational Evaluation and Work Adjustment Program, it is possible that "evaluation and work adjustment services" might be provided to disadvantaged individuals over the age of 65 and beyond the age range protected by the Age Discrimination Employment Act. The continued provision of these services to such individuals, however, would presumably be predicated on the assumption that there is a reasonable likelihood that the individual could be placed in employment, as a result of his having been provided vocational evaluation and work adjustment services.

Senator RANDOLPH. Thank you very much for helping us keep within our schedule on the panel this morning.

Dr. Blue Carstenson of the National Farmers Union. Doctor, we will just throw out three or four subjects here to begin our discussion. I will have perhaps two or three questions.

I recall Secretary Wirtz last year discussing rural areas, where he said employment has dried up. Now what is this drying up process? How deep is it in our agricultural rural America? What effect does it have on the overall unemployment? What is being done about it?

STATEMENT OF DR. BLUE A. CARSTENSON, ASSISTANT TO THE PRESIDENT, NATIONAL FARMERS UNION

Dr. CARSTENSON. One of the problems of what is happening in agriculture is that we have had a major flow of people coming from our rural areas into our cities for a long time, but it has accelerated with the automation which has taken place. For every single farmer that is thrown off his land, there is one smaller person in a small town who loses a job. For every four farmers that go out, one business goes on the main street.

As a result, you have a situation in many of our rural counties where the young have left and where the elderly remain. The older worker and older person remains in the rural community without the job opportunities that were there when there were more farmers.

Now, we have been making efforts to stop the flow of people from rural areas. We seem to have made some progress in retaining some of our small farmers and our middle-size farmers. But there are still large numbers of rural counties in a State such as your own, Senator, which are just heavily populated with older workers. By and large, these workers are not in communication with the Employment Service. They don't have opportunities for retraining.

2.5 Million Rural Elderly Need Work

I estimate that there are about 3½ million people over 60 years of age in rural America that are in need of work, able to work and are unemployed; who want jobs; who are in a position to do a job, especially on a part-time basis. These are the real hard-core, tough situations.

When you get into the 45-plus age level, the numbers become even bigger. I just want to say that I would hope that some attention could be placed on opening up possibilities for employment in some of the programs which the Congress encourages through the States and communities.

In particular, I am thinking of the major highway bill, Senator, which you have just piloted through the Senate, and the public works bill. Both of these have large-scale employment potential, and a lot of this goes to State and local government. By and large, our Civil Service System is now fixed, not only at the Federal level but at the State and local level, in ways which preclude part-time employment or employment of many older workers. If we are going to have these programs going forth—and they are very essential programs of highway construction—we ought to explore ways in which these programs can employ older workers and older employees on a part-time basis, as I think we have proven in our Green Thumb program.

Senator Randolph. I recall when you were on the Hill recently with the gentleman. What were their ages?

Dr. Carstenson. Some in the 70's, some in the 60's. We have older workers up to 92. We have pretty well shot down the idea that an older worker cannot work even when he is in his 80's and 90's.

Senator Randolph. I remember how alert these men were. They were enthusiastic.

Dr. Carstenson. I think we have proven this to many Government people, in the State highway departments and the park departments; but they find themselves entangled in the web of laws and regulations and rules and the civil service commissions. They see these older workers as good potential workers and would like to hire them, but the system prevails and they are unable to employ them.

So, I would appeal as one of the areas of concern to see what can be done to open up Federal, State, and local government—we are spending vast amounts of moneys in the Defense Department—in employing older people on a part-time or full-time basis.

Senator Randolph. Thank you, Doctor.

In West Virgina we have been attempting to bring small plants into our rural areas. We find those persons who were once farmers or were employed in the lumber industry, for example, are individuals who can be retrained. We are finding that now in some small shoe factories that were opening in the State.

I know one company back in the middle of our State, in the hills, making furniture, not so much with machinery but by hand. These people are gaining employment. They are not youngsters. They are older workers. In one plant I think we are employing almost 35 of those people that we call older workers out of a total of 70 in one plant. So, these programs are moving forward in some sections in West Virgina.

At some future date I would like to chat with you and have you go down into our State and see some of these areas, these plants of which I speak.

Thank you very much.

Senator RANDOLPH. Miss Genevieve Blatt, we are very happy to see you here today. I will ask you to comment very briefly just at this point, because we are thinking of the Green Thumb workers and your Late Start program—I think this has been very innovative—from the Office of Economic Opportunity.

STATEMENT OF MISS GENEVIEVE BLATT, ASSISTANT DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY

Miss BLATT. My name is Genevieve Blatt, Assistant Director of the Office of Economic Opportunity, with a special mandate to see to it that the older poor are remembered in all of the antipoverty programs insofar as they can be assimilated or their concern can be introduced.

I would, of course, like to develop particular programs for the older poor as well as to get their interests considered in all the general programs. I have been certainly struck by the obvious proof, that the limited efforts of the OEO have produced, as to the effectiveness of the older worker, as to the great contribution that the older worker can make to society and as to the great contribution to his own benefit that the older worker can make if he is given an opportunity to work.

Our experience with Foster Grandparents, with Operation Green Thumb, which we funded from the beginning, of course, with Project FIND, which is now underway, and with a host of smaller projects organized by community action programs throughout the country, certainly shows both that there is a great reservoir for community service and for other types of service among the older people, and that there is a great need on their part for the opportunity to do something useful and profitable, at least to the extent of supplementing a meager income in a meager way for these older people.

I have had a proposal in mind which I have submitted for the consideration of your committee, which the OEO presently hasn't the money to fund, but I hope some day we will, and which I call "Late-start." I would like to comment on it very briefly.

It is a frank plagiarism of the Project Headstart, which has been so helpful with the children. Just as Headstart takes the underprivileged child and tries to see what he needs in order to see him through the period of his schooling, "Late Start" would take the underprivileged older person and see what he needs in order to see him through a successful period of living, his so-called old age.

Many people have a mistaken notion that this is a short period, of course, and don't want to pay much attention to it. But we all know that for many, many people it is a period that extends quite a long time, not just 10 years, not even 15 or 20 years, but perhaps 30 years or even more, which is a very substantial part of a lifetime.

To face that period totally unprepared for coping with its problems is something that we should not inflict upon people. For the average worker, particularly for one who has not been too well off through his life, when he comes to old age and has to face not only the problems

of being old and health declining to some degree, but the problems of poverty, with which he has not had to cope with before, has never had to learn how to cope with, and combination of problems becomes almost insuperable.

Operation "Late Start" Proposed

It is my thought that such a program, as is contemplated in my Operation Latestart would take the older poor in community groups, as we take the younger poor in community Headstart groups. First, we would check them out physically and provide them with at least one nutritious meal a day which, unfortunately, we know most of the older poor never get in these neighborhood groups. Then we would proceed, having assured them a minimum of health and nutrition, to use the services of the Rehabilitation Service. I like their concept so much: that age is just another disability from which rehabilitation is possible—in bringing them physically to a good situation.

Then we would provide them with the information they need.

Professor Riessman indicated that older people are quite able, quite anxious for information. There may be an initial tendency to resist something that looks like formalized education, but when it is understood as providing information they really need, they respond beautifully and very well.

We could supply them, for example, with information of a kind that would enable them to supplement their income that they now have. Normally it consists of social security benefits, which often are not adequate, either. We could show them ways to update a skill, to gain a new skill, as other speakers here have discussed this morning, to be worked into training sessions, to understand ways to stretch the income they have, whether it be great or small. We could instruct them in such homely things as how to repair furniture, how to do home repairs themselves, how to repair clothes, all these things that they perhaps have never had to do before, and don't know how to do. We could give them minimum training to know how to do new things, providing them means of learning some new skills that would let them augment their incomes, something they never learned how to do before but could learn profitably.

And after giving them what information they would need to supplement or to augment their income, we would be also giving them information they need concerning their health, teaching them health and hygiene for older people, teaching them how to cook, plan and prepare and shop for nutritious meals, showing them things that they must look out for, teaching them perhaps how to engage in cooperative buying enterprises, where they could get what they need at lower prices.

Some older women now must purchase for one or two and simply don't know how to do that, when they were used to purchasing for larger families in larger amounts. So we will try to give them information about purchasing, as well as about augmenting their income. Or stretching whatever income they have.

Then it seems to me, too, that we could give them information on just how to live a more enjoyable and profitable life, either while they continue to be employed, after they get their employment, or, in the case of some for whom employment isn't possible, during their en-

forced leisure hours. We have museums, libraries, art centers all around, which our older people could certainly enjoy with a minimum of instruction, a minimum of transportation opportunity and just a little encouragement in the acquisition of these tastes. We all know such tastes can be acquired. But most of these people have been too busy all their lives, too otherwise occupied. I have seen some experimentation along this line, which I think is not of major importance from the standpoint of alleviating poverty, but which certainly is of major importance from the standpoint of making someone's impoverished life more livable. And this we ought to be concerned about.

By packaging the concept under this title of "Late Start," by organizing in neighborhood groups, by utilizing the services of all kinds of governmental and private agencies, I feel quite sure we would succeed in aiding large numbers of our older people. I think it would be worth a try, and I would very much like to see some experimental work with it.

It happens that the National Council of Senior Citizens' publication this month carries a little article about it.[1] I have also recently sent the committee material about it.[2] If you would be willing to incorporate these materials in the record, I would be glad to make no further explanation.

Senator RANDOLPH. We will include that in the record.

Thank you very much.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. As I indicated at the hearing, your proposal for Operation Late Start is a very challenging one. I would, however, like to have more information on the following:

a. Would such a program be limited strictly to low-income elderly. It seems to me it would have use to many others who are technically above poverty levels.

b. How would you organize the delivery of the services you described? Would you use multi-purpose centers where they exist. Or perhaps Community Action Programs?

c. How would you provide the educators needed to train the elderly?

d. Do you see a possibility here of coordinating with Project Moneywise-Senior?

2. We would like to have, for our hearing record, some description of the "Senior Opportunities and Services" program authorized by the Older American Act Amendments of 1967. How will this program build upon the findings of Project FIND? When will it be implemented? What plans do you have for coordination with other Federal departments?

(The following reply was received:)

I am delighted by your continued interest in my proposal for "Operation: Late Start", and I would answer your questions as follows:

A. Inasmuch as we would be using Economic Opportunity funds, we would have to require that they be used in the service of the low income elderly. We would hope, however, to enlist the aid of several other agencies (such as the Administration on Aging, the Department of Labor and the Public Health Service) in joint funding to some extent, and, with such joint funding, we could make possible the extension of the program to other elderly people. As you know, Head Start now serves some children who are not in the poverty classification by opening available places in the program after reasonable recruitment efforts among the poor have not succeeded in filling all the places. I agree with you completely that the program would be of tremendous value to all older people, and not just to those who happen also to be poor, but I am sure you understand the legal reason why we in the OEO have to give priority to the poor.

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[1] See app. 5, p. 324.
[2] See app. 5, p. 319.

B. I would organize a delivery of the service through our Community Action Programs primarily, using Senior Centers or Multi-purpose Centers to whatever extent such exist but also using school and church facilities in neighborhoods where there are no Centers presently established.

C. Some preliminary conversations with retired teachers have indicated that, properly approached and recognized, many would participate in providing the educational services needed on a volunteer basis. If volunteers did not prove satisfactory or adequate service, however, a small stipend would attract many capable people. In addition, I feel certain that there are many retired craftsman of all kinds, as well as specialists in various health and other fields, whose services would be obtainable as volunteers or at nominal cost.

D. I think there would be a very strong possibility of coordinating with Project Money-wise Senior. Some slight restructing would be required, but there is no reason why the instruction contemplated in Project Money-wise Senior could not be given in Late Start groups.

In response to your inquiry as to a description of "Senior Opportunites and Services", let me say that the funding done at the end of the past fiscal year was extremely diversified. The programs vary from region to region and cover all kinds of employment and service designs. In a great many places they were directly built upon the findings of project FIND, and I feel quite certain that, when we publish the complete results of Project FIND, there will be many other programs based on its various general and local recommendations.

As to your question regarding plans for coordination with other federal departments, I find it difficult to make an answer which would be satisfactory from either your point of view or mine. Certainly such coordination is important, and we try to make it effective, but we find it extremely difficult to bring about. I try personally to keep in close touch with those responsible for Older Persons Programs in other agencies and to solicit their advice and suggestions. For the most part, too, I think that they try to keep in touch with me. Everyone is so busy, however, and most decisions seem to have to be made on such a "crash" basis that the right kind of coordination simply is not done. Naturally, I hope to rectify this situation.

Senator RANDOLPH. We are somewhat excited by your program. It may be plagiarized, but it is new. Thank you very much.

Lester Fox, if you will identify yourself. I think you have had something to do with a problem where persons are unemployed due to a shutdown of a large plant in South Bend. You have had the experience which is helpful to us where these older workers are left unemployed after plant closings.

Now, is there some type of direct action that the Federal Government might take? Would you identify yourself, please, and talk with us?

STATEMENT OF LESTER FOX, EXECUTIVE DIRECTOR OF REAL SERVICES, PROGRAM OF UNITED COMMUNITY SERVICES OF ST. JOSEPH COUNTY, IND.

Mr. FOX. Thank you. My name is Lester Fox,[1] currently executive director of the REAL services program in St. Joseph County (South Bend), Ind.

"REAL" is an acronym for "Resources for Enriching Adult Living."

My special interest in being here relates to employment services for older workers.

I have had the rare privilege of directing Project ABLE—ABLE is an acronym for "Ability Based on Long Experience"—that was established in cooperation with the Department of Labor, the National Council on Aging, and the United Community Services of St. Joseph

[1] A more detailed statement by Mr. Fox, originally prepared for delivery at the July 25 hearing, appears on p. 327.

County in order to meet the needs of 4,000 older workers who were affected by the Studebaker shutdown in South Bend, Ind.

Incidentally, I might mention at this point that as a result of this effort, some 3,500 older workers aged 50 and over were returned to productive employment.

Now, specifically I believe that the Bureau of Employment Security in this type situation, especially this type of situation, should be permitted, in fact authorized, perhaps mandated, to contract with private nonprofit organizations to provide the services that older workers need to meet the problems that they face in time of plant shutdowns.

Many of the things I have heard today I certainly endorse and agree with. For many older workers—this was especially true in the South Bend situation—unemployment was an absolutely new experience for them. Many of them had not sought a job since the introduction of written applications. So they needed many services and support during the period following the plant shutdown.

As you are probably aware, when there is a plant closing, the closing of a defense installation or mass layoffs because of technological changes, it is not only the older worker that is affected. So the Bureau of Employment Security generally has its hands full trying to do what it can do in terms of meeting the problems of the younger workers that are affected.

To give you some idea of some of the activities our project engaged in at the time, we developed a résumé service so that each blue-collar older worker had a résumé prepared which documented his work experience, his hobbies, and so forth. This identified many skills that older workers had and in addition gave them an instrument that they could use for psychological support in their own job-seeking activities.

Employers Helped on Job Development

We provided intensive job development with employers and counseling with the unemployed in all areas, including the area of social security and private pensions. Many older workers facing unemployment will make hasty decisions regarding these areas that have detrimental effect on their long-range best interests.

We arranged—and I mention these not necessarily in their order of importance, but some of the activities that I think are important when older workers face unemployment, especially on a large-scale—we arranged for the distribution of surplus food commodities. We recruited for the Peace Corps.

In one specific instance we contacted the State institutions with the help of the State director of employment security and had them alter their policy regarding the employment of older workers. We provided opportunities through the Small Business Development Center. We worked out with the school administration a high school equivalency examination, which gave many older workers the equivalent of a high school diploma. High school diplomas are a requisite for many employers in job opportunities, and this program overcame that problem.

We worked with the Federal Home Administration and Veterans' Administration, so that older workers could receive mortgage forbearance on their homes. In many instances these are the most immediate problems that the older worker views, mortgage on his home

if one exists, and the education of his children. These were areas in which we provided counseling and direct services so that hasty decisions, again, were not made that the older workers had to live with for the balance of their lives.

We arranged car pools to job opportunities in surrounding communities, because we did intensive job development in surrounding areas and commuting can be a problem. Obviously, in South Bend, with 10,000 workers being dumped on the street with one turn of the pen, there were not many jobs available in the local communities, so we reached outside.

Especially important in terms of providing services for older workers—recognizing that older workers have an intense pride and being unemployed is a relatively new experience for them—we located our operation in familiar surroundings, which I think made it especially attractive and reassuring for workers to accept and utilize the services that were made available to them.

Older workers, I believe, do not feel that as a rule there is any real effort made in terms of job development specifically for them by any other agency. Many feel that the Bureau of Employment Security involves the payment of unemployment compensation during periods of temporary unemployment and they do not necessarily view the Bureau as doing any meaningful activity in terms of job development and job placement for older workers. They do not see a need for a lot of paperwork. They are unemployed, and they want a job.

We believe that in order for an agency to be of service the worker must feel that he is respected by the agency he turns to. I do not mean to suggest that the worker feels that he is treated with disrespect at the Bureau of Employment Security, but we were able to extend to them this special concern. The entire staff was from their peer group, men who had been laid off and in most instances, aged 50 and over themselves, who had had training as union counselors and in industrial relations work. They were especially suited to meet the needs of the older workers in this instance.

In summary, I believe that the Bureau of Employment Security, where there is mass unemployment as a result of plant closings, technological changes, arbitrary retirement, closing out of defense installations or shutting down of defense industries cannot do an adequate job for older workers. The resources in the community can be brought to bear more effectively if the special employment services that older workers require are handled through a competent private nonprofit agency under contract with the Department of Labor, because I believe a private nonprofit agency can bring to bear all the resources in the community on the problems that older unemployed workers face.

Senator RANDOLPH. Thank you very much.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

Question 1. Have the lessons learned from Project ABLE been applied generally in other parts of the nation? If not, what more is needed?

Answer. There has been some application of the lessons learned from Project ABLE however, to my knowledge, they have not generally been applied in other parts of the nation. We have supplied, upon request, and the National Council on Aging has also supplied information and consultation to many specific inquiries from local communities. What is needed, I believe, is a greater conviction that positive results can be achieved in rendering special employment services for older

adults. Once that recognition is achieved, then I believe the lessons learned can be affectively applied. Until such time however, there is a tendency to minimize the extent of the problem and shy away from specifically attacking it.

Question 2. You put great stresses on the need for contracts with private non-profit organizations to provide services needed for older workers left unemployed by plant shutdowns. What would your recommendations be for communities that do not have well-organized nonprofit organizations to provide such services? Should the Department of Labor have a team of specialists to serve in such communities?

Answer. Yes, however, I believe that such a team of specialists should be supplemented by consultation services from the National Council on Aging and/or from representatives of local communities who have undertaken such a program and achieved results. Such a consortium could effectively perform the role that the non-profit organization might otherwise perform.

My own experiences in going to and working with communities faced with plant closings which affect older workers is that generally the communities tend to feel overwhelmed and frustrated by the magnitude of the situation. If people could be utilized who have faced these type situations and have had the experience of seeing positive results, motivation and expertise can be supplied to the local community.

Question 3. Services under Project ABLE were provided under what you described as familiar surroundings. Does this mean you established centers of some kind in their own neighborhoods? Is this an argument against insisting that they go to USES offices for such services?

Answer. In the operation of Project ABLE, the Studebaker Corporation made available to the Project office space located at the company's facilities. This proved to be very beneficial in terms of the program being located in a non-clinical atmosphere; in familiar surroundings; in an area that had easy access and adequate parking facilities. In addition, it served only the older workers so that the services available were concentrated on their needs. I also emphasize that generally when there is a plant shutdown, there are younger workers involved in addition to the older workers and the regular USES offices are taxed in trying to meet their needs. I believe that more effective communication can be established with older workers if they are not placed in the position of having to go to unfamiliar surroundings where they may be competing for services with the total unemployed group.

Senator RANDOLPH. Mrs. Harger, if you will identify yourself.

You will remember the doctor here talked about the emphasis on the role of State commissions on aging, the points at which they can perform a program of real inventory of employers who would give older workers opportunities for on-the-job training. Now is this a field in which the State agencies can operate? In what other fields can they show their initiative and strengths?

STATEMENT OF MRS. EONE HARGER, DIRECTOR, DIVISION ON AGING, STATE OF NEW JERSEY, DEPARTMENT OF COMMUNITY AFFAIRS

Mrs. HARGER. I am Eone Harger, director of the New Jersey Division on Aging.

In response to your question, Senator Randolph, I am doubtful that a single office should have a responsibility for keeping lists of either employers or available older people. I think the State agency on aging should see that responsible agencies are aware of their responsibility and take the leadership in assuring that there is a list of organizations or people available.

I would say the first responsibility lies with the labor employment offices. One of the accusations that is constantly coming up is; is there a duplication of services? If a State agency were to take upon itself to do this, it would certainly be open to such a charge.

I think too often the problem is that an existing agency has sometimes disregarded older people. Probably the basic problem is to have people understand that older people have abilities and that the primary problem is discrimination.

I have been interested in a great many ideas that have been expressed today. It seems to me there are two things which must be kept in mind. One is that there are some short-term problems which must be met by special programs. This has been admirably done in a small way by such efforts as Green Thumb, by Foster Grandparents, the placement efforts in Indiana, and by the job training which was mentioned.

Long-Range Considerations

The bigger issue is; what are we going to do in the long range? The suggestions of Mr. Wirtz, for example, for the continuing education opportunities, the suggestion of new job designs such as the part-time job, are the important elements that we have to keep our eye on as we work with little programs that help small groups of people.

The State agencies' responsibility is to see that there is understanding of what is being performed by a short-term program and then moving from the little program to an overall societal response.

I am particularly pleased to hear talk about other barriers, such as the ones in Civil Service. As a State employer, I find that this is one of the great problems I face in carrying out the things that I believe in.

The idea of equivalency tests for older workers, especially in educational requirements, is extremely important. I have just had a very enlightening experience. I have been trying to hire staff for my own division, and I am told that I can hire a person with a college degree and no experience at rates much higher than a person who has had professional experience in the field but less education just because the educational requirements are in a job description.

I know the older person would be a better employee than the fresh graduate. Yet the discrimination within the system gives no consideration to this.

I have also been trying to hire part-time people. I am told by the personnel people, "You will be back in a month complaining because you cannot manage two 4-hour-a-day people." I don't think this is true. I think the system is discriminating against people, and a new long-range view is needed.

I think State agencies have to be taking the long-range view in insisting that older people have equal opportunity in all sorts of departments, in all sorts of agencies, in all parts of society, and that existing policies adjust to a changing life style.

Senator Randolph. Thank you very, very much.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

Question 1. You gave several examples of what you describe as barriers in Civil Service policy to employment of older workers. Can you give additional examples?

Question 2. What more can be done, as you suggested, to move from the relatively little programs in employment of older people "into an overall societal response"?

(The following reply was received:)

Answer No. 1. I believe such research should be Federally sponsored in its initial stages. Once some initial findings were made, they could then be turned over to private organizations for application.

Private industry could do such research, of course, *provided* it could be persuaded that a problem exists. At the white collar level, however, there is still a widespread assumption that "we have an affluent society and any good man (or woman) can find a job easily. If they can't, there must be something wrong with them." In practice, the employer may think "If this man were any good, he wouldn't be applying for a job." If he does have an opening, he tends to look for a replacement among people already employed, rather than among the unemployed. In other words, the very existence of the problem acts as a barrier to its solution. I believe this is a circle which could best be broken from the outside. The main purpose of the research could be to persuade industry that a problem does exist.

I believe some aspects of the problem might include—

(A) The increased pace of industrial change—mergers, consolidations, new methodology, etc.—which has simply thrown more people on the job market.

(B) The tendency of white collar workers to become more specialized as they become older.

(C) The difficulty of fitting higher-paid, more experienced workers into an organization. (To borrow a military analogy, it is easier to find a new assignment for a corporal than a colonel.)

(D) What I call "automation thinking" (it has no other label that I know of), which appears to be a belief that set procedures can be worked out to meet contingencies and that people can then be trained in those procedures, thus eliminating the need for individual judgment. I'm not even sure this is done consciously. In computerizing operations, it is necessary to state problems in terms which can be fed to the computer and some managements may simply fall into this habit of thinking.

(E) The "unemployed" stigma mentioned above.

(F) Age prejudice, which might be inadvertently stimulated by our emphasis on youth.

(G) Emphasis on training rather than education or experience; technology itself rather than its application to human ends; procedures rather than applications and, in general, means rather than ends.

(H) The practice, to which Sen. Jennings referred during the hearing of July 24, of putting younger people in charge of hiring. Apart from their inability to assess experience, there is the simple fact that no executives are stupid enough to hire people who might displace them. A 30-year-old executive who has five years' experience with a piston ring company is hardly likely to hire a 40-year-old man who has spent fifteen years with General Motors.

These observations could be incorrect or there could be other factors, which is why I suggested that economists or psychologists—people outside the business framework—might be able to identify and label some of the barriers affecting the white collar worker, as we have already identified and labeled some of the barriers facing the slum-dweller or the blue-collar worker. Once this has been done, the findings then could be turned over to private organizations for implementations, as they are now implementing programs for disadvantaged people. I believe such findings, if published, could be helpful also to the man who may be job-hunting for the first time in 15 years.

In my mind, the most important single point is that *experience which is outdated in one field may be vitally needed in another.* This holds out hope both for people seeking jobs and jobs seeking qualified people. Such jobs and such people do find each other now, but mainly through luck, circumstance or unusual energy or imagination on one side or the other.

Answer No. 2:

(A) An employer may simply go through the motions of interviewing everyone (or having his personnel department do it.) This can be as simple as just handing every applicant a form to fill out which is, in effect, accepting an application.

(B) News of job vacancies, or forthcoming vacancies, can be spread by word of mouth rather than advertised or turned over to employment agencies.

(C) Requirements can be laid down for personal attributes or training which have the practical effect of eliminating older applicants. For example, it would not be illegal to specify "unmarried" applicants in an ad, but it would turn up a preponderance of younger people.

(D) Jobs themselves can be downgraded. That is, if an older man resigns or retires, the assumption is that the opening will be filled by a man of similar experience. But the company can divide the responsibilities or reorganize the post into a subordinate position which legitimately calls for a younger man.

This is a difficult question to answer for three reasons: *First*, most means of evasion could also be legitimate practices. As an example, word of forthcoming openings often leaks or it's quite natural for an employer who needs, say, a confidential secretary to ask colleagues for personal recommendations rather than taking somebody off the street. An employer also might specify "unmarried" legitimately for a job that involved travel or long hours. *Second*, prejudice can be unconscious. The employer seldom decides that he will hire or turn down an individual; he usually is in the position of picking one applicant from eight or ten with similar qualifications. In this instance he could easily persuade himself that A appeared more intelligent, ambitious or trustworthy than B and that the fact that B was older had no bearing. *Third*, as I mentioned in my original testimony, most white collar jobs involve intangibles which would be impossible to define in a court—and so on. In the last analysis, there is no need for elaborate evasions; the employer can simply take in fifty applications pick one and defy anyone to prove that age played a part in the decision.

As I mentioned in my prepared statement, I believe in anti-discrimination laws as a statement of community policy and as a legal tool which can be available if needed, but I think they are a starting point, not a solution. I still pin my faith on finding the causes of the problem and persuading employers that they need the older worker.

I also believe that, eventually, they would come to that conclusion themselves, but I don't think we can wait.

Senator RANDOLPH. Perhaps, Representative, we will begin to have everyone participate. You might summarize your thinking from what you have heard here.

Representative SCHEUER. I think I will wait until later.

Senator RANDOLPH. Max Dombrow, Director of Senior Community Service Programs for the National Council on the Aging; where are you, sir?

STATEMENT OF MAX DOMBROW, DIRECTOR OF THE SENIOR COMMUNITY SERVICE PROGRAM FOR THE NATIONAL COUNCIL ON THE AGING

Mr. DOMBROW. I would like to begin by presenting a statement on behalf of Mrs. Geneva Mathiasen, Executive Director, National Council on the Aging. First of all, Mrs. Mathiasen appreciates the fact that she was invited to participate in this discussion. Secondly, when I spoke to her on the telephone yesterday she asked me to express her regrets for being unable to be here. Something came up at the last moment, so that she was not able to attend these hearings, which she very much wanted to do.

I am the Director for the National Council on the Aging of our Senior Community Service Program, which is a program we are conducting under contract with the U.S. Department of Labor.

The National Council of Senior Citizens is conducting a similar type of program. These programs involve employing older people in part-time community service jobs. Our contract calls for our implementing such programs in 10 communities around the country. The same is true for the National Council of Senior Citizens.

I was very interested in the testimony presented by the various distinguished experts who addressed us earlier, because it very much relates to the kind of program that we are conducting.

Three out of our ten local programs have already been designed and approved by the Department of Labor and one of these is in and around Huntington, W. Va. A second is in the Bronx, in New York City, And the third is in the State of Maine. Areas to be chosen for the other seven local programs are presently under consideration and will be decided jointly by us and the Labor Department, with the approval, of course, of the Labor Department.

In conducting these employment programs we are working very closely with the Concentrated Employment Program of the Labor Department, with the Community Action Agencies funded by OEO, with the State Employment Service Agencies, and with the State Units on Aging, all of whom we have tried to involve in the planning and development of these programs.

Three Programs Underway

I would like to take a minute to tell you about some of the features of our three local programs that have been approved and are currently getting underway.

In a three-county area in and around Huntington, W. Va., we are going to have in operation very shortly a program employing approximately 40 older people in part-time jobs in a variety of different community service roles.

One aspect of the program involves an agricultural co-op, which has recently been developed in Wayne County, W. Va., among poor elderly farmers who previously had engaged in subsistence farming, but who raised no cash crops and therefore had no cash income.

About a year or two ago a number of VISTA volunteers came in and helped these farmers organize a co-op to raise and market a cash crop. As I understand it, the VISTA volunteers have left; they have either been reassigned or their service was terminated. Some of our enrollees will work with this co-op and continue to help these poor farmers develop and expand their co-operative.

In that area there is also a rehabilitation center for youthful offenders. A number of our enrollees will be working as aids to the instructional staff of this rehabilitation center, helping the instructors to teach the young boys—who range in age from about 8 to 18—skills in forestry work and in carpentry and related woodworking work.

In addition, some of the West Virginia enrollees will be employed in health department services, outreach work, and similar kinds of jobs.

In the Bronx in New York City we will have an interesting program, which involves the potentialities for a new careers program for older people. A storefront senior citizens center will be opened by a foundation. A number of our enrollees will be assigned to this senior citizens center to help the professional staff in developing recreational programs, educational programs, and outreach information and referral services for the older people of the community.

Another group of enrollees will be working in a program which is being jointly conducted by the New York City Housing Authority and a voluntary agency, the Community Services Society. They will be knocking on the doors of older tenants in public housing units, asking them what their problems and needs are and helping to provide needed services or to refer them to other resources for such services.

In relation to the testimony given by Congressman Scheuer and Professor Riessman in regard to new careers for older people, we are hopeful—and we are having discussions with the New York City Housing Authority on this—that the housing authority can create paraprofessional, new careers housing aid jobs in which people will be employed to render social services to tenants in public housing units as permanent jobs with the housing authority.

We are hopeful that it will be possible to work this out and that some of the enrollees in our program, which is only funded for a year, will be able to transfer to the regular payroll of the housing authority in these aid positions.

In Maine where there are about a half dozen counties which have been designated as hunger or malnutrition counties but which have not, for one reason or another, had efficiently organized Agriculture Department food programs, the bulk of our enrollees will be sent to these counties, working directly with the community action agencies in these counties with overall coordination by the State extension service, to develop food programs in these particular areas where hunger and malnutrition are very serious problems.

Finally, I would like to conclude with one comment on the new careers concept as it relates to older people. Our program, technically speaking, is not a new careers program. It is not funded out of that section of the Economic Opportunity Act.

However, what we are trying to do is to see to it that our enrollees, or as many of them as are able and willing to work after our program year ends have on-going jobs with the employing agencies.

On-Going Jobs Sought

We are also trying to see to it that some kind of upward mobility factor will be built into these on-going jobs.

It has come to my attention recently that in at least one new careers program older people are being employed. This program is in Vermont. The Champlain Valley Office of Economic Opportunity, in Vermont has been conducting a new careers program for a year, and a report given to me by Mr. Lloyd LaGrow, Manpower Coordinator and Miss Lipman, Assistant Manpower Coordinator for this agency indicates that after a year of experience the results show that older people have fewer dropout and other termination rates than young people.

I would like to read one sentence from this report: "Presented above are new careers statistics. The new careers program deals however with individuals.

"Looking at the enrollment after a year's operation, the counselors feel they generally find a higher degree of steadiness, of greater diligence and better attendance among the older enrollees as a group.

Inability to adjust to the new careers program does not seem to present the same kind of problem in the older enrollees as it does among some of the younger ones."

I hope Professor Reissman and Representative Scheuer will give some attention to the question of how the new careers concept needs modification if it is to be applied to older workers.

Offhand, two thoughts occur to me, one of which was referred to by Congressman Scheuer.

In talking about the over-65 age group, we need to think about part-time jobs, with two part-time employees filling one regular full-time new careers slot. Secondly, instead of thinking of a lifetime of employment with an upward mobility ladder of five or six career steps, we have to think about a career ladder of one or two upward steps, depending upon what the age of the older person is.

Once again, I want to thank you for the opportunity to speak here.

Representative SCHEUER (presiding). This is scheduled to end at 1 o'clock, although if we still have a stimulated discussion going, we can stay somewhat later than that.

We finished, I think, the prepared presentations, or is there anybody who has a prepared presentation who has not submitted it?

Let us have some cross-fertilization.

STATEMENT OF LAWRENCE SMEDLEY, ASSISTANT DIRECTOR, DEPARTMENT OF SOCIAL SECURITY, AFL-CIO

Mr. SMEDLEY. Mr. Chairman, in view of the discussions I have heard, and in view of Mrs. Harger's remarks about a need for overall approach—

Representative SCHEUER. Will you give your name and title?

Mr. SMEDLEY. My name is Lawrence Smedley, from the AFL-CIO Department of Social Security.

Do you think it would help if we had an agency of Government, perhaps the Administration on Aging would be the appropriate one, that would coordinate these programs perhaps by the use of experts in various fields to evaluate them?

Do you think this approach would help focus the problem so that the American public could better appreciate it?

Representative SCHEUER. Who are you asking? The floor?

Mr. SMEDLEY. I am asking the panel.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You asked at the hearing whether it might not be appropriate for at least one Federal agency to coordinate older worker service and employment programs. Do you foresee problems if such programs proliferate? What suggestions do you have for implementing greater coordination?

2. Is there danger, do you think, that such worker-service programs might be regarded as "make-work" programs for the elderly? What actions can be taken to counteract such misimpressions?

(The following reply was received:)

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., August 26, 1968.

DEAR SENATOR RANDOLPH: This is in reply to your letter of 9 August 1968 inviting additional commentary for the hearing record as a follow-up to the round table discussion held by your Committee on 29 July 1968.

First, I would like to comment on the frequently held and overdrawn picture that union retirement policies are restrictive, intended to force early retirement and reduce the supply of labor. It is true that unions through collective bargaining agreements, have negotiated greater economic security for retired workers, a greater range of choices on how and when to retire, and the opportunity for many older workers to retire when the burden of a faster pace and other work demands create difficulties for them. Organized labor will continue to seek this kind of improved economic protection for older and retired workers through collective bargaining and through improved social legislation. These economic protections allow the worker a greater range of retirement choices, all voluntary, based on his individual circumstances. Organized labor does not favor rigid systems of forced retirement of older workers who retain their productive capacity.

Though unions through senority systems and better pensions have increased the security of older workers, unemployed and unskilled olders workers are particularly disadvantaged and will require special public support and services. Resolution of the problem will require comphensive effort involving all segments of society—labor, management and government. Among these efforts, the AFL–CIO suggests the following:

1. The most important is a full employment policy. The greatest advance that could be made toward greater employment opportunities for older workers would be full employment opportunities for everyone. A program to provide jobs for older workers that may be at the expense of those presently employed is not satisfactory program. What is needed are jobs for all who want and need them.

2. Millions of older workers will require training and retraining to adequately compete in the labor market. Retraining and training should be considered in the broadest sense. However, even old age should, to the maximum extent possible, be a time of service and continued self-development. The federal, state and local governments should initiate and expand programs to make available a wider range of activities to older citizens. Training, education and community services should be considered desirable for themselves for they are investments in human resources enriching both the individual and society.

3. It is imperative that there be vigorous enforcement of the Age Discrimination Act of 1967. This will require prodding by and sufficient appropriations from Congress in order to insure that the Act becomes an effective instrument for resolving the age discrimination problems of older workers. Unfortunately, there is already a distinct possibility that this may not occur. The budget for the program is already in the process of being cut which is certain to delay effective enforcement and curtail essential research aimed at removing prejudice against the hiring of older workers.

4. To the extent possible, the impact of technology on older workers should be handled through retraining, job redesign, and normal attrition and not through lay-off. In other words, new hiring and increased employment in the economy would depend essentially on the expansion of economic activity.

5. In the interim, there are, however, millions of older workers who cannot be helped by programs that operate through the labor market and improvements in government income maintenance programs are essential to assist them. The AFL–CIO has urged improvements in unemployment compensation, workmen's compensation, public assistance, minimum wage and social security (OASDHI) laws. For example, there are a number of improvements that could be made in the Social Security Act that would be of considerable help to older workers. Many older workers suffer from chronic ill health during their later working life. Unless totally disabled, they cannot meet the stringent definition of disability in the Social Security Act. They are in an economic no-man's land. They are unable to work but are not yet eligible for regular social security benefits. The AFL–CIO advocates the following changes to help alleviate this problem:

a. An occupational definition of disability that would permit older workers after age 50 or 55 to receive disability benefits if the disability prevents them from doing their usual occupation.

b. An increase in the number of drop-out years in the social security benefit formula. At the present time, social security law permits the dropping-out of 5 years of low or no earnings in computing a workers benefit which does provide some limited protection against unemployment, illness and no earnings. The problem is compounded for those older workers who are laid off by plant closings, technological changes and ill health, etc. and who must include these years of low or no earnings in determining their average wage. Additional drop-out years would be considerable help to them.

c. A flexible zone of retirement between ages 60 and 65 permitting retirement at age 60 with less than full actuarial reduction. A flexible zone of retirement, if coupled with a substantial increase in retirement benefits, would permit the individual to a much greater degree to make a retirement decision based on his financial resources, age, health and the nature of his occupation.

Finally, greater coordination of the growing number of federal programs involving the problems of aging is essential to counter the overly proliferated efforts that now exist. A multiplicity of programs exist, ranging from health and recreation to job training. They are located in many agencies and departments of government and many have overlapping and duplicating functions. There is little real coordination and, generally, most go their own way following the route of agency self-interest. A good first step toward effective, overall coordination would be to locate all federally supported training activities, including those involving older workers, in the Department of Labor. This Department is the only one with expertise in all phases of job market activity and is more likely to identify skill needs satisfactorily and to successfully place trainees.

It is one thing to talk about coordination at interagency meetings and another to insure that this actually occurs in a satisfactory manner. There is an inherent agency self-interest that runs counter to fully adequate coordination of effort. With their eyes on budget money, agencies find it necessary to emphasize their independence, individuality and uniqueness. For if they don't indicate they are doing a better job than other agencies and doing something new and different, the budget funds will likely go elsewhere. Coordination runs counter to these goals for effective coordination requires subordination of individuality and uniqueness to a more anonymous participation in a larger but more effective overall program.

This overall coordinating function should be performed by one agency of government or perhaps by a Presidential Assistant. The Agency or Presidential Assistant would have a staff with expertise parallelling the various programs throughout the government, and would have the right to look into, prod, evaluate and make recommendations concerning these programs. It seems to me this kind of approach should make for a more effective, coordinated program and better serve the interest of those for whom these programs were established.

Thank you for the opportunity to make additional comment and I hope these observations will be helpful to you.

Sincerely yours,

LAWRENCE T. SMEDLEY,
Assistant Director, Department of Social Security.

STATEMENT OF WILLIAM R. HUTTON, EXECUTIVE DIRECTOR, NATIONAL COUNCIL OF SENIOR CITIZENS

Mr. HUTTON. My name is William R. Hutton, executive director of the National Council of Senior Citizens.

My organization was one of those which strongly supported the initial Older Americans Act. We participated in discussions with the late Senator Pat McNamara and the late Congressman John Fogarty in the aims and purposes and objectives of this act.

Incidentally, before I go into that, I would like to say that my organization, the National Council of Senior Citizens, also administers one of the U.S. Department of Labor community service programs. We have 10 demonstration locations throughout the country. All 10 are working, and some 400 older people are employed.

I hope that these demonstrations will satisfactorily prove the concept that there are many older people who are able and willing to work. Older people resent being thrown on the shelf at 65 or 55, as has been done in the past.

I regard this hearing and others like it an encouraging sign that perhaps America is finally moving away from the old concept of

throwing people on the shelf at 65 and is getting interested in doing something worthwhile for them.

In this particular question, I believe it is true to say that the originators of the Older Americans Act, in creating the Administration on Aging, thought of it first as a special Commission on Aging working from the White House, and not inside HEW.

As we saw the role of the Administration on Aging and as the legislators saw its role, I am sure they thought of its as stimulating, within the various departments of Government, an attitude showing concern for aging problems. In recent hearings on this subject, I have been somewhat disturbed by the notion that the Administration on Aging should be an operational agency engaged in employment programs—

Representative SCHEUER. Sir, would you try to make your comments brief, because I know there are many people who want to participate, and we only have another 20 or 25 minutes.

Mr. HUTTON. I would like to say I feel this is what the Administration should be doing. It should be doing this overall stimulation job throughout all the agencies, and not take upon itself employment programs, which should be within the Department of Labor.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. For our hearing record, may we have a summary of the major facts about the new senior service programs conducted by the National Council of Senior Citizens under contract with the Department of Labor?

