

RETIREMENT INCOME OF THE AGING

HEARINGS
BEFORE THE
SUBCOMMITTEE ON RETIREMENT INCOME
OF THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
FIRST SESSION

Part 2.—St. Petersburg, Fla.

NOVEMBER 6, 1961

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NOTE.—Eight hearings on retirement income were held and they are identified as follows:

- Part 1—Washington, D.C.
- Part 2—St. Petersburg, Fla.
- Parts 3 and 4—Port Charlotte and Sarasota, Fla.
- Part 5—Springfield, Mass.
- Part 6—St. Joseph, Mo.
- Part 7—Hannibal, Mo.
- Part 8—Cape Girardeau, Mo.

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RETIREMENT INCOME OF THE AGING

MONDAY, NOVEMBER 6, 1961

U.S. SENATE,
SUBCOMMITTEE ON RETIREMENT INCOME
OF THE SPECIAL COMMITTEE ON AGING,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, second floor of the Million Dollar Pier, St. Petersburg, Pinellas County, Fla.; Senator George A. Smathers (chairman of the subcommittee) presiding.

Committee staff members present: Mr. John O'Keefe, legislative assistant to Senator Smathers; Dr. Frank Atelsek, research director, Senate Special Committee on Aging; Mr. Joseph L. Weil, consultant to the Senate Special Committee on Aging; and Mr. Allen Lesser, executive assistant to Senator Jacob Javits of New York, representing the minority.

Senator SMATHERS. The meeting will come to order.

Before we begin these hearings I would like to tell you how very happy I am to be here. It's good to be here and it is very good of you all to come here to help us learn what we need to know so as to legislate wisely in the field of aging.

This is a formal hearing of the subcommittee of the U.S. Senate's Special Committee on Aging.

It is among the first of 28 hearings which my colleagues on the committee and I will be holding in every part of the country between now and January. What is said here will be taken down by our official reporter and printed as a Senate document. Copies of that document will go to all Members of the Senate and to some 15,000 members of the House of Representatives, State and local legislators, press people, and scholars.

When all the hearings are complete, members of the committee will analyze them to see what problems seem best handled in the local community or by local government and which problems seem to be national in scope, requiring action by the Federal Government.

The result of these hearings will be twofold:

First, an awakening of conscience throughout the United States as regards our obligations to our senior citizens.

Secondly, the enactment of sound laws to properly solve those problems that cannot otherwise be resolved at the local level.

In participating in this hearing, you will actually be part of your Government at work. You will be aiding in the solution of the many problems that confront our elderly citizens.

We are grateful for your assistance.

Now the subject of this morning's hearing is retirement income.

One of the principal problems of our growing population of retired, elderly citizens is maintaining a decent standard of living on retirement income.

Personally, I don't need any figures to convince me of the urgency of this program.

Our State has the fastest growing population of senior citizens.

The State grew some 76 percent in the past decade, but our population with respect to those who are 65 years old and older in the past 10 years grew some 132 percent.

So we find that today we are not only the fastest growing State in the Union, but we are almost twice the next State with respect to a population growth of those who are 65 years old and older.

Consequently the problems which confront these people in retirement, in happy retirement we hope, in Florida, the problems which they find themselves confronted with are of necessity of great interest to those of us who represent you in Washington as well as those of us that represent you on the State level and the county level.

We are trying to find out what programs the Congress should follow, what legislation is needed, what are the problems that we should consider with respect to retirement income, and with respect to housing for the elderly and with respect to medical attention for the elderly and things of that kind.

That is what we are trying to develop in this type meeting—what it is exactly that you people need, what is it exactly that you want, what is it that we might do to make your retirement more enjoyable and more useful to you.

Now I would like to say that I want to read a set of questions that I have, which are the ones we are primarily concerned with, and of course in answering these it will lead to probably a wide area of discussion, but what we are primarily interested in is this:

How can we soften the blow of inflation upon millions of elderly citizens whose incomes are fixed?

To what extent can their savings and other assets be considered adequate resources for living above a mere subsistence level?

What is an adequate income for a retired elderly couple in today's economy, and particularly in Florida?

How does it vary and to what extent does it vary in cities of the Nation as well as regions of the Nation?

What percentage of their income is left after the basic daily living expenses, if any?

What can the private pension programs of this country do toward expanding the number of persons under such programs?

How will various proposals in the field of taxation affect the retirement income status of retired citizens?

I might say in that connection, I get a lot of letters, not just from people in St. Petersburg, but elsewhere, to object strenuously, and I think with considerable justice, at the proposal that the Congress should eliminate the deduction of dividend credit and the \$50 exclusion which you now have. But there are a number of people that write me and say if this is done it will destroy in many respects the retirement program and make it impossible for them to live in decency and dignity.

What can be done throughout both private and public measures to meet these pressing problems?

Now these are the types of questions that we are interested in finding answers to and we hope we will be able to develop some answers here today.

This is a problem that all of us are concerned with. All of us hope to be some day 65 years old and older, so it is a problem which concerns most of us here in the audience today directly and will concern all of us before too much longer.

I would say that there are now in Florida more than 500,000 men and women age 65 and over.

One out of every nine Floridians is a senior citizen. If we take only the adults in the State one out of every five of the State's population is in this upper age group.

Pinellas County has a larger proportion of aged of any county in the State, with one in four persons being 65 years old or older.

Contrary to what some people might think, the older citizens of Florida are not well off financially.

Let me be specific.

To begin with, nearly 500,000 persons—elderly persons—in Florida now receive social security benefits. These benefits are usually the only source of income for them.

As of the end of 1960, there were about 280,000 retired workers alone, receiving an average benefit check of only \$76.22 per month.

Approximately one-half of them were getting less than that average. The benefits for wives and widows averaged far less than \$76.

I am encouraged to see, however, that Florida has an above average percentage receiving the maximum monthly benefits possible which still is no more than about \$120 per month.

I hope that we get into the specific problems of unmarried and widows, elderly women.

In Florida I know that more than one-third of the older population is made up of such women, whose incomes are below what is considered to be a level of income necessary for maintaining a decent standard of living.

While many retired persons have at first an adequate but fixed income for retirement, as the years go by they see that income constantly decline in purchasing power.

What is true in Florida, I am sure is true throughout the Nation.

With today's advances in medical science life expectancy has increased substantially since 1920.

For example, our population of citizens aged 75 and older has grown from less than 1½ million to more than 5½ million.

Today about 4 million aged persons, including the wives of workers, have income derived from either full or part-time employment.

Approximately 11 million, of which 2¼ million are also employed, receive an average social security monthly benefit of \$74.

There are about 1¼ million veterans receiving payments from the Veterans' Administration. Another 1 million persons receive benefits from public employee retirement systems which include over 300,000 Federal civil service retirees and approximately 600,000 railroad retirees.

Some 2¼ million received old-age assistance, with 700,000 of this number also receiving minimum social security benefits. There are an additional 1½ million with no income from either employment or

from any public or private program of retirement income. We know very little about this latter group. Presumably most of them are living with relatives or in institutions, and have no income of their own.

This is the field that we are exploring today.

We have as our first expert witness Dr. Carter C. Osterbind, who is a research professor, Bureau of Economic and Business Research, and chairman of the Institute of Gerontology, University of Florida.

Dr. Osterbind, you may proceed.

**STATEMENT OF CARTER C. OSTERBIND, RESEARCH PROFESSOR,
BUREAU OF ECONOMIC AND BUSINESS RESEARCH, AND CHAIR-
MAN OF THE INSTITUTE OF GERONTOLOGY, UNIVERSITY OF
FLORIDA**

Dr. OSTERBIND. Senator Smathers, staff members, ladies and gentlemen, in the beginning of my testimony I would like to ask permission to read—

Senator SMATHERS. Let's just stop a minute. The people back there, can you hear him? We have a little difficulty, the sound bounces back from the back of the room. We would like very much for our fine audience to be able to hear what we are talking about. You are the people that are going to benefit.

Doctor, you may proceed.

Dr. OSTERBIND. I would like to ask permission to read a short resolution that was adopted by the trustees of the Florida Council on Aging, November 2, 1961, at West Palm Beach, Fla., concerning the work that your committee is doing.

This resolution reads as follows:

Whereas Senator George A. Smathers, as chairman of a Subcommittee on Retirement Income of the U.S. Senate Special Committee on Aging, has called a public hearing in St. Petersburg on November 6, 1961, to inquire into the financial status of Florida's elder citizens, and

Whereas the Florida Council on Aging, although a voluntary organization that does not engage in direct political action, nevertheless represents individuals and groups in intimate touch with the needs of retired persons and is therefore in a position to express an opinion on certain proposals relating to retirement income: Therefore be it

Resolved, That the trustees of the Florida Council on Aging hereby approve in principle the following recommendations of the Senate Subcommittee on Problems of the Aging as published March 28, 1961:

Committee recommendation 3: Federal stimulation and financial help for senior citizens' centers with programs of education, recruiting, and training for community service, counseling, and other activities in keeping with the needs of senior citizens.

Committee recommendation 7: Establishment of a senior citizens' service program for specified community activities.

Committee recommendation 8: Increased old-age benefits under social security, particularly an increase in minimum benefits to \$50 per month.

Committee recommendation 11: Establishment of a full-time U.S. Office of Aging in the Department of Health, Education, and Welfare.

Be it further resolved, that a copy of this resolution be presented to the Senate subcommittee at its St. Petersburg hearing.

Senator SMATHERS. Let's stop here, Doctor, just a minute.

All the people who are interested and who are behind the Doctor, feel free to move your seats, come up here.

All the people in the back come up closer.

All right, Doctor, will you proceed again?

Dr. OSTERBIND. The resolution which I have just read concludes that a copy of this resolution be presented to the Senate subcommittee at its St. Petersburg hearing.

I will present this.

Senator SMATHERS. If there is no objection we will make that a part of the record.

Dr. OSTERBIND. One of the problems created by the increased mobility of people is traceable to the fact that they can move to areas almost without any restriction, and we find that as a result of this mobility we have the highest concentrations of older people as a result of two types of situations:

One is the outmovement of young people from areas that do not offer them economic opportunity, leaving the older persons as an increased proportion of the population.

The other is the inmovement of a large number of older people to mild climate areas such as Florida, where they may enjoy the wonderful climate of this State and other States like it.

As a result of these conditions it becomes important for us to consider not only the incomes of these people but the way in which they may use the resources that are available to them.

We find that it is difficult to determine, as has been brought out repeatedly in the hearings of this group, just what the budgetary requirements of an elder person or elderly couple are.

There have been extensive studies by our Federal Government that are designed to see what these budgetary needs are. In recent years this has been done on a selective basis and the studies do not include cities in Florida, but earlier studies which were done did indicate that the cost of living in Florida fell within the range of the cost of living in many other parts of the country, and for this reason this gives us a rough clue as to what the present cost-of-living situation is in our State.

The recent studies have indicated that the cost of living for a retired elderly couple ranges from \$3,366 in Chicago down to \$2,681 in Scranton, Pa.

I think it is reasonable to conclude that the cost of living for an elderly couple in this State falls somewhere in this range.

Senator SMATHERS. May I ask you a question at this point?

You say the highest area, that is the area where they need the most money to provide for an elderly couple, what area was that?

Dr. OSTERBIND. This was Chicago.

Senator SMATHERS. And the lowest area, the area of the lowest cost was where?

Dr. OSTERBIND. Scranton, Pa.

Senator SMATHERS. Scranton, Pa.?

Dr. OSTERBIND. Yes.

Senator SMATHERS. And you say Florida lies somewhere in between?

Dr. OSTERBIND. Yes. In the earlier studies, which include Jacksonville, Jacksonville fell somewhat at a midpoint between the range of the cities studied.

This matter of analyzing budgetary needs is a rather complicated thing and the composition of the budgets is not the same.

Here in Florida we might have lower costs for warm clothing and higher costs for other items that are needed by an elderly retired

couple. There are other costs that enter in and are significant, such as air conditioning or something to repel insects, and so on. There are a combination of things that enter into this, but it is difficult to analyze the budget item by item. In the case of the elderly Jacksonville couple, you will find that their budget needs are not significantly different from the level suggested.

The inmovement of people to Florida has contained, and we can tell this from a good bit of information that is available, a number of people of modest incomes, and in studying the migration of people who are moving into the State we find that these people come from a broad scattering of the Eastern, Midwestern, and other States, and quite frequently they come from States in which the per capita incomes are substantially higher than those we have in Florida.

You need to know a specific economic measure of the economic well-being of people in a local area, county, or community, so we here in Florida have endeavored to carefully analyze for each of our counties the changes that have taken place in per capita income in relation to the inmovement of people and the relative concentration of our senior citizens.

First, taking counties that have 20 percent or more of their population made up of persons aged 65 and over, and we have four or five counties that fall in this classification. What kind of counties are these? Examinations reveal that these are counties in which the per capita incomes are not high. They are low—with the exception of the per capita income in Pinellas County in which we are now meeting, which is below the State average, but it is considerably higher than it is in these other counties.

Now, viewing this situation in relation to the growing population with comparatively low per capita incomes, I think we are confronted with a very real problem that needs to be recognized, and that is that, as we relate the income of these people to the things that we can buy, we have to take into account the limited per capita income of the community and the growth and expansion that is needed in all types of community facilities. Thus, it is very difficult for these communities to provide the types of services and institutional arrangements and other things that are needed by old people. So I see this as one of the significant problems that we have.

And as we have had this in-movement of older people, many we know with modest incomes, we have come to recognize that they are confronted with problems because of the shortage of many types of institutional care.

We have made studies of our hospital situation in Florida and of our nursing homes to see what the situation is.

There is a full report on this that has been submitted to you.

This indicates that one of the central problems to nursing home care is an economic problem.

It was found in the study that was done by the Governor's advisory committee on the medical care services for old people, that this was central to everything they examined.

Now as we think about this as a central issue I think it is significant to know the sources of income that are utilized to meet the costs of the care in nursing homes.

The survey indicated, and this is a survey of the nursing homes throughout the State, that of the receipts of these nursing homes, 22 percent came from family and patient or from the family group; 15.5 percent from social security.

Senator SMATHERS. Would you read those figures over again?

Dr. OSTERBIND. An analysis of the income sources of the nursing homes in Florida at the time of the survey, which was in 1958, revealed that 22 percent of the income came from the patient and the family of the patient; 15.5 percent from social security; only 1.1 percent from insurance; 22.6 percent from State welfare; 27.5 percent from city or county welfare; and 3 percent from other sources which were not classified.

I think this points up the type of problem that we have in terms of the income of these people, and it points up the type of problem in terms of the facilities.

Most of these nursing homes, or a large proportion of them, do not receive sufficient resources from their patients to provide the rehabilitative type of care and so on that is needed.

I am told by our medical friends here in the State that the cheapest—not the cheapest but the least expensive type of nursing home care is the type that allows the patient to vegetate rather than to undertake to rehabilitate him.

It is significant, I think, that the report of this group of responsible people in our State points up that the No. 1 problem is an economic problem.

Now this study also examined the costs of long-stay hospital patients in Florida.

It was found that the majority of these people were older people with various types of chronic disabilities.

Senator SMATHERS. When you say older, what do you mean there; 65 and older?

Dr. OSTERBIND. This includes 65 and older. A relative proportion of these were broken down according to age categories, and it seems to me a very significant portion of these people fall in the higher age brackets.

Senator SMATHERS. Seventy-five or eighty?

Dr. OSTERBIND. Yes.

Senator SMATHERS. Those that needed hospital care according to your study.

Dr. OSTERBIND. Yes. People on the average in the hospital the longest are people that are in the 65-and-over range.

As could be expected from this, the average cost of hospitalization for these people is above that for the other average patients that were studied.

Senator SMATHERS. What is the average cost for these people for hospital care, just the average? Do you have that figure?

Dr. OSTERBIND. Yes. The average cost in 1958, the average patient charge for hospitalization in Florida was \$183.

Senator SMATHERS. \$183?

Dr. OSTERBIND. Yes. This was just for hospitalization. And the average length of the stay was approximately a week.

Senator SMATHERS. Can I ask one further question? I want to break this down, as this is significant. In determining what we must

eventually do with respect to the medical program, the \$183 as average for hospitalization, does that include surgical cost and things of that nature?

Dr. OSTERBIND. This includes just the cost of hospitalization, and not the medical attention of the physician.

Senator SMATHERS. All right, sir.

Dr. OSTERBIND. Now for comparative purposes against this \$183, for the individual 65 and over, we find this breakdown, and this is in line with your question about the average composition of these groups.

For those from age 65 to 74 the average cost was \$289.

Those of the age range from 75 to 84 the cost was \$296.

I am sorry, that is \$280.

Those in the age range of 85 to 94 the cost was \$296.

These were the average cost figures. Now for those 95 and over the cost was somewhat lower, only \$230, and this is attributed to the types of situation, however, that existed.

Now I think that this information indicates that this relatively high concentration of older people in some of our comparative low-income counties, this modest income we find resulting from many of our inmovements, the type of resources that these people draw on to meet their nursing home care and their hospital care, the fact that these costs are higher, points up a very real need in trying to devise some way in which our resources can be made available to take care of these people in accordance with the high principle and individual dignity that all of us think is so important in our contemporary society.

Senator SMATHERS. Let me ask you a question, Doctor. Did you find in your study that the people who live in Florida, have less medical needs than people who live in Michigan or somewhere else who are 65 and over?

Dr. OSTERBIND. I don't have the State statistics, but there have been all types of indications that this mild climate is very good for the health and does create a healthy environment. We find it in longevity. We find people come here infirm and get well and this sort of thing. This is proven.

Nevertheless, we do find that the inevitable takes place. People, even though they live a long life, and are well during most of it, do become infirm and need appropriate attention and care.

I have my report but I believe you have a copy of it.

Senator SMATHERS. Yes, the reporter will make that a part of the record.

Do we have any questions from any of the staff members?

Mr. WEIL. I don't have any questions, sir.

Mr. LESSER. Dr. Osterbind, I wonder whether there have been any measures taken here to cut down the number of days of hospital care by using other types of home care, nursing home care in order to cut down the high cost of hospitalization?

Dr. OSTERBIND. It is recognized here in Florida that one of the big problems that we need to confront in communities is the matter that was discussed and considered at West Palm Beach just the other day at that very successful conference.

This is that we need to examine our community resources and take measures in the development of health care facilities that will cut

down on the necessity to utilize hospital facilities. That of providing other types of chronic care facilities that can be provided at much less cost.

I think this is a very significant part of the problem in the State and I hope we can stir up a lot of community interest in and support for community facilities.

Mr. O'KEEFE. Doctor, have you developed any figures with respect to the average income of individuals 65 and over in Florida?

Dr. OSTERBIND. We have some isolated figures. I don't know that we have anything that is too reliable. I think the difficulty stems from the fact that we have such a range of variations throughout the State that it is difficult to assess the real impact of these differences in income.

I do have per capita figures we have developed for each of the counties, and you will notice in examining these that they go from less than half of the State average to considerably above it. So you see this range.

I think the significant answer to your question is that in a number of these counties that have a relatively high proportion of older persons on a percentage basis, the per capita incomes are rather modest.

Mr. O'KEEFE. It would be interesting to have some figure along that line in order to determine what percentage of that income is used for medical care, including nursing home care and hospital facilities.

Dr. OSTERBIND. Yes, this would be quite helpful. This is a very difficult matter.

Senator SMATHERS. Are you people working on something of this character, can you supply us with this kind of information, as a bureau of the university? Are they working on this kind of information, to develop this information?

Dr. OSTERBIND. The budgets of older people?

Senator SMATHERS. No, on this broad program in answering the question of Mr. O'Keefe. Are we going to be able to break it down specifically to what part of their income has to go for food, what part for medical care, what part has to go for rent, and what part, if any, goes for recreation? Are you able to break it down to that extent?

Dr. OSTERBIND. We have taken the basic materials that have been developed by the Department of Agriculture and other groups in developing budgets for a retired couple and we have related those. I haven't done this lately. We have, in the past, taken the data and related it to the Florida scene by making adjustments in these figures. We went back to the Jacksonville budget. We made adjustments for changing costs and prices and so on. Ultimately I think this can be done and thereby provide better understanding or insight into this picture.

Senator SMATHERS. Thank you, Dr. Osterbind. We appreciate your being here.

(Dr. Osterbind's prepared statement follows:)

STATEMENT OF CARTER C. OSTERBIND, RESEARCH PROFESSOR, BUREAU OF ECONOMIC AND BUSINESS RESEARCH, AND CHAIRMAN OF THE INSTITUTE OF GERONTOLOGY, UNIVERSITY OF FLORIDA

I wish to comment only briefly about the population and certain of its attributes, but I do wish to give sufficient attention to the manner in which these matters affect the economic status of the senior citizens in Florida.

The internal mobility of the people of the United States in all age groups is exceedingly high. This moving about within and between States of the Nation is a matter of social and economic consequence and invites attention to the many social and economic changes and associated problems. Within this large group of mobile people there is a fraction of retired and elderly people whose accelerated mobility creates special problems that require attention.

A number of these older people have shown a marked preference to move to certain mild climate areas of the United States, such as Florida. In an assessment of economic effects of the inmovement of these older people into the mild climate States, the relative proportions of these older groups to the total populations in the respective States as a whole do not give a meaningful measure of their social and economic impact on the receiving areas, because there is a tendency for significant concentrations of older people to occur in certain counties and communities within the State. According to the 1960 census, it is not now uncommon for some communities in Florida to have from one-third to one-fourth of the population made up of persons aged 65 and over. For example, St. Petersburg, the city in which we are holding these hearings, has 26.1 percent of its population in this class; St. Cloud has 46.4 percent; Zephyrhills, 43.3 percent; North Peninsula, 43.5 percent; New Port Richey, 39.2 percent; Miami Beach, 28.2 percent; and Lake Worth, 28.8 percent. There are a number of others that could be listed. There is a growing number of Florida counties in which the 65-and-over groups constitute one-fifth or more of the total population. This situation now exists in the counties of Charlotte, Manatee, Osceola, Pasco, Pinellas, and Volusia. These figures make clear the greater relative impact on certain counties and communities and the need to provide the broad range of services required to care adequately for their senior citizens.

The departures of older people from their places of origin and settlement to their places of destination clearly have social and economic influences for each local area. In Florida there are two types of population movements that have produced relatively high proportions of older people in relation to the local community or county populations. One type of situation arises out of the attractiveness of certain areas and communities to older people so that large numbers move to these regions from other States. These situations exist in the communities and counties which have just been mentioned. There are also counties in Florida, most of them rural in character, where the lack of economic opportunity has caused the younger people to move away, and this movement has resulted in a higher proportion of older people in relation to the total population.

The economic and social problems associated with these two situations are quite different. It appears that these problems are more intensified in communities of rapid growth accompanied by immigration of older persons than in communities that have experienced an outmigration of younger people. This possibility is indicated by the greater likelihood that established economic and social ties will be maintained when these people remain in their community of origin, and by the usual lag of institutional arrangements in the rapidly growing communities. For local areas in Florida an elementary economic consequence is that, to the extent the migrant is fully retired, the area from which he comes loses a producer as well as a spender, whereas the Florida community gains only a spender. However, the community of origin loses the potential burden of an aging person (except where the retirement is fully independent), and the community of destination receives a resident who is likely to be a very minor producer and who brings the potential economic burden of an aging person.

The economic and social consequences of the type of migration and behavior noted have more than local effects. In the form of medical provision, institutional housing care for the aging, social welfare services, and pensions and special payments to the aging and infirmed, it affects both the State and Federal Government levels. The migration of the aging also affects the retirement and pension plans of commercial organizations as they endeavor to make provisions and to help their employees plan for their retirement life.

These general observations are made to emphasize the intensification of the economic and social problems that arise from greater concentrations of older people in States such as Florida.

I do not wish to incorporate in my statement the information that has been so effectively analyzed in the hearings you have conducted thus far other than to make clear the relevance of this information to the situation in Florida. Although a good bit of the information on which my remarks are based is derived from surveys made by organizations within the State, we here in Florida are

dependent, as is true elsewhere in the country, on the information compiled by the U.S. Bureau of the Census for detailed information on the attributes of our population. When this valuable information is made available, we will have a more accurate picture of the characteristics of our older population in all the counties and local communities in the State than is now available. Nevertheless, past censuses, in conjunction with information developed by the Social Security Administration, administrators of the old-age assistance program, and various other agencies, make it possible to characterize the situation in general terms and, I believe, with some degree of reliability.

One of the difficulties presented in assessing the needs of the elderly people is that of ascertaining their budgetary requirements. This is a difficult matter to determine, and, as you know, has required the efforts of a large number of people with special knowledge in a number of disciplines to compile meaningful estimates of these budgetary needs. The last report which has been examined in previous hearings of the Senate Committee is the BLS interim budget for a retired couple. As you know, this is the product of several important agencies of our Federal Government: the Bureau of Labor Statistics, the Social Security Administration, and certain agencies of the U.S. Department of Agriculture. In the latest estimates of needs, budgets were developed for retired couples in 20 large cities and suburbs.

This group of cities did not include one from Florida, but studies in earlier years did include Jacksonville. These earlier studies reveal that the budgetary needs of a retired couple in Jacksonville fell well within range of costs found for the other cities of the United States. It is reasonable to assume that this situation still remains, and the budgetary needs of an elderly couple in Jacksonville fall within the range of those found in the later study of 20 large cities and suburbs. These range from a low of \$2,681 in Scranton, Pa., to a high of \$3,366 in Chicago, Ill. Such comparative costs and price information as exists does not reveal that the prices of many of the elements included in these budgets are very different in Florida from those found in other parts of the country. By using the minimum budget of \$2,681 for an elderly couple as a rough gage of need in Florida, the income information available is made more meaningful.

It is important to consider not only the everyday needs of retired people, but the special needs that arise out of conditions of infirmity which require medical and nursing care.

An analysis of personal income per capita in Florida counties reveals that Florida has improved its per capita income status considerably since 1950. However, a comparison of Florida's per capita income in 1960 with that of the United States and States such as California, New York, Connecticut, Nevada, and Illinois shows that it still lags far behind the average income in these locations. The per capita income in Florida counties in 1959, the latest county figures available, reveals that there is a wide range of difference among the respective counties. Many of the rural counties have per capita incomes that are less than half of the average for the State; it may be readily seen that older people in these areas may anticipate little in the way of community facilities and services to meet many of the needs that arise in old age. This, however, is not the dominant situation in Florida. A more significant situation is the income situation in the counties that have attracted high proportions of older people.

In Charlotte County, with 20.8 percent of the population 65 years of age and over, the per capita income is \$1,201; in Manatee, with 22 percent of the people 65 and over, the per capita income is \$1,440; in Osceola, with 22.8 percent of the people 65 and over, the per capita income is \$1,010; and in Pasco County, with 20 percent of the people 65 and over, the per capita income is \$1,227; and in Pinellas County, with 24.9 percent of the people being 65 and over, the per capita income is \$1,835. In these counties which have relatively high concentrations of older people the per capita income is considerably below the average for the State; and, although the average for the State compares favorably with other Southern States, it is still behind the average found in the industrialized and populous States. I point this out because many of the people who are migrating to Florida are people of moderate means who are leaving States in which the per capita incomes are high and in which there are long-established institutional provisions and community services for the aged.

The census data will soon be available showing the number of people aged 65 and over in Florida who are in the labor force and those who are not, and in conjunction with other information it will be possible to analyze the number of those persons not in the labor force who are receiving retirement benefits from various sources. Based on information that has been already released

from the 1960 census, combined with information from various other sources, I have constructed what appears to be the approximate distribution of older people in the labor force and of those receiving certain retirement benefits. The census shows that there are 553,129 persons 65 years of age or over in Florida, or 11.2 percent of the population. If past trends continue, approximately 17.6 percent of these people should be in the labor force or 82.4 percent should not.

Past studies of income in Florida have revealed that the income of retired people not in the labor force tends to be much lower than that of those in the labor force. This information also reveals that the average income of individuals in the age ranges of 65 and over is much lower than that found for any other age group. Some estimates combined with existing statistics indicate that of those not in the labor force the following proportions receive benefits: 15 percent receive old-age assistance; 61.2 percent receive old-age and survivors insurance; 2.8 percent, railroad retirement benefits; 2.5 percent, civil service retirement benefits; 3.1 percent State and local employees' benefits; 1.3 percent, military benefits; and 13.3 percent would not be included in any of the above listed benefit categories. Although some of these figures are estimates, they give a reasonably reliable picture of the relative importance of the public benefit sources. The studies which have been conducted by the Social Security Administration to determine the general economic status of people covered have meaning in judging the economic status of retired persons in Florida. The modest resources available to a great majority of those receiving retirement payments suggests the importance of not only relating these incomes to regular budgetary needs, but to the costs that must be met to deal with the increasing incidence of hospital and medical care and various types of convalescent and nursing care required by older people.

The report of the Florida Citizens Medical Committee on Health includes a study of nursing homes in Florida. Significant facts from the study that warrant first attention are some of the concluding observations set forth in the report:

"From these data it is evident that the nursing homes in Florida are predominantly custodial institutions, giving in the main minimum care to those with physical and mental disabilities of the aged and to those who are without home, family, or relatives who would or could provide the care needed. Accepting the opinion commonly expressed that it requires at least \$150 per month to provide reasonable care in an acceptable environment, then more than one-half of the patients cannot be provided suitable care for economic reasons. This appears to be the dominant problem in the improvement of nursing home facilities and care.

"It is evident also that there is great need for restorative services. These patients insofar as possible should have the satisfaction of being able to care for themselves and to enjoy association with their fellows. Most current programs are designed to minister to the minimum needs of the individual in the most economical manner. Some patients even are being kept in bed because they may be cared for with less trouble and at less cost in this way. Future planning must give attention to the development of restorative and rehabilitative services and to programs of activity designed to bring some measure of happiness and satisfaction to the later years of these patients. 'Friendly visitors' could contribute effectively here.

"According to the opinion of those who provided these data, about one-third of those now in these institutions could be cared for elsewhere. Part-time nursing would be needed by some and housekeepers and other services would aid others. Adequate nursing homes are essential institutions but more attention appears needed to the development of community resources which would provide better noninstitutional care for all needy 'senior citizens.'"

In view of the observation that one of the significant barriers to the improvement of nursing home services in the State is the economic status of the residents of these homes, it is desirable to note the sources of the income per month by the nursing homes in Florida as reported in the survey by the Citizen's Medical Committee on Health. Of the total monthly receipts only 1 percent was from insurance; 22 percent, from patient and family; 16 percent, from Social Security; 23 percent, from State welfare sources; and 36 percent, from city and county welfare sources. If this important service is to be improved, and I am advised by medical people that the cheapest type of nursing home care is to let the people vegetate, serious consideration must be given to how we can find resources to provide nursing home care that is consistent with the economic standards of our contemporary society.

The study by the Citizens Committee of long-stay hospital patients in Florida reveals that these were overwhelmingly older people. This study also revealed that the cost of hospitalization per stay in the hospital was much higher for older people than for any other group. Based on this study, the average patient charge for hospitalization in 1958 was \$183, and the average length of stay in days was approximately a week. The average patient charge, starting with individuals 65 and over, was \$289 for those in the age range from 65 to 74; \$280 for those in the age range from 75 to 84; \$296 for those in the range from 85 to 94; and \$230 for those in the range of 95 and over. These higher average costs confronting older persons are of greater significance when related to the income sources from which payments for this hospitalization were made in 1958.

The information from this survey of hospital patients divides them according to race and sex. An analysis of the income sources for each of the four groups reveals that in addition to private resources a number of other sources are significant. Commercial insurance and Blue Cross were not the major means utilized; it was necessary for these older people to draw on city and county welfare as well as on free services to meet the payments for hospitalization.

It may be concluded, from the information that has been brought together from various statistical releases and past studies, that it is difficult to make a complete analysis of the retirement income status of older people in Florida or of the total budgetary needs of these people and the extent to which they are able to meet the costs of medical and nursing care and hospitalization. The information available indicates, however, that older people in recent years have had to lean heavily on public sources to meet the costs of hospitalization, and at the present time many do not have adequate resources to purchase the type of nursing and rehabilitation care that is needed. It is also evident that the per capita incomes in the majority of the counties receiving substantial quantities of older people are far below the average for the State and even lower compared to the States from which many of these people come.

Florida welcomes older people, but our State development commission and other State leaders have frequently pointed out that those persons having insufficient or inadequate means to finance their retirement should not break their home ties and come to Florida. Because Florida will continue to receive large numbers of older people who are seeking happy retirement years, the economic problem resulting from large concentrations of these people should be given careful study to assure that these new residents will have the services that adequate planning and foresight can provide.

Senator SMATHERS. Our next witness is Mrs. Margaret Jacks, who is supervisor of welfare services, State department of public welfare. Mrs. Jacks, I am going to ask that you take the microphone in the middle.

**STATEMENT OF THE FLORIDA DEPARTMENT OF PUBLIC WELFARE
GIVEN BY MRS. MARGARET JACKS, SUPERVISOR OF WELFARE
SERVICES, STATE DEPARTMENT OF PUBLIC WELFARE**

Mrs. JACKS. Thank you, Senator Smathers.

In the beginning may I express to you Mr. Frank Craft's regret that he couldn't be with you. I am to speak for the department. Mr. Craft is the director of the department but he is unable to be here for the department of public welfare.

Senator SMATHERS. Talk very slowly and distinctly.

Mrs. JACKS. I do want to make it clear that I can speak only for those persons in Florida who receive old-age assistance or public assistance of some kind.

The figures that I will give do relate to people who are getting public assistance from the State.

Senator SMATHERS. You are the supervisor of the welfare service program of the public welfare program of Florida?

Mrs. JACKS. Yes, sir.

Senator SMATHERS. Your testimony is going to relate almost directly with those people who need public assistance and who are on public assistance?

Mrs. JACKS. Yes.

Senator SMATHERS. Will you proceed?

Mrs. JACKS. We have, in Florida, as everyone knows, at present, a large number of older people. Of the people over 65 in Florida as of September 1961, there were 69,764 persons receiving old-age assistance.

In addition to this group there were 539 persons over 65 receiving aid to the blind. In that year, 1960-61, there were also 529 recipients of aid to the disabled transferred from aid to the disabled to old-age assistance.

That gives us some picture of the number of recipients of aged and disabled that are in the older age bracket.

Florida tries to meet the needs of these people, and I think we have to remember that all of these people are in need.

When I say they are in need, it means they do not have enough income with which to meet the standards that our department sets up and which are used in determining eligibility for public assistance.

Now, some of these people do have income of some kind.

I thought it would be interesting to you to know that of this group 3,600 do have some income from employment, 2,650 do have contributions from relatives, 8,150 have some kind of income. But since our standards are very basic standards this does not mean they have a lot of income. Actually, under our department standards a person needs approximately \$102 a month with which to meet their basic needs of food, shelter, clothing, et cetera.

Senator SMATHERS. Dr. Osterbind, who preceded you, indicated that he thought that people needed about \$184 a month. Your figure is \$102 a month.

Mrs. JACKS. As I said, these are very basic figures, Senator, and I would like to share with you if you would be interested, the amounts these include. I think they show how very basic they are.

Senator SMATHERS. When you say "basic," you mean minimum.

Mrs. JACKS. I mean minimum; yes, sir.

For example, our standard includes \$28.50 a month for food, \$7.25 a month for clothing.

Senator SMATHERS. Do you believe these people can get very full from eating on that program?

Mrs. JACKS. No, sir, I do not.

May I also add here, and this is of particular interest to the St. Petersburg group—many of the older people in St. Petersburg take their meals in restaurants for they either do not have cooking facilities or they find it very hard to prepare their own meals.

Senator SMATHERS. I would just say \$28.50 a month for food and divide it down to 30 days in the month and one meal a day, you wouldn't have very much.

Mrs. JACKS. I was just going to say we do add a small amount of \$9.75 to the basic food allowance if a person must eat in restaurants. So it gives them a little more. But, frankly, I do not think this provides a sufficient amount.

We know this, however, the amount of money we have for our program does not permit an increase. As to the restaurant problem at this time we are working on it, and we hope it will be increased.

Moving ahead on these figures we include in the budget a figure of \$7 for incidentals. Remember that this amount on incidentals has to cover everything, such as transportation, haircuts, and recreation, contributions to the church or anything a person wants to use it for. We also include an item of \$9.80 for household expenses. This must cover such things, if they have their own home or their own apartment as household incidentals, such as cooking fuel and heating fuel and refrigeration, lights, and those things that you must have to maintain a household.

We include in our standard an item for shelter, such as rent or if they own their home mortgage payments or the upkeep on the house up to \$50 a month.

These are the figures we use, you see, in establishing that \$102 figure.

May I point out these standards, because they are basic, do not include many of the things that most of us expect to spend money for.

Now on the part of medical care, the department does also provide hospitalization for the acutely ill or injured, and prescribed medicines. These must be prescribed by a physician and cannot be patent medicine bought from the shelf of the drugstore.

We also have a program for the payment of nursing home care of \$100 a month. We recognize this \$100 is not adequate.

Our department in 1955, in conjunction with the State board of health established that \$150 was a minimum figure for the cost of nursing home care. Recently we updated that study and now find that \$175 a month is a very reasonable figure to expect to have to pay for the average nursing home patient. But money limitations being what they are we can pay only \$100. We do say this should be increased.

Senator SMATHERS. Would you explain to us today, with respect to the public assistance program, how much of the money is provided by the Federal Government to Florida's program and how much is provided by the State government and local government?

Mrs. JACKS. Of all the Federal program? I am glad you asked this question.

Of all the program, the entire Florida public assistance program, of the moneys used, the dollar is divided into 71.4 Federal funds and 28.6 State funds. It is interesting that moneys used for the old-age assistance is almost exactly that same percent; 71.9 is the amount of the dollar that goes for old-age assistance, grants which the Federal Government gives, as against the smaller amount in the State funds.

Senator SMATHERS. So, in fact, the Federal Government provides almost three-quarters of the public assistance fund which is today being used in Florida?

Mrs. JACKS. Yes, sir.

Senator SMATHERS. And it is your judgment, as I understand it, that that is not enough or even adequate to take care of the needs of these people that are on public assistance?

Mrs. JACKS. I think I have left out one very vital point, and that is although our standard provides for \$102 our assistance grants are limited by law to \$66 per month. The old-age assistance grants or the grants in all the adult categories is limited to a maximum of \$66 per month.

Senator SMATHERS. Who limits that to \$66 a month?

Mrs. JACKS. That is limited by State law.

Senator SMATHERS. By State law, not Federal?

Mrs. JACKS. That is right.

Senator SMATHERS. If there is to be any relief for this particular area primarily it will have to be done by the State?

Mrs. JACKS. I think that is true. Although I would like to say this, I would not attempt to explain the Federal matching formula, but there is a point beyond which we would not receive Federal matching. In general, I do think that Florida needs to look very closely at what it is doing for the older citizen.

One of the problems in Florida is—

Senator SMATHERS. What it is doing or what it is not doing?

Mrs. JACKS. What it is not doing and what it is doing, too. I think it is what we are doing too, because may I say here in addition to granting financial assistance, our department does provide services. This should have great meaning to all persons interested in older persons, for money is not the only thing they need.

Senator SMATHERS. Right. The public assistance programs are for those people who actually are greatly in need and qualify on the basis of need.

Mrs. JACKS. That's right. They do not have enough income to meet these standards which we have established from any source.

Senator SMATHERS. Let me ask you this with respect to the future. Are the numbers of people in Florida now on public assistance increasing or decreasing?

Mrs. JACKS. For several years we reached a plateau on this and varied only a few hundred back and forth. In the last year the number has increased.

Senator SMATHERS. It has increased?

Mrs. JACKS. It's increased. It is beginning to increase.

I think part of this is due to the general increase of older persons in Florida.

You know we have a 5-year residence requirement in Florida. In other words, a person must have lived in Florida 5 out of the last 9 years including 1 year immediately preceding application to be eligible for old-age assistance in Florida. And this we take advantage of in Florida because of the large numbers coming into Florida. Because there is such need for assistance of many of the older people in Florida and they are gradually establishing their residence requirements, I think there will continue to be an increase.

Senator SMATHERS. Would you say overall from your experience that actually as more and more people fall into the provisions of the social security program it is logical to conclude that less and less people will need to receive assistance under the public assistance program?

Mrs. JACKS. That is true, and I would make a correction to the written statement which we made to your committee. On page 2 we made the statement that approximately 33 percent of these old-age assistance recipients also receive social security benefits. That figure, the last count we have since this was prepared for the October meeting, is 37 percent.

So there are approximately 37 percent of these persons who receive old-age assistance and old-age insurance benefits.

Senator SMATHERS. What percentage of those who receive benefits under the public assistance program are widows or women. Do you have any figures along this line?

Mrs. JACKS. I am sorry; I don't have that figure.

Senator SMATHERS. Is it your impression that they outnumber the men who are receiving benefits?

Mrs. JACKS. I am sure it is.

We are currently in our department making a study and it will give us the figures but will not be completed yet for about 2 months. This will be available but I certainly would be under the impression that that this is true from my experience in working in this program.

Senator SMATHERS. All right; thank you. Are there any questions that you gentlemen have?

Mrs. JACKS. You have our report.

Senator SMATHERS. Yes. I might say for the benefit of all witnesses that we are going to put in the record in full, the report as given.

STATEMENT OF THE FLORIDA DEPARTMENT OF PUBLIC WELFARE, GIVEN BY MRS. MARGARET JACKS, SUPERVISOR OF WELFARE SERVICES, STATE DEPARTMENT OF PUBLIC WELFARE

Florida, with 11.2 percent of its population 65 and over, ranks fifth in the country in the percentage of older persons in the population. Many of these persons are natives of, or longtime residents of Florida. However, with its moderate climate, sunshine, and relaxed outdoor living, Florida holds promise of a satisfactory retirement setting to many older people. This is testified to by the tremendous increase since 1950 of 132.9 percent of the number of older persons in the State reported in the 1960 census—higher by far than the national increase of 34.7 percent.

Many of these retired persons come to Florida with adequate resources. Some depend on retirement income with limited additional resources with which to meet their financial needs. For many, life in Florida is very different from life in their home State. Some make the adjustment to this different way of life easily and with a minimum of trauma. Some do not.

For the individual who has difficulty in adjusting because of this very different way of living, or for the individual who because of fixed income and rising cost of living, occurrence of illness, and high cost of medical care, or for other reasons find themselves in financial need, Florida does offer some services and financial assistance.

Old-age assistance, financed through State and Federal funds, is available for needy persons 65 years of age and older who have resided in the State for 5 out of the last 9 years, including the 1 year immediately preceding application. Eligibility for old-age assistance entitles the individual to a money grant up to \$66 a month, plus hospitalization for 30 days in any one year for acute illness, plus prescribed medicines.

For those persons who because of continuing chronic illness must be cared for in nursing homes, limited payments up to \$100 a month are made to the vendor of this form of care.

An evaluation of Florida's old-age assistance program, however, makes it clear that while this program is of assistance to many persons, there still exists situations in which the limitations of the old-age assistance program and the lack of other programs in the State result in unmet needs for many of our senior citizens.

There are approximately 70,000 recipients of old-age assistance in Florida. The average amount of financial aid needed by these recipients, according to our State department standards of assistance, is \$50.69 monthly. Old-age assistance provides an average of \$47.31 of this amount. This results in an average unmet need of \$3.38. These figures do not include the need for or cost of medical expenses.

Statistics, however, must be broken down and evaluated in order to understand what is happening to many individuals within the group. Our State standards of assistance include items for food, clothing, personal incidentals, household incidentals (including the cost of heating, refrigeration, lighting,

and household supplies) and an amount for shelter on an as-paid basis up to established maximums. According to these standards, an individual actually needs \$102.55 per month in order to maintain himself in dignity and health. These standards, however, do not provide for many incidental expenses such as payment for a telephone, insurance premiums, transportation, laundry, etc., except as these may be purchased out of the personal incidental expense item of \$7 a month. The item for heating (\$1.50 per month) and lighting (\$2 per month) included in the household incidental item is woefully small. Even those individuals who through a combination of the maximum old-age assistance grant of \$66 and additional income have sufficient income to meet these standards find themselves restricted in many ways in maintaining a satisfactory standard of living. Particularly is this true in St. Petersburg where we have reports which verify that the State standards for food, shelter, and household expenses do not provide an amount sufficient to meet the needs of recipients in that community.

For those individuals who do not have any income except their old-age assistance grant, the maximum of \$66 a month is totally inadequate. Of the 70,000 recipients of old-age assistance in Florida, approximately 33 percent receive both old-age assistance and social security benefits. There are 278,993 individuals in Florida receiving OASDI benefits who are not receiving public assistance. The extent of their financial need has not been established. For persons who are not eligible for old-age assistance because of the residence requirement, there is some assistance available from the county governmental units. To provide assistance to needy persons with 6 months' to 1 year's county residency, and 1 year State residency, most counties appropriate welfare funds to be administered either through established county welfare departments, or where these do not exist, to be administered by county commissioners. This assistance is limited in most instances to help given to unemployable or chronically ill persons, and except in those counties where there are established county welfare departments, such assistance is not provided on a regular on-going basis but is provided only in emergent situations. Also, in the majority of these counties the amount of assistance thus provided is below the standard amounts provided by the State department of public welfare.

One of the greatest needs in this State to assure the comfort and care of older persons is a comprehensive plan for medical care including preventive medical care, the on-going services of a physician, home nursing service, and good care in a nursing home where this is required.

There are outpatient departments where continuing medical care is available to the medically indigent in 23 counties. In some other counties hospitals do maintain an outpatient clinic but only for emergency situations. Some medical care for special groups is available through county health clinics. This is limited, however, to the services provided through 24 tumor clinics which serve the State on a regional basis, and 20 cardiac clinics which serve these communities in which they are located. Diabetic patients also can obtain insulin at State expense through county health clinics, but this service is frequently limited by the appropriation made for this purpose.

Eligibility for care in these outpatient departments and clinics depends on the definition of each as to medical indigency of the person requesting care and usually also on county residence requirements. For those individuals who are not eligible for such care, or in counties where there are no clinic facilities, medical care must be obtained from a private physician. Requirement for payment then depends on the physician's individual interpretation of the indigent status of the patient and the degree to which the individual physician is willing to provide his services without payment.

In Dade County and Pinellas County the services of a physician is provided by the county to visit persons in nursing homes. In most counties having clinics, however, even bedridden patients must be taken in to the clinic by ambulance for any medical service needed.

It has been reported to our department by many older persons that they frequently fail to obtain needed medical care because of their unwillingness to request free medical care; their embarrassment and feeling of degradation at having to make such a request, and their fear of refusal.

Currently the State department of public welfare is providing hospitalization for acutely ill or injured recipients of public assistance. Nine hundred and ten patients, or 1.31 percent of the old-age assistance caseload, received on the average of 9.9 days of hospital care in July 1961. The average daily cost of care was \$24.59. The cost per person was \$246.08. For that same month 24,192

recipients, representing 34.70 percent of the caseload, received 91,056 prescribed medicines at an average payment of \$3.98 per prescription. The average payment per case was \$14.99.

Vendor payments for nursing home care were made in behalf of 3,136 old-age assistance recipients which represents 4.5 percent of the old-age assistance caseload.

Figures are not available on the number of persons who received these same forms of medical care but paid for entirely by State and/or county funds. It seems safe, however, to assume that these figures can be projected on the population over 65 with respect to need for medical care. A thoughtful appraisal of these costs graphically illustrate the necessity for some provision for assisting the senior citizen in meeting the cost of his medical care. The majority of persons whose income is limited to the average monthly social security payment in Florida of \$76.22 cannot hope to meet these costs of medical care. In a sense the recipient of old-age assistance in Florida is in a better position than the person who receives only social security benefits, for the old-age recipient does have these services provided for him, since Florida did not elect to participate in the program of medical assistance for the aged.

People usually prefer care in their own homes, and there should be services in every community which can be used to assist the older person in remaining at home as long as possible. Such services are not available in the majority of Florida communities. For example, a homemaker service is regularly available in only three communities, and where this is available the service is connected with a specialized welfare agency, is used primarily for meeting the needs of young families, and is available to the older individual only to a very limited extent. The services of a visiting nurse are available in only 13 of the 67 counties.

When an infirmity or chronic illness makes it necessary for the older person to be cared for in a specialized facility, there should be adequate numbers of various types of living arrangements to allow for individual planning, depending on the desires and needs of the specific person, and there should be money available with which to pay for such care.

In Florida there are 259 nursing homes and 82 homes for the aged licensed by the State board of health. By far the large majority of these are proprietary in nature. While the quality of care provided in these homes has improved vastly in the 8 years since licensing program became mandatory, much more improvement is desirable. One major factor which impedes this improvement program is the limited funds available for purchasing care for indigent patients in these homes. Studies that have been made on cost of care and cost figures submitted on cost of operation by individual nursing homes, while not establishing the specific costs of care for particular types of illness, do establish that nursing homes complying with the licensure standards of the State cannot provide care on the average for less than \$175 a month.

The program of the State department of public welfare which provides for vendor payments for nursing home care for recipients of old-age assistance can meet only \$100 per month of this cost of care. In a number of counties, this \$100 is supplemented out of county funds but such supplementation is not universally available. For those persons not eligible for old-age assistance, the entire cost of such care must be met out of county funds. In many situations, the resources of the individual, contributions by relatives, and even friends are sometimes available to supplement payments made out of public funds, but because of the high cost of care and the length of time that many of these patients must receive care, these resources may be quickly depleted. There is, therefore, urgent necessity for more adequate appropriations to meet the cost of good institutional care.

This is a problem which will doubtless increase as time passes because of the increased average age of recipients of old-age assistance. In 1953 the average age of our old-age assistance recipients in Florida was 73. In 1960 the average age had gone up to 74. With increased age, there can be an expectation of increased chronic illness as well as increased incidence of acute illness.

A report completed by the Citizens Medical Committee on Health in 1959 states that 15 percent of those persons in nursing homes at that time could be cared for at home with some personal assistance. An additional 5 percent could be cared for outside of the nursing home if services of a visiting nurse were available. Considering both the additional cost of maintaining a patient in a nursing home, plus the added value of permitting the elderly person to live where he is happiest, marks the urgency of developing more auxiliary home

services in Florida, both for those persons who have income with which to purchase such services and for those for whom the services must be provided by the community.

For the aging person there may be many problems not strictly related to income maintenance but which nevertheless have a serious bearing on his happiness. This is particularly true in Florida where so many people are removed from their families and friends of their early and middle years. These are problems of loneliness, of personal insecurity resulting from separation from family and friends, a feeling of worthlessness, a feeling of being unwanted and unnecessary to our current way of life.

Realistically it must be recognized that persons with sufficient income can sometimes do something about some of these problems. They have the financial means to purchase goods and services which to a degree lessen these problems. For example, financial security is frequently accompanied by continued social status but may not necessarily be so. Travel, freedom of choosing recreational opportunities, freedom in determining where and how to live, freedom to make decisions without respect to cost, can make the life of the older individual less fraught with many of the problems that face the older person with limited income.

Restricted financial resources limit the opportunities of choice of the individual. They limit the resources available to him unless these are provided by the community. Therefore, careful appraisal needs to be made of those services which may be needed by the older person to help him in his adjustment to the aging process. They should be developed in such a way that they are available to all persons irrespective of income.

Decent housing adapted to the special needs of the aging person should be available at a reasonable cost. There should be opportunities for purposeful activities in the field of adult education and recreation. Particularly needed is a counseling service for those older persons with social and emotional problems with which they cannot cope. Friendly visiting for the shut-in is a specialized service which is important in helping to preserve the security of the older person and in helping to keep him from becoming isolated from community life, both physically and socially.

These services offer the senior citizen an opportunity for a better life with fuller and more satisfactory existence during the latter years. We have spoken of the ability of some individuals to purchase services. Money, however, cannot buy services unless they exist in the community.

It is important that communities and younger individuals appreciate the continued worth of the older individual to society. In our monied world, we are too prone to equate the worth of the individual with his ability to earn. Too frequently we accept that the person who in his old age must have financial help has little status. In our democracy there should be no question of the worth of the individual just because of his age and financial status. We express a belief in the worth of the individual by making a place for him in our society, by recognizing his needs and providing for the meeting of those needs in a way which preserves the individual's dignity and integrity by giving him the opportunity of making choices and decisions for himself as long as he is capable of doing so.

However, we in Florida, while recognizing our responsibility for providing services to our senior citizens, also recognize the responsibility of the individual for himself.

That each should have a share in planning for meeting his own needs is basic to his dignity and respect. For this reason it should be recognized that impetus must be given for developing both public and retirement programs. This will permit each of us as we grow older to help in carrying our share of the responsibility for meeting our own needs in our retirement years, secure in knowing that to the extent we cannot, these needs will be met for us.

Senator SMATHERS. Our next witness is Dr. Irving L. Webber, research social scientist, Pinellas County Health Department, and professor of sociology at the University of South Florida.

Dr. Webber has an active interest about the problems of retirement over many years. In fact as early as 1950 Dr. Webber published a very important study of the retired population of St. Petersburg. He is presently a fellow of the Gerontological Society. We are happy to have you.

STATEMENT OF DR. IRVING L. WEBBER, RESEARCH SOCIAL SCIENTIST, PINELLAS COUNTY HEALTH DEPARTMENT, AND ASSOCIATE PROFESSOR OF SOCIOLOGY, UNIVERSITY OF SOUTH FLORIDA

Dr. WEBBER. It is a real privilege to be able to be here today and to have had an opportunity to file a formal statement with the subcommittee and be able to make a few supplemental remarks about the highlights of this testimony.

As you know, we have with us this morning, Dr. Carter Osterbind, and I am going to regard him as a resource in case any technical questions arise that I can't handle, since he has functioned as one of the consultants to our study of the health of older people here in the Pinellas County Health Department ever since its inception.

I would like first of all, I think, to stress something that has been mentioned again and again this morning, and that is the unusual nature of St. Petersburg and Pinellas County with respect to older people and, more specifically, with respect to retirement.

Now, the survey of the representative sample of people 65 and over, which was carried out in 1959 and which is reported in some detail in my statement, provided some useful, and in some instances we thought rather surprising, insights into the social characteristics and social situations of the people that were interviewed.

We learned, for example, that the older people in the county are predominantly retired. Less than 12 percent of the white men in our sample were working in paid employment compared with 33 percent of the men age 65 and over around the country in the same year. Now, inasmuch as almost as high a proportion of these white men said they considered themselves retired, it seems evident that few of these people were in the labor market at all.

A second finding that proved to be of much interest to us was the very large share of the people we interviewed who had moved to Pinellas County within recent years and of course the correspondingly small share who had been longtime residents. For example, 65 percent of these people had lived in the county less than 10 years, and 86 percent less than 20 years. It was striking also that much of the movement had occurred at relatively late ages.

I can illustrate this by taking a look at the 444 white men and women who were aged 75 to 79 at the time we interviewed them. Actually one-fourth of these people had come to the county after the age of 70 and well over half had made this change in residence after passing their 65th birthdays. Our data show that about a third of all the migrants last resided in the East North Central States—that is, Ohio, Indiana, Illinois, Michigan, and Wisconsin—and that a little more than three-tenths of all our migrants had come into this county from the Middle Atlantic States—Pennsylvania, New York, and New Jersey.

You may have noticed that in discussing the migration which accounts for our large numbers and proportions of older people, I limited myself to giving facts about white people, and this is because the Negro elderly have for the most part been long-term residents either of the county or State and do not comprise a part of this large stream of migrants.

Now an important observation needs to be made, I think, about Pinellas County and its older people. The cities in the county have

as perhaps their most important function that of serving as residences for the retired. The closes parallel as to city functions can be found in the suburbs of some of the larger metropolitan areas where we have suburbs which are mostly bedroom cities. Some cities revolve around the iron and steel industry or the transportation industry. Here in this county our cities tend to revolve around the function of providing housing and services to people in the later ages of life.

You might say this is a big industry. This is the industry in Pinellas County.

Now, people who study population have known for a long time that people who make long-distance moves don't represent a cross section of the population but are rather a selected category; that is, the people who make such moves differ from the average person in certain systematic ways.

We are studying our data in an effort to learn more about the special characteristics of the older people who leave their old homes, travel a thousand miles or more, and in many cases much more, and then undertake to reestablish themselves in a new community, a community with a mild climate such as Pinellas County. Although this investigation is still underway, we now have good evidence regarding certain of these characteristics. In other words, what I am approaching here is the question, How are the people who migrate to the county different from old people around the country generally?

It is clear, for one thing, that there are many more men among the migrants than there would be if we had a cross section. In the United States in 1960 there were only 83 men per 100 women aged 65 and over, and in our county there were 127 men per 100 women among those white persons who had lived here less than 5 years—in other words, the last 5 years' batch of migrants—and 104 men per 100 women among those with from 5 to 9 years in the county. Another thing, it is quite evident that the educational accomplishment of the migrants is greater on the average than that of the older people of the United States.

Senator SMATHERS. Did you say that educational accomplishments are greater than the average elderly group of persons around the United States?

Dr. WEBBER. Yes, sir; that is true.

Senator SMATHERS. That is a pretty good recommendation for the State and Pinellas County. Intelligent people will come here. Go ahead, Doctor.

Dr. WEBBER. Another interesting way in which these people who are migrants here differ from the national norm is with respect to their marriage status.

In the country as a whole in 1959, which is the year in which we did our study, about 51 percent of those who were 65 and over were married and living with their spouses, and 38 percent were widowed. In this county, on the other hand, of those migrated within the past 5 years, 77 percent were married and living with their husband and wife, and only 17 percent were widowed.

With regard to employment, the chances were less than one-fourth as great that a person who had moved to the county less than 5 years earlier would be working in a paid job than would have been true of the average older person in the Nation.

Senator SMATHERS. I wish you would say that over again. I personally am greatly interested. We have been trying to determine what amount of money elderly people should be allowed to earn and still be eligible for social security benefits. How much are we going to allow them to make through the year and at the same time receive their social security benefits without being penalized by deductions?

As you know, the earning limitation used to be \$600. I and other sponsors were successful in getting Congress to raise this amount to \$1,200. In the last session of Congress it was further liberalized on a sliding scale basis from \$1,200 to \$1,700, so that people can now draw their social security benefits and make certain amounts of money, not to exceed \$1,700, from the outside.

From the mail I receive, I find that there is a number of people that cannot live comfortably on social security payments by themselves. A number of those people are still active and vigorous. They would like to do part-time work but they do not want to work if they make themselves ineligible for social security payments. What they would like to do is have some part-time employment and at the same time receive their total social security payments. That is a matter we have before the Committee on Finance and Taxation. We have brought it up every year, and we will have it up next year. I am greatly interested in what you think of this particular problem. Should we try to increase the limits and still be eligible?

Dr. WEBBER. I think that the first thing that I have to point out to you is something which must be obvious by now, that we don't have the typical situation here in Pinellas County.

If the results of our survey are valid, and we think they are, apparently to a very large extent we are getting people who retire from a job and come down and are not planning to work, although some of them do.

We asked two questions that bear on this matter. We asked whether people were working for money, in paid employment, and we also asked them whether they considered themselves to be retired.

Now, there was a little gap between these. There were some people who did work and considered themselves retired, and some who did no work and didn't consider themselves retired, but not many were involved.

Getting back to the question you raise, this is a very difficult one to deal with, as I am sure you are aware from the testimony you have heard.

My sympathies tend to lie with the retired person who finds his income is inadequate or finds that he simply isn't satisfied to sit, so I would like to see the legislation make it possible for him to engage in employment without being penalized.

Now, as to the economic side, I am not an economist, and I don't feel that any recommendation that I would make would be very useful.

In looking at it as a sociologist, which is my training, I would say that people need to be active in most cases. In this society to work without being paid doesn't make very good sense. So we really ought to try to do what we can to make it possible for people to stay active by doing work for which they are being paid.

Does that deal with your question?

Senator SMATHERS. Your recommendation generally is that you think they should be permitted to work if they need to work and want to work. But the question is, How much we should let them make? I would like to see the earning limitation raised to \$2,400 a year. The Treasury wrote back that cost would be in the neighborhood of \$4 million. That put an end to that in a big hurry. I think all of us that want to work should be permitted to work and still get social security benefits. There are very few that can live adequately on the social security benefits alone.

Dr. WEBBER. If time permits I would like to take a moment more to summarize briefly the income information.

As you recall, it was gathered in the course of an interview survey in which we were in contact with over 2,500 people 65 and over who constituted a representative sample of the population of the county.

Now we found a range of annual income from less than one-fiftieth of those interviewed with no reported income at all to one-seventh with \$5,000 a year or more.

The largest number of couples and individuals received from two to three thousand dollars annually, and they made up about a quarter of all the respondents.

The next largest number had incomes ranging from three to five thousand dollars, and they comprised about one-fifth of the sample.

By cumulating percentages in these various classes of income it was learned that about 12 percent had less than a thousand dollars per year; about 38 percent, less than \$2,000 per year; 63 percent, less than \$3,000; and 85 percent, less than \$5,000 per year.

Another thing that was very clear as our analysis proceeded is that the income of older Negro people is much, much lower than that of whites. This can be indicated pretty dramatically by showing that whereas 8 percent of the white people reported income of less than a thousand dollars, nearly 47 percent of the nonwhites had no more than \$1,000.