2. How are such programs being coordinated with Project FIND where such projects exist? If the "Senior Opportunities and Services" program authorized under the Economic opportunity Amendments of 1967 is funded in the near future, will such programs take place in cities other than those now served through the Department of Labor programs, or will opportunities arise for the programs to complement each other?

(The following reply was received:)

This is in reply to your letter of inquiry dated August 9, 1968. I was very happy to have the opportunity to testify at the subcommittee hearing on July 18 because, as you know, our organization feels very strongly that the Labor Department should administer the employment programs.

The National Council of Senior Citizens, a mass membership organization made up of 2,500 affiliated older people's clubs in all states, is the sponsor for a pilot program to open up jobs for elderly persons in need. The program is funded by a grant of $1,093,840 from the Department of Labor. As of July 1, funds were provided to ten communities to establish jobs for 400 men and women, 55 or older, to be employed for nearly one year in a wide variety of jobs in cooperation with public and non-profit community agencies.

A similar pilot program, also funded by a grant of just over one million dollars by the U.S. Department of Labor, is being operated by the National Council on the Aging—an organization of professional people working in the aging field. The Department of Labor, in choosing the sites for demonstration programs, selected twenty different locations—ten each for the National Council of Senior Citizens and the National Council on the Aging programs.

The National Council of Senior Citizens' "Senior AIDES" program is sponsored and funded in the following communities:

Allegheny County, Pennsylvania; Buffalo, New York; Chicago, Illinois; Dade County, Florida; Detroit, Michigan; Milwaukee, Wisconsin; Minneapolis, Minnesota; New Bedford-Fall River, Massachusetts; Providence, Rhode Island; and Washington, D.C.

The jobs cover scores of needed community services in schools, day care centers, home health care and other services older men and women can provide if given an opportunity.

The Senior Aides employed will work a twenty-four hour week and receive wages ranging from $1.60 to $2.50 an hour. Four of every five dollars of the grant will go for wages of those hired locally. The remainder is reserved for administration and related expenses.

Recruiting and screening of job applicants will be through the local public employment offices and through the Labor Department Concentrated Employment Program (for coordinating and accelerating services to the needy unemployed).

Under the Senior AIDES program, the elderly poor can supplement their meager incomes by working at socially useful tasks in their communities. Moreover, the employing agencies stand to benefit from application of their knowledge and skills to jobs opened up for them.

It is hoped that this demonstration will lead to a broadened program of this kind to help the more than five million people, 65 or over, living in poverty and the millions of other senior citizens who live close to the poverty line.

The National Council of Senior Citizens' Senior AIDES program, under contract with the Department of Labor, has been easily and effectively coordinated with Project FIND. Washington, D.C., was the only community funded for our program where a Project FIND program was in operation. Our two programs provide differing services—ours is an employment program while FIND is designed to meet the service needs of those who may be unemployable. Nevertheless, we maintain close cooperation with the FIND project.

Since we have an overabundance of applicants for the jobs as Senior Aides in the communities where our projects are located and comparatively few jobs to offer (40 in each community), our pilot projects have had little effect in meeting the great needs of these areas. Therefore, an additional project from funds earmarked for "Senior Opportunities and Services" would not cause the Senior AIDES project any major problems of coordination to avoid duplication.

Labor Department funded senior citizens programs and OEO funded programs that might be earmarked in the future for the Senior Opportunities and Services would more than likely take place in the cities other than the ones where they would result in duplicating already established pilot projects.

As far as the Senior AIDES program, sponsored by NCSC, is concerned, we will continue to avoid programs that duplicate efforts of the Community Action Agencies of OEO or other community agencies concerned with serving the needs of senior citizens. Furthermore, we will continue to coordinate our efforts with local community agencies in an attempt to complement all existing programs furnishing help to the elderly.

Representative SCHEUER. Does anybody feel that one of the things that this agency can and should do is to serve as a watchdog over Federal and State and municipal employment policies, themselves?

In my experience, I am aware of the fact that our Government, itself, is guilty of discrimination against aging. Our Federal Civil Service Commission does not treat an application of a 50-year-old or a 55-year-old the same way as it treats an application of a 30-year-old for the same job.

Is there any feeling here that the Government itself, in its own employment policies at every level, can fill a considerable part of this gap?

STATEMENT OF O. GLENN STAHL, DIRECTOR, BUREAU OF POLICIES AND STANDARDS, CIVIL SERVICE COMMISSION

Mr. STAHL. May I speak to that?

I am O. Glenn Stahl, from the U.S. Civil Service Commission.

May I gracefully reject the charge?

Representative SCHEUER. You don't even have to do it gracefully.

Mr. STAHL. As a matter of fact, I was interested in this discussion which has been going on about civil service in State and local government, because I was turning over in my mind as I listened to this dis-

cussion that really one of the great opportunities for employment of any category of personnel is in the burgeoning State and local governments.

Yet I was surprised to hear people indicate the difficulties that they have had in some of these States and local governments with civil service.

I wonder whether the problem in some of the States and local governments is like that in the Federal service, where there is a lot of mythology about what the problems are.

I think that HEW has demonstrated that there are a lot of things that can be done when people have the inclination to do them.

I was shocked, for example, a few weeks ago to find that a very high official who should know better was laboring under the impression that personnel ceilings somehow prevented the employment of part-time personnel, not knowing that this had been changed over 4 years ago.

In a service as huge as the Federal service, communication is a problem, but we have a lot of things going for us.

We have a retirement system with a high mandatory retirement age. We have the possibility of employing retirees after they have been retired as annuitants. We can put people on part-time duty.

We have no arbitrary age limits in the competitive civil service, although some parts of Federal employment still have some arbitrary age limit by law.

We have one of the most extensive areas of in-service training and job redesign programs that exist among any employers.

We have a graduated leave system, generous sick leave system, liberal health insurance, and increasing use of part-time employment in general.

But the handicaps are these, and I suspect these are the same handicaps that we find in some of our State and local governments:

We are right now almost a disabled employer. Because of the retrenchment, we are forced to not fill all vacancies, and to cut back to a June 1966 employment level.

Even though some Federal agencies have prospects of being relieved from that limitation, it will make the limitation all the greater on the rest.

There is a problem of location. Some 80 to 90 percent of Federal employment is in a comparatively small number of centers around the country. The opportunities are not necessarily where the potential workers are located and want to stay.

There is this problem of communication and misinformation that I referred to, the impression that somehow the system imposes restraints that are not really there.

Influence of "Organized Occupations"

Finally, this is the important point that I would like to direct the attention of various people here to: The biggest problem, in my judgment, in the employment of older persons is that imposed by the influence of the individual organized occupations, whether they are professional or unions or crafts, or whatever they may be.

The pressures that these professional or organized occupational groups bring to create all kinds of restrictions on minimum educa-

tional requirements, minimum or maximum age limits, whatever they might be—these are the real sources of difficulty that handicap any employer, whether it is a public employer or private employer.

I think the organizations that are interested in the employment of the aging should direct a lot of their fire toward those organized occupational groups.

Representative SCHEUER. I am sure you are right.

I would like to elaborate briefly on this communications gap as you have characterized it.

I think you are right, that it is a problem. One of the problems is the communications gap between the liberal and enlightened thinkers at the top of your bureaucracy in Washington and what happens in the field offices. The attitudes are different.

The answer to the questions about employability of older persons would shock the people here in Washington. It is a different world.

In my district, I have twice the percentages of people over 65 as the national average, and they come into my office. They give me the most horrendous stories of what happens to them when they go to the U.S. Employment Service, or the Civil Service Commission, and what people tell them.

And talk about the discouragement, the Government agencies themselves create much of that discouragement.

When I say agencies, I don't mean bureau chiefs, secretaries, assistand secretaries. I mean the interviewer in the office where the action is.

That is one communications gap that the Federal Government itself is going to have to think about.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. To judge by several comments made by you—and by others during our three days of hearings—there may well be a communications gap between Civil Service headquarters in Washington and local field offices. For example, you cited the case of a "very high official laboring under the impression that personnel ceilings somehow prevented the employment of part-time personnel."

What more can be done, do you think, to put special emphasis on the problems of older workers and would-be part-time workers in actual field operations? Do you see here an opportunity to develop informational materials with the help of the Administration on Aging, the Department of Labor, and other Federal units?

2. Enclosed is a copy of testimony given by Mrs. Elaine Gutman at our hearing. We would like to have your comments about the experiences she describes.

3. You said that the biggest problem in employment of older persons "is the problem imposed by the influence of the individual organized occupations, whether they are professional or unions or crafts." Would you give us additional commentary on this point?

(The following reply was received:)

As you can appreciate, such occasions often present opportunities for people to "sound off" without very careful checking of the facts, and the Civil Service Commission is a favorite "whipping boy" for some people—especially if they are somewhat frustrated over a personal experience. I believe that my answers to your three questions, as you presented them in your attachment, will serve to elaborate on and, I hope, clarify further the position I was trying to take:

1. *The communications problem.*—My main purpose was to avoid leaving the impression that mere enunciation of official policy could insure 100% conformity of practice in an enterprise as huge and widespread as the Federal civil service. My reference to a "communications gap" was not that it was any *more* of a problem in this area of employment of workers regardless of age, but rather that all efforts at establishing uniformity of action run into problems that are inherent in bigness and in necessary decentralization.

Actually we are plugging away at this situation in a variety of ways. For instance, with respect to part-time employment—the subject around which the issue arose at the round-table—our Bureau of Recruiting and Examining has been promoting among all Federal departments a full appreciation of the opportunities that the civil service system provides for parttime work. *I do not think there is widespread misunderstanding on this.* I simply wanted to call attention to the fact that when one well-placed official fails to get the word (or fails to pay attention to it), a slip-up can occur. Actually the success in part-time employment of HEW, the Veterans Administration, and the Atomic Energy Commission, to name a few, demonstrate what can be done under determined leadership within the Federal agencies.

I doubt if there is much more in the way of informational material or in active, continuing promotion that could be done that isn't already being done in this area.

2. *The testimony of Mrs. Elaine Gutman.*—The testimony by Mrs. Elaine Gutman regarding her own case was, in my judgment, highly misleading, because it was apparently calculated to leave the impression that it was settled Government policy to avoid recognition of volunteer unpaid experience. The point that she failed to acknowledge was that a first judgment about her qualifications had been corrected when it was reviewed and that she thereupon *did* receive an assignment. As a matter of fact, Mrs. Elsa Porter, who also appeared on the panel that day, has telephoned me since that occasion to apologize for the misimpression that Mrs. Gutman left, Mrs. Porter explained to me that she had had the finest cooperation and leadership from the Civil Service Commission in her effort to develop a corps of part-time women professionals in HEW regardless of age.

The problem with recognizing voluntary experience is not the policy. The policy has long been on the books. Attached are citations from the *Federal Personnel Manual* and a special handbook for examination raters with respect to recognition of unpaid experience. The problem, rather, is being able to determine the amount of credit to be given to widely varying and inadequately recorded experience in unpaid civic, professional, religious, and charitable activities. There are people who hold office in civic organizations, for example, who take little or no leadership and allow others to play that role. How much value, for example, do we attach to being chairman of a relatively inactive committee of a PTA? This can hardly be equated with the presidency of a community-wide citizens council engaged in a major reform movement that results in some important changes in local government.

Much of such crediting of this kind of experience must, therefore, be on the basis of common sense judgment. Hence, there will continue to be instances in which the applicant's description of his voluntary experience will lead an examination rater to give it less credit than its true value. If such a judgment is challenged and if more detailed information is supplied, the evaluation can always be corrected. And this is exactly what happens in a number of cases. Hence, there will continue to be instances of complaint and reconsideration. Instead of illustrating a negative policy, such a process actually proves that the policy works. The difficulties inherent in standardizing and quantifying volunteer work in rating are obvious.

3. *Influence of organized occupations.*—My reference to the influence of organized occupations was directed to the fact that so many of them are more intent upon (to use a phrase of Chairman Macy's) "protection of the breed" rather than its improvement. Convincing themselves that they are "raising standards", organized occupational interests often seek to restrict entry into the occupation by one means or another. This sometimes goes to the extreme of creating unreasonable and unnecessary educational or physical requirements, and sometimes it entails insistence upon minimal or maximum age limits.

We have encountered such pressures in various health occupations, in investigative and law enforcement occupations, and in such fields as air traffic control, to name only a few. Admittedly there are instances where we have no adequate measure of a person's ability to handle a very delicate or dangerous job, so there is a temptation to clamp maximum age limits on employment practice as the easy way out. This has long been the case in police work. We are nevertheless continuing to try to find better substitutes.

The only point I was making was that the pressure to impose maximum age limits on employment in given occupations usually comes from the organized protectors of the occupation itself, and that this is not always consistent either with the general welfare or with the ultimate contribution that the occupation

can make to society. I have no panaceas to resolve this other than to suggest that we scrutinize very carefully and question in depth the efforts of such organized groups to "raise standards". We cannot and should not prevent them from making legitimate improvements. Vigilance to check over-enthusiasm and oversimplification in building fences around the occupation is about all we can hope to rely on to achieve a reasonable balance.

Thank you for giving me the opportunity to expand on my remarks.

CITATIONS FROM FEDERAL PERSONNEL MANUAL

Federal Personnel Manual, Chapter 337, 1–5, "Evaluating Education, Experience and Training:"

(*a*) Kinds of experience credited. Credit is given for all valuable, pertinent experience, paid or unpaid, including experience gained in religious, civic, welfare, service, and organizational activities. Unpaid experience is rated on the same basis as paid experience.

Examining Handbook X–118, Part II, Section II "Crediting Experience," page 10.02:

GENERAL

All valuable experience and training of the quality and type specified in the standard, including experience and training gained in religious, civic, welfare, service, and organizational activities, is considered in determining qualifications regardless of whether or not any compensation was received. . . . Unpaid experience is given just as much credit as paid experience if it is valuable and pertinent to the position in question.

STATEMENT OF WILLIAM McLIN, SENIOR CONSULTANT, LEGISLATION AND FEDERAL RELATIONS, NEA

Mr. McLIN. My name is William H. McLin. I am senior consultant in legislaton and Federal relations for the National Education Association.

Our membership is composed very largely of municipal employees, and to some extent State and county employees.

For a very long time, our membership has been concerned about the very point that Mr. Stahl has just been mentioning, this idea of professional restrictions.

I am happy to report that at our annual representative assembly held this month, the delegates voted to approach these problems of retirement in a significant departure from tradition. Our membership is convinced that the retirement problem does not consist solely of seeing that former members of the profession have adequate financial resources upon which to retire.

We believe that we are about to broaden our approach so that we will make a fresh attack on this problem of professional restrictions at the level of the State and municipal employees, and on the broader aspects of properly adjusting our membership to retirement, a field in which our association has long been a pioneer.

Representative SCHEUER. Very encouraging.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You alluded to "professional restrictions" that have caused problems among your membership. Would you give us additional commentary on this point?
2. May we have additional details on the special department established to deal with a broad range of problems related to retirement.
3. What is the official policy of the NEA in regard to part-time employment of retired teachers in areas of great need of educational services?

(The following reply was received:)

I. Certain provisions of teacher-certification laws and regulations have tended to increase the difficulty of securing part-time teaching assignments by retired teachers. While strong certification requirements are pre-requisites of an adequate foundation for teaching that can be termed truly professional, some of these requirements become outmoded with the passing of time and need to be reviewed lest they work undue hardship on individuals. For example, in some states an effort has been made to curtail the issuance of certificates to non-residents who may never teach in that state by requiring proof of promised full-time teaching employment within the state before a certificate is issued. A "statement of eligibility" is issued to candidates for teaching positions. While teachers sometimes favor such regulations as tending to protect the profession within a given area, it can be appreciated that many retired teachers prefer not to get involved in the process of renewal certification when the ultimate result can be but part-time employment. Some may argue, of course, that such barriers represent "legal" rather than "professional" impediments.

II. (Concerning a "special department" being established by NEA to deal with retirement problems, I believe the word I used was "departure" and not "department." I have re-worded my text to make the matter a little clearer.)

The NEA has for a long time been a leader and an initiator in the study of problems affecting retired teachers. It was the founder of the National Council on Teacher Retirement, for example. It has long pushed for increased tax benefits for retired teachers. In connection with its latest action to set up a study of the "portability" of retiring-allowances for teachers, it has also established a new approach to the co-ordination of information about the many problems besetting teachers who have retired and to this end it will soon designate a staff person whose major responsibility will be just such an endeavor.

III. The National Education Assoication has no formal statement of official policy in regard to part-time employment of retired teachers in areas in great need of educational services. It believes that retired teachers should be free to accept part-time teaching assignments to the extent that their states of health permit, provided that their pay would be calculated on the same scale as that of full-time teachers and that their services would be used to *supplement* and not to *supplant* those of full-time teachers. To this end, the Association would support efforts to remove impediments in teacher-certification procedures that would interefere with such employment. It would also support efforts to remove arbitrary limitations upon the earnings of retired teachers.

STATEMENT OF OTHIE BURK, VICE PRESIDENT, NATIONAL ASSOCIATION OF RETIRED CIVIL EMPLOYEES

Mr. BURK. Mr. Chairman, the National Association of Retired Civil Service Employees, and I and the people I work with and represent, have spent a lifetime working under the Civil Service regulations that Mrs. Harger has mentioned sometimes cause us our difficulty.

I appreciate the statements of many of these other people, and particularly of Mr. Stahl from the Civil Service Commission, in regard to their desires.

But this again becomes a problem of communications, as he mentioned, and you mentioned, because what they desire is not what happens out in the field.

Representative SCHEUER. That was my point.

Mr. BURK. When the man who is 55 or maybe 60 years of age, capable of advancement to a much higher position, finds himself blocked by the personnel director or the assistant administrative officer, and he winds up and finds out he is working for 60 cents an hour, then he retires, and you lose all the knowledge that he has gained over a period of 35 or maybe 40 years of service.

This man may have an equal education to the man who is promoted, who is much younger.

I am wondering if maybe in our own Government we haven't set up some of these blockades by some of our programs.

For instance, we have an FSEE program, the Federal Service Entrance Examination, which is designed primarily to move those young qualified people into management positions, a minimum of level 7. When you do this, then you block the man who is 45 or 46 or 50 years old from stepping into a position for which he may be eminently qualified, but you put a young man, 25, 30 years old, into the position, so he has no place to go.

I am wondering if this is not perhaps a part of our problem, and something we should give some consideration to.

I think that this panel this morning has brought some real pertinent things to mind.

The man who is 45 years old has an entirely different problem to the man who is 65 years old.

I am also wondering if we have done enough research. I notice Dr. Carstenson here said he made an estimate of the number of people. Is the estimate any good? How many of our older people, 65 years old, that we are talking about, how many of them actually want to work? How many of them actually need jobs?

We don't have the information. How many of them are physically able?

This, I think, we have to have before we can actually solve our problem, because you can't solve the problem until you know what it is. You can't solve it until you have all the facts that are pertinent to it, and come up with a suggested solution.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

Question 1. Do you believe that your organization can be helpful in any way providing information about the special problems of older workers to directors of field operations for Federal departments?

I ask you this because of your statement that the Civil Service Commission faces a problem of communications "because what they desire is not what happens out in the field."

Question 2. Enclosed is a statement by Miss Fait of the California state employment office. On pages 11 and 12, she discusses the need for "Age balance" in a work force. Do you believe that age imbalances are causing problems in Federal agencies? What actions can be taken, do you think, to overcome such problems if they exist?

(The following reply was received:)

Thank you for giving us the opportunity to take part in the discussion of problems of the older worker. We also appreciate the opportunity to contribute our help toward solution of the particular problems you have asked about in your recent letter.

In response to your questions—Our organization will be happy to help in every way possible to provide information about problems confronting the older worker in the field. The statement quoted in your letter and made at the hearing on July 29, 1968, was made in response to a general statement of policy made by Mr. O. Glen Stahl from the Civil Service Commission.

We do believe the "Age inbalances" cause problems in Federal agencies. Actions to overcome such problems would have to vary according to the actual cause of the problem in each case. There are many things that can be the actual cause of such conditions:

1. Too much authority for "Merit Advancement" in the hands of one person on the local level.

2. A desire of existing management to set up a management regime for future years.

3. Perhaps the Federal Programs such as the FSEE, Federal Service Entrance Examinations, designed to place deserving young college graduates in management positions. This necessarily by passes the middle age or older worker who cannot qualify, but has much experience. (And we are not opposed to giving credit for advanced education.)

4. Unexpected acceleration of the work-load which requires addition of large numbers of workers at one time.

5. Application of economy drives to the Personnel field rather than to other areas of vast expenditures.

There are undoubtedly other causes which we have not listed. We have not outlined the "cures" for the above problems. These would have to be worked out by the Congressional committees or by the Federal agencies involved in each case. We have noted recent news items that the Civil Service Commission is revising their Merit Promotion procedures. It is possible this revision will solve problems 1 and 2 listed above.

STATEMENT OF DR. INABEL LINDSAY, REPRESENTATIVE, PROFESSIONAL AND EXECUTIVE CORPS

Dr. LINDSAY. Thank you, Mr. Chairman.

I am Inabel Lindsay, of the Professional and Executive Corps, HEW.

I am pleased and happy to be an employee in the federal system.

It occurs to me one of the great needs to opening up opportunities for the aging is a good manpower study.

We talk constantly about the shortages in various fields. My own field, that of social work, is one most acutely suffering from manpower shortages, as are teaching, and all the other service professions.

So that it would seem to me that to offer opportunities to the aged who still have something to offer, we could have a coordinated approach to looking at manpower needs.

Mrs. Harger delineated the Corps work strongly first of all by a brief and informal survey of Government departments, asking that they identify jobs which could be filled by part-time employees.

This would then give us a solid base of operations, and would help push further our economy as well as provide resources for the employment of people who still have somethinig to offer.

The other need I would like to respectfully request the committee to give attention to is an especially vulnerable group. Many suffer handicaps of various sorts.

I am particularly interested in the older Negro, who is discriminated against, or in double jeopardy, from the standpoint of age and race and lack of opportunities.

I would like therefore to request some attention to the needs of special groups.

Chairman Randolph commented on his special interest in the blind. There are many groups with specific handicaps who could be profitably engaged either on part-time or a full-time basis.

So that I would reinforce all that has been said about retraining and education, new careers to be opened up through the process of education, but first of all, I think we need to identify the shortages, including a process of analyzing the jobs to see what parts of jobs may be performed by the people with less than the normally recognized skills appropriate to that job.

Perhaps by breaking it down into component parts, we could find more opportunities for a greater variety of people.

Thank you.

Representative SCHEUER. Of course, that basic principle you have just enunciated is the whole underlying philosophy of the new careers program.

With the guidance and leadership that Frank Reissman and others are giving it, I think we will progressively be seeing more of that kind of philosophy producing opportunities and openings for our elderly.

Dr. LINDSAY. Not a piecemeal, but a coordinated fashion.

Representative SCHEUER. That is right. We are starting from a rather low level of activity, but it is almost a burgeoning explosion of interest in new careers. I hope that will extend to the elderly.

I think the point you have made is absolutely valid, that job redesign, (a) from the point of view of carrying out the elements in the job that can be done by people with less than professional skills, and also carrying out those particular activities that elderly people find difficult and dangerous or simply inappropriate, will create vast numbers of jobs which can be done by elderly people and for whom the life experience and the compassion and wisdom and understanding of the elderly is a tremendous positive asset.

I think we are on the edge of a whole new era. I welcome your reactions.

Miss Dubrow.

STATEMENT OF MISS EVELYN DUBROW, LEGISLATIVE REPRESENTATIVE, INTERNATIONAL LADIES' GARMENT WORKERS' UNION

Miss DUBROW. I am Evelyn Dubrow, legislative representative for the International Ladies' Garment Workers' Union.

I don't need to tell you that in an industry that has more than 80 percent women in it, many of whom leave the industry to rear a family and then come back, I am pleased to say that we have had a good deal of success in luring back our women who have raised their families and then want to come back to work.

But I want to make two or three points that I think are terribly important.

First of all, the Older Americans Act, as I recall, is only 2 years old. Therefore, there are many bugs in it that need to be cleared out.

As a legislative representative, a euphemism for lobbyist, I would like to suggest that in planning further legislation, there ought to be real consideration for the bugs that have occurred in the last 2 years.

I am sure that while I was gone, several people made the point of the need for coordinating programs.

I am concerned with the Commission on Administration of the Act in terms of the fact that I think rather than try to administer and plan the programs, there ought to be more coordination.

I got the feeling today as I listened to every expert that I was like a kid with 10 ice cream sodas. If I had one, I would have another. If I had three, I might have another. If I had all of them, I would be sick.

The programs are tremendous. The descriptions I heard today are wonderful.

But speaking for perhaps the lay public, I would like to say that we don't know very much about these programs. We have no idea where the services are. We have no idea where jurisdictional lines cross.

We have no idea what you are going to do in terms of employing the people, not in low-wage industries, but in wage industries that pay better, what you are going to do in terms of other services that are now inadequate.

I want to compliment both Senator Randolph and Congressman Scheuer for this round table. I think it has been terribly educational, as far as I am concerned.

But I can only say that it would cause me great grief, I think, if, in working on the legislation that is presently before the House and the Senate, we were to rush so quickly into amending the act that we did not take some of the things that were brought out today as an important and integral part of the program.

So, unlike many times when I come to you, Congressman Scheuer, I am asking for serious reconsideration, no rush to get the legislation through, say, this week, since you are all coming back in September, but perhaps to read the testimony today, and then perhaps work out the kind of program that Mrs. Harger of New Jersey talked about, a long-term program, not stopping what you are now doing, but let us not get ourselves into such a bind to do everything in a hurry that the programs are not as good as they can be.

Representative SCHEUER. Thank you very much, Miss Dubrow.

STATEMENT OF MRS. ELAINE GUTMAN, REPRESENTATIVE, PROFESSIONAL AND EXECUTIVE CORPS, HEW

Mrs. GUTMAN. I am working again with the elder program as an information specialist in the Office of Information, Social Security Administration, as a member of the HEW, Professional and Executive Corps.

I want to mention that all the discussion I have heard today on the aging and the jobs for the aging, and the discrimination over age 65 leads me to wonder whether you realize that job discrimination is beginning at a point where many women particularly still have 20, and hopefully maybe even 30 years of productive life.

I have found job discrimination extremely prevalent in being over 40 years of age.

I have finally, through the Maryland State Employment Service, been ideally placed with Social Security Administration. For this job, I took a 4-hour civil service examination—just the physical taking of the examination was an endurance contest—only to be told by Civil Service, not that I did not pass the examination, but that I was not qualified to have even taken it—on the basis of not having had the 3 years of paid experience required—and was, therefore, not certified.

In lieu of the paid experience, I had had substantial volunteer work over a period of a number of years, raising over $2 million for an independent college. I had been a trustee of not only a college, but also a secondary school, and I could go on and on and on.

By the time I was not certified I had already been working at the job for 3 months. So I asked if a recommendation to the Civil Service from Social Security Administration to the effect that I was producing on a high level would be justified. The answer came back, "Oh, no, we can't do that. Civil Service is not interested that you are producing.

We must find some way of saying that you were eligible within the framework of the regulations of the Civil Service Manual."

I rest my case.

(The chairman, in a letter written shortly after the hearing requesting further information, received the following reply:)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
SOCIAL SECURITY ADMINISTRATION,
Baltimore, Md., August 13, 1968.

Dear Senator RANDOLPH: First, may I thank you for letter of August 9 and for the privilege of appearing at your hearing on July 29. Not only did I enjoy your superb "chairmanship" but I was delightedly amused by your remark (several days earlier) to the effect that women were pretty important to the committee since their sex represented four million more registered voters than the men!

The wide-scale use of part-time help within the Federal Government, particularly at the professional and executive levels, could represent advantageous use of skills coupled with great economy of time and money. However, in order to tap this rich resource of potential women-power, it is essential that the Civil Service Commission make the necessary accommodations for the consistent handling of—

1. evaluating volunteer work for qualifying standards;
2. promotion standards: for example, will the part-time worker be penalized by interpreting the Witten amendment year-in-grade requirement on an hour basis (2080) rather than a calendar basis? This same consideration would also apply to probationary periods, tenure, etc.;
3. leave;
4. compensatory time privileges, etc.

I would also like to suggest the importance of giving specialized personnel training to those responsible for supervising part-time employees. Although some of the relationships require individual solutions, many problems of a general nature exist which require skilled handling: preparing an already established group to accept a part-time member, understanding and implementing the pitfalls (particularly with regard to communications) of the "absentee" employee, etc.

Since I am so very enthusiastic about my own part-time job in the Federal Government, I hope you will call on me to foster and further assist your efforts in any way I can.

Sincerely,

ELAINE B. GUTMAN,
Information Specialist, Office of Information.

Representative SCHEUER. Mr. Stahl, do you have anything to say for yourself and your past?

Mr. STAHL. I did not know I was going to start this kind of argument.

I am completely unacquainted with the circumstances which Mrs. Gutman refers to.

I do know this: Several years ago there was a problem, not so much with respect to the employment of older workers, but with respect to the employment of women at any age, of recognizing volunteer work rather than paid employment.

This has been corrected, last year, at least a year or more ago.

I don't know what the problem is, unless somebody is misinterpreting the standards.

Representative SCHEUER. One problem is that they may not have heard of it in Baltimore.

Mr. STAHL. That may be, but you are on the payroll, aren't you?

Mrs. GUTMAN. I am on the payroll. The decision I referred to was rescinded.

STATEMENT OF BERNARD NASH, DEPUTY COMMISSIONER, AOA

Mr. NASH. I am Bernard Nash, Deputy Commissioner of the Administration on Aging, Social and Rehabilitation Service, in the Department of Health, Education, and Welfare.

I would like to underline what Dr. Sheppard stated in reference to the necessity for refining the different needs of the different age groups. Today, we have waivered from 45-year-olds to 55-year-olds to 70-year-olds, and Dr. Carstenson mentioned 82-year-olds.

We tend to lump the problems and the organizational patterns that are needed into one category. There is considerable difference between the need for work of a 45-year-old and the need to feel useful of a person who is retired. We do need more research in this area, but there is sufficient sophistication in our present knowledge to design specific programs and opportunities for the pre- and the post-retirement age groups.

The Administration on Aging has engaged in a great deal of activity during the 33 months of its existence in identifying some of these specific needs.

While many issues are new in Aging and do need testing and demonstrating it is interesting that in 1907 the first retirement preparation discussions were conducted in a park on three Sunday afternoons by Harvard University. Yet many are still discussing whether or not we should have these programs today.

The first State Commission on Aging was created in 1927 in Pennsylvania. It was concerned not with the broad problems State commissions are today, but focused on the older worker problems and pensions.

Among the studies that have been done thus far, there have been three OEO-sponsored research projects on the Foster Grandparent program, covering the past 2 years.

There also has been an in-depth independent evaluation done by the Oklahoma program, with respect to the ability of older persons to utilize the opportunity to serve in the positions assigned to them, and with respect to the impact on the institution, their value in the different programs.

Interestingly, in every instance these independent research projects report the same findings—that these persons, 76 percent of whom are over age 65, and the other 24 percent over age 60, all show marked improvement in their health, in their sense of community involvement, in their sense of dignity, and in every other aspect of their life.

In Utah the researchers used a control group for comparison and they found that there was a marked difference between the two groups at the end of the study.

SKILLS THAT SERVE OTHERS

AOA found, interestingly, that there is a great need in using the retired person to do the sort of things that Mr. Fox and Dr. Riessman spoke of, that is, use their skills and talents in services to others. We have also found that the agency using such persons cannot just administer an employment program. They just don't find work and make out payrolls. They have a great deal of activity with the older per-

sons in helping them to utilize other services. The agencies must be concerned with their ability to make adjustments in their lives; with the meals that Miss Blatt spoke of; and with the transportation issue, which has not been brought up at all today. The necessity for getting to and from the job is extremely important for the person of retirement age. Such services must be taken into consideration if new programs are to be successful for the older person.

We have discovered that the kinds of training that are conducted should be of the supportive nature, rather than the academic nature. Older individuals have skills, and have experience which they adapt to the program, but it is their own sense of adequacy or inadequacy that is the critical test when they are first given these new opportunities.

So it is very important that the expertise of social agencies skilled in helping the older person be included in organizing and administering programs and in preparation of persons for service in these various programs.

I am in essence, saying that in plannning opportunities for the person of 60-65 plus age there are a number of problem areas that have been identified in the 3 years' experience of the Administration on Aging. These are the critical components which spell success or failure of a given program.

There is a great wealth of statistics about older persons that is available. This is not to say that there is not a great deal more that needs to be developed, but the issue gets beclouded by virtue of our lack of refinement in our own thinking as to what we are attempting to accomplish with the various programs, and the various age groups that we are addressing ourselves to.

(The chairman, in a letter written shortly after the hearing, addressed several questions to the witness. Questions and replies follow:)

1. May we have additional details on the Oklahoma Research Project on the ability of older persons to utilize the opportunity to work?

This evaluation of the Foster Grandparent project was undertaken by the Division of Education and Psychology of the Northeastern State College, Tahlequah, Oklahoma. Publications of the findings are dated April 5, 1968, signed by M. L. McClure, Chairman, Division of Education and Psychology; H. C. Thompson, Professor of Education; Ross Underwood, Assistant Professor of Education; Lloyd Slagle, Assistant Professor of Education; and Lee K. Quiett, Instructor of Psychology.

Northeastern State College became associated with the Foster Grandparent Program in August 1967, when a group of faculty from the Division of Education and Psychology provided a one-week training session for the Foster Grandparent recruits. This initial training session was followed in October and November with a second training session, again with new recruits to the program. Members of the staff developed a vital interest in the philosophy and operation of the program, and conducted an in-depth evaluation. The purposes of the evaluation were to determine (1) the effectiveness and value of the Foster Grandparents in the institutions and positions assigned to them; (2) the effect of such responsibilities and assignments on the economic, physiological, and psychological well-being of the Foster Grandparents.

In outlining the reason for the evaluation, the staff pointed out that "One of the basic assumptions relating to the establishment of the Foster Grandparents Program was that the program would provide some additional economic aid to elderly people whose annual incomes were below an established level, while at the same time enabling these individuals to perform a service to certain segments of our society."

"The importance of need of such financial aid was, and is, generally accepted as valid. The ability of the Foster Grandparents to contribute to society in the

roles prescribed by the program has been questioned. It is, therefore, vital that a depth assessment be made of their effectiveness in meeting social needs in the responsibilities assigned to them."

The evaluation concerned itself with every Foster Grandparent and with every institution, public school, and organization in which they were serving, as well as with every child, parent, teacher, and supervisor involved. The evaluation included interviews, questionnaires, and tests. The Report is 66 pages in length. A copy can be obtained from the Administration on Aging Office. The following is taken verbatim from Chapter 4, entitled "Summary and Recommendations":

CHAPTER IV.—SUMMARY AND RECOMMENDATIONS

It is with interest that the evaluating team notes that not a single Foster Grandparent indicated unhappiness in the work assignment given them. Some were much more enthusiastic than others, but all seemed to be quite pleased.

The program is, without question, contributing to the psychological health of the Foster Grandparents. They are engaged in work where they feel they are making a real contribution to society and which meets many of their more personal needs.

Comments from administrators and teachers at institutions where these elderly people work are ample evidence that they are completely sold on the program. One would normally expect these individuals to be rather cautious in assessing a new program, especially one involving elderly people, but the enthusiastic praise and complete acceptance of the program is unquestionable. Such statements as "We have finally found the missing link between the home and the institution" and "This is the finest program ever initiated in the boarding school" point to the value they place on the program.

Many individuals noted that student morale was much higher since the initiation of the program. There is less fighting, less crying, and generally a happier atmosphere.

The many expressions of "love" given by students give ample evidence that a basic human need is being met.

Members of the team noted that in the headstart programs the role of the grandparents was somewhat different, and in most cases, paralleled that of a teacher's aid. This has not made them less effective, however, since they have proven very effective in working with children in small groups. Their presence has made possible a great deal more individual attention for all children and has permitted the regular teacher time and opportunity to work with special problems.

In the special education classes, foster grandparents have shown that they possess the patience and understanding necessary to work with the mentally retarded and the child who is different in appearance. Their presence has also had a significant effect in helping to break down the barriers between children from different ethnic groups. This capacity for giving love to any and every child has been of tremendous value in every institution where they work.

Administrators and teachers in a least two centers noted that Foster Grandparents relate more easily to youngsters below the high school level and are probably a little more successful in developing rapport with girls than with boys. They seem to be quite successful in helping combat homesickness which has been a major problem at some of the boarding schools.

The few criticisms offered to the roles played by the Foster Grandparents related to lack of adequate discipline. In every case the teachers and administrators explain, however, that this has been corrected without a great deal of difficulty.

There is no doubt in the minds of the evaluating team that the Foster Grandparent Program is an unqualified success. It is of equal value to the institutions and programs served and to the grandparents themselves.

RECOMMENDATIONS

The team respectfully offers the following suggestions. They may in some instances be unattainable within the structure and financial limitation of the program, but they merit notice and consideration in terms of the program's effectiveness and long-range value.

1. Adequate travel allowance should be made for travel both to and from the center where the grandparents work.

2. There should be an opportunity provided (at least once during the first six months) for Foster Grandparents to meet with specialists, possibly members of

the training team, to discuss problems that have arisen and to receive a one-day refresher course.

3. Institutions in which Foster Grandparents work should furnish them a meal at a *very minimal* charge when their services are being given at meal times. This is of value to children and grandparents alike. (For some grandparents this may be the best balanced meal they will receive during the day.) Children tend to eat better and are happier during meals when the grandparents are present.

4. Efforts should be made to recruit and train more Foster Grandparents as soon as possible. Several institutions indicated an existing need for their services.

5. The income requirement for a Foster Grandparent to qualify should be raised to at least $2,400 per year.

2. May we have additional discussion of your comment that "the issue gets beclouded by virtue of our lack of refinement in our own thinking as to what we are attempting to accomplish with the various programs, the various age groups that we are addressing ourselves to."

At this point in time, discussions must at least include the level of knowledge that has already been achieved in the field of aging. Stereotypes and generalizations do not provide a sound basis for program planning.

The excuse for inaction has been that we need more time, more demonstrations, more facts. The needs of the elderly are not that unknown or undocumented. As early as 1935 President Roosevelt and Congress were sufficiently concerned by facts to create the Social Security system. As long ago as 1950, President Truman felt the facts available to him were sufficient to call a national conference of State and local officials. In 1961, we had a White House Conference at which some 2,800 of the nation's most vitally sensitive people regarding needs of the Aging discussed known facts and issued several hundred recommendations for action. We have had a national agency, the Administration on Aging, collecting and disseminating data for the past three years. We have a host of Federal and State agencies generating program data. It is true that more needs to be known, but needed action should not be delayed at this time on the pretext that we have insufficient data and therefore would be acting precipitously.

For instance it is of vital importance to separate older workers problems into various age groupings. The minimum level of age differential in assessing specific needs and unique program requirements for the broad age span to which these hearings must address themselves might include the following age categories:

Pre-40 to 45.—The so-called "older worker" in this age group would be those whose opportunity to continue employment in their chosen field is jeopardized by age. Such might include airline stewardesses, air traffic controllers, persons in work requiring a high level of physical energy, etc. The questions to be investigated so that responsive programs can be implemented would include: (1) the reasons for an age barrier and the validity of such reasons; (2) the problems created by the age limitation; (3) the present manner in which the affected parties adjust to the age restrictions; and (4) the actions which are needed by employers, employees, or Government to resolve the problems.

Approximately 45 to 54 years.—The evidence presented by the Department of Labor relative to the discrimination in hiring practices for both men and women in this age group indicates several courses of action might be constructive: (1) A public education campaign to dispel invalid assumptions about persons in this age group; (2) more trained specialists to counsel the 45-plus individuals seeking work; (3) mid-career and second career training programs; and (4) continuous analysis of job requirements in keeping with technological advances. A close liaison must be established between labor, industry and the Government to establish common goals and agreements as to methods to achieve maximum utilization of manpower in this age group.

Approximately 55 to 64 years.—As the individual citizen moves closer to the traditional retirement period, two new factors are added to those already mentioned in the earlier age grouping. One factor is the intensity of concern about economic readiness for retirement and the second factor is the necessity to prepare for the retirement adjustments ahead. Plans for this age group should include pre-retirement preparation programs; efforts to improve both self and society's image of the aging person; and, expanded opportunities to accumulate sufficient savings and pension rights to assure financial security in retirement.

Post-65 age.—There must be clear recognition that individual differentials after age 65 are as sharp as at earlier ages. Many people age 65 and beyond do not consider themselves aged in the traditional sense. Over one-third are still working. Most have retirement incomes and some savings; have ideas about what to do

with their time; are generally enjoying favorable health; and, are in fact able to function quite independently. They want only to retain their independence, dignity, and sense of worth. Additional efforts should be designed to provide supportive programs and preventive programs so that they can retain their resources and their sense of independence as long as possible. Many are able to contribute significantly in social and community service roles.

Within this same age range, there are other individuals who may have had serious health setbacks, who may not have had adequate income and work opportunities in the pre-retirement years to prepare for a secure post-retirement life. Programs for this group obviously have to be quite different. Such persons may have a sense of loneliness and isolation as they become less mobile and they lose their close friends and relatives. Rehabilitative programs must be established. Communities must provide services and opportunities which help the individual to remain as active as possible and to replenish their supply of meaningful relationships to provide opportunities to make maximum use of the remaining resources which the individuals have.

From the foregoing, it is clear that we do have a great deal of knowledge on which to base planning and program development. We should now seek to provide maximum opportunities responding to the specific desires and needs of citizens at various age ranges.

Representative SCHEUER. Carl Roberts, do you want to respond? You represent one of those agencies that is helping the elderly person find a rich and productive role.

STATEMENT OF CARL ROBERTS, DIRECTOR, PROGRAM AND RESEARCH, AARP

Mr. ROBERTS. Thank you, Mr. Chairman.