Without attempting to say anything further with regard to the income data, I would like to close with the comment that it is not very useful to look at income data without having a look also at the other side of the coin, which is need. You have got so much income. Is it adequate? This requires that we look at what the needs are so that we can measure one against the other. In this particular study we have not been able to do that, but there are indirect ways in which it may be done later.

The other point is that we are not able as yet to compare these incomes with those for the country as a whole. When we can get the detailed income data from the 1960 census and perhaps some additional tabulations of our data, we will be able to give some indication as to whether the older people of Pinellas County are better off, or as well off, or not as well off as older people around the country generally.

Senator SMATHERS. Thank you very much, Doctor. I think when you get that information we will be most grateful if you will submit it to us as quickly as you can. Thank you very much.

STATEMENT OF IRVING L. WEBBER, RESEARCH SOCIAL SCIENTIST, PINELLAS COUNTY HEALTH DEPARTMENT, AND ASSOCIATE PROFESSOR OF SOCIOLOGY, UNIVERSITY OF SOUTH FLORIDA

My major purpose in testifying before the Subcommittee on Retirement Income is to present certain information about the income of older people living in Pinellas County, in which St. Petersburg is situated. In order to keep our data in proper perspective, it is essential first to outline the procedures followed in the field survey which yielded them and also to say something about the peculiarities of this county which make it atypical among counties in the United States so far as its elderly people are concerned but, at the same time, the prototype of retirement communities, those localities which, largely because of residential advantages, have attracted unusually large numbers of elderly migrants.

The facts about income reported below were gathered in a household survey conducted in 1959 in the course of an overall research and program-development project supported in part by grants from the National Heart Institute and originally entitled "A Comprehensive Public Health Program for the Aged." Briefly, the major objectives of this project are (1) to increase our knowledge about the health of the elderly and factors related to it and (2) to plan and evaluate services designed to satisfy or more nearly satisfy unmet health needs uncovered through our studies. It should be noted, therefore, that our investigations have been focused primarily on health and related social characteristics and patterns. Our interest in income is based mainly on its relationship to ability to provide medical care; ours is not an economic study per se.

METHOD

The household survey was carried out as a means of obtaining information about the health status, health needs, health-care practices, attitudes, social characteristics, and behavior patterns of the elderly. The population sampled for this purpose was limited to (1) persons aged 65 and over, (2) residing in Pinellas County, (3) who are not living in institutions such as homes for the aged, nursing homes, and hospitals, and (4) who had established residence in the county no later than July 1, 1958. In general, then, the findings discussed below are applicable to the elderly, noninstitutional population of the county except for tourists and visitors. Sampling of this population was accomplished by a method which involved two steps: First, a representative sample was drawn of all households in the county exclusive of institutions and certain special categories such as motels and, second, all persons satisfying the criteria already stated were then interviewed by fieldworkers who used a specially designed schedule of questions. There were approximately 6,500 households drawn into the sample in the first step, and these households included the 2,544 elderly individuals from whom detailed information was elicited.¹ Those interviewed comprised approximately 3.5 percent of the estimated population aged 65 and over as of the median month of the fieldwork.

All investigations of income and assets which depend upon undocumented responses are subject to certain limitations which are inherent in the method. In the first place, it is necessary for the respondent to recall the income payments he has received over a stated period, and his memory may be untrustworthy. Moreover, there may be either conscious or unconscious understatement or overstatement of the amount of the receipts; for example, persons in very modest circumstances may tend to report less than total income in order to call attention to their plight, or they may tend to report more than actual amounts in order not to cause dismay or pity on the part of the interviewer; on the other hand, persons with above-average incomes may hesitate to disclose them fully because of fears related to income taxes or other supposed threats. Additional problems may arise in delimiting satisfactorily the individual or household unit about which information is sought.

¹ More complete information about the sample design and survey procedures is found in Irving L. Webber, "Significant Socioeconomic Factors in Measuring Health Status and Health Needs," in Carter C. Osterbind, editor, "Aging: A Regional Appraisal," Gainesville, University of Florida Press, 1961, pp. 82-93. Some preliminary findings of the study relating to health are reported in the same volume in Howard W. Carter, "Measuring the Health Status and Health Needs of an Older Population," pp. 94-109.

THE COMMUNITY SETTING

In interpreting information about the older people of Pinellas County it is essential to understand that it is by no means a typical or average county. On the contrary, it occupies an almost unique position in terms of both the share of its people who are elderly and the share of these older people who are in retirement status. One in every four persons in Pinellas County is past 65 years of age (24.9 percent), compared with slightly more than 1 in 10 in Florida (11.2 percent) and less than 1 in 10 in the United States (9.2 percent), according to the 1960 census. The city of St. Petersburg last year had an even higher proportion of its citizens in the older category—28.1 percent, or nearly 3 in each 10 persons. This concentration was exceeded slightly in Miami Beach, Fla., (28.2 percent), but in 1960 no other city of 50,000 or more people in the Nation had more than 18 percent of its citizens in the 65-year-and-over category.

The explanation of this unusual situation is found in the considerable migration to the county of persons who are in or near the retirement ages. Calculations based on census data lead to the estimate that between 1950 and 1960 Pinellas County had a net migration of about 60,000 persons who were 65 years old or over on April 1 of last year. Thus the elderly population of the county in 1960 was about $2\frac{3}{4}$ times as large as it would have been, had there been no migration in these later ages.

One-third of the respondents in our sample had lived in the county less than 5 years; nearly two-thirds had been here less than 10 years. On the other hand, only 16 percent had made their homes in the county for 20 years or more, and less than 1 percent had been lifelong residents. About nine-tenths of the white men interviewed considered themselves retired. It is not surprising, then, that less than 10 percent of the respondents were working in paid employment; the figure for white men was 11.8 percent and for white women, 6.3 percent. The conclusion is clear, therefore, that this older population is to a high degree comprised of relatively recent migrants who made the move in their late fifties or afterward and who do not obtain a major share of their income from paid employment.

ANNUAL INCOME

Persons interviewed in the household survey were given an opportunity to indicate their approximate annual income by placing a checkmark on a mimeographed card handed to them by the fieldworker. As the card was given to him, the elderly person was assured of the confidentiality of his information in an effort to maximize the number and accuracy of the responses. The 2,437 respondents who supplied answers to the income item comprised 95.8 percent of the sample.

The definitions of "family" and "unrelated individual" employed in the present study differ somewhat from those adopted for use by the Bureau of the Census. The census term "family" refers to a "group of two or more persons related by blood, marriage, or adoption and residing together." "Unrelated individual" refers to "persons (other than inmates of institutions) who are not living with any relatives."² In the Pinellas County survey "family" refers only to married couples living together, while "individual" refers to persons living alone and to respondents living with any related or unrelated person or persons other than spouse.³

The annual income of families and individuals so defined was classified on a scale ranging from none to \$5,000 or more. One-fourth of the respondents reported receipts of from \$2,000 to \$2,999, while somewhat more than one-fifth had incomes of from \$3,000 to \$4,999. Those who had either no income or less than \$500 for the year made up 3 percent of the sample. On a cumulative basis, 11.8 percent received less than \$1,000; 37.9 percent, less than \$2,000; 63.3 percent, less than \$3,000; and 85.4 percent, less than \$5,000. Table 1 presents the detailed figures.

² U.S. Bureau of the Census, Current Population Reports, "Consumer Income," series P-60, No. 33, Jan. 15, 1960, p. 8.

³ These concepts of family and individual units were used because of our special interest in the two types of living arrangements as they are related to the health status, health needs, and health practices of the elderly residents. When census data on income become available, it will be possible to make comparisons with our findings by statistical manipulation of our data.

TABLE 1.—*Annual income of aged persons living as married couples and as individuals, Pinellas County, 1958-59*

Income	Number	Percent	Cumulative percent
None.....	33	1.4	1.4
Less than \$500.....	41	1.6	3.0
\$500 to \$999.....	214	8.8	11.8
\$1,000 to \$1,499.....	266	10.9	22.7
\$1,500 to \$1,999.....	370	15.2	37.9
\$2,000 to \$2,999.....	618	25.4	63.3
\$3,000 to \$4,999.....	540	22.1	85.4
\$5,000 or more.....	355	14.6	100.0
Total.....	2,437	100.0	-----

The usefulness of a comparison on the basis of race of the respondents is sharply limited by the small number of elderly nonwhites included in the sample. The figures in table 2 indicate clearly, however, that the 60 nonwhite persons who provided information had on the average decidedly less annual income than the whites. It can be seen that 65 percent of the nonwhites (almost all of whom were Negroes) reported receipts of less than \$1,000 yearly; this contrasts sharply with the 10.4 percent of the white persons whose income was similarly limited.

TABLE 2.—*Annual income of aged persons living as married couples and as individuals, by race, Pinellas County, 1958-59*

Income	White		Nonwhite	
	Number	Percent	Number	Percent
None.....	28	1.2	5	8.4
Less than \$500.....	35	1.4	6	10.0
\$500 to \$999.....	186	7.8	28	46.6
\$1,000 to \$1,499.....	255	10.8	11	18.4
\$1,500 to \$1,999.....	363	15.2	7	11.6
\$2,000 to \$2,999.....	616	26.0	2	3.4
\$3,000 to \$4,999.....	539	22.6	1	1.6
\$5,000 or more.....	355	15.0	-----	-----
Total.....	2,377	100.0	60	100.0

In general, the younger the respondents were, the greater was the annual income they reported. These findings for the white population are summarized in table 3. It will be observed that incomes of less than \$500 were received by 1.5 percent of those aged 65 to 74 and by 5.4 percent of those aged 75 and over; that 17.8 percent of those in the younger category had less than \$1,500 compared with 29.1 percent of those in the older category. The modal income class (that is, the class with the largest number of respondents) for both age groups was \$2,000 to \$2,999, however, and almost as large a proportion of those in the older category as in the younger had incomes of \$5,000 or over.

TABLE 3.—Annual income of aged white persons living as couples and as individuals, by age, Pinellas County, 1958-59¹

Income	65-69		70-74		75-79		80-84		85-89		90 and over		65-74		75 and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
None.....	4	0.5	2	0.3	6	1.4	10	5.0	4	6.2	2	15.4	6	0.4	22	3.0
Less than \$500.....	4	.5	14	1.7	10	2.3	4	1.9	2	3.0	1	7.7	18	1.1	17	2.4
\$500 to \$999.....	40	4.6	65	8.3	43	9.9	23	11.5	12	18.5	2	15.4	105	6.3	80	11.3
\$1,000 to \$1,499.....	69	7.9	97	12.4	45	10.5	37	18.4	4	6.1	2	15.4	166	10.0	88	12.4
\$1,500 to \$1,999.....	110	12.6	137	17.4	69	16.0	37	18.4	8	12.4			247	14.9	114	16.1
\$2,000 to \$2,999.....	244	28.0	206	26.3	107	24.8	39	19.4	13	20.0	4	30.8	450	27.2	163	23.0
\$3,000 to \$4,999.....	232	26.6	174	22.1	90	20.9	27	13.4	13	20.0	1	7.7	406	24.5	131	18.4
\$5,000 or more.....	169	19.4	90	11.5	61	14.2	24	12.0	9	13.8	1	7.7	259	15.6	95	13.4
Total.....	872	² 100.1	785	100.0	431	100.0	201	100.0	65	100.0	13	² 100.1	1,657	100.0	710	100.0

¹ N equals 2,367.² Because of rounding, percentages do not total 100 percent.

The data also reveal a tendency for the oldest people in the sample to have somewhat lower incomes. Of the 78 white persons who were 85 years of age or over, 11.5 percent had less than \$500 and 29.5 percent had less than \$1,000 per year. On the other hand, 12.8 percent of these oldest respondents fell in the \$5,000-or-over bracket and thus compared not unfavorably with those who were 65 to 74 years of age.

The association of income and age revealed by these figures is probably related to certain national economic trends. There has been an upward movement in the salary levels on which pensions are based, and the amount of benefits under the old-age, survivors, and disability insurance program has been increased from time to time. It is also likely that in some cases older persons have had to liquidate income-producing assets in order to pay living expenses, medical costs, or to make other emergency outlays.

Since approximately one-fifth of the elderly persons interviewed were living by themselves in one-person households, it seems important to look at the income of these people separately. In the case of the white persons in our sample, 476 individuals, 20.6 percent of the white respondents, resided alone. It can be seen from table 4 that the modal income class was \$1,000 to \$1,499 but that the number of persons enjoying income of that magnitude was only slightly larger than the numbers reporting amounts of \$500 to \$999, \$2,000 to \$2,999, and \$1,500 to \$1,999. Annual income of less than \$1,500 was received by 41.6 percent of these persons living alone; of less than \$3,000 by 77.7 percent. Approximately 10 percent of these individual householders had \$5,000 or more yearly as income.

TABLE 4.—Annual income of aged white persons living alone, Pinellas County, 1958-59

Income	Individuals living alone		
	Number	Percent	Cumulative percent
None.....	8	1.7	1.7
Less than \$500.....	8	1.7	3.4
\$500 to \$999.....	90	18.9	22.3
\$1,000 to \$1,499.....	92	19.3	41.6
\$1,500 to \$1,999.....	82	17.2	58.8
\$2,000 to \$2,999.....	90	18.9	77.7
\$3,000 to \$4,999.....	60	12.6	90.3
\$5,000 or over.....	46	9.7	100.0
Total.....	476	100.0	-----

Of all respondents of the white race in the study, 1,482, or 59.7 percent, were residing in two-person households consisting of man and wife only. It is this segment of the sample, comprising nearly three-fifths of all persons interviewed, whose income is tabulated in table 5. In the first instance the income reported as that of the family unit of two persons is presented. In the second part of the table, however, an effort is made to approach the question of the income received by each individual in the husband-and-wife households. Under "per capita income" are arranged the figures obtained when the arbitrary assumption is made that each of the married persons received half of the family income.

TABLE 5.—Annual income of aged persons living as married couples, white only, Pinellas County, 1958-59

FAMILY INCOME			
Income	Number	Percent	Cumulative percent
None.....	5	0.4	0.4
Less than \$500.....	3	.2	.6
\$500 to \$999.....	18	1.2	1.8
\$1,000 to \$1,499.....	99	6.9	8.7
\$1,500 to \$1,999.....	214	14.8	23.5
\$2,000 to \$2,999.....	439	30.5	54.0
\$3,000 to \$4,999.....	407	28.2	82.2
\$5,000 or over.....	256	17.8	100.0
Total.....	1,441	100.0	

PER CAPITA INCOME (FAMILY INCOME (2))			
None.....	5	0.4	0.4
Less than \$250.....	3	.2	.6
\$250 to \$499.....	18	1.2	1.8
\$500 to \$749.....	99	6.9	8.7
\$750 to \$999.....	214	14.8	23.5
\$1,000 to \$1,499.....	439	30.5	54.0
\$1,500 to \$2,499.....	407	28.2	82.2
\$2,500 or more.....	256	17.8	100.0

When the figures in table 5 for per capita income are compared with those in table 4 for individual income of those residing alone, it can be observed that those in neither household category are markedly better off than the others. The proportions reporting less than \$500 per year are 3.4 percent for the single persons and 1.8 percent for the individual married persons. Nevertheless, the percentages having less than \$1,000 are substantially equal. The share of the married regarded as separate individuals whose incomes amounted to more than \$1,500 annually was 46 percent; for the single householders, the corresponding figure was 58.4 percent. It must be remembered in considering this analysis, however, that the division of family income into two equal parts is an artificial procedure which is useful only within the limited framework of approaching the question whether the married couples are decidedly superior or inferior in terms of income to persons living alone.

SOURCES OF INCOME

In addition to indicating the class into which their approximate annual income fell, those interviewed were given an opportunity to specify the sources from which they received income. A total of 1,991 persons cooperated by providing information about such sources; they made up about 78 percent of the respondents. The present discussion is limited to a consideration of "most important source of income," that is, the source from which each individual stated he received the largest share of his income.

Almost half of the respondents (46.4 percent) gave social security (old-age, survivors, and disability insurance) as their most important income source. The second item in frequency was pensions and annuities, given as the most important by 27.4 percent of those questioned. The remaining "most important sources" in order of decreasing frequency were rentals and leases (7.1 percent), dividends and interest (6.7 percent), wages and salaries (5.8 percent), State welfare, comprising old-age assistance and other Federal-State assistance programs (3.4 percent), relative or friend (0.9 percent), other (0.6 percent), county welfare (0.2 percent). An additional 1.6 percent who responded to the item in question had no income.

It should be kept in mind that typically respondents received their income from more than one source; therefore, the specification of the most important of these sources should not be interpreted as indicating that those named were the only income sources of the respondents in question.

INCOME AND NEED

The amount of income received and the sources from which it comes may be looked upon as one side of the coin that we have been examining. The other side of that coin is need, that is, the amount required by the elderly person for food, shelter, clothing, medical care, recreation, and other purposes. In the foregoing discussion it has not been possible to present a balanced picture because a measure of need was not available. But it should be understood that income and need are complementary and that, as a result, care must be taken in reaching conclusions on the basis of the present data unless adequate budgetary information is at hand.

Senator SMATHERS. Now, ladies and gentlemen, our next witness is Mrs. Betty Phillips, who is the older worker specialist of the St. Petersburg, Fla., State Employment Service, Florida Industrial Commission.

After we hear Mrs. Phillips we are going to have sort of an innovation. We are going to have some newspaper people who have made, you might say, a partial career of concerning themselves about the problems of elderly people. They are coming up and we are going to ask them for their views and their information following Mrs. Phillips.

Mrs. Phillips, we are delighted to have you.

STATEMENT OF MRS. BETTY PHILLIPS, OLDER WORKER SPECIALIST, FLORIDA STATE EMPLOYMENT SERVICE, ST. PETERSBURG, FLA.

Mrs. PHILLIPS. Thank you, Senator Smathers.

You have my prepared statement and I feel it is rather comprehensive as far as the assigned topic is concerned. It is detailed under three main headings: the need for employment among people 65 years of age or older, the problems we are confronted with in finding jobs for all these people, and certain recommendations that might help promote jobs for them.

Reviewing for a minute, the fact that out of a population here in St. Petersburg composed of 28.1 percent over 65, only 8 percent of our applicants are 65 and over, together with my experiences in working with these people, leads me personally to believe that the problem of employment for the retired person is not as tremendous as we sometimes make it out to be.

I feel very strongly that if people had adequate income from other sources, they would be able to accept and adjust to retirement. We hear much about this adjustment to retirement.

As you know I am sure, our program under the Department of Labor deals with or is set up to serve job applicants 45 years of age or older not only the retired worker, and it is with the 45 to 64 age group that we accomplish the most.

I believe that if we can do this part of our job, intensify our work in behalf of the men and women in their middle years, we will be doing a great deal to alleviate the situation of people in retirement and afford them the opportunity to enjoy their retirement years.

Actually only 4 or 5 percent of our firms in Florida, according to a survey we made prior to the White House Conference, have pension plans with mandatory retirement.

However, we do have a large group of immigrants from other States who have been forced into retirement.

I feel that if we can implement some of the recommendations that came out of the White House Conference on Aging, such as the extension of private pension plans to provide retirement income, being certain that they are not the types of plans that impose barriers to the hiring of workers at age 45, 50, or 55, the inclusion of vesting provisions in these plans, and get the cooperation of employers to establish personnel policies to keep people in jobs as long as possible, instead of putting them out on the labor market to seek new jobs after retirement, we will alleviate the great need for people to seek jobs in their later years.

I think this takes care of what I have to say. We are running overtime.

Senator SMATHERS. We will make your statement a part of the record. What you have to say is very helpful. Next year the Congress will take up the problem of trying to provide employment opportunities for those who are 65 and over.

Thank you very much. It was very nice of you to come.

STATEMENT OF MRS. BETTY PHILLIPS, OLDER WORKER SPECIALIST, FLORIDA STATE EMPLOYMENT SERVICE, ST. PETERSBURG, FLA.

The need for employment among people 65 years of age and over

The 1960 census reveals that out of a population of 181,298 in St. Petersburg, Fla., 50,868, or 28.1 percent are 65 years of age and over.

According to the records of the St. Petersburg local office of the Florida State Employment Service, 7 to 8 percent of the people seeking work are 65 years of age and over. Between 30 and 35 percent of these are women; retired working women, wives seeking work to supplement their husband's retirement incomes, and widows with little or no income at all. Only about 15 to 20 percent of these older workers have handicaps over and above that of age. Only about 10 percent of them are placed, about half of which are women.

In relation to the overall activity, persons 65 years of age and over represent only 1 to 2 percent of all the placements made by the Florida State Employment Service.

It is difficult to say how significant these figures are because no statistical survey has been made to determine just how many men and women over the age of 65 really want or need employment, nor of how many have been satisfactorily placed on jobs. By that I mean, have been placed in jobs that provide them with the needed income differential, that truly utilize the worker's maximum potential of ability and provide him with a satisfying self-image and status in the community, which is, of course, the ideal. Neither do these figures reflect how many individuals have succeeded in finding employment on their own.

From the standpoint of the number of men and women desiring or needing work, it should be pointed out that many such people for one reason or another do not apply for work through our office. Many applicants through lethargy, discouragement or simply because of lack of money for transportation, necessary in order to actively pursue the quest for work, allow their applications to lapse, yet are still desirous or in need of work.

On the other side of the ledger, some applicants who are registered with us are only marginally in the labor market, would take a job only if the right one came along. Some are merely seeking unemployment compensation benefits, and knowing the odds are against their being hired, make themselves available for placement.

However, the fact that these relative percentages of applicants seeking work and individuals placed on jobs is similarly reflected in other local offices throughout our State would lead us to accept them as valid indications of our overall situation.

The reasons retired applicants give us for seeking employment are many, but primarily it is because they need income, most frequently supplemental income. Some seek work in order to qualify for social security. Many of these are

widows who may need only a minimum number of quarters. Goodwill Industries, a sheltered workshop for the handicapped, frequently helps out in the case of the latter.

Of course, there is that group who simply feel that they cannot adjust to the unaccustomed leisure, are not prepared for it psychologically nor socially, and away from family and friends, they seek work to alleviate their loneliness and boredom. But since we are concerned here with income maintenance for older people, we will not belabor this aspect of retirement.

The experience of the local office in St. Petersburg with employment of those over 65

Inasmuch as we have an overall surplus of labor in all age groups, competition for jobs is keen, and the applicant over 65 years of age is at a distinct disadvantage.

Most retired men and women want part-time work only, not only merely because of the social security limitation of earnings, but also because of physical limitations in some cases and the feeling of many individuals that they have earned the right to some time for leisure. In St. Petersburg there is a definite lack of part-time jobs.

Those who prefer the continued satisfaction they have found in working frequently claim a willingness to sacrifice their social security benefits, but few salaries offered retired applicants are sufficient to warrant their doing so, and we have few cases to prove whether they would or not.

The fact that many of our older applicants are immigrants to the area complicates our employment problem.

Many have skills that would not be adaptable to our local market even if we could overcome the angle of employer resistance. Many who have skills that can be used, find it difficult to accept local wage scales in some instances, and rather than prostitute their skill, by accepting a scale lower than that previously received, they place themselves in the labor force as just another retired worker looking for any kind of a job available.

Many retired people have come to St. Petersburg for health reasons, and are at an added disadvantage, competing with the able-bodied older worker.

They have severed contacts through which they might have been able to obtain work in their hometown.

Many have come here with the idea that they could live in St. Petersburg on their limited income, only to find that they miscalculated.

Many immediately on arriving invest in homes, only to find that taxes, maintenance, and overall living costs rapidly consume what they reserved as adequate. Development of chronic illness or a catastrophic sickness may add to the tragedy. This is a frequent situation that comes to our attention. Most of our retired applicants are placed in jobs well below their real ability and potential. They include commission sales, cooks, dishwashers, chambermaids, housekeepers, home attendants, desk clerks, service station attendants, janitors, guards and general office clerks, almost all at nominal salaries. There are occasional opportunities for specialized engineers, machinists, and tool and die makers, but as previously pointed out, many are not willing to accept the salary offered or do not care to do strenuous work, nor to assume the responsibility of a demanding job.

In an effort to provide some part-time work for women, we recently set up a special program which we call the home aid program. This provides jobs for women with remote experience in the business world, or none at all, and at the same time meets a vital need in the community. The home aid is basically a housewife and homemaker, whose skills are brought into focus and supplemented by certain training that equips her to enter any home in time of need or emergency. She is neither a housekeeper nor a nurse, but is prepared to assume any number of responsibilities and perform any number of duties that a woman in the home may be called upon to do, from bringing in the groceries or cooking a hot meal for a semi-invalid to writing letters for a person whose hands may be crippled with arthritis.

Home aids are recruited and screened by the Florida State Employment Service, are required to have health cards, issued by the Pinellas County Health Department, and can furnish personal references to any employer on request. Their training includes the recognized and certified courses administered by the American Red Cross: Home Care of the Sick, First Aid, and Mother and Baby Care. Other authorities from the community instruct them in the use of gas and electrical appliances and discuss such topics as the physiology of aging,

sociological adjustment of the aging, nutrition, hygiene and sanitation, human relationships and mental health. There is strictly an employer-employee relationship, differing from the nationally known homemaker service in that the workers are not under any agency supervision and the program is primarily set up for those individuals who are in a position to pay prevailing wages for such service.

Recommendations for securing better employment opportunities for workers 65 years of age and over

1. There should be greater emphasis on part-time jobs. Employers should be encouraged to think in terms of using part-time workers whenever and wherever possible. Community forums might be helpful in this.
2. If community groups or service clubs would set up specialized employment centers for part-time workers, such as the youth employment service operated by some women's groups in Sarasota, to supplement the services available through the employment service, it would give focus to employment of the retiree.
3. If funds were made available for such special service to be rendered through the Florida State Employment Service itself, opportunities might be expanded and counseling services extended.
4. Boards of education and institutions of learning and vocational training should be encouraged to utilize the knowledge and skills of persons 65 years of age and over for the purpose of teaching and instructing others.
5. Possibilities should be explored of setting up under adult education programs, short-term training courses to assist such persons in imparting their knowledge and skills to others.
6. Special projects such as the home aid program of our St. Petersburg local office have proved their worth in developing part-time jobs or temporary jobs for older applicants.
7. Communities should be encouraged to support employers or organizations in establishing industries geared specifically toward utilizing the skills and abilities of the retired worker.
8. Preretirement planning programs should be encouraged within industry or as community programs in cooperation with adult education centers, so that when a retiree starts out to look for employment, he is working toward realistic goals.

INTRODUCTION OF PRESS-RADIO PANEL

Senator SMATHERS. Now we come to an innovation in Senate hearings. To something I don't think has ever been done before. At most of our hearings representatives of the press, of radio, and of television are present as interested observers. They take careful notes and after we've left they report on what they think of the hearing and of us.

It occurred to me that here in Florida our radio and press people could do much more and might be willing to. For here in Florida we have men and women connected with communications media who have specialized in the concerns of our older citizens. They have spoken and written about them for years. And during those years, they have, I'm sure, received thousands on thousands of letters and cards from their audiences.

Here are people we can't find in most parts of the country, who are in an unusual sense experts. They have knowledge and insight which I know we should have.

I have asked a few of them if they would join in a panel and exchange their views with one another and with us. Each of them consented without hesitation. I am very grateful.

They are Juanita Greene, of the Miami Herald; Burt Garnett, whose column "What Price Retirement" appears in the St. Petersburg Times, the Miami News, and the Key West News; Al Barker, of the St. Peters-

burg Independent; Lowell Brandle, of the St. Petersburg Times; and Jack Bland with whose half-hour program over WSUN I'm sure you are familiar.

Miss Greene will you and the gentlemen please take your seats at the table.

STATEMENT OF MISS JUANITA GREENE, OF THE MIAMI HERALD

MISS GREENE. Thank you, Senator Smathers.

I have been a newspaper reporter for 15 years and in that time I have covered just about all kinds of stories that a reporter can cover.

In the last few years I have become a so-called expert, as we all do as we become older, and the field I cover now is social economic problems in our community.

And I can say as a reporter covering Dade County, one of our greatest socioeconomic problems is the problem of our elderly.

I write stories about our elderly not only when I am doing it deliberately, but often I come across them quite accidentally.

In fact it seems that there is no story of major economic, social, or political proportions that does not touch on the problem of the elderly.

I will give you two examples:

Recently we were on our annual slum clearance campaign, trying to get the city of Miami to tear down a lot of shacks. Well the building inspectors said they would like very much to cooperate and went out and tagged a lot of buildings that obviously should have been torn down, and they could have been torn down and perhaps are being torn down. Nevertheless, these buildings were occupied by older people who can't afford to live in anything but shacks. So you have a dilemma here. Are you going to tear down the buildings or leave them standing? If you tear them down you are going to force the old people into housing they cannot afford.

Another example: The Miami Herald and all other good newspapers set out periodically to see if the politicians have wasted the taxpayers' money. Every year we do this with the budget for Dade County. It is not a State budget; it is a budget that is supported primarily by a tax on property in Dade County. Every year we go after the county budget to see where the fat is and once again we are faced with the dilemma because, gentlemen, Dade County spends more money taking care of all people who are sick than it spends on anything else.

We spend more money taking care of sick people than we do on the roads, operating the public works department, or our big police department. And most of these sick people we take care of are old people. The money comes from our Jackson Memorial Hospital budget and the rest of it comes from the welfare budget, and more than half of our welfare budget goes to take care of elderly people who are in convalescent homes.

As I say, most of my experience has been on the socioeconomic subjects in our own hometown, and the United States of America.

Generously, the newspaper has seen fit to send me abroad occasionally, to what are called underdeveloped countries. We feel sorry for the people living there. However, I will say this, in the underdeveloped countries the older people are better off.

They have fewer anxieties. They have more love and less worry about financial matters. I think this is a sign that our underdeveloped countries still maintain close-knit family units.

Looking on our problem economically, I see two major material needs of our old people.

Firstly, some sort of assistance in financing major medical illness is needed. Many people start out their older years in comfort but see all their money go to the doctor and hospital bill and wind up dying in the charity ward of our county hospital.

The next greatest material need, I think, is housing. The old people need decent housing at a price they can afford to pay. A lot of our builders in Dade County tell us they can provide it with long-term low-interest Government-financed loans.

Perhaps the greatest need of all the old people is for us, as individuals and as a government, to reawaken our conscience.

Senator SMATHERS. Thank you very much, Miss Greene, for that very moving and interesting statement.

Our next witness will be Mr. Burt Garnett of the St. Petersburg Times, the Miami News, and the Key West News.

STATEMENT OF BURT GARNETT OF THE ST. PETERSBURG TIMES, THE MIAMI NEWS, AND THE KEY WEST NEWS

Mr. GARNETT. Thank you. I am happy to be here.

I am not an expert; I am an old man, as you can see. And the reason I happen to be writing a thesis about retirement is because I retired myself several years and found inflation made it necessary for me to go back to work.

I read a good many of the columns of the various gentlemen and ladies that perhaps are writing about retirement, and I thought I would write a better one, so I have been trying to do that.

I suppose the fellows working in this field set out to read everything they can find, and also make their own investigations, including questionnaires. I have also helped to prepare a questionnaire recently sent out by the Miami News. I haven't made a complete analysis of the replies as yet.

In the questionnaire we asked people what their income was per month. Out of the first hundred I examined, 61 people gave the amounts. (Some of them told me it was too noseey, even though they were not asked to sign their name.) The total for families was \$19,821.20. That figures almost exactly \$325 per family.

Senator SMATHERS. Did I hear you right; is this by the month?

Mr. GARNETT. Sixty-one families who answered this inquiry received \$19,821.20 per month. That, divided by 61, averages \$325 per family.

Now I also examined it from the point of view of individuals, and the way it adds up is about \$162.50 per person in a family—that is, a couple—and about \$150 per single person.

Now a great many of these people very kindly wrote me little replies and I think I will read one. This came from a man who says he used to be a lawyer. He has no problems because he says "I am perfectly healthy, have money, am comfortable." Now he has no income except welfare or social security, and now he says, "I have none of

these and I am perfectly satisfied with my way of present life on \$200 a month which is more than ample to supply my needs and save a few dollars for a rainy day."

You will find the people divided, those that have less and those that have more.

In this group of people, the 61 who replied to the News questionnaire, the highest income quoted was \$1,600 a month. There was one at \$1,200 a month. One family reported that they had only \$43 a month to live on.

That's all I know about the incomes of retirees in Florida that might interest you. That is all I have to say.

Senator SMATHERS. Mr. Garnett, won't you agree that the family that has \$1,600 a month does not have the same problem as the family that has \$43 a month?

Mr. GARNETT. They indicated that in their reply.

Senator SMATHERS. From your point of view in the experience of this field, is it your view that the State government and the Federal Government should do more or less with respect to being of assistance to those people who were 65 years and older than it does now?

Mr. GARNETT. It is quite obvious that we over 65—if they retire us arbitrarily—have to adjust ourselves first to a drop of about 50 percent in our standard of living because our retirement income is not more than 50 percent. Now inflation comes along. I don't know how you are going to make up for it unless you do it on the insurance principle, saying we will raise the social security so people get enough to live on.

Senator SMATHERS. Mr. Garnett, one other broad question. You do not feel, then, that there is something socialistic or un-American for the State or Federal Government to take some steps toward being of assistance to elderly people who are in need? You don't believe there is anything wrong with that?

Mr. GARNETT. Well, if it isn't un-American to fire us at 65, I don't think it is un-American to make arrangements for us to live decently.

Senator SMATHERS. Thank you very much. That is Mr. Garnett of the St. Petersburg Times and the Miami News.

Senator SMATHERS. Our next witness will be Mr. Al Barker of the St. Petersburg Independent. Mr. Barker, if you will, take that microphone.

STATEMENT OF AL BARKER, OF THE ST. PETERSBURG INDEPENDENT

Mr. BARKER. I am a little at a loss as to what to say, Senator, because I have heard so little of what is going on.

Perhaps one of the most useful things would be for the Congress to increase their monthly checks to cover ear repair.

Senator SMATHERS. Don't blame it all on your hearing this morning. This is an electrical communication problem. Don't everybody rush to the doctor and say we need a hearing aid. This is not altogether our problem. We are doing the best that we can. But we would like to get from you, Mr. Barker, by virtue of your experience in this field, what you think needs to be done, if anything, with respect to helping elderly people. Do you think there is a need, and if there is a need, in what area is there a need, and what should be done about it, if anything?

Mr. BARKER. You mean, Senator, a need for special welfare care?

Senator SMATHERS. Is there a need with respect to the elderly people? Do they need more in order to live with dignity and decency?

Mr. BARKER. There very definitely is.

I better clear my own standing. I am a lifelong newspaperman. I am 72 years old, and I am still working. I have my social security check in my pocket right now. But if one thing has become obvious in this hearing, it is that the present rate of monthly payment does not cover the care of those who are in a combination of financial and physical difficulties; \$120 doesn't cover \$175.

[There had been testimony that \$175 was a minimum cost of nursing care.]

Furthermore, I have never been able to see any sense on the limits placed on the earnings of a man once he receives social security.

It was my understanding that the Social Security Act was first passed in depression days, and the aim of this provision was to keep one segment of the population out of the work market. I think that applies very little any more. And if there is reluctance on the part of Congress to increase the minimum, and I think it should be increased or removed entirely, the hundred dollars a month minimum, it comes from organized union labor. So far as St. Petersburg is concerned, it may not be a matter of much importance, because as I read the figures that have been passed out here, only about 10 percent in this area are working anyhow. However, I would like to make a point I haven't seen made and use my own case as an example. When I became 65, 8 years ago, my obligations were such that if I retired on \$120 a month and made only \$100 a month, I couldn't even begin to carry them. So I continued working.

If there had been a limit of \$200 I might have accepted the social security and the lesser rate of pay and gotten off the payroll at full salary which a young man might have wanted to take in my stead. The \$100 per month limit is producing the opposite effect from that visualized. I continued working until I reached the age of 72 and then went on half-time with the combination of the \$120 check and whatever I received in salary and it gets me by very nicely in my present circumstances. May I make one or two points that I have felt through the years? What we "old folks" want mainly is the chance to take care of ourselves, and there is a limit to how much Government should do and can do in attempting to direct their destinies. The average older person wants to feel that he is of some use to the world and is carrying his part. The Government should set up financial standards that would enable them to run their own lives.

Senator SMATHERS. That is very interesting. May I ask you a question without appearing too personal? That is, they like to be able to look after themselves and at least be permitted if they are physically able to go ahead and work and supplement the social security so they might live decently. But I want to ask you this question which I am greatly concerned about. What would happen to you, sir, I don't mean to be personal, now that you are getting \$120 a month social security and also working part-time, if you had what we call a catastrophic illness even though it might be just temporary? What is your situation there?

Mr. BARKER. Well, do you want to know what my bank account is?

Senator SMATHERS. No, I won't embarrass you.

Mr. BARKER. I will say it is nothing extraordinary. I could not on my own savings carry a long illness, because as long as I am working and the salary persists I do receive the protection of group insurance. Otherwise maybe my children will remember me.

Senator SMATHERS. You come under group insurance as long as you are working?

Mr. BARKER. Yes.

Senator SMATHERS. Now do you have any opinion as to what we can do for these people that don't have group insurance?

Mr. BARKER. Obviously it would have to come through welfare and charities—unless the scope of social security were expanded.

Senator SMATHERS. Thank you very much. You made a fine contribution.

Mr. BARKER. I would like to add to the imperfect and hurried statement I made a couple of summary points:

(1) A measurable increase in a level of benefits above age 65 should result in a high percentage of oldsters being able to carry all but extraordinary burdens, and I doubt if the cost to the Nation's taxpayers would exceed that of throwing the whole thing wide open to additional specific medical benefits—plus a huge prospective administrative organization.

(2) Keeping the \$100-a-month limit on earnings above the social security check seems inexcusable. As I read the figures, only about 10 percent continue to work after 65 anyway. Any gain in the numbers of those who would continue to work because of lifting this limit might well be offset by earlier quitting were the benefit level increased. One approach might be lowering the present age (72) to which earning restrictions are still applied. Congress doesn't have to do it all at once.

Senator SMATHERS. Our next witness will be Mr. Lowell Brandle of the St. Petersburg Times. We are glad to have you with us.

STATEMENT OF LOWELL BRANDLE OF THE ST. PETERSBURG TIMES

Mr. BRANDLE. Thank you, Senator. This is a privilege. Thank you for asking me.

It has been apparent that the discussion of income, adequate income, eventually gets around to health. A person can save his money all his life and retire at 65 with several thousand dollars, or several hundred dollars and a pension, and have that wiped out overnight by one of these emergency illnesses where he has to stay in the hospital several days or weeks, and he has hospital and doctor bills and drug bills. This can wipe out the savings.

We reporters hear of this all the time. We see it. People come to us asking for somebody to do something. There is inflation, or course, but it is impossible to do something about inflation because it involves everything you buy and everything that is sold. Unless you control all prices it would be very difficult to control this inflation. This nibbles away at pensions. Perhaps increases in social security can take care of inflation, but they cannot take care of the catastrophic illness.

Because of their worry about this, that they will have one of these illnesses, older people often do not buy food that they should. They don't do a lot of things they should. They don't have the entertain-

ment they should. Their housing often is not adequate because they are trying to save something out of these very small fixed incomes to set aside for such an illness.

We often, too often, accuse them of being bad citizens because they vote against school bonds or other expenditures in the community. They feel they cannot afford these or any increase in their taxes, because they are afraid that anything that takes a bite out of their income is bad, as long as there is this great threat of illness hanging over their heads.

I worked on newspapers in England 3 years ago and while there I made a study of their nationalized health service. I talked to doctors in the cities and in the country, and talked to patients who were low income people and also people that had been against it in the beginning, to try to get a fair view of it. And I found very little opposition now, even among the doctors who had fought against it.

Senator SMATHERS. I wish you would repeat that statement.

Mr. BRANDLE. Even doctors who had opposed nationalizing health service in the beginning were no longer opposed to it. Three years ago some were complaining that they were receiving small fees. Fees have been increased since then. But some things had happened that I think would be interesting in any of our discussions about "socialized" medicine. They found after an early period of abuse, where people were running to the doctor for everything imaginable, and often it was imagined, they found that people were going to doctors in the early stages of illness when things can be cured and they were avoiding a lot of chronic illnesses that had been filling their hospitals. So in addition to improving the health of the general population, they began to have more bed spaces in their hospitals. This was taking a heavy load off their hospitals.

Doctors like to say that people get enough medical care in this country, all they need. I don't think this is true, because statistics here from your own committee investigation show that aged people of high income go to doctors four times for every three times for a low income person. Why is that? They surely have better food, better living conditions. You would think they would be healthier than the low income group. These investigations have shown chronic illnesses show up more often among low income aged. I think many of our aged people do not go to the doctor simply because they don't want to be in debt to somebody. They don't want to buy this prescription, they can't afford this prescription, even if the doctor does give them charity treatment for his own bill.

I think this cost of illness is the major problem, the major economic problem for all the people.

Senator SMATHERS. Thank you very much. We only have 5 minutes left. We may want to call some of you back. You bring up a very controversial point, that you know, and I am glad you did as that is one we have to face. What do we do about it and how do we answer this problem?

Senator SMATHERS. We are delighted this morning to have with us, as our next witness, Mr. Jack Bland, of radio station WSUN, here in St. Petersburg.

**STATEMENT OF JACK BLAND OF RADIO STATION WSUN,
ST. PETERSBURG, FLA.**

Mr. BLAND. Thank you, Senator. It is a privilege to be here, of course.

For 65 years I have been practicing becoming a senior citizen. I think I know some of the answers.

When I came to St. Petersburg a little over 5 years ago, I took a radio show for the senior citizens, which I do five nights a week, and I have accumulated thousands of letters and I act as father confessor to hundreds of people regularly with their problems.

The people who need the most attention right now are not at this meeting today nor will they be. They are the handicapped individuals that are living in low-priced rooms, in barracks and backrooms, trying to eke out a living with medical bills and clothing and food and everything else that goes with living on \$66 a month. That is a problem that I don't know the answer to. I do know that we are not in favor of a welfare state. I know that wouldn't be the answer. I do know that in other states, such as Communist Russia—and they have exercise over there very familiar to shuffleboard, pushing brooms in the street cleaning up. We don't want that in this country.

I do think, when the calendar turns on your 64th birthday and 364 days, there is not much of a great change in your life; that all of a sudden you become worthless. You have to go on social security and therefore you are limited to a hundred dollars a month. I think that is the biggest problem. We have got thousands of well-educated, trained people in this State and other States who would like to have something to do if they could take what little time they have for work and add that hundred dollars they are allowed to make and still live. The result is they can't do it, so then they have to live in more or less meager circumstances until they can complete their month's budget and then start off with another one.

The question of socialized medicine is controversial and it is going to be more controversial before it gets better, because of the tremendous hospital bills and doctor bills that are being paid by our senior citizens.

I got a letter from one today who told me that she couldn't remember so well any more. She couldn't see too well. Her doctor gave her a prescription and collected his \$5. She went to the drugstore and had lost her prescription. They called the doctor up and he sent her another \$5 bill. That we don't want. The doctors should stop reading the Wall Street Journal and get back to the American Medical Journal.

I would like to see more of them get more jobs and have more leniency with their social security income. I think that hundred dollars a month is a crime.

With that I am going to turn back the floor to you. I am afraid it's about lunch time.

Senator SMATHERS. Ladies and gentlemen, I think all of us will agree we hear a lot of talk about civil rights. Possibly the most abused civil right is the person 65 years old, who would like to get a job and live in decency. This is a civil right about which all of us have to concentrate a great deal more and do more about in the future than we have done in the past. You have contributed to our hearing

this morning. As I said at the outset, this is to be made part of our official record. We may want to call on you at some future time. Thank you very much for your appearance this morning.

Ladies and gentlemen, we will now stand in recess until 2 o'clock. (Thereupon, at 12 noon, the hearing was recessed until 2 p.m.)

AFTERNOON SESSION

Senator SMATHERS. At this stage of the proceedings, we are going to have representative witnesses, to represent various groups.

Our first witness is Mr. Charles Kates, who is president of the Florida Federation of Chapters of the National Association of Retired Civil Employees.

We are glad to have you, Mr. Kates.

STATEMENT OF CHARLES KATES, PRESIDENT, FLORIDA FEDERATION OF CHAPTERS OF NATIONAL ASSOCIATION OF RETIRED CIVIL EMPLOYEES

Mr. KATES. Before I read this prepared statement I would like to pass a few remarks.

I would like to thank Senator Smathers for all I know he has done in the past for all of the people on retirement, social security retirement and government employees. Thank you. I will now proceed to read the statement.

Senator SMATHERS. Thank you. It was nice of you to say that.

Mr. KATES. Mr. Chairman and members of the Special Committee on Aging, my name is Charles Kates. I am president of the Florida State Federation of Chapters, National Association of Retired Civil Employees. I am also public relations officer of the St. Petersburg Chapter No. 17, NARCE.

The national association is in its 41st year and has over 102,000 men and women civil service retirees as members, of which only a relatively few are less than 65 years of age, and about one-third are women and two-thirds are men located in all parts of the country.

The objectives of the National Association of Retired Civil Employees are to promote the general welfare of annuitants and potential annuitants of the civilian public service, together with such activities, looking to the preservation of American ideals and institutions as shall be voluntarily espoused by the membership and its organized units.

This association is deeply concerned in the problems, welfare, and status of all the aged and aging in our Nation, in order to stimulate their lives and utilize their talents and experience as a potent segment of our population. It shall endeavor to cooperate with public agencies, private organizations, and individuals devoted to these aims.

Florida ranks fifth in the number of retired Federal employees and survivors residing in this Nation, and they are increasing in numbers each year despite the heavy toll taken by death.

As you know, the principal problem of the so-called senior citizens is to maintain a decent standard of living on retirement income.

Florida, which has the fastest growing population of senior citizens with over a half million men and women over 65 years of age, has constantly invited retired persons from all over the Nation to retire here and enjoy the comforts of our climate.

It is sad to reflect that so many of the aged retirees' income is between \$75 and \$120 a month, which is constantly declining in buying power due to the devaluation of the dollar.

Steps should be taken to see that these elderly folks are not taken advantage of by landlords who demand 2 or 3 months' rent in advance when they seek living quarters. On small incomes it is not possible to pay such downpayments. There is little, if anything, left for food and hospitalization.

All those with whom they must trade do not make special prices for their living needs. They pay the same prices for whatever they need. Inflation creates such severe hardships for those on social security, railroad retirement, government civil service annuities, and veterans, who are all on fixed incomes.

I believe this can be overcome by the relief from taxes of all sorts— income taxes, sales taxes, and so forth. Then it might be possible to enjoy their few remaining years, free from worries.

If a little was left over after essential expenses for some entertainments as movies, lectures, church contributions, and so on, then, and then only, can they feel that they are not forgotten by their former employers and our wonderful Government. But we must not allow our own people, those in our own backyard, to feel that they are only stepchildren and that they are second-class citizens in this the greatest and wealthiest country in the world.

Their previous experience and talents could very well be utilized if they were called upon to serve as jurors, and I am sure most of them would willingly give of their time as hospital aids, on community drives, and so forth.

It is suggested that the several States where oldsters are congregated in great numbers arrange with Federal financial assistance to erect housing developments where the rental would be within the limited incomes of those that are on social security, railroad retirement and Federal annuities.

I thank you for your attention.

Senator SMATHERS. We have enacted legislation with respect to civil service retirees. It has provided a method of fixing a fair and accurate rate of interest for money borrowed from the Treasury of the civil service retirement disability fund.

I will explain it very briefly.

What previously happened was the money was put in the civil service retirement fund. The Government borrowed that money and used it for other programs.

They paid a fixed rate of interest which was usually very small.

This year the Congress changed the law so whenever money is borrowed from your Federal retirement fund it pays the going rate of interest.

This means that your fund will receive more interest than it previously has received, with the result that the Federal fund from which you civil service retired employees derive your benefits will receive more money, and will have greater financial stability.

This has already been done by the Congress in this past year.

Now one other matter which I briefly want to mention.

Housing for elderly citizens. A Housing Act was passed by the Congress this year. This program was not overlooked. There is a

growing awareness of the need with Government participation, if possible, in the erection of housing for the elderly.

The Housing Act was designed to promote more comfortable housing for senior citizens—adapted to their needs.

Under its provisions it will permit 100 percent loans to be made for the purpose of increasing housing for elderly people. It raised the authorization amount of money which can be spent on housing for the elderly from \$50 million to \$125 million.

The problems that Mr. Kates has raised, ladies and gentlemen, are very important.

Our next witness will be Mr. N. P. Dapore, who is representative of the League of Senior Citizens of Pinellas County, Fla.

We are glad to have Mr. Dapore with us.

You may proceed.

STATEMENT OF N. P. DAPORE, REPRESENTATIVE OF THE LEAGUE OF SENIOR CITIZENS OF PINELLAS COUNTY, FLA.

MR. DAPORE. Thank you, Senator Smathers, and members of the committee.

I consider it a rare privilege to be able to appear before you today, and I want to thank you for this opportunity.

I have prepared a lengthy statement complete with detailed and documentary evidence.

Due to the fact that the hearing is going to be concluded in 1 day, I know that you have a very tight agenda. There are many here that will want to be heard.

So with your permission I will not read my statement but will submit it to you in full as it was originally prepared and ask you to make it a part of the record.

SENATOR SMATHERS. Without objection, we will make your statement a part of the record. You will type Mr. Dapore's statement in the record, Mr. Reporter.

MR. DAPORE. Thank you, Senator. By doing this I hope to be able to give a few extra people an opportunity to be heard.

SENATOR SMATHERS. I might say to you, ladies and gentlemen, that Mr. Dapore, as you know, has long been active in the affairs of senior citizens and is president of the Pinellas County group.

I visited with him earlier today and he expressed to me what I know are the sentiments of a number of you. He has an excellent statement already prepared and it will be a part of the record and later on after this record has been printed, if any of you care to read the proceedings as they have been held here today, all you have to do is write my office and we will be delighted to supply you with a copy.

(The statement referred to is as follows:)

STATEMENT OF N. P. DAPORE, ST. PETERSBURG, FLA.

The chairman and members of the subcommittee, my name is N. P. Dapore of 155 Catalan Boulevard, St. Petersburg, Fla., I represent the League of Senior Citizens of Pinellas County, Fla. I am a member of their board of directors.

I have spent the greater number of my working years in the insurance business, principally in a supervisory or semiexecutive position, I feel that from this rich experience I have acquired a good understanding of the problems in which you are interested.

I want to thank you gentlemen for the privilege of appearing before you and hope to be able to contribute something to help you in this problem in which we are mutually interested.

The problems of our aged citizens are many and some are very complex, but we all recognize that the principal cause of all of these problems is principally an economic one, and of all these economic problems the matter of providing adequate medical and hospital care when they are ill, is their biggest and most frustrating one.

We have a few of our retired citizens, who fortunately are wealthy, and to these few this serious economic problem is not of great concern. Then at the lower end of the economic scale, we have the chronically indigent and the very poor, these too are being cared for through private and public charity and by taxation by the city, county, State, and Federal Governments.

So in my testimony I will concern myself with presenting information that applies to the vast number of our so-called middle class, the group that constitutes the greater portion of our aged population, the group that has through the past century been the backbone of our Nation, the group that has contributed to our economy to the very best of their ability and talent.

This vast number of our people, still have their rightful sense of pride and a sincere desire for independence and self-sufficiency.

We will find many of these people living in their own homes, many of them fully paid for, through a lifetime of effort, saving, and careful management, in many instances by practicing self-denial of some of the luxuries. In most instances their incomes are small, some at little more than a bare subsistence level, some more fortunate have incomes that permit them to live on a basis more in keeping with their former standards when they were employed.

To this entire group, composed of many millions of our fellow citizens, the fear of a long illness or confinement in the hospital is haunting them with frustration and constant fear, because they realize all too well that an experience of this kind could mean economic ruin and wipe out the savings of their entire lifetime.

And, gentlemen, this fear is justified as the threat of serious illness hangs over their heads from day to day everyday, just like a sword suspended by a slender thread.

But the great majority of these citizens are still proud and do still retain their self-respect. To many, death would be preferable to the loss of independence and self-respect. The horror of the thought of becoming a pauper or an indigent is, to them, more frightening than is death itself.

But unfortunately, they have no way to help themselves, no way to correct this terrible situation, unless some help is devised by just such men as you who are on this committee.

I am sure that you are well aware that few of our insurance companies will issue policies of hospital and medical care to this over-age-65 group. And among the few who do, the premiums are more than they can afford to pay and the benefits so small that in many instances they are meaningless.

The American Association of Retired Persons recognized this problem a few years ago. They made an extensive study of the problem, and with the thought that they might be able to provide protection to our retired persons at a cost that some might be able to afford, they entered the insurance business dedicated to the proposition that our elderly should have medical and hospital care at minimum cost, but a careful study of medical and hospital costs in proportion to the benefits they are able to pay, suggests that this well-intentioned plan does not solve the problem.

I am going to present to you the case history of a recent hospital confinement giving the actual cost of this illness and also giving to you the amount that would have been paid if the victim had been insured under an American Association policy. I will also discuss the premium cost of this policy.

This is the actual case history of a white male patient, age 68, stricken with a myocardial infarction—more commonly referred to as a coronary or heart attack.

This patient was confined to the hospital in a semiprivate room, from June 23 to July 19, 1961, a period of 25 days. A good recovery was made without incident or complication.

The total cost of the hospital and medical bills was \$1,053.65. The cost of doctor fees, drugs, and laboratory work since discharge up to and including October 6, 1961, was \$80.01, making a total cost of \$1,133.67.

The cost could have been much greater in this case, should any of the many incidents that is characteristic of this type of case have developed. And, too, if this case had involved surgery the cost would have been much greater. (The committee will find attached, for study, an itemized statement of the costs of the various services.)

Should the patient have been covered by the American Association policy it would have paid him a total of \$443. This is less than 40 percent of the total cost.

The premium cost of this policy for husband and wife is \$18 per month or \$216 per year. It can be readily computed that to have full protection on this basis the premium cost would be \$45 per month or \$540 per year.

I am sure you will agree that the payment of a premium in this amount would be beyond the ability of all but a few of our aged citizens.

That this is a typical case can be verified by the study of hospital records of other cases. There are thousands.

I respectfully suggest that this committee make an exhaustive and detailed study of the cost of hospital care through a review of records of actual cases confined under recent date. To determine the cost of doctors' charges might prove more difficult but they might be determined through interview of the patient or some other means that the committee may have with which I am not familiar.

Then take the various hospital and medical care policies that are available to the over-age-65 group on an individual basis, taking, of course, into consideration the availability of these policies to this overage group as this availability may be determined by the present or previous health of the individual. Then determine the actual benefits provided in the policies by a study of their provisions to determine the actual benefits in relation to the entire cost of the illness.

I would also suggest a study of the premium cost of these policies and compare the costs with the ability of the average over-age-65 citizen to pay. It appears to me that such a study would be very enlightening and will verify the statement that I have just made to you.

We have used the policy issued by the American Association of Retired Persons as an example, because we feel that they made a careful study of all policies available and selected the one that provided the most for the least premium. This policy is underwritten by General Group Division of the Continental Casualty Co., of Chicago, Ill.

After having made a careful study of this very serious problem, after considering every possible solution advanced to date, we have come to the conclusion that the only feasible, sensible solution and the most economical solution is the enactment of legislation to provide hospital and medical care through the tried and proven social security approach.

The administration of the social security system has been exceedingly economical, it has high public acceptance, the department has the necessary experience to administer a program of this type and lastly they have the greater part of the administrative machinery already set and available and it will dovetail very nicely into the existing system, especially as it applies to the collection of the contributions or premiums.

We do not underestimate the influence and power of the people who oppose hospital and medical care through the social security approach, nor do we underestimate the tremendous pressure that is going to be put on you gentlemen who are members of this committee and the pressure that will be put on the entire membership of the Congress.

But we do want to call to your attention the fact that the same people who today are opposed to the solution of this problem through the social security approach are just about the same people who opposed social security over 25 years ago when the original law was enacted.

We were advised that the enactment of the social security law would put a dog tag around the neck of every workingman, that it was economically unsound, a scheme to rob the people of their hard-earned savings for the benefit of a few governmental bureaucrats, that it was socialistic and Un-American and that it would lead the country down the road to economic ruin. The same opposition existed in each subsequent amendment and improvement to the system. But I am sure that the members of this committee are well aware that none of these things has happened and that social security has proved not only a blessing to millions of our people, but had reduced the welfare load and saved the tax payers millions of dollars in taxes.

Much criticism has been leveled at the so-called compulsory feature of this type of legislation. I could say much about compulsion in taxation, because

after all almost all forms of taxation are compulsory, the important point to consider is, Are they reasonably equitable? We believe that this type of taxation is very equitable.

It is our considered opinion that the so-called compulsory feature is not as many proclaim a great detriment, but we consider this feature one of the great assets of the plan. We unfortunately have always had in this country a certain portion of our population who are neither frugal nor prudent, we have them today and can expect to have them in the future.

The so-called compulsory feature of the social security set has provided a means for these people to provide for themselves an income in their declining years, and this so-called compulsory feature of the Social Security Act has saved the taxpayers untold millions of dollars that would have been required to support the welfare agencies. The compulsory feature of the Social Security Act has taken the burden of supporting these people off the backs of the taxpayers. It has provided the means for them to help themselves, and they like it.

And too, much has been said about burdening our working people with deductions from their wages, again I say to you they like it. This is evidenced by the fact that practically every labor organization in the country is supporting hospital and medical care for the aged through social security and if you gentlemen will follow the wishes of our working people, there is no question about the enactment of good legislation through the social security approach. Even the field people of our large insurance companies have fully endorsed the social security approach through their official publications. It is true that certain people in highly administrative positions in the industry oppose this approach. Take your choice, gentlemen, the opinion of the man so far out of personal touch with the people or the man who has a very intimate knowledge of this problem through constant contact with the great mass of our people, the fieldman knows this problem well from the very grassroots and has been brave enough to disagree with the people who set company policy.

We as senior citizens are also interested in the future welfare of our children and our grandchildren. The enactment of this legislation will give them an opportunity to contribute during their productive years so that when they reach retirement age they will not be faced with the terrible dilemma that the majority of our senior citizens face today. We earnestly hope that this committee along with our Congress shall save them from this fate. I say to you gentlemen that this power lies in your hands and in the hands of your associates. The enactment of this legislation will lift a heavy burden off the backs of our taxpayers in the future because it will greatly reduce the so-called welfare load.

We visualize a better America for our children and grandchildren if this legislation is enacted, and a better life for them is what we ardently desire.

Gentlemen, we again submit that the problems of our aged are many and complex, but that the need for hospital and medical care is the most urgent and terrifying problem. It is the problem that requires immediate attention.

Again I want to thank you, gentlemen, for the privilege of appearing before you and hope that the information we have given you will be helpful in your deliberations.

We are happy to have had the opportunity of working with you and do hope that through our working together we will in the future have a greater and better America. Thank you.

Actual case history of hospital and medical care cost in relation to benefits and cost of a commercial hospital and medical care policy available to senior citizens

Case history of a white male patient, age 68, stricken with a heart attack (coronary occlusion) on June 23, 1961. All figures are compiled from itemized bills and receipts submitted to the patient. The period covered is from June 23 to October 6, 1961.

Admitted to hospital: June 23, 1961.

Discharged from hospital: July 18, 1961.

Type of hospital room: Semiprivate.

Room and board in hospital, at \$18.50 per day, 25 days	\$462.50
Drugs	26.95
Laboratory fees	128.00
Oxygen	70.20
E.K.G. at \$15 each, total 6	90.00
X-ray	11.00
Miscellaneous hospital service	5.00
Ambulance service	10.00
Doctor's fee	250.00
Total cost of hospital and medical care during hospital confinement	\$1,053.65
Drugs and medical care after discharge from hospital:	
Doctor's fees	36.00
Laboratory fees	21.00
Drugs	23.01
Total cost of medical care after discharge from hospital	80.01
Total cost of hospital and medical care from June 23, 1961, to Oct. 6, 1961	1,133.67
Benefits available under a hospital and medical care policy issued by the American Association of Retired Persons, also premium cost.	
Doctor calls at \$3 per call, total 31 calls. Office and hospital, less \$25 deductible	\$68.00
Hospital board and room, at \$10 per day for 25 days	250.00
Miscellaneous hospital expense, maximum paid under policy	125.00
Total benefits paid under policy	\$443.00

Percentage of total cost of illness paid by insurance company under policy, less than 40 percent.

Premium cost of policy for husband and wife at \$18 monthly, \$216.00 annually.

On the basis of the above figures, it is readily apparent that it would require the payment of an annual premium of over \$540.00 to provide full hospital and medical care for a retired husband and wife. Should surgery have been involved in the above case the hospital and medical care cost would have been greater.

Senator SMATHERS. Our next witness is Mr. Nortney Cox, who is a builder and a councilman of the city of St. Petersburg.

Mr. Cox, I am glad to have you.

You may proceed.

**STATEMENT OF NORTNEY COX, CITY COUNCILMAN,
ST. PETERSBURG, FLA.**

Mr. Cox. Thank you. Senator Smathers and members of the subcommittee, it is a pleasure to be here and to tell you of some of the experiences that I have encountered with over 1,100 retired people for whom I have built houses.