I will first state that I represent the American Association of Retired Persons, and the National Retired Teachers Association.

What I want to do is address myself to a subject which many people have mentioned, and that is the problem of inadequate or ineffective communication, which you yourself mentioned.

I would like to do it in terms of a specific problem and a specific service which, I think, if adequately provided older workers, is not adequately communicated to them.

Our association frequently receives requests from purported employers who want us to make known to our membership employment opportunities—job opportunities.

Now, these are frequently from concerns of which we have no knowledge. We know nothing about them. We frequently have cause to be suspicious about them. We know that many older people have followed up on what they thought were employment opportunities, only to find that they were going to be sold something, that there was no guaranteed income, that they had to purchase a sample kit, or problems of that kind.

What I am saying is that if a protective service of this type, a service which would evaluate job opportunities, is presently available to the older worker, and of course I know that the U.S. Employment Service performs this function to the extent it is able, that the availability of such a service is not adequately communicated to older workers.

It seems to me that we have to do a more coordinated and more effective job of making available services known among these people who need them.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. Mr. McLin of the National Education Association spoke of barriers of professionalism that cause under-utilization of retired teachers. What is the policy of NRTA on such matters? Do you feel that members of that organization would like to participate in worthwhile community service projects?

2. May we have additional details on your proposal that a protective service be established to evaluate job opportunities offered to retired or semi-retired teachers and other professionally trained individuals?

(The following reply was received:)

Answer No. 1. I believe we would agree with Mr. McLin of NEA that professional pride and self respect among retired teachers may serve to inhibit them in accepting employment where jobs are offered at minimal wages and in non-professional settings. For instance, we were contacted several months ago by a local bank seeking to employ one of our members as an attendant for the bank's parking lot. This is hardly the type of employment opportunity which would appeal to a retired teacher or other retired professional or semi-professional person. It would be far easier in most instances to involve such persons in volunteer community services which would make use of the knowledge and skills acquired during their major productive work years. Older professional or semi-professional persons may be extremely reluctant to investigate new vocational areas and may require the confidence obtained from many years of work experience to accept a position in their later years.

The policy of the National Retired Teachers Association (and also of the American Association of Retired Persons) is active support for community service activites. Resolutions to this effect have been passed by the past several conventions of both organizations. The biennial convention of the National Retired Teachers Association, which has just been concluded here in Washington, had a two-hour program on community affairs conducted by the Association's Community Affairs Committee and another two-hour workshop on community involvement under the leadership of the Chairman of the NRTA Board of Directors. Similar sessions are scheduled for the AARP convention commencing on September 3, 1968 in Pittsburgh. The policy of the national organizations is implemented at state and local levels and a substantial number of Association members find rewarding experiences in community service activites.

Answer No. 2. Moving now to your second question. There is an apparent failure of communications between employers seeking older workers and potential employees. In my testimony I referred to several instances in which businesses or individuals have offered to employ members of our Associations. As national, non-profit organizations, with limited staff, we have been unable to investigate and evaluate these purported "employment opportunities." However, we do know from some unfortunate past experiences, and from the experiences of others, that many of these opportunities are, in fact, schemes in which the older person is induced to make an out-of-pocket investment or investment in time and effort in a venture which guarantees no return. Frequently, the offers are for salesmen, on a commission-only basis, again with no guarantee of return and requiring physical capacity beyond many older persons for any chance of financial success.

There should be available to older workers a source of information which could advise them as to the legitimacy, or the lack of it, and the realistic requirements of such opportunities. I am aware, of course, that the U.S. Employment Service performs this function to a limited extent. Also, in many communities, a Better Business Bureau may provide such information. However, if such services are available, many older workers are apparently unaware of them, for we also receive inquiries from our members who seek our opinion as to specific employment opportunities, an opinion which we are invariably unable to give. We are forced to refer the individual to the U.S. Employment Service or a local Better Business Bureau.

It would be most helpful, in my opinion, if there were a central organization in the Federal Government, and, if so, most likely in the U.S. Department of Labor, to which "blind" employment offers could be referred for investigation and evaluation with a report then issued to offices of the U.S. Employment Service and the organization or individual making the inquiry. Our Associations would be pleased to bring employment opportunities directly to the attention of members if we were assured of their legitimacy, of the number of opportunities available, the duration of the opportunity, the remuneration and similar information which we are presently unable to obtain on our own.

I hope these comments will be considered in a coordinated effort to bring employers and potential employees together, at the same time protecting older persons from the schemes of the unscrupulous.

If our Associations, or I personally, can be of further assistance, we stand ready, as always, to do our best.

Representative SCHEUER. Mr. Brooks.

STATEMENT OF NATHANIEL BROOKS, CONSULTANT, COMMUNITY SERVICE AND RETIRED WORKERS, UAW

Mr. BROOKS. I am Nathaniel Brooks, with the United Auto Workers.

I am consultant in the community services and retired workers department.

We are delighted to be represented at this very important hearing.

I realize our time is very short, and I would like to make a couple of points, I hope very briefly.

Mr. Stahl mentioned earlier that there were some occupational groups with a vested interest which might be to the detriment of the older worker, and this may be so.

I would like to call to your attention, however, and I believe this to be true for the bulk of the labor movement of the United States, and certainly for the United Auto Workers, that our stand has been very much against any type of discrimination in employment. For years we have been very actively pursuing increasing opportunities for older workers to be employed.

We have urged the corporations with whom we deal to adopt a nondiscriminatory policy at the hiring gate, although we don't have much control over that, as you know. We have consistently supported legislative efforts to bar discrimination.

We have been able to work out certain kinds of protection for workers whose jobs might be jeopardized through plant relocation or going out of business, through systems of seniority that operate among different plants owned by a single corporation, and by negotiating job relocation rights and benefits with the corporations.

The second point I would like to bring to your attention is in regard to the question of new careers and midcareers.

I would simply like to make the point that we should not forget to provide the opportunity to workers who are already on the job in a plant to establish a new career or midcareer change within that plant.

A worker who has been doing a very repetitive job, for example, for 20 years, and has reached age 40 or 45, may find it extremely onerous and I believe has as much right to an opportunity for career advancement as someone who has not been working in that plant.

I think that therefore any measures which can be taken to encourage employers, through financial subsidy or any other way, to train workers who are already in their employ for more skilled jobs would be very desirable. We know too that in many cases advancing a worker in this way would open up a job opportunity in connection with the place he has vacated.

The final point I would like to bring before this committee has to do with opportunities for persons who have already retired, or don't consider themselves in the full-time job market.

Day of Pilot Programs Is Over

Here I would simply like to bring you a feeling that comes from the grassroots, and I know, Congressman, that you yourself are very close to the grassroots as you have demonstrated many times today. Many older people feel strongly that it is time to have a large-scale program such as the Older Americans Community Service proposal.

We are delighted with demonstration programs such as the wonderful senior aides program funded by the Department of Labor, but as President Reuther stated in a letter to Senator Edward Kennedy last year in support of the Older Americans Community Service program, we feel that the time for demonstrations is getting past. Now, I feel that a demonstration program is better than no program, but there also comes a time when a demonstration program can become a substitute for real action on the scale that is needed.

I think with Medicare Alert, Foster Grandparents, the senior aides program, and many experiences which we in our union and other organizations have had, we know that there is this tremendous potential for community service by older people which you referred to in your earlier remarks. We also know how desperately the community needs such service.

I have found that older people are very patient. I don't think they could reach the age of 60 or 70 unless they did cultivate some patience. But they are also very impatient at times, because they really don't know how much time they have left, and they want to see something happen while they are still alive.

I think this is the way they feel about opportunities for community service on a part-time paid basis.

I just wonder how many millions of older Americans are going to die, and how many needed community services are going to not be performed, before we decide that demonstration programs are not enough, and we need a large-scale commitment.

(The chairman, in a letter written shortly after the hearing, addresed several questions to the witness. Questions and replies follow:)

I am happy to respond to your request for more detailed information about the kinds of arrangements the U.A.W. has negotiated in order to promote or protect employment of older workers.

Because of the vast number of U.A.W. contracts and their variety I can best illustrate the situation by specifically reviewing pertinent provisions of one contract. As an example I shall use the agreement between Chrysler Corporation and the U.A.W. since this is one of our pattern-setting agreements. The following are some highlights which are directly relevant to employment of older workers.

Non-discrimination: There is a broad pledge "not to discriminate because of race, color, creed, age, sex, national origin or ancestry." (my emphasis). Any employee who believes that he has been subjected to a discriminatory practice may file a grievance.

Seniority: Seniority and accumulated service is a key factor in respect to layoff, recall, promotion, transfers, work opportunities, benefit programs and other matters. The preferential rights accorded to employees with longer service obviously protect the older worker.

Transfers: Three sections of the agreement (Sections 77, 78, 79) protect the job rights of the worker in the event of transfer from one department to another department within the plant, or transfer between plants of the Corporation. Another section (#80) protects a seniority employee in the event his operation or department is discontinued.

Work opportunity: Several Sections and Letters within the Agreement provide that laidoff employees of the corporation shall be given the first chance to be hired for new jobs. This applies not only to those laid off from the same plant that is doing the hiring, but to those laid off from other plants in the same labor market area, or in the case of Indiana, those laid off from any plant in the state. In addition, the Corporation has pledged "to give serious consideration to the employment applications" of laid off employees from any plant not already included in the previously-mentioned categories. As indicated in the above section headed "Seniority," workers with longer past service get the first crack at these opportunities.

Relocation allowance: In the event an employee transfers to a new plant of the corporation in order to follow his operation or department, and this necessitates a move of more than 50 miles and a change of residence, he will be eligible for a relocation allowance. The amount will range from $170 to $795 depending upon the employee's marital status and the distance he has to move.

Improvement of skills: There are several important provisions and programs which provide opportunity for workers to improve their skills and/or acquire new ones. These programs help the worker keep pace with technological change and open opportunities for advancement to more skilled work. Following are some examples:

(1) The maximum age at which a production employee can become an apprentice in the skilled trades was recently raised to 45. Production employees transferring to apprentice programs are protected against loss of earnings.

(2) The corporation and the union each conduct training programs. For example, the UAW has recently conducted a pilot program for older workers who desired to enter an apprenticeship program. Because they had been so long out of school they would be at a disadvantage when taking apprenticeship tests. The workers were given a six-week refresher course in mathematics and other relevant subjects. Another example is a skill improvement program in clay modeling, product detailing and graphic illustrating conducted by UAW Local 412 to meet the needs of its members who are technical workers at Chrysler Corporation.

(3) In October 1964 a Tuition Refund Program was instituted in order to provide Chrysler employees with the opportunity to obtain job-related instruction in educational and training institutions during non-working hours. Courses covered by this provision may range from a basic literary course to a college course, and may include courses aimed at "qualifying an employee as an apprentice in the skilled trades."

(4) Flowing from the 1967 UAW-Chrysler negotiations came agreement to set up a joint National Training Committee to make recommendations in regard to training programs.

Conclusion: Senator Randolph, I hope I have responded sufficiently to your request for more detailed information about how the U.A.W. seeks to assist and protect the employment of older workers.

May I reiterate that for simplicity's sake I have limited myself to our agreement with only one corporation. A similar recital could be made in regard to many other agreements which we have negotiated.

I would also point out that I have limited my summary to matters directly affecting employment of older workers. I have not touched on many other programs such as pensions, insurance and supplemental unemployment benefits, which relate to income security for the older worker when he is not working.

If you desire more information I shall try to oblige. I appreciate your interest in our organization. Be assured that while we are proud of what our union has accomplished, our eyes are always directed toward progress that must yet be made.

In regard to other questions raised in your letter I can comment very briefly.

On Question 1: As you see from the detailed answer I have given to the first part of your question, the U.S.E.S. is not involved where we have contractual protection for our members. In cases where such protection does not exist or is not applicable for some reason, U.S.E.S. might well come into the picture.

On Question 2: In the industries we deal with retraining seems more feasible than job redesign. I shall refer your question to our Manpower Development and Training Department, however, and perhaps they would care to comment further.

On Question 3: I don't think we need unified direction of projects enlisting the elderly in service programs. We do need a large-scale federal program which will provide general leadership and financial support to enable agencies to employ

senior aides. I think we need to truly encourage local initiative and creativity in the use of the talents of senior citizens. Therefore, I would favor "unified direction" only in the broadest sense, not in a constrictive one.

Representative SCHEUER. You really struck a very sensitive nerve with me on that point.

I would add, how many young people, how many delinquent youth, how many citizens in the nonhealth need category, in the vast spectrum of our population of the elderly, are going to suffer because we have been too miserly, we have been too intellectually dishonest, we have been too contemptuous of the need of resources to bring a constructive role in their society, how many of the younger are going to suffer because they have not been enriched with the love and compassion and understanding and experience that the elderly have to offer.

On the point you made before, the fact that on the job it is not just the new enrollees in specific group careers program that have the right to that upward mobility and be compensated in on-the-job training, I could not help being a little amused when you said that, because we are finding in the nuts and bolts of working out these programs on a day-to-day basis that there is an absolutely insistent demand on the part of the people who are already there that when they see these new programs involving, as you said, on-the-job training on a compensated basis, they want a piece of the action, too.

We found in New York City, where we have a thousand new careers jobs in the welfare and health services, welfare aides, that when we created these new programs, immediately the union that had cooperated in working out the details of getting the health aide program and the welfare aide roles created and established, was faced with an insistent demand by its membership, "How about us? This is great, Where do we plug into the system?"

So one of the things that encourages me the most about the new careers program is that because of exactly the insistent demand you point out, the implication and the effects and the ripple effect, if you want to call it that, of new careers is going to be fantastically more rapid than we had ever dreamed of before, not because Frank Riessman and a few other leaders will it that way, or because a few legislators will it that way, but because this is an idea that has proven itself in the marketplace, and the vast existing cadre of employed folks, when they see new careerists come in a new program, they want to participate, and they are going to find ways of making these principles applicable across the board.

There is no question in my mind about it. This is going to be a revolution that is going to take place, just because of this one phenomenon you pointed out, in a very short period of time.

Dr. CARSTENSON. I would like to touch on a matter: is there a need, and do these people really want to work.

We are operating in 150 counties in 14 States, which gives us a pretty good geographic sample.

Representative SCHEUER. When you say, "We," Dr. Carstenson——

Dr. CARSTENSON. Farmers Union Green Thumb.

We are now operating in these 150 counties. The program, I think, has shown that these people desperately want to and need to work, and that there are long lines of people standing behind them.

For example, in one county in a very prosperous area of Wisconsin, there are over 250 people waiting in line behind the 14 Green Thumbers that now have a job.

In the State of Wisconsin, again, where we look upon things as being much more prosperous, say, than in the States of Arkansas, Kentucky, or other States where we have traditionally thought of poverty, the average income of these older workers before going to work on Green Thumb is only $700 a year per couple, including social security and everything else.

This is real poverty. This is an area of real need. These people want to work.

Rural Unemployed Could Serve

They will wind up standing in long lines in rural areas for these jobs and I would say our guess is that in about 98 percent of the rural counties of America you can find enough to start a number of crews of older workers. You can do the same thing, in creating new jobs for, older women, create new careers. Perhaps we could even turn some of these women loose to do something about the matter of malnutrition among the older people.

They are some of the best nutritionists we have in the country. Nutrition education is still our biggest need in the area of starvation, malnutrition, and so forth.

I would like to say I think it is terribly important for these older people, at least this is what they say to us, that the job have some meaning of dignity. If the job is set up in a way that does not have meaning and dignity, even as bad as they need the money, it just does not go off as well.

For example, some of the training programs in welfare have not gone off as well as the Scheuer-Nelson programs.

Representative Scheuer. When the people get on the program their life expectancy increases, they are happier. I assume most of that is for nonfinancial reasons, the fact that work does something for them.

Does anybody here want to talk about the need of older people to work, apart from the addition to their resources, apart from the financial return?

Mr. Nash. I made this statement before, Congressman Scheuer. It is the direct result of the research programs that have been done, one at the Medical School at the University of Utah, one at Merrill-Palmer Institute in Detroit, and one by the Department of Economics at North Texas State University.

Interestingly, the economist who did the study came up with a finding that the economic benefits, to his surprise, were mentioned second to the other impact you are talking about.

The research connected with the demonstration clearly has supported what is being said today with respect to the importance of dignity, importance of contribution, and importance of utilization of manpower not only to the individual but to the community and our society.

In Florida, where they have used persons over age 60 in the schools they have freed the teachers for 30 percent more active teaching time.

It is a triple benefit: The older persons do have an increased income;

but they also gain a sense of dignity, and contribution; and, the programs in which they serve benefit greatly from their participation.

Representative SCHEUER. Based on the finding of your economists, you should say they have a sense of contribution; they also have added income?

Mr. NASH. That is right.

Representative SCHEUER. In the housing, for years, we have known that the elderly don't want to have separate housing projects for the aged. What they want to have are living accommodations in housing projects for everybody, but in a sort of protected way.

In other words, they want to be on the ground floor, so that they don't have to walk upstairs, if it is a garden apartment project. They want to be in a project so that it is not facing the playground. They want a little bit of protection from some of the noise and hustle and bustle, but they want to be part of the mainstream.

They want to be available for volunteer baby sitting. They want to be there able to play with the kids. They want to participate. They want to contribute.

They don't want separate housing apart from the mainstream. They will take a little of the excess noise, they will undergo and accept some discomfort, to be part of the mainstream, rather than have totally protected housing apart from the mainstream.

We have known that for years.

Dr. BARKIN. I would like to take off from what the Congressman has just said, probably in the spirit that Mrs. Harger made mention of, namely, it is true there are general purpose answers for many of our social problems.

We have discussed here rehabilitation, on-the-job training, solutions to rural problems, and housing.

But whenever we use an all-purpose or general-purpose technique and deal with an older population, we must recognize there are special adjustments and adaptations for this population group.

In housing, it is good to give them housing, it is good to mingle them, but we know they need special types of homes, or at least adaptations within the apartment or home to suit their particular purpose.

JOB TRAINING NOT FINAL ANSWER

My point is, in job training, it is not enough to provide job training. You have to have companies that are experts, or companies who know something about the special training problems of older people.

In the case of rehabilitation, I am very happy to note that at the end of the story there was geriatric rehabilitation.

The part-time problem for women is a general problem, but it is very different for a young woman who has a family and a very different kind of problem for an older person who is looking for part-time work for a very different sort of reason, and the prinicple continues on.

All social problems to which you find general answers need special adaptation, whether it is an older person or younger person. The solutions, one to the other, are not equally applicable.

The general approach is useful, but you have to use rules and approaches and basic theories which are particularly appropriate to the

specific group you are dealing with, whether it is a Negro problem in our country—the double jeopardy concept is a very useful concept within each one of these broader classifications.

Dr. SHEPPARD. May I pick up on one point that Professor Barkin mentioned?

He talked about the need of having special techniques for workers, yet he says there are probably not more than 10 to 20 experts in this country on the special techniques of training older workers.

It might not be 10 to 20. We have had the problem of bringing a man all the way from England to supervise a project paid for by the U.S. Department of Labor, because he was the only one in Western Europe and in North America who could help on it.

When I would ask this expert, Dr. Meredith Belbin, "What are you doing about training more Belbins," he would say, "I am too busy running around supervising specific projects."

I think this is a special charge that ought to be given to HEW or the Department of Labor, or both, to start training more of these people.

Representative SCHEUER. How to train the trainers is a problem.

STATEMENT OF NORMAN F. PIRON, ASSISTANT TRAINING DIRECTOR, UNITED ASSOCIATION OF JOURNEYMEN & APPRENTICES OF THE PLUMBING & PIPEFITTING INDUSTRY

Mr. PIRON. I am Norman Piron, assistant training director of the United Association of Journeymen & Apprentices of the Plumbing & Pipefitting Industry.

While we are part of the building and construction industries, some of our problems may be a little different than those discussed here.

Our local programs are conducted by what they call joint training committees, made up of both management and labor. While we are primarily noted for our apprentice training activities, I would like to say here just very briefly that we are equally concerned with continued journeyman training programs.

I think most of the joint training committees involving labor and management in the construction industry are also concerned with continued programs for journeymen beyond the period of apprenticeship.

I think this has some relationship to the older workers within our organizations, so that they can continue to get the latest technical training to keep them on the job, and profitably so, as long as possible.

Mrs. PORTER. I would like to respond to two points, one made by you concerning motivation, and one made by Professor Barkin, on the different needs of the young mothers and older workers.

Granted that they are different; nevertheless, what is required is the flexibility of the organization in responding to them.

I think it was Professor Barkin who said the organization needs to accommodate itself to people. This is a very, very difficult thing we are having, now.

We think in terms of 40 hours a week, and we are simply not geared to the other half of the population, or the older worker.

Participation Is Main Need

With respect to motivation for work, I have interviewed several hundred women who were wanting part-time jobs. They don't want just any old job. They want a job where they can make a contribution.

Part of their need is economic, but the main need is to participate, and to be needed, particularly women whose children have gone, the women who are at home, with not enough to do, and with skills. Many of them feel useless and superfluous to the society.

We cannot afford millions of superfluous people.

Mr. McLin. I would like to say, Mr. Chairman, that this question of dignity is particularly poignant to retired teachers, because their lives have been spent in contact with young people. When they go into retirement, too frequently they are cut off completely from those contacts.

I would like to also point out that here is an angle where a program of the type we are discussing can get underway with a minimum of retraining, because retired teachers already possess the skills which they can readily broaden out in the field of child care and child guidance, and so on.

When it was my privilege to testify on the Senior Service Corps before this august body a few months ago, I quoted at that time:

> "The teacher's words are winged with fire,
> Forever young is his desire,
> Touched by some grace the gods impart,
> Time writes no wrinkles on his heart."

Provided that he has the opportunity to teach.

Representative Scheuer. Well put.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. You described your concern with continued programs for the journeyman beyond the period of apprenticeship. How can older workers be provided with "the latest technical training on the job." Can Federal programs be helpful in such efforts. Do any Federal policies now militate against such objectives?

2. What is your reaction to proposals for job redesign in order to make certain tasks more meaningful and easy to perform for older workers?

(The following reply was received:)

United Association of Journeyman and Apprentices
of the Plumbing and Pipe Fitting Industry
of the United States and Canada,
Washington, D.C., October 9, 1968.

Dear Senator Randolph: * * *

Regarding item No. 1 in your letter, our national joint training committees (United Association and national contractor organizations) are concerned with training for journeymen as well as apprentices. These committees prepare instructional material for use in related training programs for journeymen. Older journeyman can participate in such programs depending on their needs.

Such programs, however, do not apply to your question about "the latest technical training on the job." Training on the job is more difficult for local training committees to control. The majority of employers in the plumbing and pipefitting industry are comparatively small companies. Organizing on-the-job training for a highly specialized group, such as workers over a certain age, is quite difficult. Production schedules and other job conditions are much different from those found in the manufacturing industry. Attempts are made, however, to assign older workers to the types of work for which they are best fitted.

Service and maintenance is one area of work which is less hazardous and physically demanding than other jobs. However, these men are required to have the same broad training in the installation and operation of systems as new construction mechanics. This knowledge is important for the protection of the public in areas of health and safety. Programs (Federal or otherwise) which attempt to provide short-term, handyman-type training to unqualified persons do not meet training objectives—for the benefit of our industry and that of the general public. Because of the general nature of providing specialized training in our industry (both related and on-the-job) I doubt if any Federal programs, other than presently supported Trade and Industrial education programs, would be very helpful.

Regarding item No. 2, job redesign, I am sure the normal conditions which are peculiar to construction work made this proposal quite difficult. Such elements as pre-assembly on large jobs are now ordinarily part of organization and production. This is an area where older workers are generally assigned, although the "redesign" objectives are part of production rather than meeting the specific needs of older workers.

While not too many programs in our industry are specifically planned to train or retrain older workers, our local unions usually make every effort to see that these members are placed on jobs where they can be employed to the satisfaction of the employer.

Very sincerely yours,

NORMAN F. PIRON,
Assistant Director,
U. A. Training Department for Apprentices and Journeymen.

STATEMENT OF ALAN WHITNEY, NATIONAL ASSOCIATION OF GOVERNMENT EMPLOYEES

Mr. WHITNEY. Mr. Chairman, I am Alan Whitney, executive vice president of the National Association of Government Employees.

I would like to briefly state my organization's concern that as the Federal Government moves into this general area, that we feel it is of critical importance that the Federal Government be very sure that its own house is cleaned up at the same rate at which it introduces the programs.

My constituency is the Government work force, and therefore, I can only speak on this subject as it relates to this area.

I see Dr. Stahl has left, but I am sure when he has had a chance to read the transcript of these hearings, he will feel that the participants have ganged up on him.

I take issue with his general statement, or inference, that the Federal Government itself is not practicing discrimination against its own aged employees.

Our experience does refute this. I will cite two examples.

First, I think it was in 1964 that the Defense Department instituted a massive base closure program which displaced literally thousands of employees. The Department did take the step of initiating a very broad program called the centralized referral service, which was supposed to be the vehicle by which all these thousands of people would be placed in new jobs when the bases closed down.

These thousands of employees were registered in the system. The big failing of the system is the fact that the employees, to qualify for placement in some other area, had to meet very specific qualification requirements. Their talents and their capabilities had to match very closely the job descriptions of the vacant positions for which they were competing.

There was no attempt made, to my knowledge, to redesign these jobs to provide some flexibility in the system to accommodate the people.

I don't have the statistics, but I am quite sure that even today there remain many thousands of people in this program who have suffered from this inflexibility.

One other quick example of an area in which the Federal Government should take an active role in.

Air Controllers: A Special Case

We have a very unique profession in the Federal service in our air traffic controllers. I am sure most people here are aware of this fact that this is a very demanding occupation, and the people are subjected to great stresses and strains.

When we talk about older employees, generally we are talking about people who are relatively older than an old air traffic controller. We represent about 8,400 of them, and we have found that the air traffic controller burns out at a very early age, 30 to 40, especially in the high density traffic areas.

The FAA has taken one step, to the extent that it says that when the people reach that stage, where they are no longer physically, emotionally or psychologically qualified to hold down this sort of job, that it will attempt to place them in administrative jobs.

Again, the weakness is that they are making no provisions whatsoever to see that these people, when that point is reached, are capable of moving to other jobs.

It is our feeling that the Federal Government should be training these people, after they have put in 15 years of effort as air traffic controllers. They should be trained on Government time, and at Government expense.

I cite these as two examples of steps that we feel that the Federal Government itself should take.

My general point is that the Federal Government has to be practicing what it is preaching, as it moves into this area, with these many different programs covering the broad spectrum of American society.

(The chairman, in a letter written shortly after the hearing, addressed the following questions to the witness:)

1. Your organization, I believe, has issued a press release that is highly critical of testing methods used by certain federal agencies on prospective employees. May we have a copy of that release, together with your comments on whether such testing methods may be of special importance to the so called older workers?

2. You asserted that the Federal government discriminates against older individuals, and you gave several examples. Do you have additional information on this point?

(The following reply was received:)

National Association of Government Employees,
Washington, D.C., August 26, 1968.

Dear Senator Randolph: Enclosed is a copy of the press release you requested in your letter of August 9.

With reference to the second question you posed in your attachment, unfortunately we do not have additional documentation in this area.

I appreciated the opportunity to participate in your roundtable discussion on July 29. If I can be of further help as your studies progress, please feel free to call on me.

Sincerely,

Alan J. Whitney,
Executive Vice President.

Enclosure.

[From National Association of Government Employees, Washington, D.C.]

GOVERNMENT TESTING PRACTICES HIT

(Following is the text of a statement by Kenneth T. Lyons, National President, National Association of Government Employees, criticizing the widespread use of written tests in agency promotion systems.)

The federal government, in recent years, has developed a promotion policy which is inflicting great harm on literally thousands of career employees by erecting an artificial barrier to job growth and personal fulfillment. I am referring to the sweeping tendency to rely on written aptitude tests as the dominant factor in weighing qualifications, many times to the total exclusion of all other considerations.

The most blatant and obvious inequity stemming from this practice is the fact that it discriminates against the older established worker in favor of the newly-graduated who have recently left an academic environment in which they are accustomed to intensive study habits and testing. Any consideration of proven ability through on-the-job performance is tossed into the trash bin into which the individual's hopes for advancement will eventually be consigned.

The subtle evil behind this increasing penchant for written tests is that the emphasis is on eliminating contenders for promotions, rather than affirmatively seeking to exploit their individual talents and potential for growth.

The adverse effects of this policy are not visited on the employee alone; management is unwittingly hamstringing itself in two major ways: (1) it induces excess costs in that newcomers appointed solely on the basis of successfully passing an aptitude test necessarily require an extensive period of time in which they must be trained before they can even assume the duties of the positions to which they are appointed, and (2) lowered morale among those career employees who suffer from this practice results in increased turnover, thus necessitating the spending of even more money to recruit and examine for those positions left vacant.

The ludicrousness of the situation is typified by a recent example perpetrated by the Army on workers of the Frankford Arsenal at Philadelphia.

The Army arbitrarily instructed incumbents in a number of positions in procurement and quality assurance that to keep their jobs they would have to take and pass the Federal Service Entrance Examination (FSEE). Most of the individuals involved had long years of service and all had performed their jobs in an acceptable fashion. One woman employee, a GS-5 contract assistant, had recently received a sustained superior performance award.

Such factors as training, experience and past performance were swept aside and deemed to be of no significance. An observer might consider this a curious way to reward employees for their dedication and past service; I can only describe it as tragic.

As if all this were not foolish enough, the Army proudly informs us that it is paying for evening training for the affected employees to teach them "how to pass" the FSEE. It evidently never occurred to management that it could have saved this expense as well by not imposing the test requirement.

Other inconsistencies also permeate the promotion system. Again at Frankford Arsenal, we find that of all the crafts and trades represented, only electricians are required to pass a written test to be promoted, while such tradesmen as machinists, electronics repairmen, industrial instrument repairers and industrial instrument makers are not.

Such instances are not unique to the Army; they are common to most agencies. And it is just such examples which prove the need for an end to this widespread injustice.

Employees demonstrate their worth as workers through their day-to-day performance, but this is a fact that management seems unable to grasp. The Civil Service Commission, despite a recent half-hearted attempt to curtail testing, has itself been guilty of perpetrating the rationale that written examinations should be given to those already performing their required duties to determine if they can continue performing them.

This ridiculous situation must end. It appears to me that legislation granting unions the right to negotiate all phases of the promotion system is the only answer.

Representative SCHEUER. I might say that the first hearing on discrimination against the aged which I participated in as a Congressman was in a month or two after I came down here, in January, 1965.

The discriminatees were airline stewardesses, who had reached the horrendous age of 30.[1]

(Discussion off the record.)

Mr. USDANE. Over the last 25 or 30 years, as problems occur to the Rehabilitative Service Administration, like cerebral palsy, hemophilia, et cetera, it was found that once you began to take a look on an individual basis, from their standpoint, at the person in front of you, then you found you forgot what it was they came there for as their initial problem.

Let us take the aged. First of all, you have to evaluate him or her. Then you have to have the proper staffing. Then certainly you have to have the quality.

Whether it is the aged, whether it is a paraplegic, or whether it is a hemophiliac, if you don't have staffing—we have all discussed manpower; if you don't have evaluation—we have not even discussed work sample; rather than give them a standardized psychological test, as a psychologist, I am scared of those thing, too, if you don't have the followthrough, so that you really give the older person the assistance he needs, after he gets the job, I don't think we are going to be able to get this job done as it should be done.

Dr. CARSTENSON. I would like to commend and salute the labor movement in terms of its interest.

I know it was said earlier that there was some reluctance on the part of labor movements to encourage older workers. In fact, I have seen exactly the opposite, both in terms of the people who have been active in the field, such as Chuck Odell and others, and within the Federal Service area.

For example, even the man who is directing our Green Thumb program, George Meader, former legislative representative of the American Federation of Government Employees, again expresses a real deep concern of the labor movement for the older workers.

I would like to say that perhaps something could be done.

Here I would like to echo Miss Dubrow's comment on being very careful in terms of this Older Americans Act, that your committees both in the Senate and House are considering.

I would like to urge that the Administration on Aging be encouraged to do more in the area of coordination and stimulation.

I have suggested to Miss Switzer that it might be well if the Administration on Aging, in cooperation with the Civil Service Commission, undertake a major educational effort within the Federal Establishment and elsewhere around the country with employees in this area.

Representative SCHEUER. The State employment agencies and municipal employment agencies?

Dr. CARSTENSON. That is right.

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[1] See app. 5, p. 292.

Representative SCHEUER. If there is any more backward agency than the classic State employment service, I have not yet come upon it.

Excuse me.

Dr. CARSTENSON. I would like to say in defense of the present Director, if anyone can do anything about getting older workers considered in the employment service, it will be Chuck Odell, who has probably done more in this area of the older worker than any other single individual.

I would like to add that in conducting a training session for personnel officers in the Federal Government for the Department of Agriculture's Graduate School, and I worked with Mr. Stahl on this training session, we found in no instance—at least in that training session or in a subsequent training session that Bill Fitch and others have conducted—where the problem was the union.

There were psychological problems of continuing to employ the older worker, administrative, and retraining problems, but it was not the problem of the union.

USES AND NEW CAREERS

Representative SCHEUER. I might say parenthetically that the USES, and I think I can divulge this without talking out of the classroom, is involved now in a scrutiny of its entire operation from the point of view of where opportunities for new careers can be plugged in.

I am very excited about the open mindedness with which they have reached out to try to integrate the new careers concept into USES operations around the country.

I hope very much when they do, that they will put a particular emphasis on linking new careers with the needs of the elderly. I think we may have a model there that will generate some ripple effect.

Mr. DOMBROW. A few minutes ago you asked a question about what employment does for older people in regard to nonfinancial rewards. Bernard Nash of the Administration on Aging and some others commented on that.

I would like to tell a brief anecdote which illustrates two things. One, the remarkable activity and resiliency of many older people, and, two, their desire for employment in many instances for financial reasons primarily since they were leading active and busy lives, anyway.

A number of people, including Miss Blatt, have mentioned Project FIND and as all of you know there are a number of project FIND demonstrations, some of them funded through a contract between the National Council on the Aging and OEO, and some funded by OEO directly.

One of these Project FIND's is in West Virginia. Last year I went out to this community to do some training of the FIND aides there. The project director met me and said she was very disappointed because she thought she would have the oldest aide unemployed in her project FIND. A 105-year-old man had applied for employment.

Unfortunately she could not hire him. The reason she could not hire him was that this man had for many years, in Wayne County, W. Va., been getting up at 5 o'clock every morning to hunt squirrels for 4 or 5 hours before engaging in his other activities of the day.

Over the last 30 or 40 years, he had depleted the squirrel population in his community. Because hunting squirrels was very important to him, he wanted to move out of the county to a new area with many squirrels and that caused him to cross the river into another State.

He wanted to know if he could be employed in this program, even though he now lived elsewhere. He was told "no," he had to live in this county. So he had to make a choice between squirrel hunting and the employment that he wanted. He wanted the employment not because he was not busy enough, but because he needed the money. He chose squirrel hunting, and therefore had to forfeit this employment opportunity.

I met him briefly, and he asked that I inquire whether some Government agency could fund some kind of employment program in his new community in Ohio, so that he could continue his squirrel hunting in the morning and then put in 4 or 5 hours a day working and make some money.

Incidentally, since I mentioned Miss Blatt's name, I would like to say I was very intrigued by her suggestion for the kind of comprehensive program for older people she talked about.

Like Miss Blatt, I hope OEO will have the money to conduct such a program.

We are very pleased that the Labor Department has funded these demonstration programs, both through us and through the National Council of Senior Citizens, and we are very pleased to be working cooperatively with the Labor Department, and with Mr. Lou Ravin, who is here, and who is our contract officer.

We feel that as a result of these demonstration programs and the Foster Grandparents program, the Green Thumb program, and other programs, hopefully, this experience can be utilized in the not too distant future as a basis for some legislation or administrative action to really develop comprehensive ongoing nationwide programs of employment for older people.

STATEMENT OF LOUIS H. RAVIN, SPECIAL ASSISTANT FOR OLDER WORKERS, DEPARTMENT OF LABOR

Mr. RAVIN. I am in the Department of Labor.

I have had two opportunities to appear as a witness before the committee the first 2 days, so I thought I would not take advantage today to say anything, but I do feel moved to make one comment, relating to the criticisms of the Employment Service mainly.

When I came back to the Labor Department about a year and a half ago, I wanted to review the problems I would be facing as Special Assistant for Older Workers. I did so in terms of history of some 12 years. We had begun the older worker employment program at least that far back.

There is nobody who has been more critical of the Employment Service than I was in this document, which was presented to the National Manpower Advisory Committee (and of other agencies not only the Employment Service) but I would like to make some points for the Employment Service as I did in that paper. The Employment Service is everywhere, and everywhere it is on the "firing line."

We have heard about successful programs serving 50 people, or 10, or 15. The Employment Service takes more than 1 million applications from people over 45, a great many over 65.

The Employment Service made more than a million placements of people over 45. That does not mean they placed a million different people last year, but they do place hundreds of thousands of older people and have been doing this regularly.

The Employment Service does not counsel enough, but they did counsel over a hundred thousand people last year.

I had been with the Department of HEW, in the Administration on Aging, in its various forms. I can tell you that I had occasion to make critical evaluations within that Department and to find a great deal of fault with HEW agencies, including Public Health Service and its work in the field of aging over several years.

The point I am making is that this is a very difficult field to work in—working with or for older people. You don't get very much of a priority within Government. There is a built-in bias in our culture, but I won't go into that.

You can pick on any agency, if you look closely enough, and they are not doing the job they should be doing, as the Secretary testified, on the first day.

Limitations On Agencies

I would like to reiterate another point which the Secretary made, and I think it has to do with the limitations faced by many agencies including the Employment Service but not just the Employment Service. Departments and agencies get new responsibilities but not the funds necessary to carry them out.

We asked for an appropriation of $1 million for the administration of the Age Discrimination Act. That wasn't a level we thought adequate, but that is what we were permitted this year.

It would have permitted the employment of less than 100 people for enforcement, education, information, and research.

When the age discrimination bill went through the House, it was unanimously passed. Everybody was enthusiastic about it. But so did they pass without objection a cut of half a million dollars in the funds for the administration of the Age Discrimination Employment Act.

You can imagine what you can do with a half million dollars and less than 50 people total for all purposes across the country, and how much research and education you can do for about $100,000.

This is without regard to the other constraints in terms of filling only three out of every four vacancies.

The blame is to be shared, if there is blame, between ourselves in the executive branch and the Congress; the judiciary is blameless in this case.

Thank you.

Dr. Barkin. I think my remarks follow very much on the last ones.

I think as a professor of economics I have another responsibility, of going one step further, and for the record, primarily, I think that our friend Dr. Sheppard indicated certain areas of research.

Underlying our problem has been the appeal to the social goals and functions. Mr. Scheuer indicated that employment had other achievements besides contribution, besides the economic one, or monetary one.

Our real problem in this field is one that the OEO has experienced, the National Council on Aging, the National Council of Senior Citizens.

PRIORITIES NOT AGREED UPON

We do not have a well defined concept of argument on the priorities for this group.

The economics professionals vote against it. The tools of analysis as they have been developed during the last 10 years are particularly set against this area, because it uses one technique of discounting the present value in terms of the discount rate.

I therefore suggest there is no issue of greater priority in this field than the mere development of an argument, and a method of calculation which builds on new concepts of the value and returns in operations with older people.

I therefore sort of address myself to Mr. Nash, in the first place, and to the congressional committee, in the second place.

It is well, as some people have said, to paint these varied recipes, and point out the wonderful ideas and experiments. We have tried many of these things in the past in periods of labor shortages, and suddenly, with the sweep of a recession, they get wiped out, and we don't recall, as these hearings show, we don't even recall what we did 10 years ago.

I sit here, and I am amused by the advantage of my age over the fact that you can say we did this before, and this young man person testifies of a wonderful discovery.

We didn't even keep a record.

It is not important, it is not important, really, to say that you employ people. That is not an important thing. We don't even know why you employed, and why did you?

That is the way progress will be made.

I would endorse the sentiments which have been expressed here about coordinating nonoperational activities for the agencies here.

The format, in many ways, is sorting out the lessons we learned, the principles we acquired, the differential approaches that we have, and probably above all else, a new philosophy, a new tool which will sort of rationalize our priorities in this age group.

Representative SCHEUER. Thank you very much. I think that is a marvelous closing thought.

I am sure we all have a great deal to sort out, as we leave this marathon session.

First of all, there will be hearings in the future. You can be sure of that. And we will welcome your views in the future, Senator Randolph, Senator Williams, and I.

Second, the record is open, and if the stimulus of the goings-on since 10 o'clock has given you thoughts that were not in your prepared statements, or if by any chance you did not submit a prepared statement, and would like to, we would welcome any further contributions you would like to make.

It is generally said that the only real qualification, necessary qualification for a presiding officer of a session like this is a very strong pair of kidneys. I can say on the basis of that, you are all qualified to be committee chairmen.

Thank you very, very much for coming and staying with us.

(Whereupon, at 2 p.m., the subcommittee adjourned.)

APPENDIX TO HEARING OF JULY 29, 1968

Appendix 5

ADDITIONAL MATERIAL FROM WITNESSES

ITEM 1: RESEARCH NEEDS AND WORK OF THE NATIONAL INSTITUTE OF INDUSTRIAL GERONTOLOGY*

INTRODUCTION TO CURRICULUM MATERIALS FOR INDUSTRIAL GERONTOLOGY

(By Norman Sprague, Director of Institute of Industrial Gerontology National Council on Aging)

Industrial gerontology—the science of aging as it relates to work—is a field of study originating in Europe. It is now receiving recognition in the United States. Ours is a society in which income is expected to come from work. If access to work is threatened, income—and even affiliation with American society—are threatened.

The aging member of the American work force can raise three broad questions: Will I have a handicap in obtaining new employment if I lose my job? Will I be accepted as adaptable to new kinds of jobs? Will I be required by the economy to withdraw from income-producing work before I am financially and psychologically willing to do so?