I find that these people as they come from the North, they come from a disciplined life. They have had to work and punch a time

clock and when they come down here they are going into a relatively undisciplined life.

Now this is quite a transition for them.

In most cases they make no preparation for retirement. They are coming into a strange area among strangers. They know little or nothing about this new environment. They come into this area and usually the first person that they have contact with is the man that sells them a house or builds one for them. He is usually the first contact.

I have had many strange and funny experiences with these people. They come down with all sorts of ideas of what they expect here.

I would like to point out that these people in most cases have made no provisions for any emergency hospitalization. That evidently doesn't cross their minds. They are going into retirement and they are looking forward to 10, 15, or 20 years of retirement and they think it happens to other people and not them.

I have talked with approximately 1,100 of these people and have tried to point out to them with their small savings, which averages between \$10,000 and \$15,000, from which they have usually sold their home up North and come down here with the expectations of buying a house for \$8,000 or \$9,000, and with approximately \$5,000 or \$6,000 in the bank and a pension of approximately an average of \$200 to \$225 a month.

They usually want to pay cash. In my company it's been the policy to advise them against this. We try to impress on them if they will take their cash and place it in a Federal savings and loan association from which they will receive 4 percent interest that they can borrow the money back for 6 percent interest, and their own money in effect, and they are paying 2 percent for this insurance, because if they have their money in the savings account and a sudden illness of an emergency nature, and those which are usually prohibitive in cost, it is far beyond the means of their monthly income to take care of.

We point out to them that they can get that cash out of the bank to take care of these emergencies. However, if they had paid cash for their house it would be impossible, assuming that it was the husband that was hospitalized, it would be impossible for them to get a mortgage on their house in order to take care of these prohibitive medical costs.

In most cases we have been successful in convincing these people that that is the proper thing to do.

Some instances they have not done that and we have had to make arrangements for them for some other means of financing.

Many of these people are at the age that the Federal lending agencies and the Federal savings and loan agencies do not feel are qualified to carry a mortgage.

So in many cases we have them deed their lot to us, we get the mortgage and on completion of the house we deed it back to them and they assume the mortgage.

This is a matter of financing we have had to use with people who could not otherwise qualify.

I believe that if some means of financing for these people who are past the age of normal financing, some means could be arranged to take care of, say, 70 percent loans, it would be helpful.

In our experience we have never had a default on any of these 1,100 homes. These people are upstanding citizens and most of them have never had a mortgage before, a great many of them haven't. Some of them have never owned a home before. They lived in apartments and they are just not accustomed to owning a home.

So we have to have a little bit of an educational period when they are first here to teach them how to take care of their home.

We also find that, and I am speaking as city councilman now, that in our hospital that during the summer months our hospital load is way down. We close up one or two floors in order to cut expenses, because we don't have a sufficient number of patients to hold all the floors open.

During the winter months when we have our tourists here, our winter visitors here for 2 or 3 months, we have an overload of patients.

Now it is a little bit difficult for the city to support this hospital at peak loads all the time.

However, I would like to suggest, and I just read in the Saturday Evening Post of this home-care program that has been an experiment in several northern cities.

If we could get that here I think it would help our retirement people and cut their hospitalization costs. It would help them immeasurably. It would help the retired person on a fixed income and paying taxes here and paying part of the cost of operating a big hospital.

Now along another line of thinking for these people, I find that most of my customers have been men who are smalltown shopkeepers or from blue-collar occupations and these people have never had much experience in dealing with the public.

It is a little hard for those people to get into the swing and into the feeling of retired persons.

I feel that if these people, and understand, they do not want organized recreation, at least I don't believe that is what they want, but they do need some cohesiveness to join them together and discuss their problems.

I know we have many attempts on that.

I also find that our people, after they have lived in a small retirement home for several years, tend to go to a larger home. You understand the wife in most cases does not retire, her work continues. She has to continue to do the laundry and keep the house clean. Our biggest trouble is with the man of the family. He doesn't know what to do with himself. He is completely lost. He works around the house for a year or two and gets restless and wants a different house, something to change his perspective.

And I feel that if we can help the mental attitude of these people, they could help their physical well-being by making them feel that they are still a part of our social economy, that they are not outcasts.

I feel my people, the people for whom I have built—and I do not build in subdivisions, I build on individual lots scattered all over the city in built-up neighborhoods—I find these people do not in most cases live in retirement areas where they see nothing but ambulances and stretchers coming to get the neighbors and friends, and that they like to see baby buggies coming down the street, and then they feel they are a part of the community and not a community of people who

have been set aside and whose productive life is at an end, and that they are put on the shelf.

I believe that is what we are concerned about in our retirement people today.

Thank you, sir.

Senator SMATHERS. Mr. Cox, tell us just a little bit about the need for a particular type of home for elderly people. Do they need just ordinary construction that you would build under the FHA program? In your experience in building is there some particular type building that should be emphasized with respect to housing for the elderly?

Mr. Cox. No, sir; I don't think so. They don't want to be treated any different from anyone else. They like built-in appliances and they are just as modern in their wants and desires, just as modern and up to date as younger people.

I believe they are just as interested in buying for the present and the future. They want to be a part of us.

Senator SMATHERS. What in your experience with the 1,100 elderly people for whom you have built homes is the average monthly cost of operating a house of the type you are talking about?

Mr. Cox. Well, approximately \$50 a month mortgage payment. Usually in a smaller home the taxes—the taxes on these 1,100 houses I built have an average of \$12 a year. That is a dollar a month. That is due to our homestead exemption. I heard someone in the audience say, "Oh, no." I am talking about a house of 700 square feet. They will pay no taxes in Florida, and one with 800 pays about \$22 a year in taxes.

Senator SMATHERS. You made some expression of the fact in the earlier part of your testimony of the danger of these elderly people who are hit by a catastrophic illness.

Do you have any recommendation of what we should do with respect to caring for these cases where they find it necessary to use up all their funds? What does the city government think the Federal Government should do? Do you have any suggestion in this area?

Mr. Cox. Well, my personal opinion is—I am for hospitalization on the social security program. That is my personal feeling.

Now I would like to bring out one thing, Senator. A gentleman handed me this a moment ago, the Blue Cross and Blue Shield rates which would be raised effective the 1st, and this gentleman says my own rates will be raised from \$35.05 every 3 months to \$39.85. This, in effect, reduces our income by \$4.80.

That seems a minute amount, but it means a great deal to these people who live on fixed incomes.

Senator SMATHERS. And it is your belief that it would be of benefit to meet these illnesses through a medical care insurance program under social security?

Mr. Cox. Yes, sir.

Senator SMATHERS. Thank you.

Our next witness is Mr. R. O. Beckman, executive director, Senior Service Foundation of Miami, Fla. I saw him here earlier today. He is executive director of the Senior Citizens Service Foundation in the Miami area, and we are delighted to have Mr. Beckman here with us today.

I know his long interest in this problem, and he has also made a sizable contribution to the solution and partial solution. We haven't solved them all yet.

STATEMENT OF R. O. BECKMAN, EXECUTIVE DIRECTOR, SENIOR SERVICE FOUNDATION, MIAMI, FLA.

Mr. BECKMAN. Senator Smathers and members of your staff, older Floridians, of which I am one, particularly thank you for giving us an opportunity to tell you something about how they are getting along.

The quip that money is the root of all evil has special significance when applied to the vicissitudes of the later years. After 8 years of daily contact with the problems of elderly people, I know that while a bankroll is not a panacea, an empty billfold accounts for 3 out of 4 of the tribulations of old age.

I would like the privilege of presenting to you a written statement; to save time for the folks who are here to tell their own story I will go over it quickly.

Senator SMATHERS. It will be made a part of the record.

Mr. BECKMAN. I have taken from the files of the Senior Service Foundation, a nonprofit organization with which I am associated in work with old people, a few factual cases which will illustrate the wide variety of situations in which older people find themselves on the scope of their income.

There is a rather wide range of cases of the kind that individuals don't discuss in public. For instance, we have a lot of retired Army officers. We have a retired Army officer of 77 who was in active service during two wars and in the Reserves for 20. He lives with his wife, a few years younger, in a small home on a pension income of about \$290 a month. This consists of Army retirement pay and of social security and civil service retirement benefits for both man and wife. But if he dies his wife will be cut to an income of \$78 a month. Obviously, she will not be able to continue the payments on her home. That involves a question of adjustment, possibly of a more adequate income for the wives of retired Army personnel.

There is the case of a tall, wiry widower of 70 that has been a promoter all of his life, but for 10 years has been unable to advance his own welfare. He earned handsome fees but was also a free spender. The depression cost him his assets and they were never regained. At 60 he found he was consistently turned down for public relations work because of his age. Since he turned 65 his only regular income has been \$90 from social security. At times he has been able to earn or borrow a few dollars through friends.

This affable character has become a freeloader on business and socialite acquaintances, sometimes to their embarrassment and his remorse. He continues optimistic. Only once has he been known to confide to a close friend that he could always take a little black powder. There seems little prospect of supplemental earned income except in a menial capacity which he would regard as beneath his station. Serious illness would have to be met from public assistance. Some relief might be had by adjusting social security to the cost of living.

There is the man that moved to Florida because he liked the fun and sun. He was formerly in comfortable circumstances, belonged

to a prominent university club and a yacht club up north. In his new locale he boosted his limited assets through real estate investment, but then lost it all in a hurricane that wiped him out completely. As a result of that, he is living in a small mortgaged home on a limited income. He has small earnings at the present time, but that will soon dry up and he will have but \$140 a month. But this will be reduced to less than \$100 unless the mortgage payment is eliminated.

He quotes himself as follows:

I cannot find work in my former field because I have been away from it so long. The only other jobs I have been offered in 6 years are a part-time teaching job at \$8 a week, desk clerk work in a third-rate hotel at \$30, and house-to-house commission sales. If I took a \$30 job I would lose my social security. My old jalopy is falling apart, my refrigerator is worn out. Expensive roof repairs are needed and I don't have \$300 for an operation I should have.

There is the case of a demure little seamstress that had to stop work because of a serious throat condition.

Another case was that of a retired physician 97 years old and his 92-year-old wife, most of whose life was spent as a country doctor in the Midwest. The wife had some property in Canada. An adopted daughter persuaded the couple to sell it some years ago and move to Florida. They got in a jam because the daughter walked off with most of their assets. The husband, slowly going blind, is in a county home while the wife is recovering from a broken hip in a nursing home, both at the expense of the county. They are now separated after 75 years of married life.

Figures from the Miami Public Housing Authority also shed light on the economy of older persons on marginal income. Some 200 units there are occupied by elderly persons fortunately spending but an average rental of \$28 a month. The monthly cash income of married couple applicants is about \$137 and of single persons \$84.

A special census of substandard housing in Greater Miami discloses that 18 percent of it is occupied by the elderly. This is nearly twice the percentage of oldsters in the general population. About five in six of the substandard units are rented rather than owned. Two-thirds consist of one room used by one person. The substandard unit rentals, by the way, for all age groups average \$67, or 30 percent—32 percent of family income.

From the results of the Miami survey, the housing administrator concludes there are at least 2,000 other senior family units in need of standard accommodations. In connection with housing costs paid from retirement incomes I cannot refrain from observing that more than 100,000 senior citizens have qualified for public housing under a "means test." This calls for a statement and evaluation of income and assets and a confidential checkup, tactfully made without subjecting applicants to any pauper's oath or indignity whatever. Out of the hundreds of applicants screened practically none felt they were asking for charity or resented giving the required information.

More than a third of the millions drawing social security are also subjected once a year to a retirement means test. All who continued working with low earnings have to prove that these permit them to draw benefits.

The Kerr-Mills law for the relief of the medically indigent may be criticized on a number of points. It will, however, fail entirely if eligibility standards are not set with the same regard for individual dignity

and equity as is observed in the case of public housing and social security benefits.

The question of health care cannot be divorced from other factors, but the basic problems confronting most older persons is that of income maintenance that will improve their whole life situation.

The fortunes of many older persons are rigidly regulated by the arrival of the check-bearing mailman on the first of each month. For those of inadequate means, especially if they are on old-age assistance, life is a dreary squirrel cage; it goes round and round, day after day, but has no forward movement.

The cases I have cited illustrate the precarious conditions under which some of our oldtimers are trying to retain their grip on the pecuniary lifeline.

There is such a wide range of problems of income and maintenance, that it brings up the point raised by Wilbur J. Cohen, Assistant Secretary of HEW, which he proposes an objective review of income, tax, benefits, and consumption status in order that intelligent action may be taken by governmental and other agencies.

The findings would have to be evaluated against national income and the effects of inflation. Such a detailed study may be beyond the province or resources of your committee but would surely pave the way for conclusive legislation and public enlightenment so that a fourth of our elderly population will no longer find themselves underprivileged in a boastfully progressive economy.

Senator SMATHERS. Let me ask you, was that before a hearing that was held? I remember Mr. Cohen testified and made reference to it. Was that at a hearing which I held on the problem of aging?

Mr. BECKMAN. His article, in the Geriatrics magazine in April 1961, summarized that point of view. It was an able condensation and a very interesting proposal.

As to medical care for the aged, the old folks crusade now organizing for a march on the Nation's Capital stems from the inadequacy of the social security income of a minority of senior citizens who cannot pay the costs of their health care. It is supported by some others comfortably situated who hope to get something for nothing from the Government. I don't have much sympathy with that.

Those who attack the wage earners of the Nation for the health care of the aged fail to distinguish between, first, social insurance as a foundation for retirement income, and second, welfare legislation designed for public assistance and public health. The two are already confused in the public mind because both are written into the Social Security Act. But insurance is one thing and welfare is another.

It is the responsibility of any government that calls itself civilized to care for its poor and its maimed and its needy aged but benefits for those not in need cannot be passed out under the guise of an inherent right. Any senior citizen, who cannot afford adequate health care of good quality is entitled to it at public expense, regardless of race, religion, place of residence, or his politics.

Twelve million oldsters drawing social security, however, have not paid a red cent toward health care and most of them will receive in social security many times what they have contributed in taxes.

Our older population now appears to spend an average of \$177 a year, or \$3 billion, for its own health care. In addition, the Federal

Government spends at least \$2 billion on public health measures affecting the aged.

We have 2½ million oldsters on old-age assistance and probably another 1½ million who are medically indigent, wholly or partially. If you multiply 4 million by \$177 you have \$700 million.

In view of the present disagreement as to who shall pay for health care, is it not more reasonable to spend three-fourths of a billion for the 4 million in need rather than several times as much to provide lesser benefits for 12 million, two-thirds of whom do not need such aid.

Any senior citizen who cannot afford adequate health care of good quality is entitled to it at public expense. This becomes almost impossible under the Kerr-Mills law, despite the optimum benefits it can provide if it is implemented.

Health costs for the current needy aged should be borne by the Federal Government from general funds, without State aid. Uniform, nationwide administration of both health care and old-age assistance benefits would eliminate inequities so apparent in the latter. Eligibility requirements and benefits would be standardized and made equitable for every old age person everywhere.

In other words, if you are a needy aged American, it doesn't make any difference if you are from Florida or California, you are entitled to the same health benefits and subject to the same qualifications for eligibility without going through the indignity of a third degree but clearly demonstrating the care which you need.

Health and old-age benefits can be effectively administered on a national basis through the Social Security Administration, with assistance from the Public Health Service. They both have proved themselves.

Since the American Medical Association has endorsed the Kerr-Mills law, it would seem that the medical profession would not object to its amendment to provide for complete Federal financing.

I myself personally favor a health program under social security for the active wage earners, on an insurance basis—money put aside for future health benefits. The Federal machinery established for health care of older persons in need could be used for a comparable program and benefits for workers retiring after a specified date who have been paying into their own health fund. This would be a program paid for by the wage earners for their health security after the age of 65.

Senator SMATHERS. Let me ask you, and I don't mean to cut off on your applause, but as I understand what you are saying with respect to medical care is this. That you recommend the social security system be redesigned to the point where people under the program who make a contribution to the fund, that social security benefits be extended beyond the point that now is provided to the point where it covers medical care; that is those who actually contribute to the social security fund as wage earners. You recommend that setup. Is that what I understand you to say?

Mr. BECKMAN. Many retirees will draw benefits many times in excess of the amount they have contributed, but none of it is set aside for health care: therefore moneys for oldsters in need should come from general Federal funds, giving everyone equitable treatment.

Some States provide generous amounts and others at present none at all. In Florida no action has been taken.

Senator SMATHERS. Then as I understand it, you would have the social security program extended to cover medical care for those who have previously been a part of the social security program. If the payment in does not cover medical care then that amount of medical care needed should come from the Federal Government, from its general revenue, to take care of that. Is that what I understood you to say? I am trying to get it clear in my mind exactly what it is you are recommending. It sounds very well and I want to be clear. Then, on the other hand, you are recommending that the Kerr-Mills bill which you say depends on the matching funds by the State, be amended to provide funds directly from the Federal Government for those people who are not classified as wage earners and who have a need. Do I paraphrase you correctly?

Mr. BECKMAN. I think so, Senator. I am having difficulty in hearing because of the acoustics.

Senator SMATHERS. Do you go so far as to recommend that the States have nothing to do further with it, that the Federal Government undertake the obligation to provide medical care for those who qualify under the Kerr-Mills bill?

Mr. BECKMAN. I suggest that an initial demonstration to provide adequate medical service for all needy aging Americans, not only those on old-age assistance, but medical indigents, can lay the groundwork and set up the machinery for subsequently administering health care for the entire group of Social Security beneficiaries.

Senator SMATHERS. You would leave out the need for the State having to appropriate certain moneys before the Kerr-Mills bill works, and that is the important part of the recommendation on that point as I understand it. The State is thereafter left out except for administration. Those 4 million who are needing public assistance and do apparently not qualify under social security, because they have not been a part, they would be provided for under the Kerr-Mills approach with the amendment you propose.

Mr. BECKMAN. Yes, sir.

Senator SMATHERS. But it would not subject him to any indignities or embarrassment?

Mr. BECKMAN. Just like public housing or applying for a bank loan.

Senator SMATHERS. You also recommend changing the provision of the social security to include medical care for those who contributed to the system.

Mr. BECKMAN. That is right, sir.

Senator SMATHERS. I think I follow you.

I very much appreciate your testimony.

(Prepared statement of Mr. Beckman follows:)

PREPARED STATEMENT BY R. O. BECKMAN, EXECUTIVE DIRECTOR, SENIOR SERVICE FOUNDATION, MIAMI, FLA.

Older Floridians are happy to have an opportunity to tell you how the contraction of retirement income has turned the golden years into brass. The quip that "money is the root of all evil" has special significance when applied to the vicissitudes of the later years. After 8 years of daily contact with the problems of elderly people I know that while a bankroll is not a panacea, an empty billfold accounts for three out of four of the tribulations of old age. Your committee's

inquiry thus strikes at the very heart of the matter and rounds out the admirable effort launched 3 years ago by Senator Pat McNamara.

I appreciate the privilege of being here. A small service could perhaps be rendered by briefly summarizing a few factual cases from the files of a non-profit organization with which I am associated, the Senior Service Foundation of Miami. The cases will be cited anonymously since they are of a nature that might cause embarrassment if the testimony were given in person. They are authentic and have been changed only to the extent of concealing their identity.

Case A.—A retired Army officer of 77 was in active service during two wars and in the Reserves for 20. He lives with his wife, who is a few years younger, in a small home on a pension income of about \$290 a month. This consists of Army retirement pay and of social security and civil service retirement benefits for both man and wife. After deducting their mortgage payment, they have an income equal to the Bureau of Labor Statistics budget for decent subsistence on the part of an elderly couple. They have no investments or other assets of consequence.

This couple is content with a comfortable but restricted life. If the husband should die, however, his widow's total income would drop to \$78; she could not meet payments on the home. It would be possible for her to get a widow's benefit of \$45 from the Veterans' Administration but this would not enable her to keep her own home unless she shared it with another woman. There are no children or relatives with whom she could reside nor would she have enough cash to buy security in a home for the aged. The retired officer in question feels that greater benefits should be provided for widows of retired servicemen, at the rate of half of the husband's retirement pay.

Case B.—A tall, wiry widower of 70 has been a promoter all of his life but for 10 years has been unable to advance his own welfare. He earned handsome fees but was also a free spender. The depression cost him his assets and they were never regained. At 60 he found he was consistently turned down for public relation work because of his age. Since he turned 65 his only regular income has been \$90 from social security. At times he has been able to earn or borrow a few dollars through friends.

This affable character has become a "free loader" on business and socialite acquaintances, sometimes to their embarrassment and his remorse. He continues optimistic; only once has he been known to confide to a close friend that he "could always take a little black powder." There seems little prospect of supplemental earned income except in a menial capacity which he would regard as beneath his station. Serious illness would have to be met from public assistance. Some relief might be had by adjusting social security to the cost of living.

Case C.—A cultured man gave up professional work and moved to Florida when he was 50 because he liked the "sun 'n' sand." He was formerly in comfortable circumstances, belonged to a prominent university club and a yacht club up North. In his new locale, he boosted his limited assets through real estate investment but then lost it all in a hurricane.

Today at 69, he lives in a small mortgaged home on \$200 a month, derived from social security and temporary earned income. His earnings will soon dry up and he will have but \$140 a month, but this will be reduced to less than \$100 unless the mortgage payment is eliminated.

"I cannot find work in my former field because I have been away from it for so long," he states. "The only other jobs I've been offered in 6 years are a part-time teaching job at \$8 a week, desk-clerk work in a third-rate hotel at \$30, and house-to-house commission sales. If I took a \$30 job I'd lose my social security. My old jalopy is falling apart, my refrigerator is worn out; expensive roof repairs are needed and I don't have \$300 for an operation I should have."

This man's situation might be improved by the elimination of the social security earnings test, if work could be found. He could sell his home and use the equity as a membership fee in a home for the aged. But in such a home or a retirement hotel, his entire income would be used for the monthly maintenance charge, unless he shared a room with another.

Said he: "My friends have fallen away or passed on and my social life is practically nonexistent. I know that I can continue of use in the world but the question is whether I can stand the experience of a submarginal living standard and still retain my self-respect. I may have to become an exile in a foreign country where I can live less expensively. The only thing that causes me to hesitate is possible expense for medical care."

Case D.—A retired postal clerk of 75 lives on an income of less than \$200 a month. His only asset is a trailer in which he lives by himself. He is unable to find a part-time job to supplement his income. His expenses average \$150 a month, leaving him little for emergency medical care or recreation. Living in an isolated location with practically no close friends nearby, his mind and personal appearance are deteriorating.

His position would be improved, if he continues in good health and moved into a retirement hotel or an efficiency apartment in a public housing project for the elderly. His income is normally too high for admission to public housing but this could be arranged if space were available. More public housing units at from \$30 to \$50 a month would solve the problem of many older persons.

Case E.—At 68, a demure little seamstress had to stop work because of a serious throat condition. She was drawing \$52 in social security benefits and working part time. Her children were unable to be of help and she lives alone. Medical help was obtained through the Florida hospital plan for the indigent and after an operation she was supplied with an electrolarynx instrument that once more made her speech intelligible. For a while she received supplementary old-age assistance but this was cut off when she again found casual work. She has recovered health and spirits and has an income of \$125 a month but what will happen in a few years when she will no longer find employment? Public assistance seems to be the only prospect.

Case F.—Consider the old-age troubles of a 97-year-old physician and his 92-year-old wife. Most of his life was spent as a country doctor in the Midwest. The wife had some property in Canada. An adopted daughter persuaded the couple to sell it some years ago and move to Florida. They are said to have lent the daughter about \$30,000 to invest in a business enterprise. One morning it is reported they awoke to find her gone for parts unknown. Temporary Canadian residence made them ineligible for old-age assistance. The husband, slowly going blind, is in a county home, while the wife is recovering from a broken hip in a nursing home, both at the expense of the county. They are separated after 75 years of married life.

Case G.—An ailing widow and her daughter continue to live in a valuable old home in which they have seen better days. The mother has no income but owns the property. The daughter works when she can but does not earn enough for her mother's support, which is therefore met with old-age assistance. Other children refuse to help although they will inherit the property. It appears that the home ought to be sold and the mother placed in a home for the aged with the proceeds. In any case, a lien and recovery law would redeem the funds which the State pays out.

Case H.—A former employee of one of the largest corporations draws an industrial pension and social security aggregating \$250 a month, compared to more than \$750 he used to earn. Today, because of necessary medical and other expenditures, he and his wife live at a submarginal subsistence level. "I am grateful for my pension," says he, "and am not a dog in the manger. But why should pensions remain stable? The unions demand and get periodic pay raises as living costs go up. Why are such benefits not extended to pensions? Inability to maintain a simple standard of living causes mental and physical deterioration, even premature death." His comment suggests that unions and management are doing little to remedy this situation.

Figures from the Miami Public Housing Authority also shed light on the economy of older persons on marginal income. Some 200 units there are occupied by elderly persons fortunately spending but an average rental of \$28 a month. Of the family heads, 76 percent draw social security and 28 percent public assistance. About a thousand other family units of individuals have filed applications. The monthly cash income (not including income in kind) of married couple applicants is about \$137, of single persons \$84.

A special census of substandard housing in Greater Miami discloses that 18 percent of them are occupied by the elderly. This is nearly twice the percentage of oldsters in the general population. About five in six of the substandard units are rented rather than owned; two-thirds consist of one room used by one person. Substandard unit rentals for all age groups average \$67, or 32 percent of family income.

From the results of the Miami survey, Haley Sofge, housing administrator, concludes there are at least 2,000 other senior family units in need of standard accommodations. Several thousand more are doubtless forced to pay more for housing than their budget allows.

In connection with housing costs paid from retirement income, I cannot refrain from observing that more than 100,000 senior citizens have qualified for public housing under a "means test." This calls for a statement and evaluation of income and assets and a confidential checkup, tactfully made without subjecting applicants to any "pauper's oath" or indignity whatever. The Miami housing director tells me that out of hundreds of applicants screened, practically none felt they were asking for charity or resented giving the required information.

More than a third of the millions drawing social security are also subjected once a year to a retirement "means test"; all who continued working with low earnings have to prove that these permit them to draw benefits. The Kerr-Mills law for the relief of the medically indigent may be criticized on a number of points; it will, however, fail entirely if eligibility standards are not ascertained with the same regard for individual dignity and equity as is observed in the case of public housing and social security benefits.

The question of health care cannot be divorced from other factors, but the basic problem confronting most older persons is that of income maintenance that will improve their whole life situation.

The fortunes of many older persons are rigidly regulated by the arrival of the check-bearing mailman on the first of each month. For those of inadequate means, especially if they are on old-age assistance, life is a dreary squirrel cage; it goes round and round, day after day, but has no forward movement.

The cases cited illustrate the precarious conditions under which some of our old-timers are trying to retain their grip on the pecuniary lifeline. Their security is interwoven with far-reaching questions of social welfare and economic policy and program, public and private, affecting Government, industry, and labor. The issues raise difficult considerations of personal and social responsibility. They throw the spotlight on thrift and economy as against the inanity of "spend now and pay later."

The elderly that have never known the good things of life deserve understanding sympathy. A smaller number who once "had it good" only to fall into the ranks of the "have nots" may deserve equal compassion because of the more poignant emotional suffering to which they are subjected.

Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare, states that comprehensive data about the income of the elderly is still lacking. He proposes an objective review of their income, tax, benefit, asset, and consumption status in order that intelligent action may be taken by governmental and other agencies. The findings would have to be evaluated against national income and the effects of inflation. Such a detailed study may be beyond the province or resources of your committee but would surely pave the way for conclusive legislation and public enlightenment so that a fourth of our elderly population will no longer find themselves underprivileged in a boastfully progressive economy.

As to medical care for the aged, the old folks' crusade now organizing for a march on the Nation's Capital stems from the inadequacy of the social security income of a minority of senior citizens who cannot pay the costs of their health care. It is supported by some others who hope to get something for nothing from the Government.

Those who would tax the wage earners of the Nation for the health care of the aged fail to distinguish between (1) social insurance as a foundation for retirement income and (2) welfare legislation designed for public assistance and public health. The two are already confused in the public mind because both are written into the Social Security Act. But insurance is one thing and welfare is another.

It is the responsibility of any government that calls itself civilized to care for its poor, its maimed, and its needy aged but benefits for those not in need cannot be passed out under the guise of an inherent "right." Twelve million oldsters drawing social security have not paid a red cent toward health care and most of them will receive in social security many times what they have contributed in taxes.

Our older population now appears to spend an average of \$177 a year or \$3 billion for its own health care. In addition, the Federal Government spends at least \$2 billion on public health measures affecting the aged. We have 2½ million oldsters on old-age assistance and probably another 1½ million who are medically indigent, wholly or partially. If you multiply 4 million by \$177, you have \$700 million.

In view of the present disagreement as to who shall pay for health care, is it not more reasonable to spend three-fourths of a billion for the 4 million in need rather than twice as much to provide lesser benefits for 12 million, two-thirds of whom do not need such aid?

Any senior citizen who cannot afford adequate health care of good quality is entitled to it at public expense, regardless of race, religion, place of residence—or politics. This becomes almost impossible under the Kerr-Mills law, despite the optimum benefits it can provide if it is implemented. Health costs for the needy aged should be borne by the Federal Government from general funds, without State aid. Uniform, nationwide administration of both health care and old-age assistance benefits would eliminate inequities so apparent in the latter. Eligibility requirements and benefits would be standardized and made equitable for every old person everywhere.

Health and old age assistance programs can be effectively administered on a national basis through the Social Security Administration, with assistance from the Public Health Service. Both have proved themselves. The vendor system, Blue Cross or commercial insurance can be used for health benefits, whichever is most economical. Since the American Medical Association (with whom I was formerly associated as consultant on aging) has endorsed the Kerr-Mills law, it would seem that the medical profession would not object to its amendment to provide for complete Federal financing.

If the present wage earners desire it, they should have an opportunity to put aside added wage taxes to meet their health costs upon their retirement, as a supplement to social insurance. Since health maintenance is initially an individual matter, I think the employee should pay most of the supplementary tax.

Federal machinery established for health care of older persons in need could then be used for a comparable program and benefits for workers retiring after a specified date and who have been paying into their own health fund. It would be simpler and less costly to start with a health program for 4 rather than 12 million. Let us learn to walk before we run.

Senator SMATHERS. Our next witness is Miss Margaret Stine, who is the director of the Retired Persons Center, and will speak to us for the National Retired Teachers Association.

STATEMENT OF MISS MARGARET STINE, NATIONAL RETIRED TEACHERS ASSOCIATION

MISS STINE. We wish to join with everybody in congratulating you here. We are certainly delighted to have you here today.

I am very honored to represent the National Retired Teachers Association.

We have over 116,000 teachers in our national. We have registered more than a thousand in the St. Petersburg Center.

We have 300,000 members in our National Association of Retired Persons. We have registered over 10,000 in the center. So you know we have had contact with our senior citizens.

May I quote our president, Dr. Ethel Percy Andrus, who said:

We retired teachers discovered during the postwar period that we were a part of the Nation's problem of aging. We determined to make ourselves a part of the national answer.

Our first concerted efforts resulted in securing health insurance for our retirees.

Teachers in the national broke the age barrier for hospital protection. You remember years ago when you were 65 your policies were canceled.

It was through Dr. Ethel Percy Andrus and her perseverance with 41 insurance companies that this protection is in effect today.

Since then, many of the companies have offered wonderful benefits. The next achievement was the lower price of prescriptions and drugs so vitally needed by our old people today.

These benefits have been brought about by our people themselves, not relying upon the Government.

National Retired Teachers' Homes were established. A nursing home without outside assistance.

Similar groups throughout the Nation have been inspired to do the same thing.

We are now conducting a broad program of research in the area of housing and we hope to make these services free to anyone that needs them.

Because I am in contact with our retired citizens through the ARP Hospitality Center, I should like to approach some of these problems from the more intimate viewpoint.

I have in mind a couple, interdependent especially during these later years. The husband, 88 years of age, is retired upon a pension which might have been adequate 25 years ago when he was arbitrarily retired by his employer. With the health of both husband and wife failing and medical costs mounting, his constant anxiety is in regard to the future care for the one surviving. Will there be adequate income to meet the costs that increase with age?

Last week a retired teacher came into the center, recently widowed through a long illness which wiped away the life savings. Her only income now is social security of around \$80 a month. Insecure as to her way of life in these later years, she appealed to us for counsel and guidance. We believe that she, like thousands of others, is entitled to more comfort and security in her declining years through an increase in social security benefits, including monetary payments for health protection, or both.

The position of our organization is perfectly clear in regard to improvements in the social security program. We believe that social security should be extended to all age groups which are not now covered.

It is especially important for those persons who retired before social security became effective in 1937.

We believe that some plan should be developed to permit the earlier retirees to make a reasonable back payment for services previously rendered.

It is our position that Congress should take action immediately to permit the person who has reached age 70 to draw his social security payments without penalty for his earnings.

It is our hope that eventually the limitations on earnings may be completely eliminated after entitlement to benefit.

I have already illustrated the need for widows' benefits to be raised to the amount approaching the wage earner's basic benefit.

I must call your attention to an existing inequity that penalizes some retired persons.

The person having railroad retirement or social security income pays no Federal income tax on that income, whatever the amount. Other retirement income is exempt up to \$1,200.

A bill, 6371, introduced by Mills, will grant the same exemption for other retirement income. This bill was passed on August 23 of

this year and is now before the Senate Finance Committee. It should have an early hearing and be passed by the Senate to grant tax equities to all retired income.

Our president, Dr. Ethel Percy Andrus, in her appearance, goes on record as approving in general and in spirit the need of making available optimum health care to the aged as one of the essentials of the American way of life.

We believe that the mechanism of the social security offers a national vehicle in implementing the health care program.

We believe that our members, if given the opportunity, will choose medical care coverage as a part of the social security system.

Thank you.

Senator SMATHERS. Thank you, Miss Stine, for your very helpful remarks.

A telegram has been received from Mr. Loren A. Hicks, founder of the North Broward Senior Citizens Club of Pompano Beach, Fla., who was to be our next witness. It is with great regret that I learned he is unable to be with us today because of illness. My wishes are for a very speedy recovery, and at this point I would like his statement inserted in the record.

(Mr. Hicks' statement follows:)

STATEMENT OF LOREN A. HICKS, FOUNDER OF THE NORTH BROWARD SENIOR CITIZENS CLUB, POMPAÑO BEACH, FLA.

Senator Smathers, members of the staff, ladies and gentlemen, my name is Loren A. Hicks and I am the founder of the North Broward Senior Citizens Club. My organization is submitting this testimony on the subject of retirement income in order to assist you in dealing with our most pressing problems as retirees living in this wonderful State.

Most of our members are what I would call the average retiree with regard to their economic status. We are not paupers and most of us have some savings, a homestead, and some of us have small pensions. Almost all of us are dependent upon our social security check at the beginning of each month to provide our basic subsistence.

During our productive years we all have tried to save and "skimp" from our earnings in order to build a little "nest egg" toward the day of our retirement. Most of us were at least partially successful despite the increased cost of living, high pressure advertising, and the general drain on our pocketbooks during the Second World War. We were still able to put some money in the bank and buy some insurance to fortify ourselves against the time when inevitably we would be "put out to pasture."

Today, we retirees in Florida find ourselves facing a double dilemma; the dollar that was saved in the 1930's is only worth about 50 cents, and even worse than inflation, our life savings are subject to the constant threat of being wiped out and completely depleted by huge medical bills in the event of a serious illness and other major medical emergencies. It is almost pitiful that a senior citizen, who is stricken with a major medical emergency, if he is lucky enough to survive, will find himself engulfed amidst huge medical bills which can collapse his nest egg like a house of cards or a castle in the sand, and leave the victim a pauper begging charity from his children or from the Government for the rest of his life.

It was because of the latter threat that some 3,000 retirees have formed the several Broward Senior Citizens Clubs within the last year. We are politically oriented, and our principal goal as expressed in the bylaws of each of our clubs is to obtain a logical extension of the social security insurance system to cover the major medical emergency and health care.

Senior citizens in our community, as I suppose senior citizens all over Florida, are under constant criticism for being "negative," that is, for not supporting necessary progressive programs on municipal, county, and local levels. For example, we are criticized for being against school bond issues, public improvements, and road programs. However, if you look at our side of the story you

will find we are kept constantly under a double sword of Damocles, consisting of the aforementioned threat of a medical catastrophe and the inflationary spiral, and we realize that we must try to maintain as much of a nest egg as we can in order to meet this threat. We know that public improvements cost tax dollars and we must pay these tax dollars from our savings, which all of us fear to deplete no matter how worthy the purpose. I honestly believe that if the social security system were extended to cover major medical emergency that most senior citizens, like myself, would not fear paying our fair share of the cost of the many necessary public programs required in these times of crisis for our country.

Therefore, we hope that this committee will recommend to the Congress legislation that will enable the many retirees in this State and in the Nation to take their place with head up and erect among the many young Americans in meeting the great threats to our American way of life as represented by Soviet communistic imperialism. As President Kennedy suggested, the senior citizens of this country are not looking for or asking what their country can do for them, they are asking what they can do for their country. We are not looking for a handout from the Federal Government's general revenue as suggested in the Kerr-Mills legislation, but rather, we are seeking for ourselves and our children to guard against the major medical catastrophe in our old age by paying a few cents a week into the tried and proven social security system during our productive years.

There are many other problems which we face in our retirement and I am sure that many of our members feel as I feel, that we want to contribute to our country with our strength and experience during these crucial times, whether through part-time work or education we are sure that we can make a still further contribution to the greatest country on earth even though we are over 65 years of age.

Thank you again for this opportunity, Senator, and we are looking forward to having you hold a hearing in Broward County, Fla., sometime in the near future in order to give you the opportunity to meet some of our members.

OPENING OF TOWN MEETINGS OF SENIOR CITIZENS

Senator SMATHERS. We have now come in this hearing to what we call the Town Meeting of Senior Citizens. It is through these town meetings that the committee and the Congress can learn from the senior citizens what they themselves think are the most important problems in this field.

Since this is an official hearing and since everything said here will be taken down and reported to the Congress and the Nation, we have a few simple ground rules that we ask you to follow:

First, so that we can hear from as many as possible, please confine your remarks so that you can complete them in not more than 5 minutes.

Second, witnesses should speak to the point. Tell us of the problems as you see them. We want to learn of your problems in trying to live on a retirement income.

Third, no personalities. This is no place to tell us what you think about the local social worker or any other individual.

Those are the simple rules. We are eager to hear from you. Just in case everyone does not get a chance to speak, or if you do not have time to say all you want to, we have in the rear of the auditorium, envelopes and paper. The envelopes are already addressed and need no stamp. They are free. Please take one as you leave if you have more to tell us.

Now, if everyone who would like to speak will join in a line before each microphone and, when it is your turn, begin by giving your name and address.

Our first witness is Mrs. Edward Tromando, who will speak about widows and the critical housing.

STATEMENT OF MRS. EDWARD TRAMANDO, ST. PETERSBURG

Mrs. TRAMANDO. Senator, and the legislative committee, ladies and gentlemen, I feel honored to be able to appear here.

I believe that one of the prime needs of St. Petersburg is reasonable rentals in updated apartments.

There is a lot of planning and building going on for the operation of apartments requiring \$100 to \$300 for monthly rental.

But where can the unfortunate people in the rock bottom of the \$2,000 annual income group go?

So far much has been done to aid senior citizens to provide low downpayments and low monthly payments, but when one or both become feeble or ill they no longer can take care of that property or that yard which is a 12-month job in Florida. This becomes especially hard for a woman when she becomes a widow.

Some are physically able to take care of the house and yard but many are not able to do it, to do the physical work necessary to take care of the house and yard.

Also in many cases when a woman becomes a widow and her income is cut, and mine was cut almost 60 percent when my husband died, it is not sufficient for this care.

As all of you know from experience in living in rental property, the rent is the same after he dies, whether she owns the home or if it is a mortgage payment. Interest and insurance and heating costs and assessments and the minimum charges for water and garbage collection and gas and electricity remain the same. Even food costs are not cut in half because when you cook for so little there is a lot of waste. If they have plenty of money there is no problem. She can become established in an expensive high-priced apartment or hotel. All the new apartments are being built plush, so there is a high charge.

When some builder or corporation is willing to put up a moderate price apartment house to lower rentals, they are harassed by professionals and businessmen who rush in and put a stop to such plans and so far have succeeded in doing so.

I know this from experience in talking to men who are willing to help us, that this is badly needed and we are entitled to low-cost modern apartments at reasonable rentals.

Those of us in the income of from \$1,000 to \$2,000 annually cannot afford rentals of \$100 a month or more.

Apartments in old houses are usually dark and poorly ventilated with old-fashioned or inadequate plumbing and inadequately heated. Our senior citizens are entitled to something better than this.

In some of our northern cities and in San Antonio, Tex., the city themselves have provided modern comfortable rental apartments.

St. Petersburg so far has come forth with nothing in this line, nor does the council or members of the council seem to want to go along with these sorts of things. What they want is the plush apartments to attract high income retirees.

Please remember that the people who retired 5 or 10 years ago have much less retirement income than those retired now or who will retire within the next 5 or 10 years.

The Federal Government must do something about the Government subsidizing airlines, railroads, shiplines, farmers, and big business and some small businesses. Why can't the Government subsidize comfortable rental property for our senior citizens?

Prospective tenants, of course, should be screened so only those with incomes below \$2,000 a year can rent such an apartment.

Also, any buildings should be in an area close to shopping centers, recreational facilities, and transportation. Thank you.

Senator SMATHERS. Thank you very much. Our next witness is Harry C. Moore.

STATEMENT OF HARRY C. MOORE, PINELLAS PARK, FLA.

Mr. MOORE. My name is Harry C. Moore and I live at 150 Ninth Street Terrace North, Pinellas Park, Fla. I am president of the League of Senior Citizens of Pinellas Park, Fla.

Of all the problems of the senior citizen the greatest problem of the majority is the ability to provide necessary medical and hospital care for themselves.

We are unable to secure insurance because there is none available on a suitable basis within our means. Thank you.

Senator SMATHERS. Thank you.

Our next witness is a retired schoolteacher, Mrs. Maude Yawn of Tampa.

STATEMENT OF MRS. MAUDE YAWN, TAMPA, FLA.

Mrs. YAWN. Senator Smathers, and distinguished members of the committee, let me paraphrase my statement with one fact, that Florida has one of the best retirement systems in the Nation with the exception of California and New York State.

Unfortunately, however, this has not always been true. Our system has been in effect 22 years and many of our people who retired 22 years ago or 15 years ago are living on the same income they were living on at that time.

In the State of Florida today there are some 4,000 retired teachers and it grieves me to tell you that 983, approximately one-fourth of them, receive under \$100 a month, because of low salary in the old days. That is not true of the teachers retiring today but it is true of those that retired many years ago.

Now of this number, 728 had given 25 years of service and the remainder over 31, over 30 years of service. Among these very fine people there are many specific cases of hardship which many of us know little or nothing about. We should be concerned, all of us.

A study has been made by Dr. Meade and Dr. Reef from Gainesville. I have that if you would like to have it.

A few of the findings are that a majority of them are women. The average age of both men and women is 70 years. The average monthly payments is \$70.33.

Fifty-two percent have some other means of income whereby it raises up to \$1,455 a year, but 42 percent probably have to depend entirely on retirement income to live.

Many States, at least 15, have taken all these facts into consideration and have done something about it.

I also understand from the talks here today that many other retired people receive some benefits from frequent, small across-the-board or cost-of-living raises.

I live in Hillsborough County and I would like to bring this question a little closer home. In Hillsborough County we have 365 retired teachers. Forty-nine of them receive less than \$100. Specific cases of hardship there are many. I am thinking right now of a girl who spent 29 years in the classroom. She receives \$92.48. She has a severe eye condition and, therefore, has to go to the ophthalmologist quite often.

We have a principal who spent 50 years teaching, most of it right here and in Hillsborough County. She owns her own home. She was retired 19 years ago and her income is insufficient not only to maintain her home but to repair the lawn and put in a broken window and that sort of thing.

There are many small counties where conditions are worse. I wish time permitted to cite many of these examples to you.

As long as these teachers, these older people are well and they have learned to live on small salaries, they have learned to get along. But they are faced with lengthy illness and they find it very, very difficult to maintain a living.

Now you are talking a great deal today about social security. Very few of the people are on social security. Many of them are ineligible for the plan.

In our last legislature we did a little for retired teachers effective on January 1, 1962, and I am not going to take up the people's time, but I do want to thank you for letting me be here. Thank you.

Senator SMATHERS. Thank you very much for your testimony.

Our next witness over to the left is Mr. E. Pasternack from Tampa. Mr. Pasternack, I am glad to have you. I saw you over in Hillsborough County last week. Go right ahead.

STATEMENT OF E. PASTERNAK, TAMPA, FLA.

Mr. PASTERNAK. Mr. Chairman and gentlemen, I have got a simple problem. I live with my wife and my income is \$1,500 a year. Well, we are old people and we don't require much. We live in a housing project. We don't eat much so we get by in a manner.

But I want to ask you, Senator, what do we do if something happens and we need medical care on \$1,500 a year? I am not going to press you for an answer because it is embarrassing.

I am going to skip a lot of what I was going to say.

If I become involved in this, I will have to seek some charity institution and submit to the humiliation of what they call a necessity, and pronounce to the whole world that I am only a pauper, a beggar.

Now if I alone were involved in this personally, I might suffer it. I would take it and swallow it. But if my children are brought into that then I say, "No, never." I would rather die than submit to that humiliation and that degradation."

Gentlemen, I am only a humble workingman. I worked every day of my life and I helped to produce those commodities that are so plentiful all over the United States. Myself and millions of others worked and produced those consumer goods that you enjoy, but not I.

Now, Senator, that Kerr-Mills bill will assign me to some filthy charity ward of some county hospital or something like that. What else can they do about that?

Now I come here to demand—well, I have no right to demand but I ask for a health care bill that will secure for me a standing in my community with honor and respect, and I am going to ask the passage of the King-Anderson bill which will secure for me my honor and respect—a health care bill through social security.

I thank you, sir.

Senator SMATHERS. Thank you. We next have Elsie Smith from St. Petersburg, who will talk on inflation and taxes.

STATEMENT OF MRS. ELSIE SMITH, ST. PETERSBURG, FLA.

Mrs. SMITH. Senator Smathers, I was so inexperienced I didn't bring a long, large prepared statement. I just want to make a few comments.

Many people, including myself, are feeling the effects of being pinched by increasing taxation. Every year our taxes go up. There are six charges for garbage and other public utilities, and it seems to me that this is because there is so much deficit spending in the government.

Naturally, as I understand it, the interest on our national debt is \$9 million a year, or billion. I can't begin to imagine such a sum. But if we are going down to \$18,000 a minute then it seems that since 2 o'clock we have spent about a million-and-a-half for interest on the public debt.

When Congress votes to spend above the budget our savings are less, and, when Congress keeps on spending, taxes must go up.

Now a great deal of this money goes abroad to other people and to other countries, and it seems to me if this wild spending was checked that my two grandsons are going to be better off and the rest of us, the retired people, would have a better chance to keep at least where we are. Thank you.

STATEMENT OF MRS. GLADYS LEITH, ST. PETERSBURG, FLA.

Senator SMATHERS. We have a witness on the left, Mrs. Gladys Leith. Mrs. Leith lives in St. Petersburg. We are happy to have you.

Mrs. LEITH. I believe we should reduce our national debt and I believe we should cut unnecessary Federal spending on school aid including the neutral countries. Thank you.

Mr. WEIL. This is Fay Sherborne.

STATEMENT OF MRS. FAY SHERBORNE

Mrs. SHERBORNE. I would like to call the attention to the working widow. I don't believe that subject has come up.

A large percentage of the working widows today are drawing social security, who lost their husbands. But there are many who lost their husbands before there was a social security program and a great majority of these widows not only lost their husband but also their pocketbook and the only way they have been able to raise a living is

through their own efforts, including the responsibility of many of them of raising families, the children.

On the other hand, the widow who is drawing social security on her husband's account should also be drawing from other sources established by her husband because he must have been making a good salary in order to have a good social security program. There are many evidences of need for these women in these times.

Senator SMATHERS. We have with us, at the left, Mrs. Juanita Biscoe. We are glad to have you.

STATEMENT OF MRS. JUANITA BISCOE

Mrs. BISCOE. Mr. Chairman, distinguished guests, ladies, and gentlemen, I am very glad to have been granted the privilege of speaking before this august meeting relative to the many vital and perplexing problems facing the elderly citizens of this State.

But first of all I will tell you I am not experienced as a public speaker and have had no experience in politics, nor have I prepared this message.

I stand before you a widow of a First World War Veteran and the most grateful recipient of a widow's fund of \$54.40 a month which does help to sustain a spark of life. I stand before you a widow without a home and without any hospitalization and without any policy to meet unexpected expense.

In the year 1959, the First World War pension program came before the House Affairs Committee in Washington to increase these pensions and also broaden the earning limitations.

Our George Smathers and other representatives were pleading for a substantial increase of these pensioners to alleviate the low level living standards to which many of us are afflicted. The new bill passed but it offered very little.

You know recently the Government took into account the welfare of the Cuban refugees in allowing them \$100 plus a million dollars in housing and schooling and other considerations. Well, that is fine. It is quite important that those that came from that terrifying regime have this.

At the same time what has the administration done for the elderly citizen at this time and present with the exception of the little increase that social security gives us.

You are totally aware of this country taking care of almost all the people around the globe, spending millions and millions of dollars to help them to help themselves. That is fine too. It was a pitiful sight of these other countries and we should help these countries. It would be our Christian duty to help them.

I am not through yet. I am not through yet.

Senator SMATHERS. You made a very fine statement. We have all these other witnesses. Will you take the rest of that and leave it with the reporter to be made a part of the record?

Mrs. BISCOE. Am I allowed to finish?

Senator SMATHERS. You see how many people we have here and we are trying to get all of these people.

Thank you very much. We are glad to have had you.

Mr. WEIL. We have with us Mrs. Irene Sheridan.

Senator SMATHERS. Mrs. Sheridan, we are glad to have you.

STATEMENT OF MRS. IRENE SHERIDAN

Mrs. SHERIDAN. Senator Smathers and members of the committee, I would like to see passed before the Senate and the Congress and our President a law that we can pay in there for hospital care, and the question is, Why do I want it? In 1961, I paid into three insurance companies and not one would pay. So that is the reason I would like to see this law passed.

Thank you.

Mr. WEIL. We have a retired designing engineer, Mr. Frank Seelau, of St. Petersburg.

Senator SMATHERS. We are glad to have you.

STATEMENT OF FRANK SEELAU, ST. PETERSBURG, FLA.

Mr. SEELAU. Senator, ladies, and gentlemen, permit me to say a word. I suppose you would call it some promises that were read to us.

The fact that you are here is proof that you are not only retired but sick and tired to listen to the promises and not to amount to anything.

What we want and what we are demanding is taking care of us under the social security plan as far as medical care and hospitalization is concerned, since it is impossible for us to pay for such on our social security benefits.

It's very convenient for the President and his wife to go to Walter Reed Hospital and get treated by the best doctors without paying 1 cent.

Now look at our side. My wife and I, we have \$141 a month. My wife alone paid in doctors in the first 6 months of last year, and I have the bills here, paid the doctor \$560. Now how can you pay this \$500 from \$141? This does not include the hospitalization that we have.

Now some of you may say, well the President has to carry us, a soldier gets these services free. OK. But weren't we all soldiers during the movements, during the last war? Didn't we put in work in the factories and didn't we work long hours in some stinking factory to provide the necessities for the Army and Navy?

Most of you, I am sure, are in the same boat and you don't expect any better for helping your country at war, but what you might expect was to be taken care of last year. Where do we stand now?

I know the social security isn't because of the lack of money, that they do not have enough money. Who has the money, what organizations? Labor organizations have got millions of dollars and let's go and get it.

I was in the labor movement for 43 years and I paid in the old-age pension for 37 and I don't get a dime. Who got that money? I don't know who got that money but by God I know who didn't get it. When a man reaches the age of 65 he doesn't get a dime. If he dies his wife doesn't get 1 red cent. He has to be employed up to the month he dies to get \$250 to lay him out. If he drops out before 65 he never gets a dime in. I paid in for 37 years for an old-age pension and we don't get 1 plugged nickel.

Who gets it? I don't know who gets it but I know who don't get it. Thank you.

Mr. WEIL. This is Mrs. Emily Craver, of St. Petersburg.

Senator SMATHERS. We are delighted to have you, Mrs. Craver.

STATEMENT OF MRS. EMILY CRAVER, ST. PETERSBURG, FLA.

Mrs. CRAVER. Senator Smathers, in order to provide further for our own aging citizens, I think our foreign aid money should be drastically reduced because so much of it is misused.

For instance, I happen to know that the beautiful glass and marble railroad passenger station in Rome, Italy, was built with our foreign aid money. And I am a retired railroad employee pensioner and our passenger stations are all going broke and some of them are up for sale.

In fact in Cincinnati, Ohio, where I come from, they have a hard time in making ends meet, but we have foreign aid money to build these gorgeous palaces in Rome, Italy. Thank you very much.

Senator SMATHER. All right; our next witness. We only have 7 more minutes allotted to us and we have more witnesses yet to go. So we will appreciate your brevity. Thank you very much.

Mr. WEIL. We have a retired newspaper reporter, Edward T. Stephens.

STATEMENT OF EDWARD T. STEPHENS

Mr. STEPHENS. Senator Smathers and gentlemen, I advocate a complete overhaul of the social security system. Living costs are now eight times higher than in the thirties. The present system has stumbled along with no effort to meet the changing conditions.

The whole setup should be revamped, fixing at least \$200 a month as the minimum monthly payment fixed on needs. Some have incomes as high as \$400 a month due to matching pensions. There should be no increase in these cases. I recall one case of a businessman worth at least \$150,000, retired on a maximum social security for both he and his wife.

This increase of \$200 minimum should be borne by the Government as insurance for a vastly improved stabilized economy. I, for instance, would buy a new car and a new kitchen range and replace many pieces of furniture in my home. Many now are living on a hand-to-mouth basis that contributes nothing to the national economy.

If you gentlemen want to be greatly impressed, try to meet the household expenses in a single month on \$100 a month and sometimes less. I thank you.

Mr. WEIL. We have a witness now, Mr. Senator, Mr. Harold Allen, of St. Petersburg.

STATEMENT OF HAROLD ALLEN, ST. PETERSBURG, FLA.

Mr. ALLEN. Senator Smathers and committeemen, I am a union man for 38 years, an engineer on the New York Central Railroad, and I would like to have this question answered and put on record.

Why are the union bosses allowed to call strikes and featherbed which leads to the high cost of operation and is passed on to the public as inflation which robs us of our savings. I thank you, sir.

Senator SMATHERS. Thank you, sir. I would like to say in that connection that Congress in the past 2 years has passed legislation which is designed to make the union bosses reveal to their members and to the general public what they do with the money they collect from the union members.

On top of that the Congress has passed legislation in the past 2 years to make it illegal for any person convicted of a crime to hold any office within a union. It also passed legislation requiring for the first time that so-called union bosses and all union leaders have democratic elections periodically within their unions, so that the union members will have an opportunity to have a voice in their union. This has already been done.

Much more needs to be done. Certainly there has been a lot of aggravation and a lot of incorrect proceedings in the union movement which must be cleaned up. Our next witness.

STATEMENT OF JOHN TAMBURELLO, ST. PETERSBURG, FLA.

Mr. WEIL. This is Mr. John Tamburello, of St. Petersburg, the gentleman in the wheelchair.

Senator SMATHERS. Go ahead, sir.

Mr. TAMBURELLO. Senator, I come to you because I hear a lot about old-age pension but I have heard nothing at all about the disabled.

Does it mean that we are not included into this increase in the hospitalization and all, because I need attention. I have nobody but myself to look after me. So I feel if I cannot look to have help somewhere, I have applied for employment disability.

Young people don't have any use for me. I don't like to appeal to them. I am asking you, Senator, and your people, to include all of us in this information. I am not the only one that feels they would like this help.

Thank you, Senator.

Senator SMATHERS. Thank you very much.

Mr. WEIL. Senator, your next witness is Harry C. Horlacher, of St. Petersburg. Mr. Horlacher is president of the League of Senior Citizens of Pinellas County, Fla.

Senator SMATHERS. We are delighted to have you, Mr. Horlacher.

STATEMENT OF HARRY C. HORLACHER, PINELLAS PARK, FLA.

Mr. HORLACHER. Mr. Chairman and members of the subcommittee, my name is Harry C. Horlacher, I live at 5081 96th Terrace North, Pinellas Park, Fla. I am president of the League of Senior Citizens of Pinellas County, Fla.

Our organization was founded for the purpose of promoting the general welfare of all of our senior citizens. In our work we have found that the greatest problem of the majority of our aged is their inability to provide necessary medical and hospital care for themselves.

This is an expense that cannot be budgeted because of their inability to predetermine the future cost of a long and expensive illness; and, in addition, the income of the majority of our citizens in this age group is so limited, in most instances it requires their entire income to maintain a bare subsistence standard of living, leaving nothing to budget for future anticipated illness.

They are unable to secure insurance, because there is none available, on an individual basis, that is within their means. They either cannot afford the premium charged for ample coverage or for a premium they can afford the benefits are so limited the insurance has little or no value.

I am sure that you, the members of this committee, are informed on this subject, but we are glad to note that you are seeking further information as is evidenced by your giving of your time and energies in holding meetings, such as you are holding here, in various sections of the country. This shows that you do have an interest in the welfare of our aged citizens.

We have given many days of study and discussion on this important subject, and in addition many hours of intensive research for a good and proper solution and have come to the conclusion that the only sensible method is to provide this care through the social security system. This system has been tried and proven and has the confidence of the American people.

Private insurance cannot or will not do the job. A careful study of the plans being offered to our over age 65 citizens will convince any reasonable person that this is true.

Public Affairs Institute, 312 Pennsylvania Avenue SE., Washington, D.C., has made a comprehensive study of this problem and in their booklet entitled "Health Insurance for the Aged" they stated on page 30 of the booklet, and I quote:

The markup on individual insurance, especially noncancelable individual insurance, is astounding. Information supplied to the Ways and Means Committee by the Department of Health, Education, and Welfare, shows that only 48.6 percent of premium income received on individual cash indemnity accident and health insurance was returned in the form of benefits. And only 40.8 percent of premium income on noncancelable individual insurance was paid out in benefits.

This booklet is available to you and we commend it to you for study.

We are all familiar with the undesirability of policies that can be canceled at the option of the company. Many of our senior citizens, who in their ignorance of the provisions of these policies, believed that they were providing protection for themselves for the balance of their lives, have had the sad experience of having these policies canceled by the issuing company, for no reason except age or ill health.

These policies were bought during their productive years, but cancellation by the company has left them unprotected in their twilight years when the protection is most needed. This type of insurance should no longer be considered or permitted.

We know that our insurance companies are in business to make money, but it does appear to us that to require our aged citizens to spend \$100 to get \$40.80 in benefits, is exorbitant, and does not reflect an honest and sincere desire on the part of the companies to take care of the needs of our senior citizens.

We feel that these figures are so astounding, that they indicate a desire on the part of the companies to profiteer on the misery of the aged.

We are sure that you are well aware that our social security system has done an outstanding job along this line; they have paid out \$98 for each \$100 collected.

We urgently recommend that this committee, in making recommendations, will endorse the principle of hospital and medical care through the tried and proven social security system. It is the only system that is doing a good sound economical job of ministering to the needs of our aged and disabled.

The need for this type of insurance is long past due and should have been enacted many years ago. If it had been it is our considered

opinion that many of our people who are now dead might be living, because of their inability to pay, good medical care was not available.

Oh, yes, we hear the statement made that medical care is provided for all of our people, regardless of ability to pay. This is not true. We have thousands upon thousands of people who today need good but expensive medical attention, who are not getting it because they are not able to pay for it.

Our senior citizens who have built this great country are a proud race; they would rather die than be degraded into the acceptance of public charity, with all of the degrading and embarrassing questions asked of them and their acquaintances before help is granted. The so-called means test is not only degrading but is a definite deterrent to any self-respecting citizen asking for help. It is true that certain people are not embarrassed by this procedure. But we are not so much concerned with this type citizen as we are with what has been our great middle class who through their honest labor has produced the America we have today.

These people are willing to forgo medical attention rather than submit to the embarrassment and indignities that they are submitted to in the getting of free help. They will submit to an early death in preference to being branded paupers.

I submit to this committee, that this is not in keeping with our great American traditions. We provide education for our children because they cannot provide it for themselves; we provide hospital and medical care for the high officials of the executive branch of our Government; we provide it for Members of the Congress; we provide it for members and past members of our armed services; we provide assistance to our farmers because they can no longer maintain a decent standard of living without assistance; we provide subsidies for the airlines, protection for investors in stocks and bonds, guaranteed minimum wages for labor, and I could go on mentioning where the Federal Government has rendered needed assistance in areas where it was much needed.

The need of the vast majority of our 17 million people over age 65 is as great or greater than in some of these other areas, but it seems that organized opposition has influenced our thinking about the aged, and as a result many are calloused and indifferent to this very urgent problem.

This is a shameful un-American situation and should be corrected at the earliest possible moment. It is a correction that is long overdue. Other nations of the free world, none as rich or able as we, have recognized this problem and have taken care of it, some many, many years ago.