The National Council on the Aging established a Committee on Employment and Retirement at the time the organization was founded in 1950. The first Committee, made up of representatives from industry, organized labor, government and higher education, was concerned with mandatory versus flexible retirement ages and with retirement criteria. As its work progressed, the Committee became concerned also with employment problems of the middle-aged and older worker. Two sub-committees were established to focus on: 1) technological change and the older worker, and 2) training and retraining older workers.

Under an early contract (June 1963) with the Office of Manpower Policy, Evaluation and Research of the U.S. Department of Labor, NCOA initiated six experimental and demonstration projects on the training and placement of older workers. The purpose was to test different ways of preparing unemployed workers, age 50 or older, for job placement and to explore methods of job development for such workers. NCOA learned that with intensive counseling and intensive job development efforts, middle-aged and older workers can be placed in jobs. It was also clear that the public occupational training programs were generally ill-prepared to admit middle-aged and older workers to training, and that these workers themselves often lacked motivation to take the conventional training courses that have dominated the American program.

In October 1965, NCOA sponsored a Seminar on Automation, Manpower and Retirement, to consider the impact of industrial change on the middle-aged and older worker, the proceedings of which were published.[1] NCOA also held a three-day series of workshops in Washington, D.C. in January 1966, in which a number of experts discussed the many aspects of training and placing middle-aged and older workers.[2] Several monographs on special aspects of retraining

*See p. 201 for reference by Dr. Sheppard.

[1] Kreps, Juanita M. (ed.), *Technology, Manpower and Retirement Policy*, Cleveland: World Publishing Company, 1966.

[2] *Proceedings of the National Conference on Manpower Training and the Older Worker*, New York: The National Council on the Aging, January 1966.

have since been prepared as a basis for discussion and possible application on an experimental basis.

In April 1968, NCOA and the W. E. Upjohn Institute for Employment Research conducted a Seminar on Industrial Gerontology. University specialists, management representatives and older worker counseling and placement experts from the State Employment Services discussed research findings and program directions for industrial gerontology. The papers presented will be published.

It became increasingly apparent in the course of NCOA's work in this field that the Federal-State Employment Service is the major operational instrument for dealing with the older worker's employment problems, and that involvement of industry, organized labor, and other community groups in cooperation with the public employment service is essential to doing a job. It also became apparent that there was need for research, experimentation and demonstration of new techniques as well as for a high level of active Employment Service participation in programs for middle-aged and older workers.

The National Institute of Industrial Gerontology was established to carry out research and action programs in this field. As a first step in working with the Employment Service, a Conference was held on January 3, 1968, with representatives of State Employment Service offices who are specialists in the older worker field. First plans were drawn up to organize existing material on the subject from the disciplines of psychology, sociology and economics in a "curriculum" of industrial gerontology.

NCOA and the U.S. Employment Service believe that the stage should be set for a research relationship between State Employment Services and research specialists to carry out applied research into all aspects of the selection, training and employment of older workers. The U.S. Employment Service has asked NCOA to initiate this relationship, and to continue research and action programs in the field of industrial gerontology.

Recent Federal programs to train youth for employment, and develop jobs for them, emphasize the need for scientific understanding of young people as candidates for jobs. In the same way, the considerable amount of new gerontological information should be reaching those involved with counseling and placing middle-aged and older workers. Counseling and guidance courses tend to be centered around the handling of the school-age child. These courses leave a gap in the training of employment experts, who are frequently dealing with adult job seekers who have twenty or more years of work experience, an accumulation of observations and views of life and the labor market and a different concept of their futures than the young worker displays.

The material in this document was prepared primarily with Employment Service personnel in mind. It should also be useful to others dealing with middle-aged and older people in the employment context—voluntary agencies, personnel officers, and those enforcing age discrimination statutes, for example.

As a first step toward meeting the needs of the Employment Service staff, this collection of training materials has been developed by specialists. It is presented in a notebook format so that the materials can be utilized either in short-term seminars concentrating on older worker employment problems, or used in conjunction with the regular curriculum of training for counselors and other employment personnel. It is recognized that different States and different educational institutions around the country will want to handle this subject according to their own needs.

ITEM 2: FEDERAL MANPOWER PROGRAMS[1]

Do Women Age Faster on Airplanes?

[From the Washington Post, June 26, 1968]

(By Harry Bernstein)

"Bunnies in the sky" are grounded when they grow old.

The trouble is that many of the attractive airline stewardesses don't think they're old at 32, and derisively insist that airlines which ground 32-year-old stewardesses think of the girls only as "sky bunnies."

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[1] See p. 203, testimony of Representative Scheuer.

The question of who is old, and at what age, could lead to an American Airlines strike. Union officials say it is a possibility because of a pro-strike vote among American's 3235 stewardesses.

The question of who is old is the subject of a new anti-discrimination law which went into effect this month, a law which is certain to be the object of long judicial battles because of its delicacy.

The new law prohibits an employer from discriminating against a worker because of age.

But it won't help the 32-year-old stewardesses since it protects only those between 40 and 65.

The law could cause some problems for airlines and other employers who want only young employes but haven't any legally substantial reason since the law makes it illegal for an employer to refuse to consider a job applicant just because he, or she, is over 40.

It is possible, for instance, for a 40-year-old woman to reapply for her old job as stewardess. It is not clear whether American could now legally reject her application.

The law enacted last December, will be enforced by the Department of Labor and affects 40 million adult Americans.

Some companies have a formal policy: Don't hire anyone over 45.

This and similar clearcut violations of the law will be relatively easy to cope with.

After June 30 firms with 25 or more employes will be covered by the age law.

The Department of Labor's wage and hour division plans to add about 50 investigators to its 1000-man staff to help check on complaints. While voluntary compliance is going to be the key to the law's initial success, the Secretary of Labor can go to court to enforce the law.

The law allows companies to set up bona fide age barriers. A 50-year-old could be turned down legally if she asked for a job modeling teen-age clothes, for instance, but many cases are going to be far more difficult to decide.

There are now 26 states with age anti-discrimination laws.

The stewardesses, however, have no such law they can fall back on because they're just too young to be covered by either the new Federal or the state laws prohibiting discrimination because of age.

So they have to do it on their own, and their fight isn't easy.

The largest union of stewardesses is affiliated with the AFL-CIO Transport Workers Union, which says it represents some 12,000 stewards and stewardesses on the Nation's airlines.

The stewardesses division of Air Line Pilots Association represents about 7000 flying hostesses, while the Teamsters Union represents about 500.

Several new contracts have eliminated the age barrier, as well as a ban on married stewardesses.

But some airlines still feel they are right in retaining the age barrier, and this includes American.

A spokesman for the airline said young girls seek jobs as stewardesses for the excitement of meeting new people, of traveling, for the glamour of the job.

But this motivation, strong at the outset, dims as the flying continues and stewardesses gradually find the job routine and the motivation for efficiency diminishes, he contended.

American does offer nonflying jobs to the over-aged ones after they reach 32. The airline feels that over-aged stewardesses are not "over the hill" but can be trained for other jobs best before growing even older.

American, like other airlines, has a beginning pay for stewardesses, and they gradually work their way to the top scale.

At present the starting rate is $343 a month. By the ninth year of employment, the girls earn a minimum of $473 a month.

But only 106 stewardesses out of the 3,235 on American have reached the ninth year of service, including 40 who were with American before 1953, when the 32-year age limit first started and who were exempted from the age limitation.

Nancy Billo is an attractive 31-year-old who has been with American for eight years. She's got one more year of flying time and she's fuming.

"Sure, they'll try and find me a ground job, but after flying, who wants a 9 to 5 stint behind some desk?" she asks.

Former Stewardess Barbara Erikson, 33, who lost her job last year and is now working for the union, says, "Passengers want the steady hand and the self-

assurance of an experienced stewardess, not just a young chick who can chatter pleasantly."

Fran Fixmer, 31, has been with American nine years, says, "I'm still enthusiastic about my job, perhaps more now than ever. How can they say my motivation is less now than when I first came to work? They're just wrong."

All the girls interviewed said that the decision on whether to continue flying after marriage would be a joint one with their husbands. American has just recently agreed to a union contract provision which ends the marriage ban.

Management officials say most girls have started families by the time they're 32, and that the real challenge of providing a career job for steawardesses has been met by American which offers the girls ground jobs when they reach the maximum age limit.

Congress could reconsider the issue and include those in their 30s in the anti-discrimination law which is now in effect.

ITEM 3: RETRAINING AND JOB REDESIGN: POSITIVE APPROACHES TO THE CONTINUED EMPLOYMENT OF OLDER PERSONS [1]

(By Solomon Barkin,[2] Professor of Economics, University of Massachusetts.)

Past programs for the promotion of the employment of older workers have been overlaid with "philanthropic" and "social" motives. This attitude prevailed in part because the persons advocating the employment of these persons were often themselves somewhat uncertain about the claims that older workers could be as productive as younger ones. They knew that "scientific", or more strictly "laboratory," research had found that older persons responses were not as quick and that their scores on some tests were not as good as those of younger persons. They therefore had to secure evidence to support their claims.

It was true that many older persons had remained on their jobs and that their records of proficiency were impressive. Studies had reinforced those personal observations. But a gnawing concern persisted among the votaries about the unemployed or those older persons seeking jobs.

Specific evidence was required that older persons could be retrained as easily as young ones and that jobs could be redesigned or adjustments made to enable those individuals who had found particular modes of production too strenuous to sustain or re-establish their productivity. Fortunately, recent experience and newer methods of dealing with those issues provide a sound base for this confidence in the adaptability of members of the older groups of the working population. An active positive program to promote the extensive use of these techniques would do much to give impetus to the movement for the increased employment of older persons.

It is essential that this vast body of men should be employed in their own interest, that of management, and the community. A vast number of these persons want to continue working to maintain their standard of living and their health and an active state of mind. The ever growing cost of maintenance of the inactive population demands greater participation from the active part of the population. Management needs to turn to many older employees to retain special skills and "know-how" and to strengthen the morale within the organization. The success of the positive approaches to older persons' adjustment to the work world would also do much to encourage other persons in this category to learn new or advanced skills and knowledge and would facilitate their rehabilitation and retraining. If the professional counsellors or placement officers need further confidence in the possibilities for effective work, certainly a record of achievements in training and job redesign would provide them with this support.

These techniques are being resorted to increasingly since the opportunities of using the former procedures for the employment of older persons are shrinking. Moreover, these procedures tended to have a depressive effect on the beneficiaries themselves. Mechanization is eliminating many jobs which had previously been set aside for older persons, either voluntarily or by reason of law, and the rate of identification of new ones is slow. Sheltered employment is primarily useful for rehabilitation processes or for those considered permanently unplaceable.[3]

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[1] Paper presented to the conference in February 1968 of National Council on Aging.

[2] See pp. 206–211 for testimony.

[3] Bent Anderson, *Work or Support: An Economic and Social Analysis of Substitute Permanent Employment*, O.E.C.D. (Paris, 1967), p. 124.

Before considering the specific techniques of training and job redesign, it should be reiterated that the majority of older persons, particularly males, do carry on their normal work duties and their performance is as good and often better than that of others. It is true that many older persons suffer a decline in physiological responsiveness to stimuli, but this is generally irrelevant to performance at most jobs. Seldom does a task call for the use of a persons' maximum capacity. The worker is generally able to adjust his methods of working to severe demands and strains by making his own personal accommodations or by adapting his non-professional life patterns to the need of sustaining his job performance.[4] Also because of the great variability in capacity among individuals and the continuing improvements in the conditions of life and the upbringing of peoples, the effective range of capacity is being broadened for the older cohorts.

The training of older persons is the more general and more widely applicable technique since it is also often a necessary ancillary to the assignment of people to redesigned jobs.[5]

THE DISCOVERY METHODS OF TRAINING OLDER WORKERS

Many established adages pronounce on the difficulties of teaching or training older persons. Fortunately, the mere repetition of these judgments over the years has not made them more accurate. As our knowledge increases we are able to correct them. We are now convinced that we shall be increasingly able to train older persons and adults, and the scientific research carried on since the twenties has reinforced this conclusion. Man continues to learn throughout his life span, except insofar as personal, physical or other impairments interfere with the process and the latter are as troublesome to the young as to the adult, though they are more numerous among older persons.[6]

The traditional training methods were developed to serve the young; the training adults calls for a new approach. Research has led to the conclusion that success at training is controlled for one by the methods of teaching. The traditional methods of teaching based on exposition and presentation of theory followed by later application may work well with younger people whose experience of learning has been conditioned by the need to recapitulate information in written examinations.[7] But it appears that these methods which are refined slowly throughout school life do not survive as natural and easy ways of learning once the individual has long left behind his school room experiences.[8] Learning now becomes prompted by the wish to put knowledge to active use. It becomes increasingly difficult to learn passively without personal commitment and involvement. It is here that problem solving procedures can play such an important part in establishing the right conditions for adult learning. The individual is enabled to make his own decision at each stage of the learning process. Activity and work in connection with the acquisition of new knowledge and skill help set up and fix the new neural paths and responses. The adult thereby learns more quickly since he is best trained in an open or discovery situation conducive to creative learning where he is enabled to consolidate the knowledge or skill he acquires.[9]

The discovery methods of training meet these tests and appear therefore to be particularly adapted to the training needs of the older persons. He has to discover the answers to a series of problems himself rather than to rely upon the instructor's oral communication which is often not too meaningful. Moreover, the concreteness of the learning process is particularly important in the case of the adult worker. Tasks are required to be brief and the separation of problems into units in a total series provides an automatic or additional measure of progress which is helpful to the older trainee. Time is also allowed for the trainee to practice the exercise and consolidate his new learning. Each task is conceived as a meaningful whole rather than as a discrete unrelated unit of work and is so organized that the learner can accomplish it. It is also challenging to him. Each

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[4] Stephen Griew, *Job Redesign*, O.E.C.D. (Paris, 1964), p. 94.

[5] K. F. H. Murrell, "Redesigning Jobs for Older Workers," in *O.E.C.D. International Management Seminar on Job Redesign and Occupational Training for Older Workers*, International Seminar 1964–2 (London, September 30–October 2, 1964), O.E.C.D., 1965, pp. 5–7.

[6] R. M. Belbin, *Training Methods for Older Workers*, O.E.C.D. (Paris, 1965), p. 80.

[7] John T. Gutherie, "Expository Instruction Versus a Discovery Method," *Journal of Educational Psychology*, V. 58 (February, 1967), pp. 45–49.

[8] S. M. Haslerud and Shirley Meyers, "The Transfer Value of Given and Individually Derived Principles," *Journal of Educational Psychology*, V. 49 (1958), pp. 293–298.

[9] A. T. Welford, *Aging and Human Skill*, Oxford University Prses (London, 1958), p. 300.

task when completed prepares the trainee for more difficult problems in the series so that at the end he acquires the knowledge and skills required to qualify him for the job.[10]

As each person is individually presented with the series of tasks to be handled at his pace, in terms of his own background of experience and "knowhow", he can work as fast or as slow as he need to assure that he fully acquires each new skill. He can make his progress with a minimum of verbal instruction and physical demonstration and on the basis of his own efforts.

The material and methods of instruction are so organized that the trainee is able to spot and minimize errors or is constantly observed or checked by the instructor to prevent mistakes from being hardened. Each trainee is expected to comprehend the unit fully and master each task before he moves on to the subsequent one. To assist in this process the surroundings are arranged so as to minimize disturbances and distractions for the learner. The tasks are designed to build up the trainee's powers of discrimination.

The training program tends to be most effective where the trainee's financial concerns for himself and his dependents are removed by systematic payment of adequate benefits or support. Assurances of a job at the end of a successful training period can both heighten the trainee's interest and improve his degree of concentration.

Provision also has to be made for supplementing an individual's education and preparation, or assistance has to be given to help build up the individual's physical and emotional preparation for training or performing the job in order to assure both successful completion of the course and placement.

The role of the instructor in the administration of the discovery method of training is not that of a lecturer or demonstrator. His function is primarily that of "introducing the problems, observing progress, inviting questions, acting as a consultant and giving personal encouragement and help to those who experience anxiety in the unfamiliar situations in which they find themselves".[11] He aids the trainee in the learning process rather than instructs him in the performance of the job.

The primary tool in the training program is the series of graded tasks into which the training schedule is divided. Their effectiveness in providing directly relevant and well designed units of work will be the key factor in determining the success of the course. The designer's responsibility is therefore very important. He has first to identify the skills and knowledge required for a job. This may be done by close field study and supplemented by reviews of learning difficulties with practitioners and trainers in the field. He then has to develop the graded tasks in order of progressive difficulty. Each has to be a meaningful and challenging whole to be completed by the trainee on the basis of the prepared instructions.

The tasks may be simplified to help the trainee "discover the right responses by reducing the complexity of the task as it appears in the real situation; for example, by introducing cues such as the use of colour to indicate which controls have to be operated on a complex machine and so leaving the trainee free to concentrate on other problems confronting him; or by offering hints devised to restrict the amount of information through which the trainee has to sort in order to reach his decision. Sometimes 'discovering' is rendered possible by the use of specially prepared materials. These retain essential features but eliminate non-essential features especially those irrelevant to or liable to interfere with progress in learning; or the critical features of materials may be enlarged to make it easier to perceive them and so more easily to observe the functional relationship of different parts of working tools and materials. In other words, the physical changes are designed to increase the prospects that the trainee will be able to discover something for himself."[12]

This series of progressive tasks has to be under constant surveillance and adjustment to meet the needs of the different groups and to overcome the difficulties encountered by specific trainees. These adjustments must assure the proper transfer effects to the jobs in industry and help overcome the limitations of experience from which the individual trainee may suffer.

The series of tasks for training for a specific job constitutes the curriculum and therefore tends to establish both the knowledge and the time needed for acquiring the skills for the job. These programs are usually shorter than the traditional ones or those established by training experts in enterprises.

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[10] R. M. Belbin, *The Discovery Method—An Effective Technique for Training Workers*, O.E.C.D. (Paris, 1968) (at printers).
[11] *Ibid.*
[12] *Ibid.*

To establish the practical nature of these conclusions on a more general basis, the OECD invited its member countries to engage in a concurrent demonstration. Four countries agreed and carried out these programs in a project coordinated by Dr. R. M. Belbin of the United Kingdom, the author of the publication on "Training Methods for Older Workers," issued by the O.E.C.D. Social Affairs Division. These demonstrations were carried out and financed by the respective governmental authorities which designated an appropriate national or local body to administer the project. It was hoped in this way that the demonstrations would not only be successful experiments but also a useful means of acquainting important national groups with the nature of the discovery approach of training older persons. The four countries concerned were Austria, Sweden, the United Kingdom and the United States.

In the Austrian project, training was given to 26 subjects between the ages of 18 and 55 in the manual skills and practical knowledge required in the stonemason's trade. In the Swedish case 22 persons between the ages of 18 to 29, and 23 between the ages of 40 to 56, were taught to read engineering drawings and to interpret them to scribe a metal object. The time allotted was 35 percent below that for the traditional methods. The United Kingdom training program affected 83 steam locomotive drivers of whom 49 were 40 years and over, who were being taught to drive diesel electric trains. They had to acquire the fundamental electrical knowledge essential for this task. The training period for the job was one-half of that set for the traditional method. The United States program included 242 subjects who spanned the age groups from 23 to 65 years. They were trained in electrical work, data processing and machine shop work.

Despite the many problems encountered in organizing and administering such diverse projects in four different countries under varying practical conditions, the results tended to confirm the hypothesis which they set out to test. They corroborate that the discovery method permits men in the age groups from 41 to 55 years to overcome the loss of learning ability from which they allegedly suffer, and to attain a rating of at least near parity with those of younger trainees prepared by the traditional training methods. The effects of the use of the discovery method on younger persons were not uniform. In the United Kingdom project, the older trainees definitely gained more from this method of training than the younger ones. In the United States demonstration, older trainees also achieved results at least equal to those of the younger ones prepared by the traditional methods.

The method of training, it is confirmed, is significant in determining the results. Methods attuned to the learning patterns and problems of older persons can assist immeasurably in improving their capacity for acquiring new knowledge and skills. The discovery method also tended to create greater interest and favorable attitudes among trainees.

However, it is not sufficient to rely on learning training methods solely. Effective training depends upon motivation, absence of anxiety and distractions and concentration. It is essential to accompany training programs with the ancillary services and conditions which can help assure success. Particular attention has already been paid to the financial problems. The assurance of a job at the end of the training period reinforces the degree of concentration and an interest in training. Some older persons, of course, may need the preliminary pre-vocational training in the form of basic education and orientation to work which can provide them with the experience on which the new job training and skills can be built. Personal and occupational counselling of course are most useful particularly where some special personal problems exist or where new job choices may have to be made. Finally, supporting services during and follow-up after the training can assist the individual and his employer to make best use of the instruction. It has been noted that the highest drop-out rates are found during the early periods of training and the first period of employment. The supporting services should be designed to aid the individuals with these problems through these difficult adjustment periods.

JOB REDESIGN: EXTENDING EMPLOYMENT OPPORTUNITIES

Job redesign is a means of retaining the services of older workers of proved efficiency, but for whom conditions of work are unfavorable. It has been shown (by me and Murrell for example) that the age distribution of persons engaged in many productive operations falls sharply with increasing age. They tend to move into other jobs within the firm or leave for other work. This cannot be explained, however, by the normal processes of wastage since

other occupations show characteristically different age distributions. Over a protracted period of time particular jobs retain their peculiarly identifiable age distributions.

Job redesign may therefore exercise a far more profound effect on the retention of jobs than has been realised. Its influence is subtle. Even so, the effects are important. Older people who stay in their jobs may continue to offer all the fruits of their developed skill, but in moving to other jobs, they may be slower to adjust, their relative contribution may be less and such transfers add to training costs both in the job being vacated and the job being entered. Yet routine use of human factors engineering in factories, offices, of stores is rare. Few companies maintain specialists for this work. If some job redesign is undertaken, the task is customarily assigned to production supervisors, safety or time and motion study men, who are not necessarily conversant with this work. Unfortunately, machine builders and people who lay out work places are not mindful of many of man's phsiological, mental and emotional imperatives for effective productivity. Their training in these subjects is limited at best.

If one is to promote the regular use of job redesign techniques for older persons, three hurdles must be faced. One is the conversion of management to the value and usefulness of the techniques; second, the instruction of a group of persons in general human engineering principles; and third, the training of practitioners in the special considerations for job design for older persons.

Good human factors engineering will benefit younger workers, but confer relatively greater benefits on older workers. Older workers present a greater challenge to human factors engineering, because what serves as an acceptable solution for younger workers may not go far enough to meet the needs of older workers.

A further problem in the field of job redesign is that the procedures may involve either changes in the demands on the job through mechanization, auxiliary tools and services or alterations in positions, or the reallocation of work duties among the existing job classifications or the creation of a new hierarchy of jobs among which the duties are to be distributed in a novel manner. The use of the allocative procedure, except possibly where it involves minor adjustments, may give rise to questions of broader principles of enterprise organization, involving changes in existing agreements or rules in the enterprise or in the labour market or even in law. These issues will have to be dealt with by persons other than the technician proposing the new job pattern. Where the proposal dilutes existing skills, or creates new job classifications or radical revisions of job hierachies, opposition may not only come from management but also the employees.

In the field of job redesign we therefore need a much broader program of orientation for managements and employees to prepare them for the benefits and the application of techniques. The parties have to be emotionally and intellectually receptive; they have to be persuaded of the usefulness, profitability and values of the techniques; the technicians have to be instructed in the use of the principles. It is likely that for some time to come the Public Employment Services may be able to offer the technical advisory services necessary for the implementation of the techniques. Certainly, this assistance will be essential until there is more widespread routine use of the procedures.

The function of the human engineering approach to job redesign is to "fit the job to the man." This technique should be contrasted with the selection of workers for jobs, guidance to the individual to the choice of employments which best suits his preparation, capacity, aspirations and personality or assistance to the employer to select the individual best suited and most adaptable to the available work. Effective job design must be built upon a keen knowledge of the physiological, psychological, and sociological principles affecting man's behavior and attitudes. They should be incorporated originally in the design of the equipment and work place so that they may initially be conceived as the best fit to man. Many different sources of information have been developed in this field. Text books and systematic training are available for people wanting to acquire this knowledge and skill.

The O.E.C.D. tried to fill the gap in current literature on job design for older workers by providing a text book for guidance of management and job redesigners, "Job Redesign: The Application of Biological Data on Aging to the Design of Equipment and the Orgnization of Work" by Stephen Griew. The book enumerates the "age changes in working capacity" considering in separate

chapters the older worker's tolerance of "environmental stresses", effects on "movement and postures", "skill performance" and "speed of work". This book, together with an equivalent report on the difficulties faced by older workers in training, provides a foundation for the practitioners.

Basically, the task of the redesigner of the job for older persons is to remove the strains and stresses in each factor in the working environment, design and layout of equipment and the work place and the organization of work. He should also help to eliminate the pressures which would be deleterious to the older persons who cannot easily carry them because his reserves are lower than those of the younger person, or may be discouraged. The job designer has the responsibility of providing such aids to increase the sensory stimuli and therefore facilitate recognition of signals for activites.

To promote the further application of this knowledge, the O.E.C.D. completed two projects. One introduced specific experimental programs in factories in five countries and the second consisted of country surveys of the practice of job redesign for older persons in enterprises in eight countries.[13] One of the latter surveys was conducted in the United States and a special report has been published by the United States Bureau of Labor Statistics of the results of this investigation.[14]

Our present information indicates that job redesign for older persons has been practiced largely for keeping specific groups of older employees on the payroll; or permitting them to maintain their productivity without deleterious physiological effects. The above reports provide a series of examples of the use of these techniques.

The outstanding fact about these cases is the relatively simple character and small cost of the devices and procedures employed to relieve the strains and pressures on the worker. These were generally of such a practical nature that they were devised by the production people rather than by job design specialists.

To offset physical exertion on jobs, operations are sometimes mechanized or other arrangements are made involving multiple levers, greater accessability to operating points, relocation of working sites to avoid unnatural postural demands, and the introduction of chairs, rails, and backrests for the same reason. Changes have been made in jobs which demand constant high speed. To adjust to the personal capacities of men on the assembly lines, feeder lines or reserve stations are introduced. The pace has been relieved in other places to eliminate the need for sudden spurts in effort. Problems created by environmental stresses and dusty and humid atmosphere have generally been dealt with successfully through redesign of entire units, enclosures, hydraulic controls operated from a distance. Older persons have particular difficulty with poor lighting, noisy environments, unduly small tools, identifying materials and written instructions. Many inexpensive correctives have been applied, through better lighting, sound mufflers, taped instead of oral instruction, multiple sensory signals, etc. The results in these cases were positive. Productivity rose and physical strain was relieved.

To deal with these problems the first step in these cases is to exhibit a true interest in the worker on the job; second, to identify the difficulty and the special strain which may be causing the difficulties; and third, to apply practical operating knowledge to eliminate or circumvent the pressure. Of course, the presence of specialists devoted to the location of people with difficulties would do much to increase the number for whom provision is made as well as permit much preventative work to be undertaken to anticipate difficulties. By eliminating problems in advance, management avoids embarrassing the individual worker who is suffering a decline in productivity. This preventative course has only been initiated in isolated enterprises.

The above experience further emphasizes that strains and pressures on employees are legion in industry. They are an inheritance of past poor design. The human toll is very great. Both the young and old at present suffer from these difficulties and the continued excessive demands accelerate the onset of the personal difficulties at work and therefore advance the problems of the older person. A careful review of jobs within industry looking to the human imperatives for optimum productivity would therefore be a most profitable pursuit for individual enterprises and society. But it is not usually done. In the meantime, there is a need to concentrate upon the areas of particular difficulty to the older person for they are likely to show up the most serious departures from sound human engineering practice.

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[13] G. Marbach, *Job Redesign for Older Workers*, O.E.C.D. (Paris, 1968) (at printers).

[14] U.S. Department of Labor, Bureau of Labor Statistics, *Job Redesign for Older Workers*, Bulletin No. 1523 (Washington, 1967), p. 63.

CONCLUSION

The two techniques share the characteristic of seeking to keep the older worker in employment through positive efforts to improve his competitive position to the point where his performance and the costs of his training and job are on a par with those for the younger ones. They do not then rely on "philanthropic" or "social" appeals for assuring the employment of older persons.

But both techniques are new and have not been widely applied. They must be specifically promoted; demonstration projects are essential; positive experience must be reported and broadcast; information on the principles, methods of application and case studies should be introduced into the literature of personnel people. Others who are concerned with the problems of the labor market, and particularly the older worker, such as the personnel of an employment office, should be familiarized with these results.

The principle of training older persons has been accepted. The questions are primarily who should do what and who should pay for the cost of training. Governmental assistance and incentives are essential in the early years of the promotion of the use of the special techniques. Public training agencies should familiarize themselves with the techniques, and should apply, promote, and publish the results. It will be necessary to provide incentives for demonstration cases to private employers and finance further research.

The art of job redesign along sound human engineering principles is not highly developed. It is vital that these be popularized. This is a large undertaking and needs to be discussed quite independently of this setting. Knowledge and experience with deliberate scientific job redesign for older workers need to be advanced. Therefore, the government should offer technical advise to management in this field in the early years, both to secure acceptance of the ideas and to gather information on the application of the principles.

Special training and job redesign techniques for older workers are in their infancy. The base has been established; they offer a positive approach to the encouragement of more widespread employment of older persons. Their use can strengthen other forces such as better education and health of the older population by enhancing their employment qualifications. However, they will not progress spontaneously without assistance. They call for expertise and special competences. Demonstration, research, publications and encouragement for their widespread application are needed.

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ITEM 4: JOBS FOR OLDER WORKERS [1]

(By Solomon Barkin)

The opportunities for regular gainful employment for older persons must be extended. Many different considerations are combining to impress us with the need for such action. There is a great demand that these persons be self-supporting. The nation needs their services. Many can participate productively in the community. With the growing number of older persons, the cost of maintaining an unproductive sector is becoming more staggering. The closing of the doors of industry to this formidable group in the population can only result in the formation of powerful political groups demanding remedies often at the price of the well-being of other sectors. A healthy economy therefore demands that we plan for their employment and absorption into productive occupations.

In the past we have relied upon informal procedure and haphazard improvisations to find jobs for these persons. There has been no recognition that there may be an alternative procedure of redesigning the jobs in industry to suit the characteristics of the older persons. To do both careful placement and to refashion the actual job requirements, it is imperative that we have a carefully developed list of principles with which to aid both the placement officer and the engineer developing the new jobs. Other current discussions are focused upon the problem of expanding our facilities and knowledge and stressing the opportunities for increasing the period of workers' full usefulness and delaying the onset of

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[1] Presented at the Second International Gerontological Congress, September 9–14, 1951, St. Louis, Missouri. Publication of this paper in this issue of the Journal of Gerontology is made possible by a grant from the Forest Park Home Foundation.

senescene. We believe that these approaches are important. But along with these activities closer studies must be made of the methods for extending the job opportunities for the older workers as we now know them.

The common tendency in discussions of employment problems of the older workers is to assume that jobs are fixed and invariable in their demands. The history of industry suggests a very different conclusion. Job patterns and the qualities required of workers have changed over the course of time. Industry has continuously adapted its jobs to the supply of labor. When there was an abundant supply of children and women, the factory system devised jobs suited to them. When child labor laws limited and prohibited the employment of children, jobs were redesigned for the utilization of adults. The rise in the supply of high-school and college trained persons is now prompting the development of jobs to employ such persons (2). The experience with the handicapped reinforces the conclusion that many persons now considered unemployable can be hired for highly productive and profitable jobs if attention is focused on adapting the jobs to the workers.

The increasing size of the older worker population presses hard on us and suggests the need of adapting a wider number of jobs for their special capacities. Knowledge of the basic guides to be followed in such job redesign may hasten the process and assure more constructive results.

Additional support for this positive approach is supplied by the experience during recent years with the utilization of older workers. We have found that the proportion of older workers in employment has increased with the rise in the level of employment. During periods of full employment, employers set aside their opposition and age-hiring rules and increase their recruitment of older workers. Many are directed to special jobs while others are placed on the regular lines of production. During World Wars I and II, many were hired who had actually already retired (3, 5). One essential element in the constructive program for the continued employment of older persons is national full employment.

New York State Study of Older Persons' Jobs

Several different approaches may be followed in defining the jobs for which older persons may be employed. The results of each must be summarized to make available to the engineers and placement officers more precise information on job possibilities for the older age groups. One source of knowledge is the analysis of the jobs at which these persons are now employed.

One such investigation was made in 1931 of 364,073 wage-earners in New York State manufacturing industries (1). This study analyzed the jobs at which these persons were employed in terms of job characteristics; it therefore provides specific insights (1). Some of the more outstanding findings may be summarized as follows:

I. Men and women of all age groups were employed on machine work which included jobs at which the worker either supplied the power for the machine, changed the direction or speed, or operated or fed the machine. Such machine work remained the most significant source of employment in the case of males in all but the most advanced aged groups and the most important one in all age groups for females (table 1). The proportion of men engaged in this class of work declined consistently after the age of 35 years and most sharply from 60 years of age and upwards. The proportion of women on such jobs in all age groups remained stable because of the particular importance of sewing operations in New York State industry (1).

TABLE 1.—CLASSES OF OCCUPATIONS EMPLOYING 50 PERCENT OF WORKERS OF EACH SEX IN MANUFACTURING INDUSTRIES IN NEW YORK STATE BY INDIVIDUAL AGE GROUPS BEYOND 39 YEARS (UNWEIGHTED SUMMARY)

	40 to 44 years		45 to 49 years		50 to 54 years		55 to 59 years		60 to 64 years		65 to 69 years		70 and over	
	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation	Percentage of age group at occupation	Rank of occupation
MALES														
Hand, medium, 18 months or more	13.91	1	14.32	1	14.68	1	13.96	1	13.62	1	13.11	1	11.84	2
Machine, medium, 18 months or more	10.41	2	10.38	2	9.52	2	9.36	3	7.97	4	7.96	4	------	------
Body, great, no training	9.49	3	9.67	3	8.80	3	9.74	2	10.21	2	9.35	3	8.32	4
Machine, medium, less than 4 months	8.68	4	8.17	4	8.01	4	7.69	5	7.23	5	7.66	5	6.94	5
Machine, medium, 4 to 18 months	7.61	5	7.36	5	------	------	------	------	------	------	------	------	------	------
Body, medium, no training	------	------	------	------	7.25	5	8.26	4	9.64	3	11.70	2	13.32	1
Body, slight, no training	------	------	------	------	------	------	------	------	------	------	------	------	9.14	3
All others	49.70	------	50.10	------	51.74	------	50.09	------	51.23	------	50.21	------	50.44	------
FEMALES														
Machine, slight, less than 4 months	22.34	1	20.95	1	18.83	1	20.83	1	19.73	2	22.86	1	19.20	2
Machine, moderate, less than 4 months	14.20	2	15.85	2	17.58	2	19.02	2	25.24	1	21.43	2	20.80	1
Hand, moderate, less than 4 months	11.16	3	10.92	4	9.45	4	11.43	4	7.97	4	9.29	4	7.20	4
Hand, slight, less than 4 months	10.90	4	11.37	3	13.42	3	12.40	3	13.85	3	18.21	3	15.20	3
All other occupations	41.40	------	40.91	------	40.27	------	36.32	------	33.21	------	28.31	------	37.60	------

Machine work does not therefore bar the employment of the older person but some types of work do present peculiar difficulties. In devising jobs for older persons it is important to minimize the types of work demanding direct speed in reactions, constancy of movements, concentrated attention, instantaneous coordination of faculties, and repetitive movements. Where these qualities are required, the job must be redesigned so that the actual work is performed mechanically or through electronic devices and the worker receives magnified or reinforced stimuli and is protected by stop motions and signals which reinforce his own awareness of the need for response. Machine tending, rather than machine operation, must be the goal. Fortunately, the trend is towards such jobs.

2. Body work jobs provided employment for an increasing proportion of workers with the rise in age. While 21.3 per cent of persons 30 to 34 years were on such jobs, the percentage was 37.5 per cent for those 70 years and over. Many older persons were employed on laboring jobs including janitorial and maintenance services and unskilled tasks.

3. Handworkers maintained a relatively stable proportion in all age groups until 60 years. The proportion then dropped slightly for the older age groups. A marked rise occurred with increasing age in the proportion of persons on clerical jobs. Older persons shifted to them either through advancement or transfers, as they often provided less strenuous employments.

4. Jobs requiring no training provided an increasingly more important proportion of opportunities for the older age groups. While only 15.3 per cent of the workers in the age group 30 to 34 years were on such jobs, the proportion for persons 70 years of age and over was 33.8 per cent. The unskilled or "older man's jobs" became a refuge for many survivors in industry. The tendency was most marked among men.

5. Older persons were least secure on jobs requiring some, but less than four months' training. For these jobs, employers tended to prefer younger persons who would quickly acquire the new performance patterns. A similar tendency was noted in the intermediate group of jobs requiring from 4 to 18 months' training. The proportion of workers on these two grades of jobs declined with advancing age from the peak attained in the 30 year age group. As would be expected the proportion of persons on the very skilled jobs requiring 18 months or more of training rose through the age of 49 years. Beyond 50 years, the percentage dwindled slowly but steadily.

While older persons therefore had an advantage on the highly skilled jobs, the rapid rate of technologic developments is scrapping past skills and reducing the value of the asset. The tendency to increase the number of jobs in industry requiring rapid training in new skills suggests that training and job transfer practices must be better adapted to the peculiarities of the older person. They are now inadequate.

6. The older persons tend to drop out of the very strenuous jobs. They shift to the lighter jobs rather than to those calling for medium physical exertion. The increased number of materials handling devices and careful job lay-out and machine design can do much to lighten jobs in industry.

7. On the overall, jobs requiring medium physical exertion and calling for 18 months or more of training provided the most important single source of employment for men in all older age brackets, except the very last of 70 years and over. Machine work jobs calling for medium physical exertion tended to drop in importance with rising age. Body work jobs expanded in their relative importance with the aging work force. While jobs calling for medium physical exertion and no training occupied fifth place as a supplier of jobs in the 50 to 54 age groups, they jumped to first place in the 70 years and over age group.

8. Among women, the relative importance of different classes of work was much more constant through the age groups, in part because of the predominance of such work as machine sewing and hand assembly. Four types of occupations furnished approximately 60 per cent of all jobs for women 40 years and over. Machine work requiring less than four months' training was in first and second place in all age groups. In third and fourth place were hand work of similar training requirements.

Jobs can be redesigned to stress the qualities best adapted to the successful employment of older persons.

The Nuffield Research Studies

A more recent analysis of job held by older workers (the Nuffield Research Unit into Problems of Ageing) covered 3,221 employees on 95 operations. Their conclusion was that "older people tended to be found doing work where there was an absence of time-stress—in other words, work which could be done at their own pace, unhurried by pressure for speed, and where there was opportunity for accuracy to be displayed to advantage. There was a tendency for operations on which the numbers were small to have a relatively high proportion of older people. Among such classes of work as machine-feeding, machine operating, light assembly, heavy work, and inspection, older people were not found on one more than another, except in so far as the classes varied in the proportion of operations they contained on which time-stresses were present . . . Older people can maintain an established skill to an age considerably beyond that at which they can without undue difficulty learn a new skill . . ." (4).

The same institution has also conducted laboratory investigations to develop a theoretic basis for understanding the behavior of older persons. Some of their preliminary conclusions are that older people can handle a series of moderately heavy tasks so long as they are not constant; that they can perform satisfactorily jobs demanding high degrees of accuracy; that skills can be more easily maintained than acquired in old age.

Summary

Jobs are available in American industry for the growing proportion of older workers. These persons can be as productive as our present work force. The primary requirement is that management acquire more knowledge of the methods of redesigning jobs so that the full potentiality of the older worker may be maintained. Many current trends in industrial management, such as increased mechanization of operations, expansion of machine tending jobs, improved plant layouts, new machine designs, and abundant automatic methods for materials handling, improve the opportunities for employing older persons. More incisive research will help describe the older workers' jobs more carefully and help management in this undertaking.

The redesigning of jobs for the employment of older persons is imperative. Organized labor, the public, and our economy demand it. Effective advances in this field will also help many European nations who have large older populations.

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ITEM 5: TECHNIQUES FOR DEVELOPING JOB EMPLOYEE COORDINATION

(By Solomon Barkin, Director of Research, Textile Workers Union of America (CIO))

Our major social aim is to provide employment for those who desire to work and whom the community wants to have work. Children are excluded from employment as are persons with contagious diseases. On the other hand, we have been insisting, as a community, upon the employment of employables and have gone to considerable lengths and costs to enable many to become so. As a nation we realize the high cost of maintaining persons who contribute nothing to the national product.

But we face many problems in trying to secure jobs for the many persons whom we would like to see at remunerative work. Some individuals have to be fitted for work. For others, the right jobs have to be found. And for still others, jobs have to be redesigned to enable them to make fullest use of their positive qualities.

Before considerable progress can be made in these directions, prejudice against the employment of specific groups of persons must be uprooted. Stereotypes and unsupported hunches determine current selection policies for the greater number of companies. Employers and hiring officers who insist upon the most productive work force go out of their way to avoid hiring employable people because of their prejudices. The stereotype of the older person's defects is such a barrier to optimum allocation of our human resources. Conferences such as these can contribute greatly to the eradication of prejudices and assure fair consideration of men as persons seeking specific jobs, and possessing particular qualifications for the jobs at which they are to be employed.

The most important single force currently assuring proper placement in our community is full employment. During such an era individuals can realize their greatest personal fulfillment. They have alternative employment opportunities and under such circumstances can try to find the most satisfying job, a critical factor in determining productivity. Minority groups suffering from the handicaps of the stereotypes ordinarily barring them from employment, can hope to surmount prejudice during these periods while they have no such hope in other eras. Employers in their anxiety to secure employers are more apt to experiment with the employment of persons they would not otherwise consider. They are then likely to set aside their prejudices. They are apt to consider personal qualifications rather than disqualifications. The stress is on proper placement rather than selection. Full employment must be maintained if we are to meet the problems of the older worker or any other minority groups.