We hope that by working together we will be able to correct this disgraceful situation.

We are looking to you, the members of this committee and the Members of the Congress, to act on this issue at the next session of the Congress. The President has expressed himself and will gladly approve if proper legislation is enacted by the Congress.

The 17 million senior citizens of this Nation will have their eyes on you during the next session and many are going to be disappointed if proper and necessary legislation is not enacted. If it is not enacted, the blame will be placed where it rightfully belongs, on the Congress.

We want to thank the members of this committee for the privilege

of being permitted to appear before you and to be permitted to give full expression to our views. Again we do hope you will realize the desperate need of our aged and infirm—may God bless you and guide you.

Senator SMATHERS. Thank you, Mr. Horlacher, for your statement.

Ladies and gentlemen, our time has run out. I want to thank you people that have been so cooperative and helpful to us today.

I think it is clearly demonstrated, not just to us, but to you, this is a very big problem with which we are confronted. There are many people that are in need. There are things that should be done, things that the Government should do and also things the State government and local government should do, but also things we individually should do.

Let me assure you we are endeavoring with every bit of energy at our command to get adopted as soon as possible a sensible and effective bill which will provide effective and more adequate attention and care for the elderly people of this Nation. On medical care we want a bill that will not require anyone to undergo any indignity or take any test that would embarrass them.

Certainly this being the wealthiest country in the world, certainly with all that we have we can devise a way that is practical and effective to take care of our elderly people in their golden years. I am committed to a program of this kind and I am sure all the other members of the committee are also.

Before we go off the air I would like to say we are grateful for television station WSUN-TV for the time they have given us today.

We are grateful for all you people that have participated. You have made constructive efforts and useful efforts in advising us and in helping us to devise legislation which we think in turn will strengthen our country.

Thank you for participating.

(Thereupon, at 4 p.m., Monday, November 6, 1961, the Senate Subcommittee on Retirement Income adjourned.)

COMMUNICATIONS

During the course of these hearings, the chairman advised the public that the subcommittee would be glad to receive statements from individual citizens who were unable to attend or reluctant to speak in public. The statements and letters that follow were received in response to that request.

359 LEALMAN TRAILER COURT, ST. PETERSBURG, FLA.,
October 9, 1961.

DEAR SIR: We are asking your cooperation in supporting any legislation which may come up in regard to increased social security benefits, especially in regard to medical assistance.

During the 6 years we have been in Florida, most of our savings have gone to pay medical expenses.

Our present social security benefits merely meet our current living expenses so any additional expenses must necessarily come from our savings which we accumulated during our working years.

Thank you for any consideration which you may give to this request.

Most sincerely,

CHESTER AND CARRIE WOLFE.

1014 14TH AVENUE, SOUTH, ST. PETERSBURG, FLA.,
November 15, 1961.

Senator GEORGE A. SMATHERS:

DEAR SIR: Last Monday, November 6, I came down to the Municipal Pier to hear the Special Committee on Aging. I was pleased to see that you were in sympathy with us and I feel with the President and you rooting for us, we are bound to win.

I am a widow, 74 years old. I worked until I was 72, then had to retire. My social security is \$54 monthly. I own a small home—old—always in need of repairs. I keep one room and rent out the rest of the house for \$50 monthly. Now, I could get by on this but in the past 4 years I seem to have contracted extra illness. I have had arthritis most all my life, so when I say "extra," I mean over and above arthritis. For instance, 4 years ago I had a very bad case of poison ivy; 3 years ago I took serum treatments as a preventative against colds. I finished up with a bad case of bronchial pneumonia, so my shots didn't help at all. Two years ago I had shingles—last year my arthritis was kicking up again so the doctor tried out some new medicine and I have been in trouble ever since.

A few weeks ago I had an operation on my nose for a skin cancer, also a bad ingrown toenail. It costs about \$14 per month for arthritis medicine. All doctors' visits and extra illness boosts the bill that much more. A few years ago I went to welfare to see if they would help me. They did for about a year, then they asked me if I had signed a paper giving them a lien on my house. When I replied no one had asked me, they told me a mistake had been made, I was supposed to sign. I didn't like the idea of signing a lien, because if I wanted to sell, welfare would have to be paid back for all they had done for me and there would not be much left for me to go into a rest home. I certainly don't want to end my days in the poorhouse (welfare).

So, Senator, you can see what a God's blessing it would be to get medical aid through social security—this way one would not have to be a pauper. I carry Blue Cross for hospitalization, also White Cross for surgical and medical—it costs about \$6.50 per month for both. The doctor charges \$5 per visit and there's usually a shot which costs \$4. To top it all off, my little apartment is vacant now. White Cross refunds \$2 on each visit to the doctor.

I do hope you will be able to help us in this, there are so many more of us in the same predicament.

Very sincerely yours,

Mrs. AGNES CARRUTHERS.

421 CENTRAL AVENUE, ST. PETERSBURG, FLA.

DEAR SENATOR: I would say we need a better social security, more money and a better medical bill for the old people. I think the social security should be dropped down to 60 years and give the people at least \$120 to \$125 dollars per month and put all the young peoples to work. I hope when the Congress and Senate go back next January 5, 1962, it will pass a social security bill that will help. All of us; and a good medicine bill. I am sorry to hear about Speaker Sam Rayburn being down with cancer. I hope he will get well.

JOHN H. ELLIS.

8311 FLORIDA AVENUE, TAMPA, FLA.,

November 8, 1961.

DEAR SENATOR SMATHERS: I would like to see the medical bill pass and go to my own doctor.

Mrs. LILA HELLYER.

TAMPA, FLA., November 13, 1961.

DEAR SENATOR SMATHERS: I think it would be nice if the Government could offer us a medical policy at a reasonable rate that people on small pensions or social security could afford to pay. One that would give us hospitalization and medical treatment similar to the Blue Cross or Blue Shield. I also think there should be a minimum of a hundred dollars a person in social security to cover necessary living expenses today if they haven't any other source of income.

Mr. and Mrs. BEET ALLEN.

5422 4TH STREET, NORTH, ST. PETERSBURG,

October 7, 1961.

DEAR SIR: I will not be able to attend the Smathers meeting on Monday, October 9 at the St. Petersburg Pier for the reason that my wife is preparing to enter Monro Park Hospital for major surgery.

As a retired person on fixed income. I am greatly concerned with the exorbitant cost of medical, surgical, and hospital care and wish to place myself on record in support of the efforts being made through Senator Smathers to get assistance through the Federal Government in meeting the problem of medical care, particularly for the aged and low income brackets. Trusting that your efforts will be successful, I am

Yours truly,

E. O. HERDMAN.

416 16TH STREET, ZEPHYRHILLS, FLA.

I would like to go on record as desiring medical aid through social security, as I am not now able to have it.

LOUISE WIRTH.

ST. PETERSBURG, FLA.

Because we worked more than 10 years, 1937-49, in social security we get old rates. I get \$29 and my husband \$72. Folks who worked less but get new rates after 1950 have so much more.

Medical bills take so much. Could all receive the same amount of social security? Perhaps \$100 a month for all?

Medical insurance through social security would help so many.

Heart condition, no insurance allowed.

344-4481.

711 17TH STREET, ZEPHYRHILLS, FLA.,

October 5, 1961.

DEAR SENATOR SMATHERS: I am sorry that I am unable to appear personally at the St. Petersburg meeting as I am a senior citizen living in Zephyrhills, Fla., since 1952 with my sister, so I will try to express my difficulties in writing as brief as possible.

Being under the doctor's care for sugar diabetes, I must take insulin shots daily, also additional medicine prescription from the doctor. With the high cost of living it has been most difficult to meet expenses. My social security check is for \$63 per month. My sister administers the insulin shots each day and takes care of my diet, and I feel that she should have some recompense for her work but can't do it on the amount I am getting.

I have been of the understanding that the elderly persons were going to get an increase in social security for medical care. What has happened to it? Surely our Government could give a \$10 increase to its older citizens, because after they reach 70 years and over their working days are finished.

Trusting that all the Senators will stand behind you 100 percent in the interest of the senior citizens,

Respectfully yours,

MARGARET COOK.

2713 105TH STREET, NORTH, ST. PETERSBURG, FLA.

DEAR SIR: I have worked very hard all my life. I sewed to make a home for my mother and myself for 10 years and I know no one would do that for me. So I have worked and saved so I wouldn't become a burden to anyone. So from 1929 to 1941, I was superintendent of the Buron Wilcox Home for the Aged in Berlin, Wis. It was a nonprofit institute so it didn't come under social security. But I paid income tax. I have never beaten the Government or anyone else of one penny. So in 1941 after I left the home I went to work at Story Book Farm Tearoom and gift shop at Lake Geneva, Wis. But I had to resign as I have a heart ailment, but that is where I get my social security No. 395-16-3067, Marie Christensen Moore, so I didn't work any place that came under social security till 1951 when I worked at the William and Mary Hotel taking care of Mrs. Sanaker's mother till they went to Minneapolis, then I went to work for * * * and I wasn't well so I went to the social security office and told them about it and they told me I could come under self-employed if I made \$400 a year, so I sent it in when I paid my income tax. But then when I became 65 I went down to put in my claim and then they told me I could not come under self-employed so I walked out of that office thinking I would never get anything but a friend told me to go and see Mr. Webb at the social security office and I did so. He looked over the list I had where I had worked so he told me I had enough to make up the quarter. So I get \$30 to start with, then \$35, now \$40. I thought I would had gotten a raise in September, but I didn't. I don't have income enough to live on so have to draw from my savings. I have lost so much money thinking other people were honest as I am. But I am still going to be honest no matter what the other fellow does. I came to St. Pete, November 5, 1945. I have my own home. I am now 73 years and not able to work for others any more, but I am so thankful for my home. The Lord has been good to me, now I don't know if there is any way I can get more; if not I will just do the best I can.

Sincerely,

Mrs. MARIE C. MOORE.

3011 68TH STREET, TAMPA, FLA.,

November 3, 1961.

Senator GEORGE SMATHERS,
Care of *WSUN Radio*,
St. Petersburg, Fla.

DEAR MR. SMATHERS: I hear by the radio that you will be in St. Pete Monday to discuss the good and bad points of social security with the old people. As I am not quite that old, but am quite interested, may I show one real bad point or contradictual points.

On page 3, book with green printing, it says that never over 40 quarters (10 years) are needed. Yet in another book it says you must work 5 years out of last 10 years before retirement; another book says you must work 6 quarters (1½ years) out of the last 12 quarters (6 years) before retirement. A woman representative from the Tampa social security office told us at a union meeting that a person could not freeze their social security even if they retired from the company they worked for and start collecting at age 63 or 65.

Many companies give 20 to 25 or 30 years' service retirement.

If a person cannot freeze their social security at retirement and start today at age 62 or 65, this will literally hold the person in bondage by the U.S. Government as he is compelled to pay but cannot collect, compelling him to work after being eligible to retire from his company.

As a good example I have not missed a day's work since 1935 when social security started. The company I work for and I have each paid his part on money earned.

From 1937 to 1960 I have earned and paid and company paid social security tax on \$70,515 earned. Yet according to booklets and the woman from Social

Security office if I retired with 30 years' or 33 years' service at 55 at age 62 or 65 I could not receive 1 cent social security. This would compel me to work many extra years.

Social security was started I understand to take older people off payrolls so younger people would have work.

If a person is financially able and the company he works for is willing to give a pension, I think it is a shame for the U.S. Government to say you cannot retire.

Please look into this I would appreciate very much and to hear your views on it.

Yours truly,

W. J. LINHART, Jr.,
Social Security No. 262-07-6047.

2304 OLA AVENUE, TAMPA, FLA.,
November 3, 1961.

Claim 266-26-1669.

Senator SMATHERS,
Florida.

DEAR SIR: September 30, 1959, I retired. As I was leaving Orlando I applied for social security in October 1959.

These years are by far my best; wages increased and I worked every day in the year; 1957 I was self-employed; earning, \$3,414; income tax paid, \$383.22; social security, \$105.17.

In 1958 and 1959 I was not self-employed. Hence my employer turned in social security tax on my entire earnings; 1958 I made \$4,464; in 1959, \$3,276.

I am told, when you filed your claim in 1959, we used your best years' earnings, giving a benefit of \$102.

But when Mr. Lindsey totaled my earnings, while I was in the Orlando office, he said he could not include \$1,104, the third 1959 quarter earnings, because income and social security tax was not paid in yet. Income tax at least was not paid before March 1960. His statement worried me. Then he said if it makes any difference in the figures they can adjust that later.

Years ago when I made less than \$1,000 it appeared to be worth something as I paid income and social security tax on it. Then I asked him how much would I receive and he said he could not tell me that, although 3 years before a woman in the same office told me what I would receive at that time. I was 65 then but did not want to retire. I want to know if their figures are right, as I received my first allotment check about the time I paid my income tax. I was in California that winter and because of delays here my tax was not paid sooner.

Thank you.
Sincerely,

Mrs. MABEL T. PORTER.

I advocate a complete overhaul of the social security system, which had its inception in the thirties.

Living costs now are eight times higher than in those years.

The present system has stumbled along with no effort to meet these changing conditions.

The whole setup should be revamped, fixing at least \$200 a month as a minimum monthly payment, fixed on need, however, rather than as a routine standard.

Some now receiving maximum social security payments also receive other pensions, which bring them a total of as high as \$400 a month, in some cases. There should be no increase in these cases.

Neither should this apply to otherwise wealthy recipients.

I recall one case in which a businessman, worth at least \$150,000, retired with a maximum social security payment for both him and his wife.

The costs of this proposed increase to a \$200 a month minimum should be borne by the Government as insurance for a vastly improved and stabilized national economy.

I, for instance, would buy a new car, a new kitchen range, and other appliances; replace many pieces of furniture in my home, and make necessary house repairs costing several hundred dollars.

Apply similar expenditures by a couple of million or more, who would benefit by this proposed increase, and you can get some idea of the terrific boost it would give the Nation's business.

The benefits would far outweigh the cost of the proposed increase.

A majority of the millions who would be benefited by this change are now living on a hand-to-mouth basis and contribute nothing to benefit the Nation's economy.

If you gentlemen want to be dramatically impressed of the necessity of the changes I have suggested, try and meet your normal household and other necessary expenses for a single month on \$100 or less. It would prove a revelation.

EDWARD B. STEVENS.

6795 35TH AVENUE, NORTH, ST. PETERSBURG, FLA.

3620 12TH STREET, NORTH, ST. PETERSBURG, FLA.,

October 3, 1961.

Regarding financial problems of senior citizens: Why can't a wife get social security at the same time the husband gets it, regardless of the fact that she is a few years younger than he is? I don't mean if a man marries a young woman, but a majority of husbands and wives that married years ago, they married girls 6 or 7 years younger than they were. Now comes a time when they get social security, and they only get around \$80 or \$90 a month, which they can't support a wife on, but if she was given her share at that time, they could just about manage. That is why so many of the old men have to get a part-time job, or the wife has to go to work, and if she hasn't worked during her married life, a man hates to see his wife have to start then. And if they were both given their pension at the same time, neither would need to work, and it would make work for younger people.

Even a widow at 62 gets around \$70, so how do they expect a man at 65 with a wife a few years younger than he is to live on around \$80 until the woman gets to be 62? I think this problem should be taken care of.

Yours truly,

Mrs. HENRY BOURA.

ST. PETERSBURG, FLA., October 2, 1961.

DEAR SIR: In regard to senior citizen's problems, I have a real one that affects many others as well.

I've been a widow for over 20 years, supporting myself during that time. At age 63, I retired from my position with the Army and Air Force Exchange System, receiving my social security from my own earnings, as it was greater than if I had taken it as the widow of my husband.

Consequently, when the recent amendment was passed to the Social Security Act giving widows an increase of 10 percent, I wasn't eligible.

However, my social security is much lower than many widows, besides having been on my own for so long I really need that little extra. This I consider unfair. My social security payment is \$76.80 per month. Do you consider that adequate? I do not. That extra 10 percent would supply me with food for a week, which would be a great help.

There are many in my position, so I feel this injustice should be corrected.

Thank you, and I hope the coming forum will be a great success.

Most sincerely,

Mrs. E. S. MEYERS.

ST. PETERSBURG, FLA.

COMMITTEE ON AGING:

Not only does social security need law revision as regards health care for the aged but it greatly needs corrective legislation to remove the inequities and favoritism that have crept up in its bureaucratic and political entity. Below I cite my case as an example:

I am a 77-year-old bachelor. Am not so by choice, but by obligation and responsibility. In the years before social security I made a happy and comfortable home for dad, mother, and a dependent sister who, by virtue of defective eyesight, never has been able to engage in gainful employment. At 63 she is still my responsibility. It would be a crime for me to deny her a happy home for all the help with great sacrifice she has been to me in the care of the old parents by remaining single for that purpose. Divided between the two of us after utilities and house insurance are paid out of my lone social security check we

have \$43 left for victuals, clothing, and medical care which is increasing by leaps and bounds every year now.

The inequity in all this is that like a married man I have paid the full social security tax. His wife though not paying any tax in several instances is entitled to half his pension benefits when she gets 65 and 82.5 of it when he dies. Consequently, I feel that after 40 years of dependency upon me incapacitated sister of mine is just as entitled to a portion of my social security benefits as is the wife who never paid tax.

This inequity cries to high heaven for redress.

J. A. R.

2844 SOUTH 1ST AVENUE, ST. PETERSBURG, FLA.,

October 5, 1961.

DEAR SIR: I've never been old before, and all the statements of retirement being "golden years" is a lot of bunk! I think and find old age is horrible.

This pessimistic preamble is due to facts in my case—as in many others—the lack of ample or necessary funds to meet the needs of ordinary living expenses.

The steady upward rise in living expenses, the low value of the dollar's purchasing power, proves a near nightmare experience each month.

I do not know what to do to increase my monthly social security check (\$54); do you have any suggestions?

Thank you.

Mrs. NAN D. LAMB.

10747 109TH STREET, NORTH, LARGO, FLA.,

October 3, 1961.

DEAR SIR: May I ask you to bring to the attention of the Subcommittee on Retirement Income of the U.S. Senate when it holds its regional conference at Municipal Pier on October 9, the following deplorable situation.

It is the plight of the people whose yearly income has always been between \$4,000 and \$5,000 and who must continue working after 65—the middle bracket group.

Unlike those in the low brackets who at 65 collect social security and maintain their accustomed standard of living under the social security earning requirements, or those in the higher brackets who at 65 collect social security and maintain their standard of living from returns on investments, this middle bracket group to collect social security must lower its standard of living.

Why should this group be penalized because conditions make it necessary for them to work? Why set them apart and deprive them of the assistance they and their employers have bought for them, and why require them to continue to pay into a fund from which they receive no benefit?

Correction of this social security inquiry would ease the financial problems of many senior citizens.

Thank you.

LUCILLE K. SMITH.

Mrs. Walter A. Smith.

1207 12TH AVENUE, PALMETTO, FLA.,

October 31, 1961.

DEAR SIR: In reference to us getting to St. Petersburg to meet Mr. Smathers that is impossible but we sure do need more social security money. Paying on house, electric, insurance, hospitalization, sewerage and living, \$81 and \$49 does not go very far. We are 71 years and 74 years—pretty well crippled with arthritis.

EUGENE PROCTOR.

JESSIE PROCTOR.

409 LAKEVIEW AVENUE, TARPON SPRINGS, FLA.,

October 2, 1961.

DEAR SIR: We read your notice in Sunday's Times regarding problems of senior citizens and would like to submit this suggestion.

Why has the social security law not considered the man who at 65 is receiving social security benefits who has a wife under 62 who cannot collect?

In our case we have been married for 36 years yet I have 6 years before I am 62. This very often creates a hardship since the man being 65 cannot get

work any place and also a wife of 56 can't either; yet a man is supposed to support his wife. Social security benefits were taken out of the family pay check since 1937, yet both cannot participate. I realize this could be abused but why couldn't it be made a law that when a man reaches 65 he receives benefits for himself and his wife so long as they have been married say over 10 years.

Thanking you sincerely,

F. SHUTE.

OCTOBER 3, 1961.

U.S. SENATE COMMITTEE,
Regional Conference, St. Petersburg, Fla.

DEAR SIR: A serious inequity seems to have been the result of the recent increase in widows social security benefits, but not to those of us who had to earn our own. May I explain how unfair this seems in my own case.

My husband died in 1941 after several years of seminvalidism, with very little social security coverage, having been, for the most part, self-employed, or in poorly paid positions.

It was necessary for me to work, not only to support myself, but often to help with his expenses when he became ill—but not to the extent that I might claim him as a dependent.

My work, for the most part, was not covered by social security, as a State worker and as a clerical worker in a YWCA. Not until 1950 were we included in coverage. In order to build up my benefits, I then went to work at a supplementary job, in an insurance company office at part-time day work, and at night as all-night desk clerk in YWCA.

These two positions often meant working for a total, with what overtime possible, of 70 or more hours a week. I did this for 5 years, but in 1955 was seriously ill and hospitalized for a colon resection—after which I continued to work (at both places) for another year, at the end of which time my doctor advised me to retire, which I did, in 1956, at the age of 63. This necessitated a substantial reduction in my benefit, of course.

After my husband's death, I found that we owed nearly \$2,000, which had been borrowed—this was not, I was told, my legal responsibility, but, since borrowed from our friends, I felt it certainly was a moral one. It took me nearly 8 years to pay these debts, and my savings, naturally, were small at the time of retirement—older sister to help also.

Today my total income averages only about \$110 per month; \$85.40 of this is from my social security, and the rest from a small mutual fund, into which I put my savings. Of this more than three-fifths goes for rent and utilities; another \$22 a month for health and life insurance, for which I actually go hungry at times, but I am afraid to be without.

The unfair thing seems that I, who have worked so hard (only Heaven alone knows how hard) for my social security benefit, should have received no increase, while other widows, who never worked a day, themselves, and often did not need an increase were given substantial increases. Is this really fair? Someone just must not have understood.

I love my Government and am truly grateful for my benefits. I don't wish to criticize but so often justice seems to miscarry. As for instance, when a survey was made here of senior citizens' needs, only those who could be reached by telephone were questioned. Those of us whose need is greatest certainly cannot afford to have phones.

I sincerely pray that next year's Congress will pass some sort of medicare bill. Truly many of us I know, who do carry health insurance, do so at great sacrifice of necessities because we dare not be unprotected. At best these policies do not provide for medical care, or for more than part of other expenses involved, and the insurance company either refuses to cover us at all (if poor risk) or places riders on the policy which will not cover preexisting disease or infirmity.

I am sorry this is so wordy. Please, if possible, consider my problems.

Gratefully yours,

Mrs. B. E. HANSEN

ST. PETERSBURG, FLA.

DEAR SIR: I would like my problem, which is no doubt the problem of many others, discussed by the subcommittee on retirement income, at the regional conference, October 9.

My husband and I reared a family and had been married 32 years when he passed away at the age of 53. He had paid a great deal into the fund. The

amount taken from his check each month called for sacrifice on my part as well as his.

A few years after his death, I married a man who had shown extreme kindness, only to find that he had his eye on holdings left to me. His constant nagging at me to sell these holdings and use the money for trips, vacations, investments in this and that, etc., made it impossible for this marriage to continue.

Although I am not an advocate of divorce, I couldn't see ruining my remaining years in that way. I was awarded a divorce and was given my former name legally. As the law stands now, I will never receive any social security benefits.

In a case of this kind, doesn't it seem fair that I should receive the widow's social security of my husband of 32 years and whose name I carry—especially considering the large amount he paid into the fund?

Shouldn't there be some revision of the law to take care of such cases?

Thank you.

Mrs. R. N. C.

Box 139, LAUREL, FLA.,

October 6, 1961.

Senator SMATHERS.

SIR: I am 78 years old and I get \$69 social security. My medicine bill averages about \$9 a month. We can't afford for my wife and I, both, to carry hospitalization insurance.

We have to borrow money for maintenance of our house, I have a furnished apartment for rent, have owned it 5 years. Just got 15 months rent from it, and no one in it now. I ask \$45 a month for it. Would like more social security if I could get it, have bills I can't pay now.

Respectfully,

GEO. A. WILLIAMS.

7735 40TH AVENUE, NORTH, ST. PETERSBURG, FLA.,

October 6, 1961.

Senator GEORGE SMATHERS,

Chairman, Subcommittee on Retirement Income,
U.S. Senate.

DEAR SIR: Some of the most neglected people in the present social-security law are the disabled under 65. The law as it is now favors only a comparative few and should be broadened, eliminating all the restrictions.

Many of us were not fortunate enough to keep healthy until the prescribed 65th birthday. Many of us won't live to be 65 but it would help if we had something to live on.

Very truly yours,

RACHEL COLEMAN,

Mrs. Mearl Coleman.

713 53D AVENUE, SOUTH, ST. PETERSBURG, FLA.,

October 8, 1961.

Re hearing on retirement income:

Unquestionably the following situation in connection with social security payments affects many in addition to myself:

Although I had paid in the maximum amounts continuously from the inception of social security until I was retired in 1953 I fail to receive the maximum benefit because I did not work in 1954 when the rate of payment was increased.

My retirement was not voluntary although I was not 65 for 2 more years, when I became eligible for social-security benefits. However, being more than 60 I had no success in obtaining anything like permanent employment sufficient to build up additional social security credit.

This situation would not seem unfair were it not possible now for people to pay in a much smaller amount for a much shorter period of time than I paid in between 1937 and 1953, the maximum then required throughout these years, and still get today's maximum benefits.

Very truly yours,

H. R. FOSTER.

507 NORTH CASTLE COURT, TAMPA, FLA.

DEAR SIR: I'm writing you in regard to the medical care for the aged and other expenses we have to meet. I'm 78 years in December and worked to

support myself till past 70. Now I get \$55 social security per month from my own work. My husband passed away before 1936. Therefore, I get no increase because I'm not drawing social security from my husband. I have high blood pressure and heart condition, but can't afford the doctor's care and medicine I should have. I have to take blood pressure medicine which costs \$8 for one prescription, but afraid to not take that for fear I'll have a stroke and have to be waited on the rest of my life, I suppose at the county home. It would be so much appreciated if we had enough so our sunset years would be less burdensome.

I have no other income.

Thank you for wanting to help.

Mrs. STELLA ESTEP.

1101 61ST AVENUE, NORTH, ST. PETERSBURG,
October 1, 1961.

DEAR SIR: At long last, some one gave us an address where to write to if we have any problems. Two years ago I wrote to President Eisenhower, that was just like putting water on a duck. No one seems to care?

We are old people and just can't do almost any work any more, my husband is 74, myself 72—we came to Florida in 1956—the little money we had, we bought a small home and furnished it as good as we could at that time. Paid everything we needed in the house cash, only the house we paid a third down, as at that time you could not buy a house with less down, had we known what we know today, we would have never bought a house, as most of those real estate guys are not on the level. We ask him about the roof of this house, he said you have a 10-year guarantee on that roof. Here we are in here for 5 years, and had to have a new roof put on this home already. We had to make a \$400 loan in the bank to pay for 3 years for that roof. Out of that little social security we get every month, we don't know how we can keep everything up. Ever since we are here, we had to take from our savings nearly every month between \$25 to \$50 from the bank. Right now we took our last dollar out of the bank, you can inquire about it. Two years ago, we had to cash in our life insurance policies. We don't know how we ever will get buried with no more insurance. We absolutely live only from hand to mouth, what a poor existence in our golden years, we just can't spare 1 cent for clothing or anything we need. We both need glasses, I should get my teeth fixed, my leg is swollen, should get a shot for it, but can't spare the money. We need about \$10 to \$15 a month for pills. By the time we pay all our bills we have nothing left for anything. Electric is so high down here it's really something.

To go to a doctor is also something, they are all highway robbers, they take your last dime, and the medications they give you, you can't have filled as it cost a fortune, I sent that time one of those prescriptions to President Eisenhower along with my letter, that would have cost me \$10.50 to get it filled. I did without it.

We don't know how long we can keep this up, we are at our wits end, we worry so much about losing our home, if we don't get help soon. With all the money that gets spent for defense or foreign aid, let them do something for home aid. So many people are suffering right here. I am not writing only for myself, nearly everyone complains.

Something has to be done, we both beg you to come out to our home so we can talk to someone.

Hoping to hear from you—any bit of help or advice would be gratefully accepted.

Sincerely yours,

Mr. and Mrs. C. M. JOHANSON.

ST. PETERSBURG, FLA., October 2, 1961.

MY DEAR MR. BLAND: I would like very much to have the medical needs outside of hospital care discussed for senior citizens. For instance: For people like myself who have chronic diseases as diabetes and have to spend \$5 every 25 days for orinase (oral insulin) and spend \$5 about every 2 months for a blood sugar test. I also have diverticulitis, for which the doctor said I should have a barium enema once a year at \$25 each, besides having to buy extra things to eat for the diet I am on. I get \$40 per month social security, and this past week I spent that whole \$40 for medical care. My husband has a small pension for which we have to use for household expenses. We live in a trailer park which I consider the cheapest way to live. He had a heart attack

6 years ago and it left him with a dilated blood vessel which could cause an inward hemorrhage. We have some hospitalization so we could pay for hospital care. What I would suggest is some kind of a clinic where senior citizens could go at a reduced rate, especially when treatments will have to go on until we die. None of us want anything for nothing, but we would like some help. My husband was in the post office so does not get social security so some help should be given to them as well as those getting social security. I only hope they will discuss these things and try to do something about it. If possible I should like an answer from Senator Smathers what he thinks of my plan. Thanking you for the privilege of expressing my views, I remain,

Respectfully yours,

Mrs. EDNA RITTNIGER.

5222 4TH STREET, NORTH, ST. PETERSBURG, FLA.,

October 7, 1961.

DEAR SIR: There is a reason why I am unable to visit the pier Monday to see Senator Smathers. Sickness at home prevents my attendance.

Will you please register my complaint against high drug costs in particular? If it were not for the retired persons pharmacy I could not bear the strain.

Hospital costs are frightening, also.

Sincerely,

J. E. L. HERDMAN

ST. PETERSBURG, October 4, 1961.

DEAR SIR: I read the article in the Sunday's Times about the senior citizen. My trouble is not being able to pay for medical care. I am 75. I should have medical care, but cannot afford the terrible prices. One has to pay doctors and medicine. I also need my eyes tested and always have to pay \$50 for testing and for the glasses. I get \$40 a month now. I surely need a medical checkup as it is over 7 years since I have had one. Do hope that something can be done as I know there are many people like myself who need medical attention. I live in a trailer, that way my rent is cheaper. I could never afford to pay what apartments cost today.

Yours truly,

MILDRED GADE.

1713 37TH, SOUTH, ST. PETERSBURG, FLA.,

October 20, 1961.