Rehabilitation

We are considering alternative techniques for the coordination of jobs and people. The first must obviously be the development of maximum personal physical and mental capacity. In the handling of the physically handicapped, this work has been called rehabilitation. Individuals are aided to restore their medical and physical capacity through various types of therapy such as physical, occupational, corrective, educational, manul arts, and specific programs for those suffering from spinal cord injuries, the blind, the tubercular, and individuals with hearing and other difficulties. Prosthetic devices have enabled persons without limbs to get substitutes or to strengthen weakened organs. Their objective is to reduce disability and secure maximum peronal development, have the individual accommodate himself to his disabilities and work and live within these limits. Our society has accepted this principle for the promotion of better life and preventative care for the normal citizen.

The above techniques have meaning for the older and aged persons suffering from no specific disabilities. They, too, need the aid of special medical and psychiatric skills to maintain their fullest capacity and to learn the best use of their capacities. Still, too little is known about how to promote personal health among older persons and too little has been done to disseminate the information.

Selection and Placement

The second challenge is the one Dr. Hackman has tackled. It is his desire to define each person's qualities and attributes to have them most satisfactorily placed. The issue arises in either of two forms. There are those who find their usefulness declining and the question arises as to their possible placement on other work. This group is not numerous because many factors hold down their numbers. The decline in personal productivity tends to be small. Where such a drop does take place, it is of minor proportions and seldom exceeds the normal range of differences among employees on a job.

The Temple University survey reports that the percentage of jobs at which age is a factor requiring job transfers is minor. For supervisory employees it is hardly worth mentioning. May we incidentally inquire whether this finding results from the fact that the persons who answered the questionnaires were older and therefore more tolerant of themselves? The only group for whom the issue may even arise is the production worker. But even as to these persons, it is reported that the number would be less than 10 percent in the mining, transportation, communication and trade branches. The proportion of the work force on jobs where age constitutes a handicap in the performance of the job, shows only a slightly higher percentage. This increase may only reflect the customary restlessness of employers who seek maximum output. Employers

are routinely disappointed with worker output and are longing for the "good old days" when people worked harder or produced more. Moreover, workers on the job are likely to cover up for their fellow-employees and assume the additional burdens to ease their tasks. Managements are also most indulgent to employees already on their payroll, particularly in prosperous periods. Many reason that their retention would be more profitable than to suffer the consequences of poor morale and the loss of other values such as willingness to cooperate in better training resulting from their release.

The above conclusions are confirmed by the tables which establish that few supervisory and clerical workers over forty-five years, and only a minor proportion of production workers, leave the work force for disability.

But even with respect to the group who may have to be transferred, the issue is relatively small because the employees' familiarity with jobs usually qualifies him for new work in the same plant, and the employer's acquaintance with him facilitates the selection of new work.

The real problem therefore is that of placing employees who seek jobs with new employers. Dr. Hackman suggests the use of a battery of tests to secure a better understanding of the individual and to guide and counsel him. Of course, comparable study would be required of jobs for better placement. Unfortunately, new testing techniques are specifically applicable to older persons, since most of them have been devised for younger age groups and standardized for a young age population. Many deficiencies in analysis and placement result from present testing techniques. Charles Odell's report on the General Aptitude Testing Battery suggests some of the defects in the present procedure as relates to older persons. The unfortunate narrowing of the range of selection among older persons resulting from current testing techniques does untold harm to productive persons who do not meet the specific job profile.

Current testing techniques emphasize selection and assume the presence of a reasonable number of applicants. They break down in periods of a labor shortage. They should then be used for more satisfactory placement. But this task is not as attractive to management nor is it inclined to spend as much money on this responsibility as it is on selection.

While our current testing and job description techniques are useful for better understanding, they have been frequently improperly used for discrimination and to cover up the selection prejudices.

Job Redesign

The greatest challenge is therefore finding a way of making practical the placement of all employables on jobs. It is not enough for employers to select the best employees. That procedure only creates a reservoir of people whom discrimination has scrapped. Nor is it enough to place individuals on the jobs for which they are best fitted because there may be no such jobs for groups of persons, or the jobs may be inadequate for their capacities. We only know too well the failures experienced in the placement of the physically handicapped. The most constructive way of reconciling the employer's responsiiblity of providing jobs for all and his economic test of optimum output is to design the jobs to fit the people in the labor market. By insisting that the techinques of human engineering must be employed to alter the jobs to fit the people, we would not only assure maximum output but also the placement of all persons eligible and desirous of working. The approach which reconciles social demands and economic interests is by way of the redesign of jobs to fit people.

The policy of adapting jobs to workers is not a new one. Many different groups over the years have pressed in this direction. They are increasingly reinforcing themselves as each finds that he can appeal to the other for support. The early movement in this direction was in the form of control of building structures designed to assure fire protection. Safety codes prescribed protective guards and specific machine designs to reduce accidents. Lighting standards have increasingly assured better illumination. Our greater knowledge of temperature, humidity and air flow have helped to improve the work environment so that the worker's comfort is increased and his productivity has risen. Our knowledge of colors has helped produce better use of form perception to distinguish machines and areas and to create more pleasing surroundings. Noise is being muffled to reduce its debilitative effects.

The above environmental controls have adapted the work place to the worker and eased the strain upon him, as well as making it more pleasing. Even more significant has been the reduction in work hours. The achievement of the forty-

hour week has lowered the demands on the worker. In addition, there are the meal and rest breaks which ease up the work day, and reduce the demands. The increase in the number of paid holidays has not only meant a rise in income but also assurance that it would be a non-working day.

A significant discipline which has worked directly with the job has been motion study. The art has advanced the skill of redesigning the work place and job for greater productivity. The emphasis is on the better use of limbs and facilities and the determination of the one best way of doing the job. The practitioners have usually proceeded from the assumption that they should not change the machine but have worked around it. The stress on efficiency has not always meant an easier job or one most adapted to the human being. The simplification may reduce interest or neglect group relationships and antagonize the work force. But the industrial engineer has made his contribution in pointing out the fact that the job is not fixed. It has to be deliberately designed for greatest output. He has usually stressed that the lowest class of movements should be used. Another primary guide has been to distribute the work between the hands and feet and to use both of them.

The industrial engineer has recently contributed greatly to the revamping of the work place through his interest in reengineering the work place to effect savings in the use of labor and space. The lay-out engineer has sought to arrange the flow of production to minimize the amount of material handling and to dovetail the operations. Where possible, automatic delivery systems have been installed. In other cases the handling has been mechanized thereby reducing the demands on physical labor. Such advances have moved along with the pressure for product simplification for the mass market. The assembly line has radically altered the nature of the jobs in American industry and the current movement for automation will even more radically transform them.

We have recorded two major influences affecting the job. There are external factors such as the work environment and the workday. The new production methods resulting from the drive for more economic production and implemented by the industrial engineer are having significant effects.

A third and immediately more pertinent development is the specific design of the job to fit the worker. The early simple evidence was the demand for a comfortable seat. Much research has been done to make the seat better adapted to the worker. More significant has been the outstanding work done for the physically disabled for whom jobs have been designed specifically to meet their disabilities. For example, in the case of the blind, the work place must be laid out so that there are no rough edges, sharp projections, splinters or protruding obstructions because they can injure the finger tips which are so crucial to the man's maintenance of the work ability. A more recent development has been the use of the knowledge about human limitations to help design airplanes. As a matter of fact ,this concern for human capacities has promoted the most extensive research in this entire area and greatly enriched our knowledge and experience with the design of machines and jobs. As a result there is an increasing disposition to demand similar attention for the human in the design of industrial installations. There is a need to merge our knowledge of human behavior with our engineering know-how to assure that the work place matches or conforms to worker characteristics.

The employer, over the years, also adapted his jobs to, and called upon the production men to devise work for, groups of employees whom he has preferred to hire for various reasons. For example, the early factory jobs employed large numbers of children and women. Machines were adjusted to their characteristics. With the influx of large numbers of cheap foreign and Negro labor, employers found little reason to economize in the use of workers. But when labor shortages and rising labor costs developed he immediately recognized that jobs had to be designed for new conditions. Specialization resulted in the fullest use of the skills of the highest paid workers. Industrial engineering substituted mechanical devices for human labor. The need for large numbers of women workers in an era of labor scarcity has favored not only the acceptance of the principle of equal pay for equal work but also the reengineering of the work place to their employment. The increased availability of highly trained persons coincided with the greater use of scientific knowledge and research in industry and the work force was expanded in these areas.

The above fact trends point to the area for further study and work with respect to the older persons. Their rising proportion in the labor market demands fullest reconsideration of their characteristics and abilities. Their rising numbers will not allow for makeshift adjustments. Nor will we find the answer in the satis-

factory placement of individual older persons. Moreover the high rate of technological change and plant turnover will produce widespread displacement with the resultant loss of the advantages on which older persons now count for their continuance in the labor market. To the extent that unions succeed in establishing industry-wide seniority the resulting risks will be minimized, but the high rate of mobility of American industry will reduce the importance of even this protective provision. The greatest challenge is therefore for us to reconsider the wide range of jobs in American industry designed for the employment of a younger work population and reengineer them for the more extensive and productive employment of older persons.

On initiating a program for the redesign of jobs for older persons, we must build on the significant facts already established by a number of intensive investigations of older worker characteristics. It would be desirable that further study be concentrated on his work aptitudes so that our knowledge be considerably expanded and our facilities for pursuing this course increased.

The following characteristics have been established:

One: Older workers exhibit marked declines in motor abilities and somewhat moderate declines in intelligence, verbal, numerical and spatial aptitudes and clerical and form perception. The older person is able to overcome the drop in effectiveness through greater use of capacity and higher application as well as new work procedures. The declining abilities can also be compensated through magnified sensory and other stimulii. The individual must be allowed greater latitude to work out his own work pattern. More attention to the perceptor phase of the movement will increase reactor effectiveness.

Two: Physical demands on the job should be minimized and provision should be made for regular rest periods. Longer vacations are also helpful.

Three: Older persons are adapted to "work where there was an absence of time-stress; in other words, work which could be done at their own pace, unhurried for speed and where there was opportunity for accuracy to be displayed to advantage."

Four: Jobs requiring rapid movement should be mechanized and adapted to machine tending or else several rapid movements should be linked together into a single response.

Five: Older workers are likely to compensate for speed by emphasizing accuracy.

Six: Jobs should be chosen which exploit established skills so that there can be a continuity in the work done and past experience can be exploited for the solution of new problems and production decisions.

Seven: Training methods should emphasize the teaching of new procedures in terms of the individual's past skills and experience.

Eight: Responsible non-arduous jobs should be set aside for older persons.

Nine: The older persons should be assigned to small groups in which there are few young pace setters.

Conclusion

The growing proportion of older persons in our population is increasing in number so that systematic procedures must be followed to open up employment avenues for them. It is not enough to pursue the policy of getting individual placements or setting aside specific jobs. They will result in the employment of too few older persons. There must be a wholesale approach to the problem of placing this group of people. Their characteristics and work qualities are different from those of the younger population. They have special attributes which give them superior values, but these will not be displayed to their best advantage if the jobs continue to be engineered in terms of an abundance of younger persons. They must be specifically designed to employ and utilize the older person. The preceding discussion has outlined several guides for the re-engineering of such jobs. Further study will add to this list and provide us with greater knowledge and advance our skill at engineering jobs for older workers. Too little systematic work has been done in this field and there is a crying need for summarizing the practical experiences of employers who have adopted this course for their own employees.

The redesign of jobs for older persons is a pressing need. Their numbers are increasing and the problem will be aggravated unless we undertake this task on a wholesale scale. Moreover, intense study of this problem will help to make our industrial know-how more useful to older industrial countries. They have often found that our procedures were ill-adapted to their peoples and have great difficulty in applying our experience. In some instances they have found our machinery and procedures too costly for their resources and abundance of manpower.

In other cases, they have perceived that our job organization was based upon the existence of a younger and more vigorous population than that found in their respective countries. By redesigning large groups of our jobs for the employment of older persons, we shall be facilitating the export of our industrial know-how and the acceptance by other countries, particularly in Western Europe, with older populations.

The rise in the number of new plants and industries demands that we give close consideration to a special appeal to these employers that they hire a cross section of the population of the communities in which they establish their operations. Their usual inclination is to recruit the younger age groups and overlook the handicapped. With the large number of plant closings and the current high rate of industrial obsolescence it is particularly incumbent on the newer plants to shoulder a fair proportion of each group in the work population. This goal can be realized by insuring that an adequate proportion of older persons are also hired for productive jobs. To accomplish this goal economically, jobs should be designed so that they can be employed as productively as any other group.

ITEM 6: ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

(Conclusions of the Manpower and Social Affairs Committee)

Adaptation and Employment of Special Groups of Manpower

An Active Manpower Policy implies the optimum employment of a nation's human resources in order to promote economic growth and rising standards of living, and also to satisfy the individual's desire to make a genuine contribution to the national economy. When facilitating occupational or geographical mobility and adjustment, the emphasis is customarily placed on helping, through training and assistance, those who have few handicaps or occupational difficulties.

A country's commitment to economic growth with a minimum of inflation, however, may cause unemployment for special groups of manpower. These are people who have to adjust to major changes in the industrial and social setting of their employment and/or domicile, those who have to reorganise their domestic duties in order to participate in the labour-force, and individuals who have been considered as only marginally part of the labour force or even as nonparticipants. In the past these groups have been recruited in an informal and often casual manner by both management and the public agencies. There have been few systematic attempts to prepare them to compete on the labour-market, to select or develop appropriate employment for them, to redesign jobs or adjust life and work surroundings so as to use them to the best advantage. Insufficient thought has been given to integrating the policies in favour of these special groups of people with economic and manpower policies as a whole.

The Manpower and Social Affairs Committee has sponsored a series of studies on improving the employment opportunities of special groups in the interests of the individual, the enterprise and the nation as a whole. It has so far reached conclusions on the measures to be promoted for these groups: older workers, workers with family responsibilities and workers of rural origin engaged in non-agricultural employment either in the rural environment or in urban areas. These conclusions, formulated in the light of the O.E.C.D. Council Recommendation on "Manpower Policy as a Means for the Promotion of Economic Growth," have been approved by general distribution by the Council of the O.E.C.D. They indicate the role which public bodies, employers, trade unions and other private groups can play.

This booklet contains the Conclusions of the Manpower and Social Affairs Committee and gives a list of publications and reports prepared in the Social Affairs Division on each subject. These publications may be obtained from the O.E.C.D. or its sales agents in the respective Member countries.

Solomon Barkin,
Deputy to the Director for Manpower and Social Affairs and Head of the Social Affairs Division, O.E.C.D., Paris.

Conclusions of the Manpower and Social Affairs Committee on Policies for the Employment of Older Workers

PREAMBLE

1. The O.E.C.D. Council Recommendation on an Active Manpower Policy [C(64)48 (Final)] calls for the "intensification of measures to make it easier for marginal groups of workers to take up and keep gainful employment."

2. Programmes organised specifically for older workers are becoming particularly important in industrialized countries because (1) some of them are meeting special difficulties in obtaining productive employment because of their age; (2) the number of persons in theses age groups and in some cases their proportion in the labour force are increasing.

3. The Manpower and Social Affairs Committee has sponsored studies on several aspects of the employment of older workers relating to "Job Redesign", Training Methods", "Placement Techniques" for older workers and "Flexible Retirement Age for Continued Employment of Older Workers". An International Management Seminar and a Regional Multipartite Seminar on "Job Redesign and Occupational Training for Older Workers" followed these studies. The Committee is persuaded that wider knowledge and utilization of the findings of the reports mentioned above would contribute to the attainment of the objectives of an active manpower policy.

4. The Manpower and Social Affairs Committee's study of the employment experience of persons of forty years and over indicates that some of them could profit from assistance in adjustment in the labour market, and that specific programmes for promoting their employment would increase the numbers of persons in these age groups actively participating in the economy. Countries with relatively full employment and labour shortages could thereby enlist unemployed, underemployed and prematurely retired older workers into their active labour force. Developed countries with less than full employment should consider active participation of older workers in the light of their objective for the optimum allocation of manpower for economic growth and the attainment of their social goals. The individuals themselves would gain opportunities for satisfying and meaningful employment.

OLDER WORKER PROBLEMS

5. Although the employment problems of older workers may in some cases become apparent on the job through falling productivity they more often become evident when these workers have to seek new jobs or transfer to new occupations requiring training due in some cases to (1) high rate of technological and economic change; (2) the fact that many younger people have had longer and more recent periods of education and training. The preference for younger persons and the views held by some employers concerning older workers as a class constitute barriers to a fair appraisal of their personal competence and potentialities. The prevalence of formal or informal age limits in hiring and job placements are evidence of these attitudes, even if exceptions are made or the limits relaxed in periods of labour shortage.

6. Discrimination where it exists against older persons is sometimes derived from institutional rules such as personnel practices favouring internal promotion or insurance plans. It is often reinforced by the failure of hiring officers to ascertain the individual's abilities and qualifications, or the inadequacy of existing tests of personal capacity or performance. Limited knowledge by some managements of the special techniques of job redesign and training methods for older workers tends to reinforce this resistance to their employment.

7. Individual older persons reduce the possibilities for their own easy adaptation by resisting retraining. Others willing to undertake such preparation find the facilities inadequate and conditions and methods ill-adapted to their needs. The costs and special personal factors involved in the movement discourage some to make transfers to new jobs. In common with other workers, individual older workers often lack knowledge of vacancies and job seeking methods. Personal adjustment problems make reabsorption into employment difficult for some.

CONSTRUCTIVE PROGRAMMES

8. Member countries should consider measures seeking to prevent older workers from being forced into *unemployment*, less remunerative employment, and premature retirement, and to extend the opportunities for their productive em-

ployment. Measures of this kind will clearly be of particular interest to countries with relatively full employment. Countries not facing a shortage of workers might also consider whether, in order to make the optimum use of the whole labour force, it may not be desirable to extend the training of younger people and to ensure greater leisure for all, rather than enforce or encourage retirement of older men and women able and willing to work.

9. General programmes for health, education and vocational training should be available to workers of all ages to promote mental and physical adaptability to changing job requirements and social needs. Some older workers have significant social and psychological problems which call for specialised vocational rehabilitation programmes. Therapeutic, health, and rehabilitative aid, social case work counselling and educational services for hard-to-place individuals would also be helpful to some older persons to adjust to current labour market standards.

10. A comprehensive and efficient *employment service* is essential for dealing effectively with special hard-to-place individuals. It should provide, through normal or "mainstream" arrangements or through special services for hard-to-place older workers, as required, interviewing, counselling and testing facilities, and placement procedures which ensure that the abilities of older workers are brought to employer's attention. Special advisory management services on job redesign, arrangements of work schedules, on training methods for older workers, procedures for overcoming institutional, insurance, and other barriers, should be arranged in the light of national circumstances.

11. Training methods employed in public and private establishments should be specifically adapted to the learning needs of older persons. Preparatory general education may be acquired by individuals prior to their occupational training which should be for suitable available jobs. It should be carried out under conditions providing personal security in an environment which minimizes distraction. Special materials should permit learning through controlled experience participation, discrimination and discovery in a series of problem-solving tasks. Instruction should be brief and easily comprehensible. The programme should allow time for consolidation of what has been learned. Where jobs are not immediately available current experiments point to the value of multi-occupational training.

12. Employers should be discouraged by appropriate means from imposing general *maximum age limits* in engaging new employees. A special educational programme should be carried on, particularly among employers, to persuade them to consider older applicants on their individual merit. A number of countries have adopted legislation against discrimination on the basis of age to encourage this attitude among hiring officers.

13. *Pension systems* should allow for flexible retirement from work except where job requirements indicate otherwise and private and public bodies concerned with retirement benefit or pensions systems should be encouraged to review their practices to permit by legislation or regulation greater personal choice as to age of retirement.

14. *Special job development programmes* in the public services and private industry should be considered, where appropriate, to open up job opportunities particularly adaptable to the abilities of older workers. Shorter daily and weekly working schedules are at times appropriate for people nearing retirement.

15. Individual enterprises should promote the *continued utilization of their older employees* through personnel policies which minimize redundancy by internal job transfers, job redesign and training techniques especially adapted to older workers. Institutional policies and insurance rules which limit the employment of older workers should be modified without impairing the value of these benefits to all employees.

16. *Research* into the capacities, performance and methods of extending the productive employment of older workers should be encouraged and its findings presented by governments, employers' and workers' organizations and by experts in forms easily understood at the implementing level.

17. *Countries in the course of development* with persistent unemployment or under-employment recognizing the importance of promoting the employment of older persons, should make further examination of the application of the above policies.

FOR CONSIDERATION BY THE MEMBER COUNTRIES

18. The Manpower and Social Affairs Committee commends these policies to the Member countries as guides for their activities for the employment of older workers.

OECD REPORTS ON
THE EMPLOYMENT OF OLDER WORKERS

JOB REDESIGN
(By Stephen Griew, formerly of the Department of Psychology, University of Bristol, United Kingdom, 86 pp.)

TRAINING METHODS
(By R. M. Belbin, M.A., Ph. D., Cambridge, United Kingdom, 72 pp.)

PLACEMENT TECHNIQUES
(By Irvin Sobel, Professor of Economics, Washington University, and Richard C. Wilcock, late Professor of Labor and Industrial Relations, University of Illinois, 81 pp.)

PROMOTING THE PLACEMENT OF OLDER WORKERS
(By the OECD Social Affairs Division, 96 pp.)

JOB REDESIGN FOR OLDER WORKERS
(Survey and pilot study—Final Report, by Dr. G. Marbach, with an introduction by Professor B. Metz)

"INTERNATIONAL SEMINARS" SERIES OF REPORTS

JOB REDESIGN AND OCCUPATIONAL TRAINING, FOR OLDER WORKERS
(Final Report of the International Management Seminar, London, 1964, 95 pp. free on request)

THE EMPLOYMENT OF OLDER WORKERS
(Final Report of the Regional Seminar, Heidelberg, 7th-9th December, 1965, 51 pp., free on request)

ITEM 7: SUPPLEMENT TO STATEMENT OF MARY E. SWITZER,[1] ADMINISTRATOR, SOCIAL AND REHABILITATION SERVICE, U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

As agreed in my brief testimony before your joint Subcommittees today, I am submitting the following supplemental statement which provides more detailed information on activities of the Social and Rehabilitation Service as they relate to employment of the Older American.

SCOPE OF PROBLEM

The magnitude of the problem faced in assisting Older Americans can best be illustrated by the figures currently available on the increased number of these individuals in our population. It is estimated that there are around 59 million people aged 45 and over in our country today. About 19 million are in the 65 and over age group. Future projections for the year 2000 indicate that there will be an estimated 86 million persons aged 45 and beyond and around 28 million aged 65 and beyond.[2]

National Health Survey estimates indicate that 7.8 million persons (not retired) aged 45 and over have one or more chronic conditions partially or totally limiting their major activity.[3] We estimate that 2 million of these aging people will be eligible for vocational rehabilitation services. (The remaining 5.8 million would not be eligible for such reasons as: too severely disabled for return to employment; capable only of profiting from services leading to improved self-care; currently satisfactorily employed in job compatible with limitations.)

It is, of course, only logical to assume that as the number of older people in our population grows, the number who will need vocational rehabilitation will also increase.

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[1] Submitted as a supplement to the testimony of Dr. William Usdane, p. 237.
[2] Figures prepared by Administration on Aging from Current Population Report—U.S. Census Bureau, Series P-25, No. 381, December 18, 1967.
[3] Chronic Conditions and activity limitations—U.S. July 1961–June 1963, Series 10—No. 17, May 1965—U.S. DHEW.

NEED FOR REHABILITATION OF THE AGING

As you members of the Subcommittees know, Mr. Chairman, one of the major concerns of middle aged and Older Americans is their health—both physical and mental. Large numbers suffer from various types of disabilities. The care they receive in hospitals or other institutions is often custodial rather than rehabilitative. If they were provided modern rehabilitation services, many could learn once again to live their lives with more independence and with greater dignity.

Our agency is uniquely qualified, though the type of individualized services and specialized programs it offers, to meet the needs of those Older Americans requiring rehabilitation.

We try to assist each individual to reach his most adequate functioning level and highest potential. This is accomplished through a diagnosis of his condition followed by various services designed to overcome his specific handicap. Throughout the process, the emphasis is on helping the individual to help himself. These services include evaluation and medical diagnosis to determine the nature and extent of the disability and to ascertain capacity for work; counseling to help in developing a good vocational plan; medical care to reduce or remove the disability; artificial limbs and other prosthetic devices needed to aid work ability; vocational training and placement into employment; and follow-up to ensure satisfactory placement.

Services are obtained from all resources of the community, public or private, in accordance with the special needs of the individual. The primary objective of the Rehabilitation Services Administration's program for the aging is to rehabilitate as many older handicapped individuals as possible into gainful employment. This objective not only benefits the individuals themselves, but also the taxpayers and the community by making available various types of talents and work skills, reducing public and private welfare expenditures, and relieving growing burdens on institutions. In addition, other family members are able to return to work as the result of rehabilitation services for the aged involving self-help and household management.

PROGRESS IN REHABILITATION OF THE AGING

Under the State-Federal vocational rehabilitation program, there has been a steady increase in the number of older disabled individuals rehabilitated into gainful employment. For example, since the 1961 White House Conference on Aging, the number of individuals rehabilitation in the 45-and-over age group has almost doubled. In FY 1961, 27,000 persons aged 45 and beyond were rehabilitated, while this figure reached 47,000 in FY 1967, or 27.2 percent which is more than a quarter of the total number rehabilitated by the Rehabilitation Services Administration. Of this figure 3,206, or 1.9 percent, were aged 65 and beyond.

The increase is dramatic when one considers that the number of persons rehabilitated in the 45 and over age category a little under a quarter of a century ago in 1945 was only 7,344. Furthermore, it is estimated that around 53,000 will be rehabilitated in FY 1968, and a profitable 60,000 in FY 1969.

We can also report that of the total number of Public Assistance recipients rehabilitated in FY 1967, 5,700, or 26.6 percent, were aged 45 and over, while those rehabilitated aged 65 and over totaled 500 or 2.4 percent.

SOCIAL SECURITY DISABILITY APPLICANTS

The Rehabilitation Services Administration coordinates with the Social Security Administration in utilizing the Social Security disability applicant load as an important referral source of older disabled persons for State vocational rehabilitation services. Over the past several years, more than one-half million persons have applied annually for disability benefits and have been considered for rehabilitation services. In recent years, the median age of such beneficiaries has been 57. In fiscal year 1967, the median age of all applications for disability benefits who were rehabilitated under a State plan was 44. The 1967 Amendments to the Social Security Act provide reduced disability benefit payments to a new group of persons age 50 and over, namely, to totally disabled widows, widowers and surviving divorced wives. It is estimated that about 100,000 such persons will apply for reduced disability benefits in Fiscal Year 1969.

To make it possible for more persons who apply for Social Security disability benefits to receive State vocational rehabilitation services, the 1965 Amendments to the Social Security Act authorized the use of certain social security trust funds to pay the cost of such services to selected disability beneficiaries. Trust Fund expenditures for Fiscal Year 1968 amounted to $16.0 million; for Fiscal Year 1969 an estimated $18.3 million will be available, and the States estimate that they will spend the total amount.

During 1967 a total of 18,600 Social Security Disability Insurance applicants were rehabilitated. Of this number 8,900 were receiving disability benefits. Of these 8,900 rehabilitated beneficiaries, 2,000 had Trust Fund money expended for part or all of the services necessary for their rehabilitation. It is expected, based on past experience and increased program activities, that 24,000 applicants will be rehabilitated in FY 1968, of which 5,500 of these severely disabled clients will be Trust Fund beneficiaries.

The Social and Rehabilitation Service is considering means for evaluating Social Security Disability Insurance applicants and providing needed integrated services from the Social and Rehabilitation Service components, including services to the aged under Administration on Aging grant programs.

Research and Demonstration Projects Serving the Aging

A wide diversity of problems is found among older disabled people. In order to obtain more knowledge about these problems, our agency has pioneered in initiating various types of research and demonstration projects designed to develop new methods and techniques to assist the aging.

A percentage gain of approximately 7 percent between 1950 and 1959 showing a increase of 10,000 in rehabilitations of persons aged 45 and over, undoubtedly reflects concentrated efforts put forth by our program.

Since 1956, our Research and Demonstration program has supported 70 projects specifically related to aging. Projects concerning Statewide resources, studies of homebound, heart disease, cancer and stroke, arthritis numbered 44. There were two studies concerning rehabilitation of the chronically ill; eleven projects on comprehensive rehabilitation services for severely disabled Old Age Survivors Insurance disability benefit cases; and thirteen projects involving work evaluation, training, and placement of older disabled workers.

One of our most successful projects was conducted by the Federation Employment and Guidance Service in New York City which demonstrated that older workers could be retrained and placed in employment. More than 700 individuals previously felt to be to old to be placed or too disabled have been placed. One hundred ninty seven handicapped men over 60 years of age were placed in competitive industrial employment. The oldest individual placed was over 80. The results of this project were so remarkable, that similar projects were established in Kansas City and St. Louis Missouri; St. Paul and Mankato, Minnesota; Milwaukee, Wisconsin; Miami, Florida; Gadsden, Alabama; Dallas, Texas; Philadelphia; the Virgin Islands and Chicago, Illinois. On two occasions, representatives of these projects attended conferences in New York City at which the training and placing of older handicapped workers in employment was discussed.

This same agency completed last year another project, a comprehensive six-phase program of 5 years' duration, which featured a unique working relationship between a centrally-based service and two neighborhood-based facilities through which vocationally motivated clients 55 years of age and over with varying degrees of disability received the assistance they needed to return to some level of employment. This project demonstrated that such a program could restore vocational fitness even to clients who were so limited that they were confined to neighborhood areas, private residences, hospitals and homes for the aged.

The Federation of the Handicaped of New York City is undertaking a long-term examination of the vocational rehabilitation problems of the homebound. A broad look will be taken at what has been accomplished to date and conceptual thinking will be done to develop a framework for attacking those problems having the highest priority. A new population of homebound will be selected ad their adjustment studied from a longitudinal standpoint.

And, a sizeable number of older people are included in some of our research projects which have shown existing possibilities in developing new methods of rehabilitation and a deeper understanding of the dynamics involved in the rehabilitation process. I shall outline briefly some of the highlights of these projects.

Ohio State University has begun a long-term study that will examine the relationship of disability and handicap. Hopefully, a theoretical conceptualization of disability should provide a basis for understanding how chronic illness affects individuals.

Last year it was reported that the Arthritis Foundation was making a movie of how a general hospital—Long Island Jewish Hospital—initiated a successful rehabilitation program. That movie is being made in 1967–68 and will be used to show a great number of general hospitals how they can serve the VR needs of the severely disabled.

In a project recently completed, the D.C. Division of Vocational Rehabilitation was able to screen a group of Disability Benefits applicants, serve, and rehabilitate 77% of those accepted (513 in 3 years). This was through intensive placement counseling and accepting the clients as soon as possible after they had filed application for SSA disability benefits and before they had developed a concept of themselves being too disabled to work. This should have very promising possibilities for the State divisions of VR.

As reported last year, Albert Einstein College of Medicine is testing out an approach to bridging the gap between the hospital and the community by utilizing a self-help group of former patients. A study of Milieu therapy (self-government) in selected hospital wards for older disabled persons in Albert Einstein Hospital in New York City, provided for post-hospital independence freeing other members of the family. In addition, this project helped the older patient not only with self-help during aftercare, but also introduced the use of professional personnel as consultant to the older person rather than as clinicians. The project also involved the development of a community organization for the aged made up of former hospital patients. The older age group then tackled part-time and full-time job development for themselves and the resolution of transportation problems. Since then, Albert Einstein has started a similar study of self-help transition to the community in a suburban community, actively involving a visiting nurses' association.

A summary of eleven projects attempting to rehabilitate Social Security beneficiaries indicated that 3.3% of all of these could be rehabilitated. A study recently completed at the American Rehabilitation Foundation in Minneapolis indicates that a predictive system may be feasible if applied on a large scale and continuously sharpened by feedback from actual decision making. With the size of the SSA disability benefit program, this could hold a great promise.

The New Jersey Rehabilitation Commission is conducting a study to demonstrate how the resources of a general hospital and a vocational rehabilitation agency may be mobilized for the early detection of heart, stroke, and cancer patients with rehabilitation potential.

Among the long-range goals for the rehabilitation research and demonstration programs are the plans to increase the employability and independent living of the Older American and chronically ill through studies in dependency, motivation, and community adjustment. Emphasis will be placed on bridging the gap from hospitalization to return to the community.

More programs need to be developed to help the patient shed his habits and way of life acquired from long-term hospitalization, to develop more independence, to re-establish old skills, and to develop increased tolerance. The problems of the homebound Older American, removal of architectural barriers, and the testing of the use of sub-professional personnel selected from the Older American need to be initated.

Training

It is anticipated that larger numbers of older Americans will require rehabilitation services, and we have been directing more of our training resources toward increasing the skills of rehabilitation personnel and other appropriate personnel so that they will become more proficient in serving older citizens.

Since the enactment of the Vocational Rehabilitation Act Amendments in 1954 which established our Training grant programs, we have presented information about modern rehabilitation to as many individuals engaged in this type of work as possible. To achieve this accomplishment, our agency has conducted Training courses and conferences in all sections of the country, which brought to personnel indigenous to these areas information about modern rehabilitation concepts and methods, thereby enabling these people to keep abreast of current rehabilitation philosophy and techniques.

For example, we have conducted several Regional Conferences focused on employment of the Aging. Some of these were held in cooperation with Regional

meetings of the Council of State Governments such as the Region VIII Rocky Mountain Conference held in 1957 at Salt Lake City; the Western States Conference of Region IX which took place in 1958 in Los Angeles, and the Southern Regional Conference on Aging sponsored by Regions III and IV held in Atlanta in 1958.

A Bi-Regional Conference on Rehabilitation of the Older Disabled Worker—the Academician's Responsibility was conducted by Regions I and II in Boston at Northeastern University.

And, the Department of Physical Medicine and Rehabilitation of the New York Medical College's Metropolitan Hospital Center conducted a two-week course on the principles and practices of geriatric rehabilitation for registered nurses, occupational therapists, physical therapists and social workers.

The following brief review, by State, of training courses and conferences sponsored by our agency illustrates the Nationwide Coverage of our meetings.

State	Institution	Title of course	Fiscal year
California	San Diego State College	Rehabilitation of the Aging	1959
	University of San Francisco	Inter-Faith Conference on Religion in the Aging Process.	1961
Colorado	University of Denver	Symposium on Senior Drivers	1964
Connecticut	University of Connecticut	Dental Care for Chronically Ill and Aging	1961
District of Columbia	American Orthopaedic Research and Education Foundation.	Orthopaedics and Gerontology	1967
Florida	University of Florida	Rehabilitation of the Older Disabled Worker	1964
Hawaii	Hawaii State Interim Commission on Aging.	Rehabilitating the Aging	1963
Iowa	University of Iowa	Counseling the Older Disabled Worker	1961
Massachusetts	Northeastern University	Dynamic Programing in Rehabilitation of the Aging	1963
Michigan	The University of Michigan	Rehabilitation of the Aging	1964
			1966
Mississippi	University of Mississippi	Rehabilitation of the Aging	1957
New York	New York Medical College	Geriatric Rehabilitation	1958
			1959
Tennessee	University of Tennessee	Institute on Rehabilitation of the Aging	1967
Texas	University of Texas	Workshop on Medical Problems of the Elderly	1958
Utah	University of Utah	Rehabilitation of the Aging	1962
West Virginia	West Virginia Division of Vocational Rehabilitation.	Conference on Rehabilitation of the Older Disabled Worker.	1964

All of these meetings produced information of great value to those persons concerned with providing services to the older handicapped individual.

State Agency Innovation Projects for the Aging

One of the ways in which the State agencies have been most effective in rehabilitating more older people has been through Innovation projects. For example, the State of Kansas established special diagnostic evaluation services aimed at assisting the older worker to return to productive employment; Michigan established special rehabilitation services for the aged; Nebraska assigned a counselor to serve the aged disabled as well as a counselor to assist in rehabilitation of the aged blind; and Oklahoma conducted a State-wide study of the rehabilitation and employment needs of the older worker.

In Atlanta, Georgia, we are providing special project funds to develop and improve a prototype program to provide the full range of vocational rehabilitation services to the socially and economically handicapped in that community, who are unable to earn a living because of handicaps resulting from economic and social deprivation. Many of these persons are additionally physically and mentally handicapped from never having received adequate health care in the developmental phases of life. By using Innovation, Research, and Expansion funds, we hope to demonstrate the effectiveness of techniques long proved successful in the rehabilitation of the physically and mentally handicapped to provide pre-vocational training, work adjustment and other employability services to the socially and economically handicapped. In an attempt to demonstrate the greater effectiveness such a program might have with an available constellation of Social and Rehabilitation Service services, program plans include the development of Day Care services. These facilities will be used for mothers attending the center and to provide instruction and training to

future employees and managers of Day Care Programs as part of the overall training program for clients of the Atlanta Center.

Improved family social services will be provided to persons attending the program with the addition of social-service staff. Particularly relevant here is the special program for the Aging that will be funded by the Administration on Aging. Here one of the Center's employability teams will work particularly and exclusively with persons aged 45 and over to determine whether such specialized attention will enhance the later adjustment and rehabilitation of the aged persons coming to the center for services. Attention will be given to the development and coordination of existing community resources which might add to the long-range adjustment of the Aging clients after their re-establishment in the community following participation in the program at the Atlanta Center.

Legislation

Legislation enacted by the Congress in the past few years has served to increase the ability of the Federal government and its agencies to further assist the Aging.

For example, the 1954 Amendments to the Vocational Rehabilitation Act established our Research and Demonstration grant program and our Training grant program, both of which have made valuable contributions to our knowledge about rehabilitation of older Americans.

And amendments passed in 1965 and 1967, which expanded services, have aided in the rehabilitation and return to work of many handicapped individuals including older handicapped persons, while the 1968 Amendments propose to aid individuals disadvantaged by advanced age, or other factors, through the Vocational Evaluation and work Adjustment Program.

1961 White House Conference on Aging Recommendations

We have initiated administrative action based on the 1961 White House Conference on Aging recommendations so that our agency's capacity to serve older Americans would be strengthened.

Complying with staffing recommendations of the White House Conference, a full-time professional person with the title "Consultant on Aging" was added to our central office staff. This person has the responsibility for developing a Program for the Aging through our State-Federal rehabilitation program, and also has the responsibility for liaison with the Administration on Aging and other government, public and private agencies and organizations which operate programs for the aging.

And in accordance with the White House Conference Recommendation for more communication between Federal agencies operating programs for the aging, a joint communication signed by William Bechill, Commissioner, Administration on Aging, and me, was transmitted to State vocational rehabilitation agencies and State Commissioners on Aging, outlining various areas in which these agencies could work cooperatively, and encouraging such cooperation.

Administration on Aging

Now, Mr. Chairman, I would like to tell you and members of the Subcommittees about activities of the Administration on Aging, another agency which is a part of the Social and Rehabilitation Service.

Since this agency was established in 1965, it has been busy developing and administering a variety of State-Federal programs which benefit the aging, and it has been particularly interested in projects which provide meaningful work activities for older Americans.

For example, it is supporting a number of projects designed to demonstrate the feasibility of employing older people and providing them with opportunities to work if they choose to do so. The Administration on Aging recognizes that better health and longer life require certain changes in our attitudes toward mandatory retirement policy: the former extends the period of productivity; the latter, the need for increased financial resources for the longer period of retirement. Many older people would elect a longer work life instead of a lower standard of living.

Under the title III grant program of the Older Americans Act, a number of projects provide the special employment referral, counseling and placement needed by older persons seeking work. Approximately 15 percent of all title III projects provide at least limited employment referral services. As part of

their overall, comprehensive program for older Americans, 50 out of 200 senior centers funded under title III provide some employment referral or employment counseling services.

For instance, in Norwalk, Connecticut, a Senior Personnel Placement Bureau staffed by retired, community businessmen was successful in placing 164 of the 321 older persons referred to the Bureau in its first nine months. In Atlanta, Georgia, Employment Services for the Older Worker placed 351 older persons in jobs in its first six months.

Another very successful project has been the Over-60 Employment Counseling Service of Maryland, Inc. This project has served to promote jobs for senior citizens and to counsel prospective older workers. During 1967, 620 older workers were placed in 60 categories of jobs.

A slightly different type of project funded under title III, Operation Rehabilitation Reach-Out in New York, New York, is seeking out the hard to reach older handicapped worker and providing him with vocational services such as counseling, training, selective placement and follow-up services.

The title IV Research and Demonstration grant program of the Older Americans Act is also supporting a number of projects which demonstrate the employability of older persons. These projects are showing that communities and businesses, as well as older persons themselves, benefit from employing older persons. The older persons employed benefit financially, socially and mentally.

These projects are designed to ensure that: (1) the new job, service role or position shall be personally rewarding to the older person in addition to providing income; (2) it has potential for being absorbed as a regular position by the agency or other employer when Federal support ceases; (3) it shall appeal to other employers and thus multiply employment opportunities far beyond the Federally-supported program. For instance, in the city of Martins Ferry, Ohio, a program is employing older persons in productive activities for which manpower is not otherwise available in the community. Among the activities are gardening, furniture repair, sewing and production of souvenirs.

The United Community Services of St. Joseph County, Inc., South Bend, Indiana, is demonstrating the effective use of older persons as sub-professional interviewers and counselors in a project which seeks to increase the proper utilization of community facilities and services for older persons through information, counseling and referral.

The Administration of Aging is also making strides in the development of service roles in retirement for older persons no longer in the regular work force. There is a serious need in our society for a program to ease the adjustment from full-time work while maintaining for the individual a meaningful role in the community. The Foster Grandparent Program has proven the feasibility of part-time social service roles for older persons in retirement. Proposed amendments to the Older American Act now before the House and Senate Education and Labor Committees would include the Foster Grandparents Program in a broader Senior Roles in Retirement Program to be administered by the Administration on Aging. This program features the persons with special needs, and to emotionally deprived children.

Conclusion

Mr. Chairman, it is my hope that the information I have presented to you and the members of the Subcommittees today on the activities of the Social and Rehibilitation Service which assist Older Americans to obtain employment, has been helpful.

If given the opportunity for employment, which you and members of the Subcommittees have great interest in making become a reality, older Americans will feel that they are not forgotten and still have a chance to compete in the labor market and thereby remain a viable part of our economy.

Thank you Mr. Chairman.

Selected Characteristics of Rehabilitated Clients, 45 Years Old and Over—Fiscal Year 1967

The following is selected information on persons 45 years old and over rehabilitated in Fiscal Year 1967. The percentages are based on figures taken from a recent special tabulation which encompasses at least 95 percent of the 46,960 aging persons rehabilitated in Fiscal Year 1967.

1. Sex

	Percent
Male	55
Female	45

2. Marital status

	Percent
Married	59
Widowed	14
Divorced	10
Separated	7
Never Married	10

3. Selected major disabling conditions

	Percent
Blindness	6
Other visual impairments	8
Deafness	3
Other hearing impairments	5
Mental illness	12
Mental retardation	1
Orthopedic impairments	20
Amputations	9

4. Average weekly earnings

At acceptance	$12
At closure	41

5. Selected Occupations at Closure

	Percent
Professional technical, managerial	5
Clerical and sales	12
Service	25
Farming	8
Skilled—industry	8
Homemaking	20

6. Types of Rehabilitation Services Rendered

	Percent
Diagnostic procedures	80
Physical restoration	60
Training materials	16
Maintenance, transportation	13
Training allowance	2
Other services	6
No cost to agency	[1] 10

[1] Types of services rendered to persons for whom no agency cost was incurred are not known.

ITEM 8: OFFICE OF ECONOMIC OPPORTUNITY, EXECUTIVE OFFICE OF THE PRESIDENT

OPERATION: LATE START

(By Genevieve Blatt*, Assistant Director)

Here is a rough draft of a proposal which I would very much like to have you to read and consider. I think it might be an answer to many of the needs of our older poor, and it seems to me that it could be set up easily in many communities without the spending of a great deal of money.

As you will note, it is based on the successful experience we have already had with Head Start, and it applies to the older person beginning his life in retirement the same concept now applied to the youngster about to begin his life in school.

*See p. 241 for testimony.

The older poor never had the advantage of Head Start now available for poor children; they never got the training opportunities now provided for teen-agers through the Neighborhood Youth Corps and the Job Corps; they never had the chance for retraining available to young and middle-aged workers through Operation Mainstream. It is important to remember, however, that the older poor still have a very long portion of their lives to face with the new burden of old age now added to the burden of poverty. It should also be remembered that, for some of the older poor, the burden of poverty has come only because old age has now arrived, and their ability to cope with its problems may be even less than the ability of those who have known the problems of poverty all their lives.

It may be late to talk about giving the older poor a real start toward an old age free of poverty, but there is still time to give them a Late Start, so that they can spend the last long years of their lives in dignity and independence.

If we could ever make people in general realize that old age now is a long time, thanks to the advances of modern science, they would see the point of getting ready for it before it actually begins. When they haven't done that, however, and when their poverty makes preparations almost impossible, the least we can do is to give them a "Late Start".

I hope to be able to discuss this idea more thoroughly with you at your convenience.

A Proposal for Operation: Late Start

A project designed to do for the older poor what Project Head Start is designed to do for the younger poor: to give them a "start" on living the long years still ahead of them in "old age" as independent, self-reliant, productive members of society. It is a form of retirement preparation which can substantially reduce the poverty which now seems so inevitably to accompany the retirement period for 30% or more of our Older Americans.

BACKGROUND

One of the most successful anti-poverty projects has been the one known as Project Head Start. It is based on the knowledge that deprivation begins to affect a child in the first years of his life, and scars his life to such an extent that, by the time he reaches normal school age, he is already so far behind his more privileged contemporaries that he immediately establishes a pattern of failure in his school work which characterizes his performance as long as he remains in school, and perhaps all his life. Head Start takes the child of poverty into a special program before he becomes of school age, therefore, checks for physical or mental deficiencies or handicaps and remedies them where possible, fills in for him the experiences and the knowledge which his contemporaries are acquiring effortlessly in their more privileged environments, and tries to put him on an equal footing with them as they all begin their formal studies together in the first grade. It prepares him for his school life, and gives him a fair chance to live that life successfully.

Many older people are in much the same position when beginning their period of "old age", as the children are, for whom Head Start is designed, when they begin their schooling. The children, of course, have their entire lifetimes to face, while the older people may have lived much of theirs. Yet these older poor still have up to twenty, thirty, or even forty years of "old age" to face, which, even if it does not represent a complete lifetime, is a longer period than the one for which the children are prepared in Head Start and is, moreover, a long, long time in itself to suffer the continuing problems of poverty accentuated now by the problems of age as well.

We are agreed that it is worthwhile to rescue a child from poverty so that he may have a fair opportunity to get an education. It is surely also worthwhile to rescue an older person so that he may have a fair chance to live out his life in dignity, even though the rescue may seem somewhat belated. And, for the older person who faces poverty only because he *is* now old, and there are millions of such older Americans, the rescue may be just as timely even now as it is for the child.

Many an older American, whether he has known a lifetime of poverty or now faces it for the first time, desperately needs a start—even a Late Start—toward independent, self-reliant, non-impoverished living during the period of his old age. Operation: Late Start would give him the chance he needs to help himself.

HOW "LATE START" WOULD WORK

Neighborhood groups.—A limited number of men and women, probably twenty-five or thirty, who qualify as both old and poor, would be assembled in a neighborhood group or class. Definitions of both "old" and "poor" vary widely, of course, but the qualifying age for social security benefits and the income poverty-line established by the OEO would be serviceable for this purpose. So it would be assumed that all in the group would be at least 62 years of age, if women, and 65 years of age, if men, and trying to get along on incomes below the current OEO poverty-line income. 30% of all older Americans (5.5 million) are now "poor" by this definition; another definition, which would allow an actually nutritious diet, would qualify 43% of all Americans over 65 years of age (7.9 million) as "poor". If the age cut-off were reduced to 55, which would not be unrealistic in view of the difficulty most people have in finding new employment at that age or even earlier, the number would be still higher, of course.

Staffing and facilities.—The Late Start group would, of course, require a coordinator, one or more instructors, and a number of aides. Some or all of this staff might be volunteers, depending upon circumstances of funding and available help. The facilities could be any school-room or hall, and these might also be obtained free of charge. Supplies of various kinds would be needed for teaching purposes, and health facilities would also be required. These, too, might all be supplied through existing channels, such as public school supplies, government surplus, neighborhood health centers, hospital clinics, etc.

Preventive health care.—Once recruited and assembled, Late Start participants would receive thorough physical examinations. Deficiencies, when noted, would be treated. Counselling would be provided regarding chronic health problems so as to minimize, if not eliminate, them. Then, being in reasonably adequate health, and provided with whatever assistance might be needed in the way of eyeglasses, hearing aids, dentures, canes, etc., the participants would be ready to continue preparations for their "old age". Inasmuch as most of them would be entitled to full Medicare benefits, as well as to the services of Neighborhood and Hospital Health Centers, diagnostic and treatment costs should be minimal. For such services as are not provided by these facilities, volunteer groups might well be suppliers, just as a large fraternal organization already supplies eyeglasses to needy individuals.

Daily nutritious meals.—A nutritious meal would be served each day to each participant, and this could consist in the main of surplus foods, which could be prepared by volunteers or by the regular staff in a school or church kitchen. A minimum charge could be made to cover the costs involved. Some successful programs now provide such meals at a cost of 40¢ per day, per person.

Instructions.—Training of various kinds, which could be given in morning or afternoon or evening periods, would be tailored to the needs of the participants, just as Head Start is tailored to the local, economic, ethnic, and other characteristics of the young students whom it assists. A training session might last about three hours, possibly from 9 a.m. to 12 noon or from 1 p.m. to 4 p.m., or from 5 p.m. to 8 p.m., and participants in two such daily sessions could well be served at the same meal to cut down costs. Any kind of training could be given which the older people concerned felt a need for in preparing themselves for the period of their old age.

THE KIND OF TRAINING "LATE START" COULD GIVE

Here are just a *few* of the kinds of training that might be given in a Late Start program:

Budget-buying.—Instruction in consumer education, which would enable older persons of limited income to stretch their income as far as possible by wise buying, use of food stamps, etc. "Project Moneywise: Senior" could well be adapted for this purpose. Until substantial income augmentations are provided, older people will continue to need this sort of training to stretch their reduced incomes as far as possible.

Money management.—Instruction in the ways of making the most of a limited income, how to handle accounts, ways to avoid fraudulent enrichment schemes, avoiding over-charges for credit, etc. Older people are very frequently victimized by unscrupulous creditors and salesmen, and many older women have had no business experience whatever.

Food and nutrition.—Instruction in which the participants would learn what foods and how much of each an older person needs to maintain his health, how to

select food, how to prepare and serve it, etc. Most older people have had no previous training of this kind at all.

Health care.—Instructions in recognizing the signs and symptoms of disease, especially of the chronic diseases that afflict many older people, in learning how to cope with increasing disability of various kinds. Many older people panic at the first sign of a new disability but are afraid to seek medical advice. Coming together in a group where health problems can be discussed and information obtained will aid them in retaining their health.

Home and furniture repair.—A course for those who have homes or furniture which is old and worn out but which could be made safe for further use if they knew what to do to fix it up and how to do it.

Communication arts.—Another name for instructions in basic reading and writing skills, which many older people have either never acquired in usable form or have used so little that they cannot keep up with the news, understand a Medicare application form, fill out a questionnaire, write a letter to a friend, or fill out an application for employment if they want to work.

Craftsmanship refreshers, which may lead to employment.—Updated instructions in the skills which older persons need or once had, so as to enable them to obtain employment, even on a part-time basis. The one-time typist who has never used an electric typewriter, the former mechanic who has never held an electric drill in his hand, the ex-teacher of mathematics who has never learned "the new math" and many more older people could be made employable with a little experience in using these new tools. Others could be taught to use these and other tools for the first time, too. Or training in entirely new fields could be given.

Constructive use of spare time, which may also lead to income augmentation.—Instruction in how to put "spare time" to satisfying and even profitable use. Those whose incomes are low can't travel, can't go to concerts or movies, or maybe can't even go downtown to window-shop. But, if they knew how, they could fill their time pleasantly, even, perhaps, to their economic advantage. Those who never had the time or opportunity to develop artistic ability might find that they could make lovely ceramics, do good woodwork, knit or crochet beautifully, turn out attractive metalwork, etc., etc. And what they make might well have a market.* Those who never knew the joy of listening to good music or reading good books or looking at good painting or sculpture, might learn to enjoy these things at long last, and, of course, libraries and museums and many concerts are easily available and free. Not only could many older people be trained to appreciate these things for their own pleasure, but many could also be trained to help in providing some of the services required in these public facilities. Thus they could augment their incomes or, if volunteers, at least feel useful again. Such facilities are almost always in need of help, and in some communities older helpers have already proved their worth.

COMPANIONSHIP

Above and beyond receiving the health care and a daily nutritious meal to maintain their health, and instructions which will help them live better and may even equip them for employment, the older people who take part in Late Start would have the added dividend of companionship, of being with and working with a group of neighborhood friends. Just as the deprived child benefits by working and learning with others in Head Start, the deprived older person, too, would benefit by seeing that his problems are shared by others and by sharing his own problems with others. He would no longer be lonely and isolated, as he so often is, either in a rented room or in the home of his own child. He would have his "Late Start" group to make him feel younger and alive again and to show him how he can spend whatever years are left to him in a productive, useful, satisfying—and perhaps even profitable—way.

THE COST

A Late Start program might cost nothing at all if a community were willing to contribute the equipment needed and to provide volunteer personnel for staffing. Or a Late Start program might cost a great deal if there were few or no contributed facilities or volunteer staff members.

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*Several cities have already established successful merchandising outlets for the handicraft of older people.

Its personnel requirements would be:

A Coordinator to plan and carry out the program.
Instructors to plan and provide instruction.
A Cook-Dietician to plan and serve the meal.
Aides to assist whenever required.

The number of Instructors and Aides would depend upon the kind of instructions provided, and it would be hoped that most or all would themselves be older people. They as well as the Coordinator and the Cook-Dietician might be compensated at the prevailing wage rates of the community, or they could be compensated only for their out-of-pocket expenses, or, of course, they could serve without compensation.

A Late Start program would also require:

A meeting place, preferably with some nearby smaller rooms.
Heat, light, water and custodial service.
Tables, chairs, and teaching equipment.
Books, paper and student supplies.
A kitchen, kitchen equipment and food.

Again, all of these could be supplied without charge by the community, using school, church or civic facilities, or they might in some cases have to be bought or rented.

Access would be required, of course, to adequate health center facilities, to which Late Start participants could be sent or taken for examination and treatment. If the community has a Neighborhood Health Service Center or a nearby Hospital Clinic or any similar facility, there would be no added cost for a Late Start program; otherwise, of course, providing such a facility would be another Late Start cost item.

All in all, therefore, the cost of individual Late Start programs could be expected to vary widely, depending upon the extent of community services committed. To demonstrate its effectiveness, however, it is suggested that a national OEO demonstration program be funded, in which programs would be instituted on a trial basis in a limited number of carefully selected communities, where a variety of situations would be likely to be encountered: i.e. some urban and some rural, some with high concentrations of older people and some without, each in a different section of the country, etc. With every effort made to keep costs down and to involve the greatest amount of community cooperation possible, it could quickly be determined what the probable cost of a more complete program would be. The amount of OEO funding available would determine the number of communities in which the program could be tried, and further study would be needed to predict the probable cost in any. The Head Start experience might be relevant to some extent for purposes of cost prediction, but actual Late Start programs in operation would be the only valid means for accurate cost estimates.

THE OBJECTIVE

In this day and age, *OLD AGE IS A LONG TIME.* As the retirement age, voluntary or involuntary, is lowered and as the life span is lengthened, millions of Older Americans must live a longer and longer part of their lives on reduced retirement incomes, usually less than half as large as they had available during their working years. In the case of too many Older Americans, this means LIVING IN POVERTY.

Project: Late Start is designed to help the older poor by showing them how—to maintain their health as long as they live—to stretch their reduced income as far as it will go, and—to augment their income if they can, to live useful and satisfying lives, even with the DOUBLE HANDICAP of OLD AGE and LOW INCOME, too.

A compassionate society would do all this and more for its older people no matter how long their old age was expected to last. And, an affluent society, which has financed the scentific and other research to make old age last a very long time indeed, surely owes its older people, who are also poor, at least this "Late Start" on retirement preparation.

[From the Senior Citizens News, August 1968]

KIDS HAVE "HEAD START" PROGRAM—ELDERLY POOR NEED "LATE START"

(By Genevieve Blatt, Assistant Director, U.S. Office of Economic Opportunity)

The popular "Head Start" anti-poverty program—to help deprived pre-schoolers catch up with their more privileged contemporaries before they start school—suggests a "Late Start" program to prepare deprived elderly persons for retirement.

More and more persons are living longer. The day approaches when we may spend a third of our lives in retirement status. The deprived elderly should be helped to make the most of this period of life. They need "Late Start" just as much as deprived pre-schoolers need "Head Start," Miss Blatt insists.

This article is a development of her talk on "Late Start" at the recent National Council of Senior Citizens Seventh Annual Convention.

A man or woman reaching retirement age today has to be ready for a long period of "old age."

Back at the turn of the century an individual worked as long as he or she could and usually lived but a short time after quitting the labor force.

No more than 4,000,000 Americans lived beyond age 65 then. Nearly 20,000,000 are 65 or over today and the proportion of those living beyond age 65 is expected to go up rapidly as science adds more and more years to life.

Yes, the man or woman reaching retirement age today has to be ready for a long period away from the work-a-day world.

RETIREMENT A CHALLENGE

Retirement is a challenge. It can be tragic for the man or woman who has lived a lifetime at the poverty line and must suffer even more when no longer wanted in the competitive labor force.

It can be equally tragic for the individual, who has earned a good income during the working years, then has to take a cut that plunges him or her for the first time into poverty.

Until we find ways to increase retirement income for the elderly person in need—through higher social security benefits, more public assistance or a guaranteed income of some kind—we have an obligation to do what we can to make the later years more meaningful.

That is why a program is suggested that could do for the older person what OEO's "Head Start" program attempts to do for the pre-school child.

LOGIC OF "LATE START"

Just as "Head Start" was designed for those children who are poor, "Late Start" would assist older persons whose income has been so reduced in retirement they no longer can live in decency, dignity and independence.

"Late Start" would organize its participants into neighborhood groups of 25 or 30 men and women. The program would:

- Give the elderly complete physical checkups and whatever medical treatment or appliances they require to put them in good physical condition.
- Give them a nutritious meal each day to maintain them in good condition while continuing treatment of any physical problems they may have.
- Supply information to meet the problems of later life. This may be information on how to get another job if the individual seeks gainful employment or consumer information to help make income go as far as possible.

The physical checkups and subsequent medical care would be handled through neighborhood health centers, hospital clinics or other available arrangements.

Medicare benefits might cover most of the cost and, just as one major fraternal group now supplies eyeglasses for the needy, more certainly could be persuaded to fill other needs not yet covered by Medicare.

The meals could consist mainly of surplus foods prepared and served in existing school or church kitchens just as meals are now provided for "Head Start" children.

"Late Start" participants could even cut down some of the cost by helping in the cooking or serving or cleaning up, something "Head Start" children cannot do. If it were thought desirable, a small charge could be made for "Late Start" meals to cover the cost.

Information could be provided "Late Start" participants in informal learning sessions scheduled before or after the daily meal and managed by retired teachers and other experienced older people who abound in every community. This could be supplemented occasionally by outside assistance or electronically programmed teaching.

"Late Start" participants would be shown how to do the new things that old age requires and how to acquire new information and skills to cope with the very real problems of being both old and poor.

Here are just a few of the kinds of things senior citzens could learn in "Late Start" groups:

Food and nutrition.—What kind of food to buy, how much and when, how to prepare it for maximum health advantage, etc.

Health and personal hygiene.—Instruction on how to detect symptoms of chronic disease and what to do about them, first aid, simple home-nursing procedures and similar instruction.

Budget buying.—How to prepare and live within a budget, how to buy economically in small quantities, where and when to look for bargains.

Money management.—How to handle income so as to avoid fraud and deception, how to start cooperative buying plans.

Home and furniture repair.—How to make an old house last longer, how to give old furniture a new lease on life.

Hand and machine sewing.—How to keep old clothing in repair, how to make new clothes.

Skill refreshers and new job training.—Typing, wood-working, accounting, food handling and food preparation in quantity, how to be an aide in a public library or other public agencies.

Income augmenters.—How to use a skill such as hand-knitting and metal working to produce a saleable product, how to turn a hobby such as stamp collecting and coin collecting into profit.

Life stretchers.—How to appreciate good music, good reading, art, armchair travel by means of filmed and written travelogues, bus tours to scenic and historic places, picnics and the like.

LENGTH OF PROGRAM

How long would a "Late Start" Program last? How much would it cost? How many would it reach?

Conceivably, an older person might continue meeting with his "Late Start" group indefinitely, enjoying the health-care opportunities it offers and learning new things all the time while profiting by working and learning with others in a friendly situation.

Or, an older person might become so occupied with new work or new service opportunities that he wouldn't have time to meet with the "Late Start" group after a few weeks.

The cost in one community, where all services would be generously provided, might be almost nothing. In other communities, the cost might be considerable.

In some cases, the program would reach only a few. An imaginative leadership might extend the program to thousands.

Where transportation is a problem, a school bus could be used in off-hours and volunteer drivers could be mobilized.

I would like to see "Late Start" tried in ten or twelve selected communities throughout the country to find out definitely how it would really work and what it would actually cost and, above all, what it can really mean to the older poor.

FOCUS ON ELDERLY

With at least 30 percent of all Americans 65 or over living below the poverty line and with at least 20 percent of all the poor in the 65 or over group—it is clear we have too many old who are poor and too many poor who are old.

Up to now, we have centered our concern largely on the young who are poor and the poor who are young. Now is the time for a "Late Start" for the older poor.

I ask all who care about older pepole to think about my "Late Start" proposal. Then, together, we must do something about it.

It seems all too obvious that we should give America's senior citizens, afflicted as so many of them are by the twin problems of old age and inadequate income, a real start on living their retirement years in decency and dignity.

Commenting on Miss Blatt's "Late Start"program, National Council President John W. Edelman acclaimed it as a logical supplement to SENIOR AIDES, the National Council's job-finding program for seniors in need described in another column.

He added: "The medical aspect of Miss Blatt's program and her proposal to provide the needy poor with at least one hot meal a day show a compassionate spirit and a real understanding of the plight of America's elderly poor."

[From the Sunday Star, Aug. 4, 1968]

Your Money's Worth

LATE START PLAN OFFERED

(By Sylvia Porter)

In this era, old age is a long time. If you have enough money, absorbing interests and good health, the 20 to 30 or even 40 years of retirement—voluntary or involuntary—can be pleasant and rewarding. But if you are poor, have never had the chance to develop interests and undermined your health through decades of neglect, the older years can be unadulterated hell.

Why shouldn't there be a "Late Start" program designed to help the older person live to the end in proper dignity—just as the successful Head Start project is designed to help the child of poverty get a proper beginning?

There definitely should be, says Genevieve Blatt, assistant director of the Office of Economic Opportunity, and she argues "it could be set up easily in many communities without costing a great deal of money." It's a fascinating concept that could be adopted right now in your own neighborhood at a minimum cost—if you have the needed enthusiasm and cooperation of your neighbors and community leaders.

The fundamental point is that our older poor are the most "disadvantaged" of all groups in our society. They never had the advantage of Head Start now available for poor children; they never received the training now provided for teen-agers through Neighborhood Youth or Job Corps; they never had the chance for retraining now available for young and middle-aged workers through various programs. So they face a long portion of their lives with the new burden of old age on top of the burden of poverty.

If we can't give them a real start, says Miss Blatt, we ought to be able to give them a Late Start. Here is how it might work:

A limited number of men and women—25 or 30—who qualify as old and poor, would be assembled in a neighborhood group. The definitions could be the qualifying age for Social Security benefits (62 to 65) and the official income poverty line ($3,300 for a family of four.) This would involve about 5,500,000 people.

A coordinator, several instructors and aides would be necessary. Some or all might be volunteers (no cost); the meeting facilities, could be any school room or hall (perhaps also free); needed supplies and health facilities might be obtained through existing channels (free, too.)

The group would be given thorough physicals. Since most would be entitled to full Medicare benefits and the services of neighborhood health centers, costs should be minimal.

A nutritious meal would be served each day. It could be prepared mainly from surplus foods by volunteers or a regular school staff. The cost could be 40 cents per day per person.

Training courses might be given in morning, afternoon or evening sessions of three hours each, tailored to the local, economic, ethnic and other characteristics of the participants.

Among the types of training could be: instruction in saving money on buying; making the most of a limited income, avoiding gyps, overcharges; how to select, prepare and serve food; courses in basic reading and writing; craft refreshers which could lead to employment. (For instance, training a one-time typist in use of the electric typewriter or an ex-math teacher in the "new math." Or any older person might be instructed in art and music appreciation, making ceramics, woodwork, metal work, knitting, crocheting, etc.)

The costs would depend on the extent of volunteer and community contributions. Older persons themselves should be primarily in charge.

This is just an outline and it's understandably fuzzy—but it warrants a test on a national scale to see how it would work and at what cost. For the objective is not fuzzy at all: to give our older poor at least a "Late Start" in decent, dignified living. Dare you downgrade that?

ITEM 9: STATEMENT BY LESTER J. FOX,* EXECUTIVE DIRECTOR OF REAL SERVICES PROGRAM OF UNITED COMMUNITY SERVICES OF ST. JOSEPH COUNTY, IND.

Mr. Chairman and members of the sub-committee(s), my name is Lester J. Fox and I am the Executive Director of the Real Services Program of The United Community Services of St. Joseph County, Indiana. (Real is an acronym for resources for enriching adult living.)

First, I want to express my extreme gratitude for the opportunity you have given me to appear here today to present my views for your consideration. The Real Services Program came into being in May of 1966 because of our community's desire to develop understanding about the potentials, problems and needs of our older adults and based on systematic fact finding, to then design and implement programs that will permit older adults to maintain their independence and continue in dignity and health to find meaning and satisfaction in their lives. Presently, real services conducts a retirement orientation program in cooperation with Indiana University; directs an information counseling and referral program for older adults; administers a meals on wheels program serving homebound older adults; operates a friendly visiting service for shut-ins; and has developed the local visiting nurse association as a home health agency under Medicare which now renders comprehensive home health services to the older adults of our community.

All of these programs are carried out with a maximum utilization of older adults serving as paid staff and volunteers. Our experiences in these programs have clearly shown that the older adults eagerly participate in orientation and training and perform their assigned responsibilities in a most remarkable fashion. It is tremendously rewarding to see older adults "come alive" when given the opportunity to be engaged in meaningful activities especially when given an opportunity to render service to others.

I mention these programs to show you that our commitment towards meeting the objectives that I previously stated is more than an abstract consideration. The commitment is genuine and is supported by action programs.

The initial evaluation of the real services program stated, ". . . while the statistics regarding the services rendered during this period are impressive, they do not reflect the significance of the services rendered by the program. Statistics do not provide information on the number of problems reduced or averted or the peace of mind restored or maintained. These things cannot be accurately measured.

My presentation today will deal primarily with our experiences and beliefs relative to employment services and the supportive services that are necessary in order to insure that unemployed older workers are given an even break in their job-seeking activities.

First, we must recognize that older workers who are unemployed because of technological changes, mandatory retirement programs, plant closings and/or the curtailment or elimination of defense industries are not particularly suited to the techniques involved in today's employment arena. Many of them face serious employment problems for the first time in their lives. They have worked for years. They have earned a living and they have intense pride. A sense of uselessness begins to take over as they become fearful of the future that they and their families face. We have come to realize—or we certainly should realize—that nothing erodes the older worker's personality more than enforced idleness. Nothing attacks human dignity and self respect more tragically than joblessness. No statistic scan do justice to the effect of prolonged unemployment on the older worker. There is no meaningful measure of discouragement or the sense of personal failure; no way to trace the consequences in terms of the medical care that the individual and his dependents do not get; the curtailed educational programs of his children; the drop in his family's day-by-day living standard; the slow attrition

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*See pp. 244–247 for testimony.

of skill and knowledge; the loss of status in the community; and the loss of faith in a social and economic order that indefinitely denies him the opportunity to do useful work. The impact of such consequences upon young resilient people can be serious, but it can destroy the older worker, as a person, changing him, sometimes within months, from a social and economic asset to a liability. Many of us know these older workers as relatives, neighbors, or friends, or as former fellow workers. Some of us may even know them as former employees who, for some reason, good or perhaps not so good, we have "let go."

This leads me to the major conclusion that I have reached which will be followed later in my presentation by a specific recommendation to deal with the problem as I view it.

I do not believe that special employment services for older unemployed workers can be effectively administered within the framework of the Bureau of Employment Security. This remark is not an attempt to unfairly criticize any individual within the bureau but rather is a reflection on the system which I believe severely limits the ability of the bureau to perform effectively on behalf of older workers. I am not one of those persons who delights in being critical of the Bureau of Employment Security. Budget considerations based on performance, special employment efforts on behalf of youths, women, veterans, minorities, the disabled and other categories are all factors that impose limitations on the bureau's ability to produce. And so long as there exists a body of unemployed persons, the older unemployed worker is at a disadvantage in terms of receiving necessary services.

South Bend, Indiana, was once the home of the Studebaker Corporation, the fifth largest automobile manufacturing concern in our nation. At the time the plant closed in December of 1963, Studebaker employed almost 10,000 persons of which 4,000 were aged 50 and over. Between 35% and 40% of the Negro work force in the total labor market were employed at Studebaker as well as being represented in the older worker group. Our community faced a crisis and quickly concluded that older workers who become unemployed had many problems that affect their lives in addition to their loss of a job.

Based on this conclusion, a demonstration program for the older workers was developed by the United Community Services of St. Joseph County, Indiana in cooperation with the National Council on the Aging.

Entitled Project Able (A.B.L.E. is an acronym for ability based on long experience) the 18 month program was designed to meet the needs of all the workers aged 50 and over who were unemployed as a result of the plant closing. After its development, the program was presented to and received the support of all segments of our community—the political leadership, Chamber of Commerce, labor unions, public and private health and welfare agencies and the community at large. This program was designed to mobilize the community and its resources in an effort to return to productive employment the workers aged 50 and over who were affected by the plant closing. Thru the use of indigenous staff the majority of which were aged 50 and over, the program provided intensive individual counseling; creative job development in the community; the enlargement of employment opportunities by identifying job openings in surrounding communities; provided job placement services; and fully utilizing all the available health and welfare agencies in resolving problems that plague the unemployed and in some instances served as a barrier to their being returned to productive employment. The program had the responsibility of taking all possible acceptable measures, to reach those aged 50 and over, to help identify potential skills leading to jobs, and to encourage the worker to accept testing, training, and job placement. In sum, to provide the older worker psychological support throughout the entire process including that period of early placement during which time the workers were becoming acclimated to their new roles.

As a result of the program's activities, there was created a level of understanding and support with area employers that was difficult to equate to preprogram feeling about what employer's attitudes might be regarding the employment of older workers. Almost 3500 workers aged 50 and over were returned to productive employment through the efforts of Project Able. South Bend's successful experience with older workers following the plant closing clearly demonstrated that unemployed older workers can be restored to gainful employment thru the use of services especially designed to meet their needs.

In the evaluation of the program for the United States Department of Labor, Dr. Frank Fahey, professor of sociology at the University of Notre Dame stated in his final report ". . . Project Able was effective. Its accomplishments were numerous; and the very fact that Able was devised to help those who needed it

had its impact upon an entire community to the very great extent that Able was indeed helpful in many ways."

You might also be interested to know that in 1968 South Bend was presented the Look Magazine award as the All American City in recognition of the progress achieved, following a crisis situation, thru intelligent citizen action. The Able program was a significant part of that action.

Based on this and similar experiences, my specific recommendation on how to deal effectively with the problems of the unemployed older workers is that the Bureau of Employment Security should be authorized to contract with private agencies, for employment services on behalf of older unemployed workers. Private agencies with sufficient competence exist and are in a unique position to carry out the type of employment services program that will meet the needs of the older unemployed worker. Private agencies generally have a closer identity in the community; can exercise a greater degree of flexibility; can respond quickly to resolve problems; are capable of bringing public and private agency resources to bear on the related problems faced by unemployed older workers; and because they are private community agencies they can draw upon persons in the community for leadership roles and thereby secure the broad community support needed in this type program.

The difficult problem of discrimination and lack of job opportunities for unemployed older workers is one that has been with us for some time. However, it is not an insoluble situation. The real problem exists in our inability to possess, in sufficient quantity, the commitment and the flexibiilty that is necessary to achieve success. The problem will not disappear because it is treated lightly or ignored. We have the capacity. What is needed is the commitment. The goal is within our reach if we are willing to make the effort. Again, I want to express my appreciation for the opportunity that you have given me here today. Thank you.

ITEM 10: STATEMENT BY OTHIE G. BURK,* VICE PRESIDENT OF THE NATIONAL ASSOCIATION OF RETIRED CIVIL EMPLOYEES

In behalf of Retired Civil Service Employees, I would like to enlarge on the statement made at the Round Table Discussion on July 29, 1968.

In reply to a statement by Mr. O. Glen Stahl, Director of Policies and Standards, Civil Service Commission, I stated:

"I am Othie Burk, Vice President of the National Association of Retired Civil Employees. I and the other members of our organization have spent a lifetime working under Civil Service regulations. We have no quarrels with the policies laid down by the Civil Service Commission, but it is the application of these policies in the field which causes complaints. When a personnel officer or an assistant manager denies promotion to a person with 25 or 30 years of service, solely because of age, it is a blow. When the employee realizes he is working for 60¢ per hour, he simply retires. You lose all the knowledge and experience this employee has gained during his years of service.

"I wonder if we don't help add to this by our own projects. For instance, the Federal Service Entrance Examination (FSEE) is designed to place qualified young people in management positions, usually not lower than GS–7. This action blocks promotion for others with much experience who are between 45 and 60 years of age. Therefore, we find management filled with 27 to 30 year old beginners and the older man with much experience has no place to go.

"I agree with most of the statements made here today. I think Dr. Sheppard suggested a study of older workers broken down into 5-year groups. This would seem a beneficial study as the problems of the 45 year old are far different from those of the 65 year old. I also wonder if we know just how many of these people actually want to work. I believe Dr. Carstenson said he had an estimate of the number on his project. Maybe we need to survey this point so we would have some positive figures to work with. I agree with Mrs. Harger that we should have 'equivalency tests', and that we have the short term, immediate problems as well as the long range view to consider."

The Round Table Discussion touched many times on the problem of incomes. Since this Subcommittee is also concerned with Retirement Incomes, I would like to add to the record a statement on that subject.

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*See p. 262 for testimony.

The National Association of Retired Civil Employees represents directly some 134,000 members who have retired from Federal Civil Service, or who are survivors of Federal Retirees. Indirectly we also represent an additional 666,000 retirees and survivors, who for one reason or another have not joined our association, but for whom no other group consistently speaks. Some have not joined because they cannot afford even our meager dues; others because they have retired period and now want "George to do it." Of an approximate 800,000 Civil Service Retirees and survivors, some 30,000 receive monthly annuities of less than $50; some 279,000 receive annuities of less than $100 per month; and 513,000 receive less than $200 per month. Therefore, we find approximately 75% of the Civil Service annuitants and survivor annuitants living on incomes below the poverty income level of $3,000 per year.

It is this same group who have to forgo excessive amounts of their annuities if they wish to leave survivor benefits. On a base annuity of $3600 per year, the Civil Service Retiree who leaves a survivor benefit annuity is required to forgo varying amounts as follows:

Retired between February 28, 1948–October 1956:	
Minimum	$360
Maximum	900
Retired between October 1956–October 1962	180
Retired since October 1962	90

With the ever-increasing compensation for all workers and the ever increasing cost-of-living, it is quite evident that the employee who receives the least annuity must forgo or pay excessive amounts to leave a survivor annuity.

Many of these Civil Service Retirees are denied full Medicare coverage because they qualify for Civil Service Retirement and not for Social Security. Congress has provided no minimum annuity for Civil Service annuitants as they have for beneficiaries of Social Security and Railroad Retirement. Civil Service Retirees are not eligible for any type of Welfare or Food Stamp Programs regardless of how meager their incomes, and the tax benefits for Social Security and Railroad Retirement recipients far exceed those of Civil Service Retirees.

It seems only logical that Congress should declare all Civil Service Retirees equal under the law and that the same formula for computing survivor annuities should apply regardless of the date of retirement. We Civil Service Retirees who have served our country through two World Wars and the Great Depression, believe we are entitled to have the Older Americans Act apply to our welfare, and that the Congress should conscientiously attempt to resolve the existing inequities.

Appendix 6

LETTERS AND STATEMENTS FROM ORGANIZATIONS AND INDIVIDUALS

ITEM 1: STATEMENT BY A. HARVEY BELITSKY, STAFF ECONOMIST AND DIRECTOR, STUDY OF PRIVATE VOCATIONAL SCHOOLS, THE W. E. UPJOHN INSTITUTE FOR EMPLOYMENT RESEARCH[1]

This brief statement focuses upon the private vocational schools as a resource for *motivating* and *training* unemployed older workers who do not expect to find work in their previous occupations. Since the schools are primarily concerned with occupational training, students enrolling in the schools must either be motivated to start with or else aspects of the training itself must be stimulating. Often it is the training per se that is motivating. This naturally can prove very important when the training program is concerned with older unemployed persons whose hopes and sense of self-esteem have been broken.

The statement is divided into two parts: (1) characteristics and training experiences of the private vocational schools relevant to older unemployed persons; and (2) elements of the instruction at these schools which motivate the trainees.

(1) Although the average age of students enrolled in private vocational schools is comparatively low, there are numerous instances of successful training of older persons. An Upjohn study of these schools disclosed a median age of 20 years for students enrolled in the day sessions of the member schools of the National Association of Trade and Technical Schools (NATTS); only slightly more than 10 percent of all students were 26 years old or older. A sizable percentage of day students had little full-time work experience, and their objective of job-related training coincides with the stated objective of the schools.

The average age of evening students was considerably higher, with nearly ⅔ being 26 years and over. Most of the evening students had held full-time jobs and a high percentage of them undoubtedly were still finding it necessary to work full-time during the day while training for a specialty within their occupation, or for a completely different occupation.

The age range of students at the NATTS schools during the years 1965 to 1967 signified the schools' capacity for adapting to diverse needs. The median age for the youngest students at that time was 17 and the median for the oldest was a rather surprising 48. Some schools even had students who were in their sixties.

The minimum education requirements for entrance to private vocational schools also varies considerably, but a substantial percentage of all schools accept students who have not completed high school. Even among the nearly 400 business schools that were surveyed, about 10 percent of the schools require less than high school graduation for admission. Trade and technical schools (including members and non-members of NATTS) are more likely to accept students with minimal formal education. Approximately 45% of over 500 reporting schools are offering at least one course that does not require the completion of high school. Nine years of schooling or less is acceptable in nearly 30% of all reporting trade and technical schools. The educational rquirements for admission to barber and cosmetology schools is much lower: less than 10% of the schools require high school graduation or its equivalent. In view of this, and the substantial number of non-high school graduates among older persons, the private schools offer wide opportunities for training.

[1] The views expressed by the writer do not necessarily reflect policies or positions of the W. E. Upjohn Institute for Employment Research or the Ford Foundation, which funded a much larger study concerned with the potential usage of private vocational schools for training disadvantaged persons.

The private vocational schools, moreover, have not been heralded, even while demonstrating capacities to serve severely disadvantaged people under a variety of government programs. The Rehabilitation Services Administration has utilized the schools for decades in Vocational Rehabilitation programs in all, or certainly most, states.

An outstanding feature of these programs has been the provision of counseling through state Vocational Rehabilitation personnel. The counselors refer, on an individual basis, eligible persons disabled by mental or physical handicaps or injuries. Since these schools operate on a virtually year-round basis, and courses are of short duration, it is possible to place students at frequent intervals. This has obvious advantages: older persons are promptly accepted for training before any debilitating sense of futility can set in.

The individual-referral method has also been utilized effectively in private schools under the Manpower Development and Training Act (MDTA). An individually referred trainee may have distinct benefits that are unavailable to unemployed persons who are enrolled on a "class-group" basic. In the first place, it is not necessary for him to await the formation of a full class. Secondly, an individual trainee is likely to have a wider choice among occupational training fields, because the private schools frequently offer courses that are unavailable in the public schools. Although private vocational schools have received most of the contracts awarded on an individual-referral basis, they have obtained only a minor percentage of MDTA contracts for class-group training. Some of the advantages that are available to individual-referrals could probably be extended to at least "small" class-groups of trainees. That is, instead of waiting for a full class of trainees to be formed, smaller groups of trainees could be assigned to the highly adaptable private schools.

(2) Students in private vocational schools are motivated through a continuing sense of achievement during the course of their occupational education. Dr. David P. Ausubel is authoritative in supporting this type of instruction:

"Psychologists have been emphasizing the motivation-learning and the interest-activity sequence of cause and effect for so long that they tend to overlook their reciprocal aspects. Since motivation is not an indispensable condition for short-term and limited-quantity learning, it is not necessary to postpone learning activities until appropriate interests and motivations have been developed."[2]

Most of the training is directed to specific occupational objectives. Despite this specificity of training, many of the schools offer students the opportunity to train for different skill levels within an occupation; and some schools may even offer a variety of courses in different occupational areas.

The training is provided within a job-simulated setting. Schools place a heavy emphasis upon the practical aspects of such occupations as appliance repair and servicing, drafting, welding, medical or dental assistant, and the training is actually conducted in shop settings or laboratories. The instruction that is presented in the form of lectures usually contains only those materials that are directly related to the practical phases of training.

Instructors at private schools are expected to adjust to the varying needs of their students, and they are held accountable for the performances of all their students—probably to a greater extent than obtains in most public schools. Typical, by the time the instructors have begun teaching they have already had several years employment experience in their field of instruction. This experience reinforces still more the concrete instructional presentations in shops or laboratories and can prove especially reassuring to older persons who could be threatened by a formal classroom situation.

Private schools maintain the interest and motivation of their students by frequently emphasizing the final objective of employment. The close ties that the schools have established with many of the potential employers of their students are evident in many ways, including the posting of infromation on available jobs and visits to the schools by recruiters of business firms.

Comment *

Competent vocational guidance counselors are a major requirement for improving the job-seeking patterns of unemployed persons. The counselors can be especially effective with older jobseekers, who usually have established depend-

[2] David P. Ausubel, "A Teaching Strategy for Culturally Deprived Pupils," in Miller and Smiley (ed.), *Education in the Metropolis*, New York: The Free Press, 1967, p. 293.

*The views expressed by the writer do not necessarily reflect policies or positions of the W. E. Upjohn Institute for Employment Research.

able work habits through years of experience but may lack the know-how and confidence needed for a successful job hunt.[3] The continued doubts that employers hold concerning the capabilities of older workers are an additional important reason for fortifying jobseekers with careful counseling.

Yet, as others have shown, a severe shortage of vocational guidance counselors persists, and older persons have been particularly neglected. The reasons are numerous and wide-ranging.

In the first place, there has been an obvious failure to train enough counselors. Secondly, the supply of counselors has been limited by the frequent requirement that counselors also have teaching experience. Thirdly, the college-trained counselors are most attuned to the needs of students preparing for colleges and universities; and therefore they have given minimal attention to those students who prefer to enter the labor market directly or else enroll in a vocational training program. In view of the above reasons most counselors have not been informed about or have ignored the operations of labor markets and the diversity of available occupations.

An increase in the number of counselors—including those equipped to aid older unemployed people—can be effected by more government assistance to persons interested in the profession. Qualifications for counseling need not include teaching experience and naturally some persons should be encouraged to specialize in the guidance of students who do not plan to attend college. Recipients of some government grants could be expected to serve for three years in local offices of the Employment Service. Naturally the budgets of the local offices should be permanently expanded to provide for more adequate counseling services.

ITEM 2: STATEMENT BY KENNETH E. CARL, PRESIDENT, THE WILLIAMSPORT AREA COMMUNITY COLLEGE, WILLIAMSPORT, PA.

Mr. Chairman and Members of the Committee and Subcommittee, I consider it a singular honor to submit a report on the seven areas listed in your request. The Williamsport Area Community College is deeply interested in service to all individuals, regardless of age, as our courses and programs indicate. As a matter of fact, the College today is the result of "adequacy of service" to the older worker as well as to the average man who expressed a sincere desire to achieve a goal.

For your convenience I will comment on each area as you listed and numbered them.

1. The history of our school and the Older Worker are synonymous with our origin in 1918. The Williamsport School District became concerned about the disabled veterans of World War I who returned to the community and were unable to secure jobs because of their physical disabilities. At that time Williamsport created this school to retrain these handicapped veterans to place them into jobs. Thus, since the school was built for the purpose of service, it has undergone transitions as needs and new service areas develop. Along with the changes went the official name of the school which was the Williamsport Adult School from 1918 to 1941 and the Williamsport Technical Institute from 1941 to 1965. In 1965 it became The Williamsport Area Community College, operated by a number of school districts in ten counties of Pennsylvania.

Over the years the school has trained and placed thousands of veterans, physically handicapped and blind civilians and veterans, and unemployed adults including the older workers. This has been done in addition to offering regular programs for youth and placing them in good positions.

We also offer part-time continuing education courses to help the employed obtain better jobs and to prepare them for other employment if they become unemployed.

Our program of training the unemployed gained national recognition during the depression in the 1930's when we worked with N.Y.A., C.C.C., and the W.P.A. to educate and train the unemployed youth and adults. I refer you to the article, "They Build Men Into Jobs" by Stanley High, *Saturday Evening Post*, April 27, 1940.

In 1951 we started a program of retraining unemployed disabled miners under the sponsorship of the United Mine Workers of America and the respective State Bureaus of Rehabilitation. These miners were a part of a long backlog of handi-

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[3] For a detailed consideration of the influences of achievement motivation and other social-psychological factors upon job-seeking see Harold L. Sheppard and A. Harvey Belitsky, *The Job Hunt*, Baltimore: The Johns Hopkins Press, 1966.

capped miners for whom previous legislation did not allow eligibility for rehabilitation services because their disabilities were not fully arrested. This was hard-core unemployment. In addition to having little formal education, they ranged in age to 65 and were all seriously disabled with broken backs, arthritis, silicosis, heart conditions, or blindness. You name it, and I believe that we had at least one such disability including quadraplegics. We were not as successful as we wanted to be with every case, but we did help the majority. We had as many as 70 such students enrolled at one time in the program which operated for several years.

2. I feel that testing is a mandatory prerequisite to training older workers. I do not feel, however, that the simple tests usually administered are adequate.

In our work with the disabled miners mentioned previously, we found that in addition to the tests, we had to administer a three-week vocational diagnostic program which involved a physical examination to determine the physical limitations of the individual for certain work: lifting, standing, stooping, squatting, walking, temperature, and even dust-free atmosphere in the case of silicosis cases. In addition, where the comprehensive testing indicated ability to succeed in a number of areas, a work-trial period was provided to help the applicant better understand the work involved in that occupational field. Copies of a brief description of the program are enclosed. I am sure that a program of vocational diagnosis must be given to most of the older workers. Such a program can only be given in a school where there is a great diversity of training programs. We presently offer 49 vocational-technical-occupational courses that provide many work-trial situations which meet the wide range of I.Q., interest, ability, and skill requirements.

3. It is impossible to relate the particular types of training for specific individuals. Everyone is different. Vocational diagnosis will prove this.

4. To simply collect 25 unemployed people and attempt to train them for 25 jobs as machinists or milling machine operators does not work. It is a waste of money and time. The unemployed will take the training course because they are getting paid for it under MDTA, but their hearts will not be in it because they are not usually interested in becoming machinists or milling machine operators. Some do succeed, but most have divergent aptitudes, abilities, interests, and capabilities, so they simply quit at the first opportunity. Thus, I strongly favor the "person-oriented programs" over the "job-oriented programs."

5. We operated several MDTA "job-oriented" programs several years ago, but because of the stated reasons, did not apply to operate any more, but fought for the "person-oriented" program on an individual referral basis. Our plan was to enroll each such older worker in the course we offered that met his particular interest, aptitude, and ability. For example, if an older worker had the interest, aptitude, and ability to become an aircraft mechanic, he could enroll in our regular aircraft mechanics class with the other students for the same costs. The idea was finally approved, but only a very few people were referred to us because our courses were too long, we had too many vacations, and in some courses our students earned Associate degrees and MDTA students may not earn "degrees."

We are a public, two-year community college that offers both the liberal arts college transfer curriculums as well as the applied arts and sciences curriculums with 49 programs which are employment oriented and not college transferable. This fall we will have over 2000 full-time students enrolled in these occupational courses alone.

Today, in many technical occupations, an Associate degree is rapidly becoming an entry employment requirement and anyone who hopes to get a job in these fields will have this degree.

I believe that the Congress has now provided for the needs of the older worker through the enactment of Section 15 of the Vocational Rehabilitation Act Amendments of 1968 which has been signed into law. I do not know the Act number, but the House Bill was HB–16819. Section 15 of this Act includes: "Rehabilitation services for the disadvantaged including the older worker."

As I understand it, it is now possible for the Rehabilitation Services Administration of the Office of Social and Rehabilitation Services of the Department of Health, Education, and Welfare to provide for the training of the older worker through the provisions of this Act.

The mechanics of the Act have not as yet reached us locally, but we are most excited about its possibilities since it will overcome most, if not all, of the objections we have had regarding the MDTA program. I hope that an appropriation has been made to carry out the provisions of the Act. I understand, too, that there was a provision in the original bill to provide some financial aid for

family maintenance while the client was engaged in training, but this was stricken from the Act as approved. There certainly must be some provision for a small living allowance for the family of the older worker to maintain his and their self-respect while he is undergoing such training. I would therefore recommend that serious consideration be given to reinstating this provision which was included in the original HB–16819.

We are looking forward to cooperating with this administration in providing such services for the older worker and other disadvantaged.

6. I have answered this in No. 2 and No. 4 above.

7. I must say that I do have reservations concerning the statement that "accelerated technological development increases demand for several changes of skills within a single work lifetime." In most cases where a person has learned a trade or technical skill such as a machinist or an electronics technician, technological developments in the field require that these employed craftsmen or technicians continue to update themselves through some type of continuing education. Every employed person today is faced with this. But it does not require a complete change of skills as so many statements lead us to believe. The statement that we change jobs five times in our lifetime gives the impression that we change from a bricklayer to a bus driver, to an elevator operator, to a welder, and to a used car salesman. This is erroneous in most cases. Those who learned a skill or technical occupation may move in jobs, but they are generally field related and progressive. Somehow, we must make people realize that they must continue their education throughout their lifetime, and we must provide the opportunities for them to do so.

ITEM 3: LETTER AND STATEMENT, FORTY PLUS OF WASHINGTON INC.:, WASHINGTON, D.C.

AUGUST 26, 1968.

Re Adequacy of Services.

DEAR SENATOR RANDOLPH: Although I have not seen a transcript of your hearing of July the 29th, I would like to submit the following comments on the special problems of the "white collar worker" who becomes unemployed at age 40 or over as you requested in your letter of August the 9th.

First, it is unfair to assume that a man has lost his position because of personal failure. The cause for loss in employment can be occasioned by many factors: mergers, moving of a plant from one city to another, loss of contracts, financial problems, discontinuance of a product, or management or policy changes.

The traumatic experiences of being out of work for perhaps the first time in a business or professional career is one of the worst phases of unemployment in middle life. The emotional impact usually carries with it a feeling of "loss of face" or disgrace. The individual is inclined to keep the news from his acquaintances from a sense of embarrassment which often dries up one of his best sources or leads for rehirement.

In seeking employment, the individual often encounters rebuffs or is given the "run-around" with the result that his confidence ebbs and he finds it difficult to put his best foot forward. Added to this, he is often subjected to criticism and pressure from his family.

Most men who have been accustomed to regular income all their lives do not know how to adjust when this income stops. He may be buying a house, putting children through school or college, contributing to the support of relatives or other obligations. If the unemployment is prolonged, he begins to eat into his savings and the danger is that he may become desperate and take a job below his qualifications, thus wasting his experience and losing his productive potentials.

It is understood that the Age Discrimination Act of 1967 does not apply to Federal employment agencies. It has been the experience of Forty Plus of Washington that it is almost impossible for a person in the middle age bracket to obtain employment in a Civil Service category. This particularly works a hardship in the Washington area where the Federal government is the prime employer.

It would also be helpful to the purpose of the Age Discrimination Act and our cause if the Department of Labor became an active implementing agent to insure that employers were complying with the Act and not just giving lip-service.

I regret that I am a bit tardy in submitting the foregoing statements but I was out of the city for a period.

Sincerely,

CARL F. ESPE,
President, Forty Plus of Washington.

[Enclosure]

FORTY PLUS OF WASHINGTON, D.C. ENDORSES AGE DISCRIMINATION ACT OF 1967

Forty Plus of Washington, D.C., a non-profit organization dedicated to overcoming age discrimination in employment, praised the new age Discrimination in Employment Act of 1967 as "legislation, long overdue." The new legislation, enacted by Congress on December 15, 1967, goes into effect as of June 12, 1968 making it a federal offense for any employer of fifty or more persons to discriminate against any person between forty and sixty-five years of age solely because of age; the same will apply to employers of twenty-five or more persons after June 30, 1968. Founded in 1953, Forty Plus of Washington, D.C., has endeavored over the past fifteen years to place executives, forty years of age and over, into positions tailored to their professional expertise, abilities and backgrounds.

Vice-Admiral Carl F. Espe, U.S.N. (ret.), President of Forty Plus of Washington—which maintains volunteer-staffed offices at 810 18th Street, N.W.—when asked about the significance of this legislation, said: "Age discrimination in employment has been a principal justificatoin for our existence. We have been called the most exclusive club in America because our purpose has been, is, and will be to lose members by helping them find jobs. In this, we have been more than gratified by our success since 65 to 70 per cent of our members have been placed in positions. During the first four months of 1968, 68 per cent of our Forty Plus members have been employed. This is one of the best records in our history."

Admiral Espe noted that the Forty Plus Articles of Incorporation, filed with the District of Columbia government in 1953, preempted the philosophy behind the new legislation as follows: "The particular business and objectives of said corporation (Forty Plus of Washington, D.C., Inc.) shall be that of a cooperative association of former executives over forty years of age acting through group effort to obtain employment or business opportunity for its members. As a group, it endeavors to overcome prejudice against employing persons because of age; to encourage, to inspire and to otherwise assist its members in maintaining their morale and in re-establishing themselves in employment and business and to educate the public, generally, and employers, specifically, relative to the economics of mature experience, knowledge and judgment."

Asked if the new law may not put Forty Plus of Washington out of existence, Admiral Espe replied: "We certainly hope so. If every capable man over forty can be assured of finding a position without either overt or covert discrimination because of age, we would be the happiest people in the world. That has always been our goal and if that could be accomplished, we would be more than willing to go out of business. You will note, however, that the law itself directs the Department of Labor to conduct a continuing campaign of education among employers. We will be happy to cooperate in whatever way possible since we have been interested in this kind of educational campaign for well over 15 years."

The President of Forty Plus went on to say that there were now twenty-five states and Puerto Rico which have passed age discrimination laws. It was the hope of Forty Plus of Washington, its officers and members, that the legislators in Virginia would also see fit to enact laws similar to those existent in these other states. Admiral Espe also noted that Maryland had just recently passed standards legislation in this regard and that the District of Columbia was, of course, now covered by the new federal legislation. Admiral Espe seemed certain that the interest shown by Forty Plus of Washington in the enactment of the Age Discrimination in Employment legislation would be equally shared by the other Forty Plus organizations in New York, Philadelphia, Chicago, Denver and Los Angeles.

ITEM 4: FORTY PLUS OF NEW YORK, FACT SHEET

What is it?

Forty Plus Club of New York, Inc., is a cooperative, non-profit organization of management executives, each at least forty years of age and each currently unemployed.

What is its purpose?

To coordinate this reservoir of talent with the economy's ever-growing need for mature, experienced executives; to improve distribution of brainpower and to overcome wasteful mal-distribution of talents.

How is this attained?

By acting as a no-fee clearing house of available, highly qualified executives, using modern management methods to disseminate details of their qualifications to employers who may require their services.

History

Forty Plus was founded in 1939 by Henry Simler and three associates to overcome the placement gap existing between industry's needs for knowledgeable top-flight men and the unemployed mature executive. Mr. Simler was president of the American Writing Machine Company when, in 1937, his firm was merged with Remington-Rand. Although Mr. Smiler continued as an officer of the merged company, he saw many of his associates of long years thrown out of work. The difficulty which many of them experienced in finding new employment concerned him and he set about trying to find a way to help these men. The 40 Plus idea resulted.

Who can join?

Any man at least forty years of age, who has had successful executive experience in which he earned at least $12,500 per year. Since he will be required to devote 2½ days per week to working on club committees, he should live within commuting distance of New York City. He must be an American citizen and in good health.

Are members screened?

Before a man is accepted as a member, his references and background are screened rigidly and he must be passed by a committee of club officers.

What is the usual membership?

Membership varies as positions are found and as new candidates are accepted. There are usually about one-hundred active members.

What are the club methods of making placements?

All of the techniques of good management are utilized by Forty Plus of New York, through special working committees. The Job Counseling Committee helps the new member to prepare his resume and his broadcast letters, and counsels him when he prepares for an interview. The Marketing Committee maintains contacts with prospective employers in the New York metropolitan area, to develop job orders, as well as mailing the monthly issues of the Club's Executive Manpower Directory to selected corporations east of the Mississippi. The Placement Committee matches job orders against members' resumes. Where appropriate, it sends resumes to these prospective employers and follows up until an interview is arranged or the job has been filled.

Is club personnel paid?

Each club activity is carried out by members, without compensation, as an obligation of acceptance to membership. No one is paid.

Is there a permanent organization?

Members who leave to accept employment may be invited to become associate members. As present there are over 1200 associate members. The Operating Committee, consisting of club officers and the chairmen of the various club committees, meets weekly to consider club matters and to determine future policies. The current membership of the club meets weekly.

The Club has an Advisory Board of leading citizens who support the concept of the 40 Plus program. They are:

Elliot V. Bell, Editorial Chairman, Business Week.
James Bruce, Financier, Industrialist.
Col. Howard E. Cox, Attorney, Cox, Treanor & Shaughnessey.

Peter Grimm, Chairman of the Board, Wm. A. White & Sons.
Henry Hazlitt, Syndicated Columnist, Wilton, Conn.
R. Gordon Hoxie, Chancellor, Long Island University.
Frank W. Lovejoy, Sales Executive (Ret.), Socony Mobil Oil Co.
Ward Melville, Chairman of the Board, Melville Shoe Corp.
Dr. Norman Vincent Peale, Marble Collegiate Church, New York, N.Y.
James C. Penney, Founder, J. C. Penney Co., Inc.
Thomas J. Watson, Jr., Chairman of the Board, International Business Machines Corp.

What fees are charged?

There is never a fee to an employer nor to a member for finding a position. Members give a $75 initial contribution upon entering the club, plus $1.50 per week to meet housekeeping costs.

What success has been attained?

Placements of executives range from two to five per week.

Has Forty Plus been recognized?

Time magazine, March 8, 1968.—"Forty Plus Club, a non-profit organization, is successfully placing jobless older executives."

The Franklin (Society Federal S & L Assn.) News, March, 1968—" 'The time has come,' says Col. James E. Wilson, president, 40 Plus of New York, 'for management to re-evaluate its attitudes towards the mature unemployed executive.' (The club, in its placement activities) offers a blend of experience by the older executives with the vision of the younger man. Colonel Wilson was, for three years, the military governor of the City of Seoul, South Korea, after our victory in the Pacific."

Kiplinger's Changing Times, February, 1968.—" 'The key to the whole thing,' says Col. James E. Wilson, president of the New York Forty Plus Club, 'is to get unemployed executives off the street and put them to work.' "

The Congressional Record, Monday, June 20, 1966, page 12959.—Senator Everett Dirksen of Illinois described the program of the Forty Plus Club of New York and lauded its purpose of fitting un-employed, over-forty executives to industry's need for experienced men.

Alert, Research Institute of America, Inc., Nov. 9, 1966—

". . . a reliable no-cost source of talent—the Forty Plus Club . . . functions as a non-profit clearing house for management jobs . . .

"Over 75% of the executives of the Club's current 'available' list arrived there because of mergers and reorganizations . . .

"Forty Plus carefully screens prospective members, accepting only . . . one out of three who file formal applications . . . The Club investigates personal and employment references in order to assure potential employers that its members have held responsible management positions, are of good character and are seriously seeking new positions.

"Once a month, the Club mails a booklet to potential employers with a thumb-nail sketch of each active member, (numerically coded and divided by areas) of competence."

The article concludes with directions for making contact with the Forty Plus Club of New York.

Journal of the Society of Association Executives, May, 1965.—"More than 5,000 men over forty (and up to 75) with executive and managerial experience have gotten executive jobs through the famous Forty Plus Club of New York."

Publication of the American Society of Civil Engineering.—"Forty Plus of New York is a unique group of men, all of whom are seasoned, high-level, immediately available executives."

News Front, August, 1962.—Officers of Forty Plus, which places executives in the "12,000 and upward bracket, feel that mergers and changes in management are used as excuses for dismissal but that the real reason . . . is age. The organization is set up on a cooperative basis without any paid employees. Some 20 to 40 jobs a week are located, with a backlog usually of hundreds of openings . . . The oldest member ever placed was 71."

Step, National Association of Manufacturers.—

"The Forty Plus Club of New York fills the job needs of mature managers, executives and professionals with records of proven experience."

There are "four big reasons why hundreds of employers seeking top flight business and industrial executives call first on the unique services of 40

Plus: every man carefully screened; every man of proven experience; every man immediately available; no fees or charges of any kind."

The Reader's Digest, July, 1957—"Your Life," May-June, 1957.—"The Forty Plus clubs . . . reports some remarkable success. The New York club has placed so many of its members in the past two years that it has had to advertise for new job seekers."

Proclamation, State of New York, Executive Chamber.—"There exists in our State a reservoir of talent that is unrecognized simply because of arbitrary age restrictions. This is a tragic waste of human resources and productive power.

"Now, Therefore, I ,Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim July 1–7, 1966, as Forty Plus Week in New York State, with the purpose of encouraging employers to engage personnel on the basis of ability alone."

How may employers use this service?

Send job specifications to Placement Committee, Forty Plus of New York, 15 Park Row, New York, N.Y., 10038, or phone this committee at (212) BE 3–6086. Or, contact the Marketing Committee, at the same address or telephone number, and ask to be placed on the mailing list for the monthly Executive Manpower Directory. When it comes, comb through it for men who can solve your executive manpower requirements, then contact Forty Plus to request résumés of the candidates in whom you are interested.

Forty Plus of New York—a non-profit organization formed to match available executives to the economy's needs for mature men.

Forty Plus Club of New York, Inc.
15 Park Row
Uew York, N.Y. 10038 Telephone: (212) BE 3–6086
(Founded 1939)

ITEM 5: STATEMENT OF NATIONAL EMPLOYMENT ASSOCIATION

(By John E. Harmon, Executive Vice President)

On behalf of the National Employment Association (NEA), the single nationwide trade association which speaks for the approximately 7,500 private employment agencies in the United States, I am pleased to respond to your invitation to present this statement to your committee.

Attached to this statement is testimony given by John W. Willard, then First Vice President of the NEA, before the Senate Subcommittee on Labor of the Labor and Public Welfare Committee in support of S. 830 which has now become the Age Discrimination Act. I believe this testimony is important in detailing NEA's position on this law before it was enacted. The dialogue, after Mr. Willard's formal statement, including some problem areas that were then, and, in my judgment, still are prevalent. Since it would be difficult to improve on this testimony, I submit it as NEA's viewpoint in 1967 and as it now stands.

I wish to commend the Wage and Hour and Public Contracts Divisions of the Labor Department for the fine job they are doing in publicizing and implementing the Age Discrimination Act. We have received excellent cooperation from Clarence Lundquist, Administrator, Ben Robertson, Deputy Administrator and Robert Richmond, Public Affairs Director, to name just a few of the staff members of the Wage & Hour Division of the Labor Department. On the one occasion we vehemently disagreed with Wage & Hour—over the promulgation of what we feel are onerous recordkeeping requirments for private agencies—the Wage & Hour Division was quick to listen to our argument, and, with a clearer understanding of how employment agencies operate, we hope will modify their requirements.

A regional seminar was held in conjunction with the NEA Annual Leadership Training Conference in May of this year. State officers from all parts of the United States were given information on this law by a spokesman of the Wage and Hour Division and were urged to sponsor similar seminars for our members in their respective states. At every state association meeting I attend, the question of the effects of the law is introduced, indicating the keen interest of our members on the subject and their awareness of the law.

Members of NEA met with the Wage & Hour Division to attempt to hammer out guidelines for implementation of the law, based on existing state laws, such as those in New York. In the last five issues of our monthly magazine—Place-

ment Age—articles have appeared explaining the law in detail and guidelines promulgated by the Labor Department. In this and other ways NEA is attempting to educate its members and urge compliance with the Age Discrimination Law.

Employment agencies, naturally, want to place as many applicants as possible, and it is in our interest to have such a law. Nevertheless, there are many instances of individual owners doing more than the law requires; for example, a number of agencies specialize in the placement of older workers; state associations and individuals have formally and informally attempted to educate employers of the law.

Despite these efforts by NEA and individual members and similar efforts, I am sure, by other industries, corporations and businessmen it would be unrealistic to think that the Age Discrimination Law in itself will eliminate discrimination against older people. The general consensus of our members is that, while some advances have now been made, the impact of the law will be felt only after a "germination" period. Many, if not most, employers are still unaware of the law, despite its wide publication. The long standing belief by business that an older worker is "harder to train", will be sick or laid-off more often, and should not compete with a younger person will be difficult to change. Many companies now have an "unwritten law" that their executives should be of an age relative to their rank. A salesman is stereotyped as "young and aggressive". Pension plans and retirement are also given as reasons for not hiring the elderly.

On the other hand, the implementation of the Civil Rights Act has provided easier acceptance of the Age Discrimination Law. The Law, additionally, gives legal support to those employment agencies, and employers who merely felt a moral commitment previously not to discriminate on a basis of age.

Believing that the institution of free enterprise is the best answer to most, if not all, of our employment problems, I would urge the Labor Department to continue to compile and disseminate statistics disproving theories that have consciously or unconsciously developed in the business community against older workers. Enforcement of the law, in specific instances, will also have a salutory effect. In the long run, it is the mind and the conscience of business that must be changed to more readily accept the fact that differences in age do not, of themselves, mean a difference in the quality of work.

The National Employment Association, and I speak for individual members, will continue to live up to both the letter and the spirit of the law, thus giving hope to and a better life for many of the older but still productive individuals in our society.

[Enclosure]

STATEMENT OF JOHN W. WILLARD, FIRST VICE PRESIDENT, NATIONAL EMPLOYMENT ASSOCIATION; ACCOMPANIED BY A. BERNARD FRECHTMAN, GENERAL COUNSEL, AND DAN MOUNTAIN, LEGISLATIVE REPRESENTATIVE IN WASHINGTON

Mr. WILLARD. Good morning. I would like to introduce Mr. A. Bernard Frechtman, general counsel for National Employment Association. I might say that he has a bad case of laryngitis this morning so we may not hear from him very much.

My name is John W. Willard. I am the first vice president of the National Employment Association, the single nationwide trade association which is the spokesman for the approximately 6,000 private employment agencies in the United States.

I am also the owner and operator of a private employment agency in Syracuse, N.Y., since 1957.

I might state also, parenthetically, I have prior to this been a director of personnel for several manufacturing companies for 20 years.

I appear before this committee to express the support of the private employment agency industry for S. 830.

We who are engaged in the day-to-day referrals of applicants for employment and the seeking out of employees on behalf of employers, know only too well of the unfair, unnecessary, and unrelated age requirements sometimes imposed on positions of employment.

We have also shared, on occasion, in the unnecessary experience of frustration while attempting to place an otherwise qualified applicant and seeing him rejected because of an arbitrary age qualification unrelated to the job requirements.

While our motives are influenced by the economic desire to enlarge our own opportunities, our observations clearly substantiate the need for this type of legislation.

In the experiences of private employment agencies operating under laws in the 21 States having age-discrimination prohibitions, we have found that the stronger the law and the better administered it is, the greater the economic opportunity offered to employment applicants.

Although this is the type of statute better enacted in the States and administered locally, it has become quite apparent, as with title VII, that it is time for the Congress to act in this area.

And while it is always more desirable to proceed on the basis of educating the public to the need for this type of legislation to eliminate arbitrary age discrimination, it is also our judgment that this bill meets the test reflected in the report of the Secretary of Labor of June 1965, in which he said, "* * * an educational program to promote living on the basis of individual merit is far more effective when provided for by statute."

Thus, private employment agencies, too, operating under existing State laws are more effective in overcoming arbitrary and artificial age barriers.

In connection with the enforcement of this law, we would like to suggest that you consider placing it, with its proposed enforcement provisions under the authority of the Equal Employment Opportunity Commission, as it is generally in the States, so that there can be both a unified and uniform effort directed to all areas of arbitrary discrimination in employment. While this may require some changes in title VII, it would appear that those changes would be desirable.

In any event, you are assured of the support of the private employment agency industry in your effort in this connection.

The Secretary of Labor in the beginning of his report, quoted the poet Browning on growing old, and I think it appropriate to reiterate it here as my conclusion:

"The best is yet to be
"The last of life, for which the first was made."

Thank you.

Senator YARBOROUGH. Thank you, Mr. Willard, for your statement.

I practiced law for about 20 years and hired legal secretaries. I found after 2 years practice that had I utilized a private employment association to obtain my secretaries I would have saved much time and effort. The private employment agency renders very valuable service. It found out what level of education I wanted, what level of competence and pay. I consulted with them on the pay necessary to get these qualifications. They saved me a lot of time in interviewing applicants because they screened them and sent out to me only applicants who could fill the bill.

I think they fill a very important role in our society. It is very important to have your view on this legislation because you see the employer and the employee, both of them. That is your job between employer and employee.

Mr. WILLARD. I appreciate your saying so, Senator.

Senator YARBOROUGH. Senator Pell, any questions?

Senator PELL. No, I was reading the testimony. I apologize for being late.

Senator YARBOROUGH. Any questions from minority?

Minority counsel asked leave to ask questions. Since minority members have been required to go to other meetings, counsel will be allowed to ask the questions.

Mr. BENEDICT. Mr. Willard, I take it that your experience has been that there are still a substantial number of employers who impose arbitrary age restrictions as job requirements?

Mr. WILLARD. Yes, this is true, Mr. Benedict, and I will tell you how it comes about I think very frequently. We get into certain habits of thinking. Our business, as Senator Yarborough suggested, is to find out from the employer the kind of job he has and the type of person that he visualizes will do it.

When we ask an employer about this and what do you visualize this person should have, almost immediately he is likely to say, "Well, he should be perhaps 25 to 35," and go on with the description of an individual. But if you pursue this farther, you find that is almost an analyzed way of thinking, it is almost a habit to think this way.

If you call it to his attention that he might find people outside this age range that could do the job, he often will agree that he could.

Mr. BENEDICT. You say in your statement that "there are many unnecessary, unrelated age requirements imposed sometimes on positions of employment."

Could you think of a few examples offhand?

Mr. WILLARD. Yes. I would pose one that comes up quite frequently in this 25 to 35 category. Somehow or another this seems to be a prime age. I have often said you know, sometimes it seems that we are too young to do what we want to do and then all of a sudden we are too old.

But this is a very common specification for a middle-aged salesman, for example, and you can find many other examples, I think, in such things as the man that this individual will work for is only 40 so we should not have a man over 30 or something of this sort. They are fairly common.

Mr. BENEDICT. How does an employment agency handle a job order containing an arbitrary job restriction?

Mr. WILLARD. This question is also asked of us by some of our fellow NEA members in other States where they do not have the provisions.

First of all, we call the attention of the employer to the fact of the age discrimination law in New York State and he will usually respond and say, "Yes, we know this and we don't discriminate on the basis of age," but in this particular case there is some reason as I suggested before.

The New York State law permits us to make a record of the reasons stated without judging its validity and to observe this requirement in the event that we have made the record of it.

Mr. BENEDICT. Have you ever had the experience of persuading a company to change its age policy?

Mr. WILLARD. Yes, we have had a number of experiences in this direction. I think of one, again, in connection with recruiting of territory sales people. It is quite customary of employment in our area when a representative is needed to be arranged for by somebody out of the area, a sales manager in Wisconsin, for example.

Customarily, he will plan to come to our city at a given time, tell us the type of man he is looking for and all the requirements and all the things that go with the job and ask us to arrange a panel of interviews. Whether or not he has given us age specifications we in arranging these interviews for him will, if we have a person who is outside the age requirements that he has said, arrange to have him interviewed anyway.

In a case just recently, a man at age 45 was hired when presumably the top limit was 35. So this does happen.

Mr. BENEDICT. Do you believe that eliminating age discrimination seriously handicaps a company in its corporation planning?

Mr. WILLARD. There is no doubt that a law of this nature can make it more difficult for an organization to do its legitimate planning for the future.

When a person is hired there really are two elements to the thing. One is his qualifications for doing the present job and the second, of course, is his capacity or promoteability. When a company has a chief engineer at age 55 and they want to hire an assistant chief engineer, it seems perfectly logical and reasonable to them to want a man at least 10 or 15 years younger so that they can provide for orderly succession. So this can very well be a factor.

On the other hand, in the fluid and dynamic state that our business economy is in at the present time, the chances of that man who perhaps, let's say, is age 35 or 40, staying until he is age 65 are not great. He may leave the company five years later for a chief engineer's job that he has developed in another company where the one in his own is not available.

So I think the law has to be administered with judgment and with full appreciation for some of the problems that arbitrary application would provide.

On the other hand, as said in our statement, it is desirable to remove the "arbitrary" features of discrimination so that we can break down some of the barriers.

Mr. BENEDICT. Your members operate in some States that have State laws against age discrimination and some that do not, is that what you said?

Mr. WILLARD. Yes, this is so.

Mr. BENEDICT. Do you have any opinion, based on the experiences with the various State laws, as to whether a Federal law in this area should contain a criminal enforcement section?

Mr. WILLARD. I am not familiar, of course, with the legalities of things, but I think that it ought to be possible to carry out the purpose of the law, and where there is great resistance, to have criminal enforcement authority.

The law in New York State, and I think in other States, is administered first on a conciliatory basis trying to arrange an accommodation outside punitive measures but when such fails, there should be.

Mr. BENEDICT. I understand from your statement that you feel, or that your organization feels, that this legislation should be handled under the civil rights law rather than under the Fair Labor Standards Act.

Mr. WILLARD. Yes, that is correct.

Mr. BENEDICT. Would you explain that a little further.

Mr. WILLARD. This is the way it is in all of the States. The commission on human rights administers all of the features of discrimination.

It seems to us that they are best equipped to do it, both through prior experience and through dealing with things that are quite similar. While age and, let us say, a racial discrimination may seem to be different, nevertheless, both indicate a prejudice, indicate a prejudgment.

Consequently, the people who are dealing in these areas all the time, it seems to us, are most competent to do this.

It would involve setting up another administrative activity in order to handle this one single area of discrimination.

Mr. BENEDICT. I have nothing further, except to tell you that Senator Prouty is very sorry not to have been here, particularly in view of the fact that you are a part-time resident of Vermont.

Mr. WILLARD. Thank you very much. I think I said I have three Senators on this committee, Senator Prouty being one of them.

I might like to point out, because Mr. Frechtman has not had an opportunity to speak, he is the author of a very good booklet on the subject of title VII as it applies to employment agency practice, and I think some of the members of this committee have been presented with copies of this. This is most helpful to us.

(The booklet referred to may be found in the files of the subcommittee.)

Mr. WILLARD. I notice in the meantime Mr. Dan Mountain, our legislative representative in Washington, has joined us. I introduce him belatedly.

Senator YARBOROUGH. Thank you.

Senator Pell?

Senator PELL. I have no questions.

Senator YARBOROUGH. I offer at this time for the record a table from the 1966 Manpower Report to Congress showing the work-life expectancy for men in different age brackets and how it goes down with age.

For example those in the age bracket 20 to 24 years of age, their work-life expectancy is some 42 years in addition. When you get down to those 55 to 64 years of age, their work-life expectancy then is about 12 years and when I get to 65 and over their work-life expectancy workable years is some 6 or 7 years.

However, to illustrate what you were saying about a change in jobs, the number of years they stay on the job remains high. In the 20- to 24-year age bracket employees stay on the job less than 6 years, but when you get up to 55- to 64-year age bracket, the table goes up and employees stay on the job longer; some 7, 8 years. Even at age 65 and over, employees stay on the job some 4 years.

So as people get older, they tend to stay on the job more years though their work-life expectancy, of course, is going down. The older they are, the more stable they are for employment.

At this point I order the chart placed in the record.

(The chart referred to appears on p. 274.)

Senator PELL. That would apply to Senators, too.

Senator YARBOROUGH. Minority counsel desires to ask one more question.

Mr. MITTELMAN. Mr. Willard, do you find that when you receive job openings from employers who specify age limits, that one of the reasons given is because of increased pension costs for older employees?

Does this happen very frequently?

Mr. WILLARD. Yes; this is a reason that is stated at times and I would say that probably it is posed with the higher age 50 or 55, something of this sort. This might come about mostly as we are proposing an individual for their consideration in describing him and a part of his personal description, and this might be posed at that tme.

"Well, we would like to, but our pension plan won't permit it," or something of this sort.

Senator YARBOROUGH. This hearing will be adjourned subject to the call of the Chair if further oral testimony is deemed desirable and necessary.

The written record will remain open until midnight, March 31, 1967, for any additional recommendations or written statements or answers to questions that any of the past witnesses or prospective witnesses desire to file with the committee.

ITEM 6: LETTER FROM THEODORE MAUGHAN, DIRECTOR, UTAH STATE EMPLOYMENT SERVICE, UTAH STATE INDUSTRIAL COMMISSION

AUGUST 19, 1968.

DEAR SENATOR RANDOLPH: The following letter is in answer to your inquiry regarding the Utah State Employment Service's experience in aiding the older job seeker, and the replies will be made in the order of the questions asked in your letter to this agency.

1. The Utah Agency has had very limited experience in the retraining of older workers. The experience we have had has been in the area of MDTA projects to upgrade workers in the skilled trades so that they could continue to find employment due to the additional training given. The Agency has also assisted a number of women through MDTA programs to be licensed practical nurses, and many of these nurses and trainees in the skilled trades were in the older worker category. Also, we have trained and retrained women for general office and stenographic positions. What activity we have had in retraining has been successful.

2. The retail trades, primarily department stores, have displaced a great many female clerks by incorporating into their business many self-service features which left a number of full-time employees in the area either without employment or only part-time employment. Automation in the oil refinery industry and railroads have created reductions in force or hastened the early retirement of employees who were not prepared to take retirement at the time the opportunity occurred. Utah has a number of military bases centered primarily in the Ogden, Salt Lake and Tooele area, and many employees from these bases have taken early retirement or disability retirement and after a few months contact the Utah Agency to see if there are opportunities for them to reenter the labor market. Most of these retirees do not have skill applicable to the labor market and are advised, through counseling, the necessary steps they must take in order to prepare for reemployment.

3. The Utah Agency has worked extensively with the Utah Council on Aging to advance activities that would prove beneficial to the aged and the unemployed older worker in Utah. The Utah Agency represents the Utah State Industrial Commission, in an advisory capacity, on the Utah Council on Aging. The Salt Lake Local Office and the Ogden Local Office, of the Utah State Employment Service, has for the past several years promoted a program of group counseling for unemployed older workers to give these applicants an opportunity to discuss with other unemployed older workers the problems they face in gaining employment. All group counseling sessions have resource persons available to advise the counselees at the end of the session on the most effective ways to fill out a resume, how to put their best foot forward when they seek employment, and to advise them of the various areas in the job market that employment might be found. Older workers during these sessions are also given information on the need for retraining. It has been discovered, during the group sessions, that many of those in attendance need individual counseling and they are given appointments for this additional service. The group sessions have been considered by this Agency a successful venture, and many of the comments regarding these sessions are complimentary. The Utah Agency gives periodic training to all staff throughout the State regarding the special needs of the older worker and is constantly striving to update the training sessions so the latest possible information can be shared with staff regarding this aspect of our work.

4. Several years ago the Utah Agency was selected by the Department of Labor as one of five agencies throughout the United States to conduct a survey regarding employer attitudes and practices toward the hiring of older workers. A majority of the employers contacted indicated that their most valued workers were those 45 and over, and they indicated that they had no prejudice in hiring qualified older workers as long as they could qualify for retirement and health plans offered by their respective companies. In actual practice it was found that employers did discriminate against the older job seeker and that he did use as an excuse for not hiring them the old wives' tale that insurance companies would object on the grounds that premiums would go up and they would not be able to incorporate older workers into pension and health plans. The Utah Agency, through its employer relations program, has encouraged employers to hire qualified older workers; but we do not feel we have been too successful in this venture as our placement ratio of those 45 years of age and over has remained consistently between 16% to 18% of our total placements, and we feel that the

placement ratio of older workers to total placements should be at least minimally 21%.

5. I think realistically that the older worker, the handicapped, minority groups, and youth have many things in common which prevent employer acceptance and that any publicity which states hiring the older worker is good business because he is more stable, has better work habits, etc., probably hurts the placement of youth, the handicapped and minority groups. I would suggest that more monies be made available for retraining of all those in the above categories experiencing problems of gaining employer acceptance and that employers be encouraged to participate in the retraining and hiring of the older worker, the handicapped or those in minority categories, and then I think a strong national campaign should be developed to encourage employers to hire qualified workers regardless of age, handicap, or minority categories.

In conclusion, I would suggest a full study into the possibility of creating portable pension plans for the older job seeker so that he might transfer his pension plan from one company to another in much the same manner that social security benefits follow the worker from employer to employer. This, I feel, would take away a much overworked excuse for not hiring the older worker—the excuse that they cannot be integrated into the company's pension and health plans.

Sincerely,

THEODORE R. MAUGHAN,
Director, Employment Service.

ITEM 7: STATEMENT BY NORMAN SPRAGUE, NATIONAL INSTITUTE OF INDUSTRIAL GERONTOLOGY, THE NATIONAL COUNCIL ON THE AGING, INC.

INDUSTRIAL GERONTOLOGY

Industrial gerontology is the study of the employment and retirement problems of middle-aged and older workers. It is the science of aging and work. Industrial gerontology is a new applied social science sub-discipline.

In industrial gerontology we deal with two distinct segments of the aging continuum, *i.e.*, the employment problem relating to age during the decades before 65 and continuing with retirement thereafter.

Industrial gerontology begins where age *per se* becomes a handicap to employment. Age discrimination in employment may start as early as 35 or 40 in some industries and occupations, and begins to take on major dimensions at age 45. Federal and state age discrimination in employment legislation generally applies to the ages 40 to 65.

Industrial gerontology is concerned with aptitude testing of the middle-aged and older worker, with job counseling, vocational training and placement. It is concerned with job assignment, reassignment, retention and redesign. It is concerned with the transition from employment to retirement and with industrial retirement itself. It is concerned with retirement preparation, retirement criteria and retirement income, with public and private pension programs.

Industrial gerontology draws upon economics, industrial psychology, industrial medicine, occupational and industrial sociology, adult education, industrial and labor relations and management science.

The National Institute of Industrial Gerontology has prepared for the U.S. Employment Service curriculum materials for the training of specialists who work with middle-aged and older workers. The curriculum materials must be looked upon as not only training materials, but the first bringing together of a written body of knowledge in industrial gerontology. They have been intentionally prepared in a looseleaf notebook format so that the "building block" principle may be applied. That is, fresh material can replace certain information as it goes out of date. New, supplementary materials can be added. Certain sections could be removed or skipped in a very short course. For a semester or longer course, more outside reading could be assigned, from the bibliographies included.

Dr. Harold L. Sheppard, who is editing the proceedings of the Industrial Gerontology Seminar of April 1968, is going to key his book into the curriculum materials so that the two documents complement each other.

To the extent that funds and staff are available, we will continue to develop supplementary material, keep the material up-to-date, and develop audio-visual training materials designed to reinforce the teaching materials.

Industrial gerontology monographs are being prepared. They will contain

interpretative reviews, original articles and abstracts. They will cover all the disciplines related to industrial gerontology. These monographs will emphasize the implications and findings of studies for policy, research and practice.

As well as conducting research in industrial gerontology, we are establishing action programs. For example, we are setting up a plant shutdown and mass permanent layoff service to communities. We plan to develop monographs, fact sheets, how-to-do-it pamphlets and annotated bibliographies on this subject. We are beginning in a modest way because of limited funds.

After the Packard plant shutdown in 1958, a study conducted by Dr. Harold L. Sheppard—"To Old to Work—Too Young to Retire"—revealed that older workers had the most difficult time of any group in getting jobs. Negroes, with all their problems, were able to get jobs faster than older workers.

After the Studebaker plant shutdown in South Bend, Indiana in December 1963, the National Council on the Aging was able to go in with an action program. The average age of the Studebaker worker was 54. There were 3,000 workers between ages 50–59. These 3,000 workers had 2,000 dependents age 18 and under. Through an NCOA sponsored action program, the older worker reemployment problem was greatly alleviated.

This year, when the magnesite plant in Chewelah, Washington announced it would shut down, the company gave the community about four months' warning. We were able to use this lead time to go out and meet with the community leadership and tell them of our experience with previous plant shutdowns.

The National Institute of Industrial Gerontology plans to encourage and carry out research and action so that more becomes known and more gets done about the employment and retirement of middle-aged and older workers.

ITEM 8: STATEMENT BY JOSEPH W. STILL, M.D., M.P.H., EL MONTE, CALIF.

A young man can now qualify for a $300 to $500 a month pension at age 60 by being a member of a major league baseball team for five years. But five million over-65 Americans who have worked hard for 40 to 50 years, many of whom fought in World Wars I and II and all of whom helped to pay for World Wars I and II, the Korean War, the Vietnam War and the most costly one of all, the COLD WAR; millions of whom through no fault of their own also endured the unemployed and privations of the Great Depression; millions of these people now are subsisting at the poverty level of existence.

And the bitterest and stupidest irony is the fact that if these people try to better their meager subsistence on Social Security "benefits" (originally it was called *insurance*) by working and earning more than $125 per month, then their generous government begins taking away their Social Security payments. If there is a sourer joke in the world than to call such an arrangement Social Security, I'd like to hear about it.

I've been making this point and suggesting remedies in various publications for 10 years. But not a single significant preventive measure has been taken by our government, in all that time, to prevent the next generation of oldsters from suffering the same fate as the present generation is suffering.

The situation for the present group of oldsters is made even worse by virtue of the fact that pension plans for workers in private industry were few in number until very recent years. And as I'm sure the committee knows better than I do, many pension plans have been lost through poor management or fraud.

My long study of this problem has convinced me that in an industrial society such as ours three things are needed to insure at least a decent economic status for older people:

1. Removal of the limitation on earnings for the little man, or at least raising the limit to a figure such as $10,000 before Social Security payments were cut back.

2. Because of the fact that today's oldsters have had so many handicaps that have kept them from saving much for their retirement, I suggest that for the next 20 years or so it would help many older people economically if they were given a personal Income Tax deduction on earned income of say $5,000 after age 60.

3. The establishment of effective national controls over all pension funds and requiring that all funds put in them vest at once in the individual.

Two articles which provide data and further arguments in support of these recommendations are attached.

[Enclosures]

[Reprinted by permission from Apr. 11, 1960, Medical Economics]

EXHIBIT 1: LET'S USE COMMON SENSE ABOUT THE AGED

No present plan for giving our senior citizens adequate medical care gets to the heart of the trouble: their unproductive idleness. Hence this doctor's proposals for a far-reaching program to solve the problem.

(By Joseph W. Still, M.D.)

Like teen-agers, Americans over 65 have become a group apart. Mostly retired or involuntarily unemployed, they compose an increasingly distinct social unit—and an important political one. Thus, they're played up to by the politicians. They're surveyed, studied, and examined by medical scientists and sociologists, by economists and statisticians. And the endless tabulations about our senior citizens reveal some frightening things. For example:

Nearly 16,000,000 Americans are now past 65. Ten years from now, the figure will have reached 20,000,000.

Three-fifths of these older people have annual incomes of less than $1,000, according to one estimate.

The aged are hospitalized about three times as much as the population in general. And three-fifths of those over 65 are chronically ill.

The conclusion is as painful as it's obvious: Most over-65 Americans need medical attention they can't afford. And this situation is sure to worsen in the years ahead. The money for their medical care will have to come from *some* source. The big question is. which one?

"From the taxpayer," suggests Representative Aimé Forand (D., R.I.). He has sponsored a controversial bill to provide free hospitalization, nursing-home care, and surgery for Social Security beneficiaries.

"From the doctor, at least in part," suggests the A.M.A. Its equally controversial proposal calls for doctors to treat low-income oldsters at less than normal fees through lower Blue Shield rates.

Many medical men—perhaps most—seem convinced that neither of these plans would work. And they probably wouldn't. But the arguments used against both proposals are the *wrong* arguments. They fail to recognize that if our aged are ever to be cared for properly, substantial changes in the very fabric of our society must first be made.

Take the argument that's most often voiced against the Forand bill: that any such program would cost the taxpayers too much money. Of course, the bill would be fantastically expensive. Even its supporters admit it might cost the Government an additional $1.1 billion a year. But that's beside the point.

Or take the objections to the A.M.A.'s reduced-fee proposal. Generally, they go this way: "What's the good of doctors' cutting their fees when rents, food prices, health-insurance premiums, and other costs continue to rise? Physicians can't solve this thing alone." True—but that's also beside the point.

The basic problem

The real trouble with both the Forand bill and the A.M.A. proposal is this: *They take it for granted that nothing will ever change.* They assume that few Americans over 65 will ever be able to pay for their own medical care.

It's true that as things stand, many an oldster can't meet his bills. But the tragedy is that too often he's *forced* into idleness, poverty, and even illness by the very programs that have supposedly been designed as old-age security measures.

Let's look at one such elderly American. I'll call him Freeman. At 65, Mr. Freeman is in good health and anxious to support himself. But he can't. Industry made him idle by retiring him at 65. Government keeps him idle by withholding his Social Security payments if he gets a part-time job that pays him more than a pittance. Mr. Freeman and his wife have been able to save only a small amount.

So he's forced into idleness, unproductivity, and poverty just at the time when his medical bills are likely to go up. They'd probably rise anyway. But they're almost sure to do so sooner and faster simply because he doesn't have anything to do. A city dweller, he doesn't even have a garden to provide him with exercise and diversion.

The major force that has turned Mr. Freeman the producer into Mr. Freeman the ward patient is the Social Security Act. This act was geared to an era of

economic depression. Its objective—to cut back our onetime army of unemployed workers—is no longer valid. Today, it simply robs the elderly worker of all initiative. It does this by denying Social Security payments to Americans who stay on the job beyond 65.

Thus, a program intended to *aid* older people has actually become a *scourage* to many of them.

That's why I believe that neither the Forand nor A.M.A. proposal makes much sense. Neither gets to the roots of the problem.

Actually, both might make it worse by encouraging still more idleness and boredom, and so causing older people to need more medical care than they would if they were busy members of society.

For the point isn't: Who's going to foot the medical bills for the millions of Mr. and Mrs. Freemans? Rather, it's this: Can't we do something to help them out of the wards in the first place?

As citizens, we must. As doctors, I think we can.

We can't do the job alone. But it's logical that the medical community should take the lead in tackling the basic problem of the aged. Older people must be granted a place and purpose in present-day society. Then they'll be able to take care of at least a larger share of their own normal medical bills.

We'll have to fight for an overhaul of the Social Security structure and of industrial retirement policies and pension plans. So it's a formidable task. But by working together, I'm convinced that our local medical societies can help do it.

His recommendations

As I see it, there are four parts to the problem. Here they are, together with my recommendations for a solution:

1. Nowadays, older people are often forced to retire before they're eligible for pension benefits or able to collect Social Security. There's no provision in the law and no precedent in industrial practices for those who prefer to gradually cut their income and worktime as they advance in years.

Recommendation: that we fight for the removal of such restrictions in Social Security and pension plans, so that older people can withdraw from full employment on a little-at-a-time basis.

2. When an employee changes jobs, he usually loses his pension rights. On the other hand, the prospect of a pension sometimes anchors a man to a job he doesn't belong in.

Recommendation: that we back an educative and legislative program to vest pension rights to the individual, not the employer. If this were done, the worker who finally retired would be able to rely on thirty or forty years of Social Security benefits plus thirty or forty years of pension-fund accumulations, no matter how many times he may have changed jobs.

3. Too few people over 65 have much incentive to keep on working, even when they're well qualified and permitted to do so.

Recommendation: that we advocate a conversion of Social Security to a straight insurance annuity program. Contributors might be allowed to receive their benefits any time after they reached 60. But the longer they waited for their payments to start, the larger the amounts would be.

4. Far too many aging men and women can't afford the health-insurance protection they need.

Recommendation: that we recognize the necessity for limited Government help, and that we support a program to make standard and major medical coverage available to older people at under-65 rates. Such a plan would provide for Government coverage of any deficits incurred by the carriers that participate.

Does this sound like just another let-the-Government-do-it scheme? Perhaps. But there's an important difference between this proposal and most similar ones: Under my plan, the Government wouldn't be a *permanent* partner.

For as the program was put into effect, the rates for younger people would be raised gradually, over twenty years or so. Thus, the deficit produced by insuring those over 65 would be systematically diminished and the income of older people would begin to rise. In time, a universal no-age limit policy could be sold and the Federal subsidy could be greatly reduced or entirely eliminated.

Right now, we're forcing nearly 16,000,000 people to spend years in wasteful, unproductive idleness. No wonder they can't pay their medical bills. Is it unreasonable to ask that Federal funds be used to halt this tragic situation? I think most will agree that it's merely common sense, particularly since the Government could be out of the picture within a single generation.

Exhibit 2: Can We Afford an Aged Population?

(By Joseph W. Still, M.D.)

Ten or so years from now we may face a strange and devastating new kind of rebellion—the rebellion of youth against oldsters. Youth may be forced to rise up in self defense because of the massive debts and burdens it will be forced to shoulder. Particularly, it may come to resent the burden of supporting an alarming increase in the number of oldsters. If this should occur it will be the result of our failure to make some common sense policy changes now before the situation gets completely out of hand.

Ironically this social threat actually arises indirectly from the speed of our scientific progress. Medical science has stopped us from dying young of acute infectious diseases. So many of us now live long enough to develop the expensive chronic degenerative diseases that we are forced to reconsider some of our social attitudes and policies. I refer to our attitudes and belief about aging and retirement, matters which have not been of great concern to us until quite recently.

Let's consider some of the medical factors involved in the present predicament. Until fairly recent times it was accepted that, aside from a pitiful handful, 70 years was an upper age limit that few people would exceed. Probably this consideration entered into the selection of age 65 as a standard retirement age. Even if everyone who reached age 65 retired, there still were very few retirees living at any one time, because most of them died in 3 or 4 years. So there simply were never enough of them to constitute an economic or social problem. Their individual problems concerned only themselves, their relatives and a few close friends.

When most people were dying before they reached 70, it was also true that few people over 65 were in sufficiently good health to be useful in the kinds of hard physically demanding jobs of the 19th and early 20th century. But today, not only are more people living longer than ever before, but on the whole they are a more vigorous lot than 50 or so years ago. Not only that, but because of changes in our working and living patterns the sheer physical demands of many of today's jobs are less fatiguing than in earlier times. Consequently a great many of today's over-65's are capable of performing useful work and quite a few of them are doing so despite many discouragements and unnecessary handicaps placed in their way.

What about "hiring discriminations" against men and women in the middle years? Are there medical facts which justify hiring policies which discriminate against men over 45 or even 40 and women even at 35? Perhaps in an earlier time when people wore out younger and when the physical demands of many jobs were very great, there could have been some sense in such policies. But today there are relatively few jobs that require great physical work. With the improved health and vigor of middle-aged people in the U.S. such discrimination cannot be justified on any medical or psychological grounds, that I know of. In fact, most of the studies of this problem indicate that the healthy over-40 worker is very often a superior worker for the reason that he is less accident prone and has fewer absences on the average than younger ones.

We have heard so much about the economics of the growing number of oldsters that it is only necessary to mention the key statistics involved. The over-65 group constituted less than 4% of our total population in 1880 and is expected to exceed 9% by 1975. There will then be 25 million over-65. Those who recall the problem created by 15 or 20 million unemployed of the depression years, will wonder how we can support 25 million who not only are unemployed but many of whom will be afflicted with the chronic diseases of later life.

When we look that this problem from the standpoint of the producers, largely age 25 to 65, we see that they are a group which is tending to grow ever smaller in our population while their burden grows ever larger. This is because there not only is an increasing percentage of oldsters to be supported, but because the length of schooling is increasing. Consequently our youngsters must not be supported to a greater age before they go to work.

The great majority of children over 15 years old were working in the 19th century. The 15–24 years old age group then were larged producers. But by 1975, if present trends continue, most of those under 25 will probably still be in school. Thus a large part of the 15–24 age group will have shifted from producers to non-producers. Until the 1960's this imbalance will be rendered even worse by the fact that the annual addition to the producer ranks will be small. For the small "baby crop" of the depression years, 1930 to 1940, are now the 18 to 28 years old from whom new additions to the producer ranks must come.

Also we must remember that in the last centry a great many of the over-65's were living on farms or in small villages where they were at least part-time producers. But if present attitudes and policies continue very few of the over 65's of 1975 will be allowed to work and since few people will have room to raise their own food and fuel there will be little opportunity for them to produce anything. If employers are still refusing to hire people over 40 and 45, the problem would be even worse.

The effect of all this is that an everdeclining percentage of producers are having to support an ever increasing percentage of non-producers. It is being widely overlooked that saving dollars for retirement is not the equivalent of saving food, clothing, heat, shelter and services. Generally speaking these commodities are perishable. Pension dollars are only valuable if they can be used to purchase these perishables. If the ratio of non-producers to producers gets too great there will eventually be a real shortage of goods and services. When too many dollars get to chasing too few commodities and services, inflation always occurs. Therefore, all policies which encourage people not to work tend to be inflationary. Who knows how great a role this factor is already playing in our creeping inflation. Certainly the continuance of these policies in the face of the great increase in oldsters to be expected, appears to be a formula which can only have one end result—wild runaway inflation.

We should consider the fact that by 1975 the number of voters over 45 will be as large—or larger—than the voters from 21 to 45. The Townsend plan failed in the 1930's because there were not enough older voters. By 1975 there will be enough. If hard times were to recur a future "Townsend" movement might have little difficulty voting in a monthly pension of two or three or even four hundred or more dollars a month for everyone over say 45 or 50. The fact that this would only add to the inflation would not trouble them then.

In the face of such facts, we continue to penalize people so severely for producing after 65 (62 for women) that relatively few of them do any work. The present Social Security regulations require anyone who earns over $100.00 in a month to forfeit his Social Security for that month. The effect of this policy is to confiscate the first $100.00 that a person entitled to Social Security might earn in any given month. That's a pretty strong deterrent to people whose earning power is perhaps already tending to decline somewhat. For those who simply can't live without working this policy means they get no help toward equalizing the disabilities of advancing years. Instead of receiving the Social Security payments which they are entitled to so they could work a little less hard, they are forced forego them and maintain the same pace of work as younger people.

Social Security was not enacted purely in the interests of the over-65's. To a considerable degree it was a job security policy for the under-65's. Remember Social Security had its inception over twenty years ago and grew out of the depths of the depression when there seemed to be not only too many hogs and too much corn, but also too many workers for too few jobs. Social Security was then looked on by many as a humane way of "plowing" a few oldsters out of the labor market.

When we add to this forced idleness of the over 65's, that resulting from discrimination against hiring of those over 45 or even 40 and the many years our children must go to school, we get a very large number of non-productive years of life. Thus government Social Security and private employment policy as well as the educational needs of our society are all operating to increase the ratio of non-producers to producers.

In criticizing our present Social Security and many private hiring policies, I do not mean to suggest that we abandon the whole concept of retirement. But we must develop retirement policies which fit the medical, economic and social "facts of life" today. Will producers eventually rebel and let the oldsters starve? No society has ever faced the problem of getting rid of 25 million oldsters! Can the U.S. afford to waste the wisdom and skill of so many able-bodied oldsters? Are we not in danger of supporting idle oldsters at the expense of having poorly educated youngsters? Can we really afford either the economic or social cost of maintaining millions of oldsters in idleness? When we consider that many of our wisest statesmen, scientists and artists have made some of their greatest contributions after 65, is it sound policy to force our teachers, our scientists, our business leaders into full retirement? And why should any workmen or artisans be forced into unwanted retirement either? It is interesting that judges and legislators have avoided this trap for themselves.

There are a great many jobs today that require the wisdom which only years can bring and many of them are being poorly filled or not filled at all. In many

jobs—in teaching, research and consultation—the individual is probably at or near his peak of effectiveness at 65. But in too many cases, such people are now being either forced out of work or forced to spend much of their energy fighting rigid administrative rules which are working toward retiring them. When the average 65 year old man will live 12½ and the average woman 14½ years longer, it is absurd to force non-productivity on those who are both able and eager to work. Since today three-fourths of those over 65 have annual incomes of less than $1000 it isn't that most of them can't use some more income.

There is a medical fallacy which has been getting in the way of our solving this problem. This fallacious idea comes from a group who oppose arbitrary retirement ages. They want to base retirement on "physiological age" rather than on "chronological age." Their argument is not with our present concept of retirement, but simply with our way of choosing the precise time to retire. These people want doctors to decide when we are finally ready for the scrap heap. Their arguments ignore the fact that aging results in a gradual decline in physical vigor, starting at least as early as the 20's. The *physical* decline is slow and fairly steady until true senility sets in. The decline is primarily in endurance, and not so much in ability to perform short term feats of strength or even feats of agility. Hence as we grow older we need to *gradually reduce* the total physical demands on our bodies and to have *gradually more* leisure time to recover from the fatigue of work and living.

Fortunately our mental capacities need not decline with age as our bodies tend to do. Consequently a major aim of all people should be to develop their mental powers so that as their physical powers wane they have a reserve with which to make compensations. No similar change occurs in mental capacities of people who use their minds.

Now, obviously it would be very dangerous to let airplane pilots, railroad engineers, or bus drivers work right up to the time they begin to show signs of senility, even if we had perfect tests for senility which we haven't and never will have. Commercial airplane pilots, bus drivers, railroad engineers and others whose sudden death or disability would endanger the lives of other people should not be allowed to continue these kinds of work into the years when these risks become great. I doubt if there ever will be a way to really predict vascular accidents in individual cases. There is certainly no reliable test for them at present. Until a reliable predictive test is found we should transfer such people to jobs which do not carry such potential dangers for other people.

Because there are less dramatic but no less important risks in allowing older executives to exercise great power over other people's lives and fortunes, we should consider them in essentially the same category as those whose sudden death or disability would endanger people's lives. The catastrophe of gradual executive deterioration has often seriously harmed, sometimes wrecked, good businesses as well as the lives of others. The subtle psychic effects of loss of full vigor or of endocrine imbalances are far too delicate for present day medical instruments to measure. I see no reason why businesses should not also identify key executive jobs in their organization where such deterioration would have unusually serious effects, and rule that these sensitive jobs could not be held by men or women over some specific age. The exact age chosen will depend on balancing the potential damage that might occur against the probabilities of an executive decline going unnoticed for a time.

On reaching these ages, people in either type jobs would be shifted into research work, or consulting or some area of the company's work where the individual's skill could still be used effectively but where he no longer would have so much operational or executive power under his direct control.

At the same time we change our retirement policies we should also end our present "all or none" approach to retiring. We would encourage working people to retire gradually as housewives or farmers generally do.

In her 40's the average housewife's work begins to decline as her children grow up and begin to leave home, first for summer camps, then to college and later to take distant jobs and to establish homes of their own. Fortunately for most women the decrease of work and increase of leisure is usually rather gradual. As a rule, if there are 2 or 3 children, they all do not leave home at once. And of course in most homes there still will be a husband to keep house for. Consequently, there is no sudden overwhelming quantity of leisure time to be dealt with.

But consider what now occurs to most men and women in business at age 65. Most of them have relatively little leisure except on weekends or in vacation time, until they retire. Then one day they suddenly have twelve or thirteen

hours a day of full-time leiseure to cope with. Such a sudden change in a lifetime pattern can be, and often is, a morale shattering experience. I have discussed this problem with a number of doctors who care for older people. Without exception they have been of the opinion that this kind of sudden retirement actually kills many who, being unprepared to use so much leisure time, simply die of what is basically a severe case of boredom.

To sum up, my study of this problem leads me to these conclusions:

We should oppose arbitrary retirement policies wherever they exist. People should be forced to retire completely *only* when they are truly unable to do useful work or when their continued work is dangerous to others. By this, of course, I do not mean that people should not be forced, as indicated above, to relinquish certain physically dangerous or highly sensitive executive jobs in favor of less dangerous or less sensitive ones.

We also must change our present Social Security policy so it does not penalize those over 65 (62 for women) who want to or need to work. Social Security payments should be placed on a straight annuity basis payable at the staged age regardless of whether the individual works or not. This would lead to an increase in our total production which cannot fail to benefit our economy even if Social Security costs do increase somewhat. It will also enable older people to gradually reduce their work without too greatly reducing income.

We must change our attitudes about people over 40 as potential employees. Our attitudes must be brought into harmony with the realities of our society. Unless industry is willing and able to support millions of people over 40 with unemployment benefits (raised by taxing industry), then industry must find jobs for these people. Actually, of course, studies have shown that, in general, age is not a handicap, often even an asset, in most job situations. Such facts must catch up with and overcome some of these prejudices. The one compelling argument is, that in the United States today, over 9 out of 10 jobs are in private industry or business. Either jobs must be made available to those who want to work, or industry and business will be required to pay enough Social Security taxes to support these people on unemployment rolls. The wisdom of choosing the first alternative seems plain to me.

The decisions we must make are going to be painful, for they will require us to discard some cherished beliefs. Most of us have grown up believing that full-time loafing would be great fun. We (came to) believe America is so rich, so bountiful and so productive that there is no limit to what we might do, if we only wanted to. Suddenly we have discovered that there are limits in both areas. We face a clear cut choice. We must either abandon some of our archaic attitudes about work and wealth and retirement or face the real possibility that our children and grandchildren will be forced to abandon us in our old age in order to care for their children. The knowledge that nature is such that survival of the species has always superseded survival of the individual should help us make our choice.

ITEM 9: LETTER FROM WILLIAM D. TORRANCE, EDITOR, JOURNAL OF INDUSTRIAL GERONTOLOGY

THE UNIVERSITY OF NEBRASKA,
Lincoln, Nebr., August 10, 1968.

DEAR SENATOR RANDOLPH: I congratulate you and Senator Edward Kennedy on having adopted a joint approach by your respective Senate Subcommittees to a study on "Adequacy of Services to Older Workers," and I am pleased to have this opportunity to report on the prospects of the *Journal of Industrial Gerontology* and to comment on the economic need for making more effective use of existing and potential skills of the older worker.

Question 1.

In response to the first question addressed to me, I am happy to report that original article, and abstracts of pertinent articles that have been published elsewhere, are now being prepared for the first issue of the *Journal of Indutrial Gerontology*, and that publication is sheduled for early 1969. Mr. Norman Sprague, Director of the Institute of Industrial Gerontology of the National Council on the Aging, Inc., has done much of the initial work in securing an Editorial Advisory Board of distinguished persons representing such disciplines as economics, sociology, psychology, personnel management, medicine, and geriatrics, each of whom has agreed to be a working member of the Board.

Dr. Harry Grace of the University of Southern California, who is serving as the Chief Editorial Adviser, has been in touch with each member of the Board to outline the plan of editorial operation and to suggest assignments and responsibilities that each might assume.

The Journal is intended to bring together in one periodical information of practical use to professional people whose major task is to provide service to older persons with problems of employment. As far as can be determined, our reader is most likely to be employed in either a private or a public organization in the field of personnel, and especially concerned with older workers. (For the most part, these "older" workers will be 40 and over; however, in some industries we might expect this age to be lower, depending on their unique occupation.) As a result of this intended readership, our publication will have to appeal to professional persons and practitioners.

Because Mr. Sprague, Dr. Grace, Mrs. Dorothy Switzer, the Managing Editor, and myself in my role as Editor are in complete agreement that it is important that the first issue contain solid articles that will be significant, pertinent, and practical, we do not plan to rush into print, but have allowed enough time to procure the best material possible. Because we intend also to use excerpted, abridged, or rewritten articles that have been published elsewhere (with, of course, permission of the copyright holders), Dr. Grace has directed letters to the Publications Directors of a dozen or more organizations here and abroad that deal significantly with problems of the older worker. He has inquired of each what the policy may be with regard to our reprinting or abridging an article that has appeared in one of the publications of the given organization, and has announced the intention of *Industrial Gerontology* to inform its readers about the services and informational resources available from each organization devoted to the needs of older persons.

The Journal is to be published by the National Council on the Aging at the University of Nebraska where the Editor and the Managing Editor are located. With Mr. Sprague of the National Council on the Aging located in New York and Dr. Grace, the Chief Editorial Advisor, located in Southern California, we envision a kind of troika which should have far more advantages than disadvantages. Members of the Editorial Board are widely dispersed geographically for whatever benefit should accrue from having all sections of the country represented.

It is believed that you will be interested to have the names of individuals who have accepted membership on the advisory board thus far. (A few who have been invited have, I believe, been out of the country and have not yet received the invitation.)

Dr. Gerald G. Somers, Director, Industrial Relations Research Institute, University of Wisconsin.
Dr. Harold L. Sheppard, Staff Social Scientist, W. E. Upjohn Institute of Employment Research, Washington, D.C.
Mr. Mark Erenburg, Department of Economics, Indiana University.
Mr. Karl Kunze, Lockheed-California Company, Burbank, California.
Mr. Woodrow Ginsburg, Director of Research, Industrial Union Department, AFL–CIO, Washington, D.C.
Dr. Ross Stagner, Department of Psychology, Wayne State University.
Dr. Juanita M. Kreps, Department of Economics, Duke University.
Miss Eleanor Fait, State Supervisor, Older Worker Program, California State Employment Service, Sacramento, California.
Dr. Charles Miller, Human Factors Group, Eastman Kodak, Rochester, New York.

Question 2. Comments on economic need for utilization of existing or potential new skills of the older worker.

The record shows that we cannot afford to underutilize the older worker, for there are many important jobs that need to be done which older persons can do; if gainfully employed they contribute both economically and socially to the nation's welfare. Research has shown also that there is little difference in output per man hour between age groups in a wide spectrum of employment, nor are there appreciable losses in either somatic or mental functions between the ages of 40 and 65 in the majority of cases.

Admittedly there are some problems inherent in retraining older workers for new jobs, but many of these problems can be overcome if on-the-job training methods are adopted rather than classroom techniques, and if the worker being trained can be assured a reasonable expectation of employment. Too often in the

past, older workers have been trained for a job that was almost obsolete by the time the training was completed. With rapidly advancing technology, it is probable that in the training of older persons as in any age group, to emphasize basic skills, flexibility, attitudes of willingness to accept change, and general adaptability is increasingly important. There have been a number of proposals designed to facilitate immediate cross-country information about employment needs, and although there is much merit in these proposals they are not likely to offer as much help in finding employment for the older worker as has been hoped. The older worker is not as mobile as other workers; he has socio-economic reasons for not wishing "to pull up stakes" and move to another city or state to find employment. Experience has shown that the older worker tends to accept underemployment, if not unemployment, even when assured appropriate employment at a new location.

The older worker often needs job counseling as much or more than he needs skill training; he needs work training in order to earn while he learns; and when he visits either a public or a private employment office he needs the placement services of an individual who is a specialist in industrial gerontology.

I believe that there is great need for further study and research particularly to develop innovative and creative approaches to the problem; we need more than occupational analysis, job redesigning, and job retraining; we need some entirely new concepts of a continuum of manpower services at the Federal, state, and community action levels.

Sincerely,

WILLIAM D. TORRANCE,
Editor, Journal of Industrial Gerontology.

ITEM 10: LETTER FROM MILTON COHEN, EXECUTIVE DIRECTOR, FEDERATION OF THE HANDICAPPED

FEDERATION OF THE HANDICAPPED,
New York, N.Y., October 14, 1968.

DEAR SENATOR RANDOLPH: Thank you for the opportunity of providing your committee with information about the programs of Federation of the Handicapped in the use of older workers in the rehabilitation of the disabled. Our experience in this area has been so positive that we have been bending every effort to inform individuals and groups throughout the United States about the vast potential that older workers have for service to the disabled. Consequently, I consider your invitation to write to you to be a unique and invaluable opportunity to disseminate our findings.

First, just a word or two about Federation of the Handicapped. Our organization is one of the largest and most comprehensive rehabilitation facilities in the United States. We provide assistance to thousands of disabled individuals whose limitations are so severe that they cannot function normally in employment, recreation, family life, or community activities. Through the use of specialized personnel in more than 20 different professional fields and well-designed equipment and programs. Federation of the Handicapped, a voluntary, non-profit, nonsectarian, community-supported organization restores the large majority of its clients to useful living. Throughout our history, we have concentrated upon helping the most seriously impaired members of society. Consistent with this philosophy, we maintain current programs for the homebound, the narcotics addict, the aged disabled person, the multi-handicapped, the socially disadvantaged individual, the mentally retarded, the emotionally disturbed, and the socially alienated. Our massive program owes a major part of its success to the Social and Rehabilitation Service of the United States Department of Health, Education, and Welfare and the New York State Division of Vocational Rehabilitation. Both of these agencies have made outstanding contributions to the development of our Program and both should be commended for their extraordinary cooperative efforts to improve the status of disabled persons in this area. Without their continuing assistance, our work would be impossible.

Now, to turn to your questions about the employment of the aged.

(1) Through our PATH program (Personal Aides to the Homebound), we have demonstrated beyond the shadow of a doubt that older persons can provide effective and essential rehabilitation services to the handicapped. The confirming evidence may be found in the enclosed materials describing our PATH Program

and the results which have been achieved through it. This Program, funded in part by the Office of Economic Opportunity and the New York City Human Resources Administration, regularly employs 50 aged persons to serve 200 homebound individuals who, otherwise, would be completely isolated from their communities. This Program has received national attention and has served as a prototype for similar programs elsewhere. Wherever it has been tried, it has been unusually successful. Now, well beyond the experimental stage, PATH lends credence to the growing belief that older persons constitute an important source of manpower and inspiration for the severely disabled.

(2) The older persons serving the homebound in PATH have evidenced attributes which make them especially competent to work in this area. These attributes include an accepting attitude toward illness and disabiilty, a willingness to serve others, a concern for their fellow-men, and a capacity to learn the special techniques required to aid the handicapped. The latter is especially important. Most of the older persons employed by PATH come from backgrounds that are remote from rehabilitation. Their work histories include manual industrial work, clerical tasks, service jobs, and other occupations on a modest skill level. Despite their lack of previous experience, these aged persons (in their 60's and 70's and 80's) soon learned to function as aides to the homebound and most of them are doing an outstanding job today. This experience contradicts any beliefs others may have concerning the alleged inability of the aged to learn new ways of behaving.

(3) The Federation of the Handicapped PATH Program has been so widely acclaimed that further government action in this field should follow its pattern. Grants should be awarded by government to community agencies to recruit, train, and employ older persons in rehabilitation services to the disabled. At this moment, Federation of the Handicapped could expand its program ten-fold or more if funds were available. The need is apparent. More than one million Americans are homebound and can benefit from the services of trained older aides; hundreds of thousands of mentally retarded people need individual tutoring and instruction; tens of thousands of socially disadvantaged persons need one-to-one relationships that will modify their attitudes toward community activities and work; and untold millions of older disabled persons could be restored to more useful living through rehabilitation services provided by other aged individuals. Federation of the Handicapped has conducted numerous demonstration and research projects of this type and we believe that this approach would be a most fruitful one for expanding employment opportunities for the aged in rehabilitation.

(4) Since disabiilty appears with greater frequency among middle-aged and older persons than among younger individuals, every rehabilitation agency, including our own, has had long experience in serving older disabled clients. Such people have as much capacity for restoration as other client groups. They can learn new vocations, adapt themselves to new social and psychological conditions, and re-orient themselves to a new place in society. The major deterrent at this point is the built-in resistance of employers to hire individuals who are both aged and disabled. Legislation providing incentives to employers to hire this group would be most helpful in breaking the current employment log-jam that confronts aged disabled persons.

(5) As noted above, we are gratified at the results that have been achieved in our Program in the rehabilitation of older disabled persons. We would welcome opportunities to expand our services to them. With additional support from government and the community, Federation of the Handicapped could convert thousands of currently idle aged disabled persons into useful contributing citizens. Such support is not currently available on a sufficiently large scale to enable us to do more than scratch the surface.

I hope that the information provided above proves useful to you and your Committee. I would welcome an opportunity to meet with the Committee and to present my views in person on this subject. Indeed, I could bring with me some of the older persons who are now working with us on PATH so that you could hear directly from them the benefits they are giving to and getting from the experience. I think this would be instructive and inspiring for the members of the Committee. Kindly let me know how I can help.

Sincerely,

MILTON COHEN, *Executive Director.*

ITEM 11. LETTER FROM GARTH L. MANGUM, CENTER FOR MANPOWER POLICY STUDIES, GEORGE WASHINGTON UNIVERSITY

AUGUST 19, 1968.

DEAR SENATOR RANDOLPH: I appreciate the opportunity provided by your letter of July 10, 1968 to comment on questions relative to the Adequacy of Services to Older Workers. The questions upon which you requested comment were:

1. In a publication which you co-authored, "Making Sense of a Federal Manpower Policy," you presented the need for unification and coordination of federal manpower programs. Did you intend to imply that the President's Committee on Manpower can do more in this area? If so, why do you think it has not succeeded?

2. In your judgment, has there been sufficient unification and coordination within the Department of Labor of manpower programs under the jurisdiction of that Department? If not, why have the Manpower Administration and the overall direction and coordination of the Secretary been inadequate to achieve this goal?

3. How can manpower programs be made more helpful to the so-called "older worker"?

1. The fact that the President's Committee on Manpower is now defunct is an illustration of the problems of coordination in the administration of programs. As Dr. Levitan and I said in our earlier publication, everyone likes cooperation as long as "you coo while I operate." Beyond the natural instincts for jurisdictional preference, inter-agency coordination within or among related programs is a cumbersome way to do business. Those who are anxious to get on with the provision of services will always shortcut coordinating procedures. If the Executive Office of the President can't coordinate programs—and it can't—no inter-agency committee of equals can. The President's Committee on Manpower had a brief day in the coordination sun in 1966 because heavy Congressional pressure provided a unifying external threat. When that passed, so did the President's Committee on Manpower.

2. I believe the Manpower Administration of the Labor Department has provided about as much unification and coordination among disparate programs as can reasonably be expected. It has been somewhat limited because of the independent power bases in the states and the labor movement maintained by some of its constituent bureaus. However, it has been crashing these barriers much more rapidly than I ever expected.

I was once of the opinion that the basic problem involved in the manpower area was the multiplication of agencies involved and that consolidation or unification was the answer. I now think that more important has been the proliferation of programs. Separate administrations within agencies are just as jurisdictionally defensive and as imperialistic as those in separate agencies. Though communication is less cumbersome it is still difficult. More important is the fact that, with each program having its own independent funding, eligibility requirements and administrative procedures (see attached table), applicants are forced to fit into the molds provided by existing programs rather than having available a variety of services which can be packaged to the applicant's needs. It is difficult to conceive of any manpower service not available somewhere among the various programs but there is no way to deliver them in comprehensive and flexible ways. Services available are determined by which programs have dollars and slots rather than by what is needed.

CAMPS and CEP are efforts to get at this problem but I see no solution short of a comprehensive manpower bill, consolidating and restructuring current legislation. I would visualize it placing all manpower funds in one budget, listing the variety of services which could be provided but not limiting the numbers or funds for any one. The latter would be determined at the local level where funds allocated to states and through them to cities would be available to a community manpower service agency. This agency would provide well-trained counselors (trained by part of the funds) who would work out with each applicant an individualized plan similar to the vocational rehabilitation model. The manpower service agency would then either furnish or purchase the services necessary to implement that individualized plan. The federal government would provide funds, prepare guidelines, examine and approve state and local plans for delivery of service, monitor, evaluate and reward or punish in the next year's allocation according to performances.

3. I believe the best way for manpower programs to help the older worker is to treat him as an individual with a particular set of needs. Separate programs for youth and for older workers, as well as for other special categories is the

basis of current administrative problems. Too many programs have been put together to meet newly recognized needs without consideration of their interrelationships. Older workers have in common their age but probably have as individuals as many different needs as common ones.

An experimental and demonstration project for older workers I once evaluated is an example. Since there were unfilled nonprofessional jobs in hospitals and other social services and unemployed older workers in the city, matching them up appeared to be a solution. As it turned out, most of the older workers knew in general of the existence of the poorly paid jobs but few were interested. Though they had age in common, their education varied from 4th grade to college, many were women with no previous work experience, some had held only unskilled jobs while one had been vice president of a company which had merged with another and left the area. Some had immediate and pressing income needs while others were more concerned with finding interesting and useful outlets for their still substantial energies. The simple matching did not come off and the expertise and resources were not available to meet individual need.

The older worker has been discriminated against in recent manpower programs. However, the problem of lower average levels of education and other factors correlated with age and the heavy emphasis on youth is probably more at fault than the lack of special services for older workers. In the interests of restraining per capita expenditures, remedial basic education has been neglected and the older tend to need this more than the younger.

Special concern for the problems of aging is highly desirable. There is need for research to identity the special obstacles for employers and workers impeding the hiring of the older worker. Special public relations and placement efforts to convince employers that hiring the older worker is not uneconomic (assuming it isn't) are needed. But in general what the older worker needs from manpower programs is to be treated as an individual and to be helped to rectify his handicaps, whether or not they are age-related.

Thank you again for the opportunity to make these few comments.

Sincerely,

GARTH L. MANGUM.

SUMMARY OF FEDERALLY SUPPORTED MANPOWER PROGRAMS, 1968

Program	Agency [1]	Level of operation, fiscal 1967 (thousands of persons)	1968 appropriation (millions)	Services provided	Eligibility criteria	State and local program administrators or contractors	Allowances
U.S. Employment Service	USES	[2] 5,815	$296	Recruitment, counseling, testing, placement, employer services, and limited labor market research.	All workers but the bulk unemployed.	State employment security agencies.	None.
Vocational education	OE	[3] 4,823	296	Vocational education	State determined	State vocational education agencies.	Limited allowances (56,000 participants in fiscal 1967) provide $45 per month not to exceed $350 per year for poor youth 15 to 21.
Vocational rehabilitation	RSA	[4] 174	387	Medical and psychiatric assistance, prosthetic devices, skill training, education, and other services needed to enhance employability.	Physically, mentally, or "socially" handicapped.	State rehabilitation agencies	Limited to 36 special workshop projects in 27 States as of July 1968. Provides $25 per week for an individual with $10 per dependent to a maximum of 4.
Adult basic education	OE	411	39	Rudimentary education	Over 18 years of age	State education agencies	None.
MDTA: Institutional training	USES, OS	[5] 177	386	Remedial and skill training; basic education.	Mostly unemployed, but some upgrading.	Public schools or skill centers and private schools	Adult, $10 above average weekly unemployment benefits in State plus $5 for each of 4 dependents; youth, $20 per week.
OJT	BWTP	[6] 110		Subsidies to employers to cover training costs.	do	Employers, State apprenticeship agencies, trade associations, unions, and nonprofit community agencies.	None.

Experimentation and demonstration.	MA	(6)	30	Research and wide range of services.	do	Public or nonprofit institutions	Same as institutional.
NYC:							
In school	BWTP	7 446	281	Work experience, including limited counseling and some education.	16 to 21 years of age; family income below poverty level. Mostly 16 to 21.	do	$1.25 per hour; maximum, 15 hours per week.
Out of school	BWTP	7 172					$1.25 to $1.60 an hour; maximum, 32 hours per week.
New Careers	BWTP	9	36	Training, subprofessional employment.	Disadvantaged adults	do	Employment at minimum wage.
Special Impact	BWTP	6	20	Low-income area investment to improve employment opportunities.	Not applicable	do	Not applicable.
Operation Mainstream	BWTP	8	36	Work experience, limited counseling, basic education, and skill training.	Disadvantaged adults (rural area emphasis).	do	Employment at minimum Federal or prevailing local wage.
Job Corps	JC	8 39	285	Skill training, conservation work, and basic education.	Same as NYC but school dropout.	Urban centers: Private industry and education institutions. Conservation centers: Departments of interior and agriculture and State agencies.	$30 to $50 per month plus $50 a month adjustment allowance, half of which can be allotted for family support with matching by Job Corps.
Work experience	APA	46	45	Work experience, including limited supportive services and basic education.	Public assistance recipients and other needy, including farm families with annual income of less than $1,200.	Public welfare agencies, nonprofit agencies, and private employees under special waiver.	Basic needs, as defined by State.
CAP manpower	CAP	(9)	(10)	Any service enhancing employment and employability of the poor.	Income below poverty threshold.	Public, nonprofit or private organizations.	Determined by project.

[1] Key to agency abbreviations:
Department of Health, Education, and Welfare: APA—Assistance Payments Administration OE—Office of Education; RSA—Rehabilitation Services Administration.
Department of Labor: BWTP—Bureau of Work Training Programs; MA—Manpower Administration; USES—U.S. Employment Service.
Office of Economic Opportunity: CAP—Community action program; JC—Job Corps.

[2] Nonfarm placements calendar 1967.

[3] Preliminary estimate, excludes home economics students.

[4] Rehabilitated during the year.

[5] Enrolled during the year.

[6] Some 40,000 to 50,000 persons were "involved." However, the wide variety of services provided makes a total operational level meaningless.

[7] Enrolled September 1966–August 1967.

[8] As of June 1967.

[9] Not applicable.

[10] Excludes wages paid to indigenous poor.

Source: Sar A. Levitan and Garth L. Mangum, Center for Manpower Policy Studies, George Washington University, "Federal Work and Training Programs in the 1960's," Wayne State University Press, 1968.