DEAR SIR: Here's my gripe. I have enough social security to get by, although I'm sorry to say I know a few who get too little.

My gripe is about the high cost of medicine, and most of us elderly folks are taking something for hypertension or diabetes. I've lived here about a year now. In Pennsylvania I paid \$20 for pills I now get * * * for \$11.70.

I suppose it's not ethical * * * to advertise prices, but when I saw the difference I took my prescription there. Why the big difference?

Thank you for your efforts in our behalf.

Yours very truly,

(Mrs. F. A.) ADELE L. MILLER.

3311 8TH AVENUE, NORTH, ST. PETERSBURG, FLA.,

October 9, 1961.

DEAR SENATOR SMATHERS: I am a widow trying to get along on my social security but my medicines and doctor bill use up most of my social security. I am getting along in years and could use more. I am on my own earning on social security. I hope the bill will pass so our medicine will not cost us so much and I will be eligible for a raise in social security at least to \$100 month.

Yours truly,

MARY EDITH ANDEYTON.

941 15TH AVENUE, SOUTH, ST. PETERSBURG.

DEAR SENATOR SMATHERS: I think it would be a blessing if some of the older people received more social security. I was a registered nurse. When I earned my social security we received \$12 when we worked; now they receive \$18 I am told. My husband was ill 13 years. I worked when I could.

He passed away a year ago and I am physically unfit to go back to work—75 years old—poor vision due to 3 eye operations etc. Two head injuries cause me to be very forgetful.

I pay \$50 rent; electricity averages about \$6 a month year round, milk \$5.50. That leaves me less than \$24 a month for clothes, shoes, doctor's fees—four visits a year or more—blood chemistry, dentist twice a year. By the way—due to two head injuries I am forgetful and misplace things, etc. If I cannot find my pill bottle and call the doctor, he telephones to the druggist, then I receive a bill for \$5 from the doctor. That is the price of a house call, or it used to be. Do you think that is fair to the patient?

I have to walk a mile a day—doctor's orders—and that is hard on shoes.

I need one lens changed in my glasses, had three operations on my eyes. The oculist guessed new glasses would be \$85. Probably one lens would be \$35. You can see how far \$85 goes here. After being here 14 years, I don't feel I could stand the cold winters of the north. I lived outdoors for 1 year following a flu epidemic.

I appreciate what you are trying to do for us senior citizens and I'll say a prayer to bless you if you could get a raise in my social security.

Thank you.

Mrs. MAUD STONE PLATT.

230 SOUTH MARYDELL AVENUE, DELAND, FLA.,
September 1, 1961.

Senator GEORGE SMATHERS,
Chairman of the Subcommittee on Retirement Income,
Washington, D.C.

SIR: In response and in connection with the enclosed clipping from the Florida Times Union of Jacksonville, I would like to make a point or so and a suggestion in regard to the pension income under social security of one category of the people who retire, or are forced into retirement, at age 65. I refer to those with children who come late in life.

It so happens that I was one of these, and can give a personal experience about what happens with the pension income and with what savings my wife and I were able to accumulate during our lifetime up to age 65.

To be brief: I was forced into retirement by a combination of circumstances; ill health and management hostility. We entered retirement with a 13-year-old boy who was then in second-year high school. The town where we lived (Kendallville, Ind.) had a high tax rate and being in a cold winter climate the heating costs were high. And because of these considerations, mainly, we came to Florida; to this town in particular because of the university where we hoped to be able to give the boy a good education.

I left a salary of \$410 a month to receive a pension of \$85 (at that time) plus another \$84.40 paid only until the boy reached the age of 18, barely through high school. I must say, here, that I was one of the fortunate ones (many are not) who received, on retirement, a company pension of \$67 a month, making our income, until the boy was 18, for about 2½ years, \$237 per month.

At present—the Government having made some adjustments in pensions, and my wife having received her pension—our income is \$211 per month. The boy is about half way through a college degree; our savings account is severely depleted; I have to keep a tight hold on the purse-strings; we live as austerely as possible; little latitude of movement. But barring expensive emergencies, we can make it; get the boy through college so that he will be able to teach and make his own way.

You should know that services of all kinds, including professional and educational, do not make any allowance for the low-income pensioner, although we did manage to get a small loan through the university, here, to apply on tuition. For instance, I had to pay approximately \$400 for a hernia operation recently. Six days in hospital cost \$174.60.

I do not hope to profit from any change which may be made in the social security laws favoring this category of pensioners with children coming late in their lives. The point of this letter is that I feel that some of these at least should receive more compensation, of course, depending on their financial means, to enable them to properly educate these late offsprings who have as much right to an education as those more fortunate.

My suggestion is that, in this category of pensioners, as one way to help would be to change age limit of 18 to some point which would insure the student his education; continuing the extra compensation to the parents to that point.

The people with children coming late in life are not numerous and the extra cost of helping them with the education of these children should not be too great for a nation such as the United States to bear, and certainly worth the little extra cost in producing more capable citizens, able to make their own way and, perhaps, help others to do so, all, I believe in the best interest of our country.

Respectfully,

FORREST E. LUNG.

St. Petersburg, Fla., *October 9, 1961.*

DEAR SENATOR SMATHERS: I am 74 years of age, and a retired Federal civil service employee. My first wife died on February 10, 1951, from a heart attack (coronary thrombosis) and after working in the service for 43 years, I decided to retire on August 1, 1961, which I eventually did. Then in October of 1951, I decided to pull up roots and live in St. Petersburg, Fla. However, later on I met up with a very lovely and sensible widow, and by April 2, 1952, we were married; but I explicitly informed her that according to the specific law at that time, and not being married to me on the date that I had retired, it was impossible for me to include her as a survivor annuitant in the pension I have been receiving, to which she replied, "I am sorry to hear that, as I will be giving up a \$42 per month soldier's pension (widow), but we will get married anyway."

Now what I would like to say is the fact that if anything happened to me and she were left alone, she would not have any income whatever; not even social security, nor her World War I widow's pension. She is now in her late sixties, and I do feel that she certainly is worthy of some benefits, while being in such a predicament, and urge that you or some other worthy Senator, please file a bill in the next session of Congress, which would authorize a survivor annuity for a spouse married after retirement, provided that they had been married for a period of 5 years; or even a longer period of 10 years.

I am sure that there are many, many other deserving widows, who would appreciate such a law, where they have no other income; and with the cost of living, even of passing out of this world so high today that the whole matter referred to is an absolute and dire necessity.

Therefore, I do hope you and your entire committee will act on this matter very early in the next forthcoming session of Congress, and get such a bill passed and signed into law, which many folks will certainly appreciate and thank you most sincerely for all of your efforts.

Also what are the prospects, if any, of the provisions in Senate bill, S. 188, of becoming law in the next session?

GEORGE OLSEN.

7190 52D AVENUE, SOUTH, ST. PETERSBURG, FLA..

October 9, 1961.

DEAR SENATOR SMATHERS: I speak from personal experience—there should be some kind of law against exorbitant rates to widows alone living on small pensions. I broke my wrist in three places (that's why this letter looks like this—I'm typing finger-find with left hand). The doctor informed me there is a fixed price for taking care of a broken wrist and I told him I just do not have \$80 to pay at one time. I have carried Blue Cross-Blue Shield for many many years and was advised after 72 hours there is no emergency so Blue Shield does not pay the doctor—the treatment when it happened was \$28. I have not heard whether Blue Cross pays that or if I must. The best I can do is send a few dollars every month when the check from the Veterans' Administration (unmarried widow of Howard J. Jones) arrives, \$50.40 each month.

Yes, there should be socialized medicine or some plan for widows alone and all others unable because they will not employ older folks.

I was secretary to the Colonel (PMST) Florida University, Gainesville, Fla., but because of inadequate housing and heating I contracted pneumonia so had to resign. Now, despite the fact I can outdo many younger women in short-hand, etc., no one will employ me because of my age—a joke, isn't it to leave a competent capable woman frustrated because of such foolish laws. Read the enclosed and give me a candid opinion.

Do not judge typewriting now—this is only using left hand.

Respectfully,

MADLINE J. JONES.

UNIVERSITY OF FLORIDA,
U.S. ARMY (ROTC),
Gainesville, Fla., February 1, 1960.

To Whom It May Concern:

It gives me great pleasure to introduce Mrs. Madeline J. Jones and to recommend her abilities to any prospective employer.

Mrs. Jones is leaving the employ of this Government unit at this university today, of her own volition and in spite of my urging that she remain on duty and continue to provide her invaluable service to me and my organization.

Mrs. Jones has been a distinct asset to our mission. Her duties have been mainly secretarial and at times those of a receptionist.

She has combined willingness, intelligence, and a pleasing personality with her excellence at taking dictation and typing to make a highly valued worker who is esteemed by her fellow employees and depended upon her employer.

Mrs. Jones is a perfectionist who, because of her experience, ability and moral character could acquit herself efficaciously in a supervisory capacity.

It is with profound regret that this organization is deprived of Mrs. Jones' services and it is hoped that this letter of recommendation will convince any future employer of her great business and social potential.

Sincerely,

GLENN A. FARRIS,
Colonel, Infantry, P.M.S. & T.

3016 3D AVENUE, ST. PETERSBURG, FLA..

October 9, 1961.

DEAR SENATOR SMATHERS: Could or would anyone of you leaders like to live on less than \$100 a month. Is it fair for those who earned small income in the 1940's and 1950's to get so much less than those retiring now. The cost of living is the same for everyone.

Raise all to a hundred a month so these people can live too.

Do something helpful for the aged in the medical field, the cost of Blue Cross and Blue Shield and all health insurances is out of hand with most aged, who must go without necessities to try to keep some protection against the cost of illness.

Why must medicine be so expensive, and why are we asked to join a club to buy medicine a dollar cheaper. Who made the stupid law to take away \$1 for every \$2 earned over \$1,200 from old people. How would you leaders like to be treated like that?

WM. E. LUND.

5641 1ST AVENUE, NORTH, ST. PETERSBURG, FLA.,

December 5, 1961.

Senator GEORGE SMATHERS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I attended your meeting in St. Petersburg on November 6 on fixed income difficulties of the senior citizens.

You and your committee are to be commended on your efforts to help the aged.

I talked to one of the members of your staff and tried to arrange an appointment with you, but was told that your time was limited and for me to write to you.

On all the reports on medical care for senior citizens, I did not hear anyone suggest a plan of medical care that would take care of future senior citizens.

Some corporations have medical care that take care of their employees after retirement, and others do not.

I retired in 1950 from the Standard Oil Co. of Indiana, now the American Oil Co. I have a medical care policy that gives me \$2,500 total benefits, then it is automatically canceled. It costs me \$15.60 a year when I should be paying about \$60 a year and have a policy that could not be canceled.

I believe you and your committee along with Secretary of Health and Welfare Ribicoff could work with the large insurance companies and corporations on a noncancelable group insurance policy on medical care that would take care of a large majority of future citizens and relieve the Congress of this burden.

Yours very truly,

HENRY C. MOORE.

ROUTE 4, BOX 92, BROOKSVILLE, FLA.

DEAR SENATOR SMATHERS: As you know, I am now completely blind and do hope you can make out what I so urgently wish to write you.

I have missed not hearing from you for so long but did not write while I know you were so busy in world affairs and at a time when our country so needed all your time and energies.

I recently heard over my radio that you wished to hear from the aged residents of Florida as to their economic problems, way of life, etc.

So I enclose a brief of what we—my husband 80 years old and myself, 68 years old—have so far been able to work out so as to keep our self-respect and some small comforts and all necessities—by diligent (I hope) planning and near frugality in daily living.

I also enclose clipping from Tampa Tribune a letter sent it (I didn't write the letter) but am thoroughly in sympathy with every word and would add the frightful way we continue to buy tobacco from Castro (and what else I wonder) so aiding Communist entry at our very doorstep.

My husband and I are at the age our country's future is not as important to us personally as for the children whose future is in the hands of our Government.

You wrote us once you would like to stop by here at our home for a chat with us. We always hope a time may come before we pass on. We both admire and respect your fight for our country, though so many in our Government who seem to be not as much interested in our country as in their own personal gain. God bless and keep you and yours close in His hand.

Your friends,

JANET AND LAWRENCE HIGGINS
Mr. and Mrs. L. M. Higgins.

JANET C. HIGGINS—AGED 68 YEARS

BROOKSVILLE, FLA.

Lawrence M. Higgins 80 years, born in Kentucky. After 1912 marriage moved to New York City. Lived in New York City 37 years; moved upon retirement 12 years ago to Brooksville, Fla. Bought land for \$500, built small 4-room-and-bath modern home for \$3,800. Deep well at cost of \$750. Homestead exemption permitted upkeep of home and final addition of second bathroom and small comfortable Florida room, and have lived so economically that never in debt to extent of as much as a dollar. Savings now in savings department of bank at 3 percent; pay for all insurance. Each of us now has Mutual of Omaha old-age insurance at cost of \$300 per year—and recently added the offering for old-age insurance of Continental Casualty of Chicago. This last taken out after Lawrence M. Higgins was hospitalized last December-January, following intestinal hemorrhage and X-rays showed major surgery (advised by good doctor and cancer specialist of Tampa). However, my husband refused to have any operation at his age and with blood transfusions, shots, etc., he seems to be getting along well. I suffer from spinal arthritis now chronic and blindness makes it not always easy, to make our home as I have always kept my own high standards. I may say talking books for blind together with radio has been our very best blessing so far in old age and illness. We felt need for part-time cleaning man since blind and wrote Tampa division social security if I might have small addition to our social security (on my own part). However, reply was social security did not allow added for blindness. We do not and never shall have charity, so continue all medical, food, utilities, everything from social security for both \$111 per month and \$100 per month from trust fund my husband has (so far and is lower by one-fourth than last year). I hope I have helped with information you need for survey I heard you ask for over radio.

Your friends,

JANET AND LAWRENCE HIGGINS
Mr. and Mrs. L. M. Higgins.

A VOTE ON FOREIGN AID

TAMPA.—If this be a democratic society, then you prove it to me. Billions for others. Not 1 cent for our own. For example:

- (1) Millions unemployed, and they say, "The bums don't want to work."
- (2) Minimum wage, \$1.25 an hour, and they say, "Some Americans are not worth a dollar."

(3) A public school system that is crumbling, and they say, "We don't want Federal control."

(4) A postal system that is billions in deficit, and they say, "Pay higher rates."

(5) Insecurity in problems of health, and they say, "You can't have socialized medicine."

(6) A military that squanders billions, and they say, "The price of being strong."

(7) Bureaucracy that is strangling us, and they say, "Some inefficiency must be expected."

(8) Crime that is beyond statistics, and they say, "The increase in population."

(9) A merchant marine that isn't, and they say, "You can ship it cheaper by foreign flag."

(10) The Nation's railroads soon to disappear, and they say, "They are very expensive."

Why don't these bright boys, who are so quick to rationalize against the solution of our internal problems, come up with an equally negative answer against foreign aid?

If this be a democratic society, then let us put this giveaway program to a test by vote. Let the people of this Nation, by secret ballot, decide for or against it.

After proving to our leaders that the majority are against this swindle, then we can start solving the 10 problems listed above.

F. B.

1371 HAMILTON STREET, JACKSONVILLE, FLA.,
September 12, 1961.

HON. GEORGE SMATHERS,
U.S. Senator,
Washington, D.C.

MY DEAR SENATOR: The local press recently carried an item to the effect that you are chairman of a subcommittee investigating the sufficiency or insufficiency of incomes of retired people. If this is correct, I am sure you will be interested in the case of my wife, which can be multiplied by the thousands if you will only request the information from the Railroad Retirement Board.

After my wife passed the age of 62 she applied for and received a reduced annuity from the Railroad Retirement Board as my wife. She also applied for and received a reduced sum from social security as my wife, and had been receiving both until last month. On the 14th of last month she became 65 years of age, and was notified by the social security here that, under new amendments to the Social Security Act, she was eligible for the minimum social security having worked (unfortunately for her) 7 quarters since 1950. She was also promptly notified by the Railroad Retirement Board that she was eligible under social security and her annuity was being held up until they could secure the information from social security as to amount due her which would, under the Railroad Retirement Act, be deducted from annuity. She conferred with the local Railroad Retirement Board and was told that, being eligible in her own name for social security, whether she applied for it or not, the amount she should receive would be deducted from her railroad retirement annuity, and this would continue as my widow, if she survives me. Therefore, for having worked 7 covered quarters to supplement our income, she is being penalized and will continue to be, unless this restriction is removed from the Railroad Retirement Act.

I do not feel that it was or is the intention of Congress to penalize wives or widows of men covered by Railroad Retirement Act who have felt compelled to work to supplement their low income.

I am sure you will be interested in having the Railroad Retirement Board furnish you the number of wives and widows effected by the restriction in the Railroad Retirement Act.

With best wishes for your continued success, I am,

Yours very truly,

HENRY C. MOORE.

DEAR SENATOR SMATHERS: First of all our income is \$166 per month for me and my wife. Mine is \$104; my wife gets \$62.

Our monthly payments are as follows:

Mortgage on home.....	\$54.65
Electric	11.00
Telephone	3.74
Garbage	1.25
Gasoline for car, mower machine.....	16.00
Newspaper	1.40
Total	88.04

Yearly expenditure for two:

Home insurance.....	55.88
Car insurance (1).....	63.00
Car license, another.....	83.00
License.....	15.00
Driving license.....	1.25
Heating	68.00
Doctor bill for wife.....	60.00
Yearly examination.....	45.00
Medicine.....	85.00
Eye and hearing.....	89.00
Clothing	65.00
Club	12.00
Total monthly	155.46
Income per month is	166.00
Expenses	155.46

For our food is left (per month)..... 11.54

Can anyone live on this amount of money per month in this time? Yet this does not include our property tax.

My wife Anna Mocko had to retire at the age of 56 on heart ailment with her largest income of all years, total \$11,107.25.

JOHN MOCKO.
(Social Security No. 340-05-2802).
Mrs. ANNA PLEASA MOCKO.

POST OFFICE BOX 924, JACKSONVILLE, FLA.,
September 5, 1961.

HON. GEORGE A. SMATHERS,
Senator, State of Florida,
Senate Building, Washington, D.C.

DEAR SENATOR SMATHERS: Recently in one of your newsletters I read of your concern for some of our older citizens who are living on fixed, and sometimes inadequate, incomes. Again last week in your weekly radio report, you re-emphasized this concern and announced that hearings about the problems of older persons were going to be held at various places in Florida.

Since the number of persons of advanced age is increasing in Florida, I am sure this is a proper concern for you, and certainly also most persons share your concern for the elder persons who have a fixed income and are unable to do anything about steadily rising prices which shrink their standards of living.

Might I point out, however, that a proper way to do something about this would seem to be by attempting to stop steadily rising prices from inflation, rather than by trying to increase payments by one method or another to keep up with the rising prices. At this time, with an impending boom, if half the economists be correct, an excellent way to avoid further inflationary prices would seem to be to cut down on some of the "fat" spending in Government. Recently we added several unexpected and highly expensive programs to the national budget. Some of these were very necessary defense measures, but it was appalling to note that no matter how much more was needed for defense, there were no voices raised to attempt to cut back some of the other programs which had already been started.

The general philosophy seems to be not to tighten our belts because we are in danger, but rather to let out the belts another notch. The House of Representatives this year seems to have some concern for this, but the same can hardly be said for the Senate. A very real way to help the old citizens living on fixed incomes, and also the young citizens who will have to bear the debt, would be to take a very close, careful look at some of the expenditures already authorized.

Yours very truly,

GEORGE W. VARN.

7217 6TH AVENUE, NORTH, ST. PETERSBURG, FLA.,
October 10, 1961.

DEAR SENATOR SMATHERS: My wife and I live on less than \$95 a month and have no other income. Why can't we get something done to help the aging in my bracket as well as those who receive social security and welfare checks. Who is to blame that my line of work was late in getting in on social security? I want to be independent and take care of my living responsibility as long as I can for myself and dear wife, but medical help here in St. Petersburg is out for us, because we can't pay the charges which are very high. I am 73 years old and appreciate this opportunity to write this.

Thank you for anything you can do to help the citizens who have been the backbone of our country.

M. REDDEN.

COMMUNICATIONS WORKERS OF AMERICA,
DISTRICT 3, LOCAL 3106,
Jacksonville, Fla., October 6, 1961.

Senator GEORGE SMATHERS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I see in the public press that your subcommittee is scheduled to hold hearings in St. Petersburg October 9 and in Sarasota October 11 on retirement income.

On behalf of nearly 2,000 employees of Southern Bell Telephone & Telegraph Co. in the Jacksonville area which my local represents and numerous others who are already retired, I would like to ask that your subcommittee take a close look at the Bell System benefit plan.

We in CWA feel that this plan is entirely inadequate since the company reduces any pension a retiree might be entitled to by exactly one-half of the amount of money the retired employee receives under social security.

Your consideration of this matter would be greatly appreciated by me and my entire membership.

Your truly,

K. M. McDONALD, *President.*

2926 40TH AVENUE, ST. PETERSBURG, FLA.,
October 9, 1961.

DEAR SENATOR SMATHERS: (1) There seems to be no economic soundness in limiting the earnings of a social security recipient.

(2) Many employers claim they cannot hire older workers, because of insurance requirements and pension plans. If this is true, it would appear that some plan of waiver could be worked out.

(3) I believe that many positions on a municipal level could be filled very well by retirees at a saving to the municipality if some civil service requirements could be revamped, without jeopardizing those who are making civil service a career.

(4) If it is a fundamental necessity to keep the retirees out of the labor market the benefits should be increased periodically to adjust to the cost of living index.

O. GENTZEL.

4101 22D STREET, NORTH, ST. PETERSBURG, FLA.,
November 6, 1961.

DEAR SENATOR SMATHERS: Thank God for you, our dear President, and all in authority. I am 66 years old, did work with my social security until last year and I can't now. My crippled sister and I live together, she gets \$82 from

social security and State. I get only \$68 from social security and my home \$7,000 loan, paying \$52 a month and insurance, taxes and upkeep I just can't make it on that little. I pray our great leaders can work out to help us exist. I trust God, love my country, the greatest on earth. Trust all can work out for all in need.

MARGARETTE JARMAN.

WHAT PRICE RETIREMENT

(By Burt Garnett)

The retirement hotels have demonstrated clearly that good food and good housing—with good furnishings and recreational facilities—can be supplied for as little as \$85 per month.

The retirement hotels are operated for profit. Their proprietors pay local real estate taxes and license fees and such other levies as are required of business establishments. They do not attempt to escape such taxes by calling themselves nonprofit institutions.

The way the retirement hotels do this job is to eliminate unnecessary labor costs. You don't get much service in a retirement hotel. This means that you make your own bed and keep your room tidy. You appear promptly at certain definite times for your meals—and you eat what's set before you, just as if you were invited to dinner at your grandmother's house. And of course, at the lowest figure, you share a room and bath with some other person.

[From the St. Petersburg Times, Nov. 26, 1961]

WHAT PRICE RETIREMENT—SOCIAL SECURITY INCOME LIMITATION HELD UNFAIR

(By Burt Garnett)

One scheme for enabling retired persons to earn enough money to live on decently without having to give up their social security payments, is to lower the age for unlimited earnings from 72 years to some lesser age.

At the recent hearing of the Smathers subcommittee on the income problems of older people Miss Margaret Stine of St. Petersburg, of the National Retired Teachers Association, advocated a reduction from 72 years to 70 years with no penalty on earnings.

Joseph L. Smith, superintendent and director of Naples Memorial Gardens at Naples, writes me that "most people are dead, even at 70, and I think this reduction from 72 to 70 deserves great consideration.

"Twenty-one persons, male and female, survived the age of 72, out of 190 deaths between September 14, 1955, and November 9, 1961."

The 190 were interred at the Naples Memorial Gardens and Mr. Smith's figures must be accurate. However, out of the 190 who have gone on to their final reward, 44 were infants.

It seemed to me that a more interesting figure would be how many of the total survived the age of 65, which is the time that most people retire and begin to draw social security payments.

Out of the 190 cited, 45 had reached the age of 65. And their average age, at the time of death, was 74 years and 3 months. The oldest in Mr. Smith's list was 94. Only 14 were between 65 and 70.

I think that since so many people migrate to Florida because of ill health, the figures for a community such as Naples—one of Florida's retirement centers—might show a somewhat higher death rate than the national average.

More important, it seems to me, is for Congress and businessmen—all employers—to recognize the fact that the costs of living are higher, not lower, after retirement. This, of course, is because the costs of drugs, hospitals, and doctors' bills are higher.

And it seems to me ridiculously unfair to penalize an older person who is drawing social security if his income is kept at a decent level by salaries or wages, but not penalizing a person whose income remains high through earnings from investments.

An old friend of mine, several years ago, retired from his paid position as president of a bank. He began to draw his old age and survivors insurance checks with a great deal of glee. These, he said, would pay a considerable part of his real estate taxes. This real estate, plus dividends from his other invest-

ments gave him an income of close to \$25,000 a year. But he wasn't limited as to the social security benefits, because he wasn't earning a specific salary or wages.

I know that the OASI was devised, partly, to remove older persons from the labor market—so that there would be more jobs for younger people. But the thing that bothers older people is the lack of adequate income to meet the living expenses for their terminal years—expenses which probably will be higher than for any other period of the same length in their entire lives. They'll be glad to stay out of the labor market if they have enough income to meet the expense of a decent living.

401 GROVE STREET, NORTH, ST. PETERSBURG, FLA.,
September 3, 1961.

Senator GEORGE A. SMATHERS,
Senate Office Building, Washington, D.C.

HONORABLE SIR: I understand that the Senate subcommittee hearings on retirement income will be held in St. Petersburg on October 9 and that you would like the senior citizens to write to you and express their views on the subject.

Well, my view is that all of our senior citizens are desperately in need of an adequate pension, and if they all had this, most of their problems would be solved. Years ago, we did not have many elderly people, but now we have and their number will be constantly increasing. This problem of inadequate income will have to be solved, so why not now? There are 26 million over 60 and 16 million over 65, plus many approaching age 60. Because of high taxes, inflation, and ill health, the senior citizens find themselves at the end of life without adequate income. Why so much foreign aid and little domestic aid? These 26 million must have an adequate pension which will provide proper food, clothing, shelter, and medical care. They must all have it and not just some. The only bill now in Congress which will provide this is H.R. 7542 and H.R. 7543, the Townsend pension bill. I am enclosing a résumé of it. This bill has been in committee since 1932. It should have been passed then, but Congress, from ulterior reasons, passed the present social security bill, instead. This social security bill never was the real answer to our pension problems and never will be for the following reasons:

- (1) It does not apply to all of the elderly, but only to some.
- (2) The pensions are entirely inadequate, the average being about \$57 a month.
- (3) The taxes collected go into a reserve fund, which the Government uses for other purposes. That is why the pensions are so small.
- (4) To grant increasing benefits, the taxes would have to be increased. These taxes are now over 7 percent, just to have one person insured. They cannot be raised much higher.
- (5) Widows have to wait, often for years, to collect their husband's social security pension.
- (6) If a man or woman retires now at age 62, their pensions are very small.
- (7) Many people become disabled before the age of 62.
The Townsend bill is far superior for the following reasons:
 - (1) It would apply to all retired men and women at the age of 60.
 - (2) At this time the pension would be about \$140 per month and the people could then pay their own medical bills, if they were not excessive.
 - (3) It would save our Government many millions a year in welfare grants and would save the States as well.
 - (4) It would dispense with the elaborate and very costly "setup" of the present social security bill.
 - (5) Widows with dependent children would be included.
 - (6) The totally disabled, at age 18, would be included.
 - (7) Those receiving the Townsend pension could also earn extra income.
 - (8) Under the Townsend bill, people would pay 2 percent on their gross income, with an exclusion of \$250 monthly.
 - (9) It would be wonderful for all of the aged and would provide for all of their needs.
 - (10) It would be wonderful for the young, for they could look forward to retiring at age 60 on an adequate pension.
 - (11) There would be many more positions for our youth, as many more of the elderly would retire at age 60, and be content not to earn added income.
 - (12) It would create more purchasing power.

(13) It would abolish poverty.

(14) It includes all retired men and women at the age of 60, for the following reasons:

(a) Millions are not eligible to receive a social security pension and never will be.

(b) Millions are living on welfare grants by the Federal Government, and by the States, and these grants are inadequate.

(c) Millions are living with relatives who can't support them properly, as they can hardly support themselves. Therefore, we must have pensions which will apply to all and not just to some.

(d) It is on the pay-as-you-go plan. That is why the pensions would be so much larger. All the money coming in as taxes, goes out in pensions.

Please introduce a Townsend pension bill in the Senate, as a twin bill for those in the House, and campaign for the passage early next year.

It is true that millions of our elderly do now go to bed hungry, but if the Townsend pension bill were passed, all this misery would be changed.

May God bless you as you begin your campaign.

Respectfully yours,

MISS ANNA F. MCCLELLAND.

ROUTE 2, BOX 626, MAITLAND, FLA.,
November 8, 1961.

Mr. GEORGE SMATHERS,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR: This is, I believe, the last day of your committee's hearings on "the plight of the aged" here in Florida. I wish I might have attended but could not. I should have enjoyed meeting you personally, as well as others on your committee and possibly participated in the discussion.

I have written your frequently setting forth my thoughts on this subject and have been cheered by your replies. I feel confident that you will champion the cause of the aged who are compelled to manage on less than half of an "acceptable" income.

On a recent TV commercial by a central Florida bank the speaker said, "Established figures show that it is necessary for a retired couple to have an income of from \$220 to \$280 per month to meet current expenses."

My wife and I must live on my Ohio public school pension of \$117.66, plus our dwindling, very meager savings.

I am 79 years of age. We have had no luxuries, no recreation, no dinners out for years. We are both educated native-born Americans.

There are many persons, who for one reason or another do not have benefit of social security and it seems to me that Congress could set up some sort of program to give such persons, after reaching the age of 65 years, a minimum of \$50 per month. Surely we are as deserving as the peoples of foreign countries which are prospering by the help of our aid and the Cuban refugees. We applaud our country's largeness but don't let us forget our own.

I hope you gentlemen of the Congress will bear in mind that our present economic distress is in no sense our responsibility as we were out of active service prior to "inflation."

Wishing you continued health and success, I remain,

Sincerely,

THEODORE J. DERINGER.

P.S.—The clamor for increased postal rates on first-class mail should be denied. Put the tax on the useless junk we get in our daily mail or better yet, keep it out of the U.S. mail.—T.J.D.

RETIRED TEACHERS SECTION,
FLORIDA EDUCATION ASSOCIATION,
Gainesville, Fla., November 9, 1961.

HON. GEORGE A. SMATHERS,
U.S. Senator From Florida and Chairman of Senate Subcommittee on Retirement Income, U.S. Senate, Washington, D.C.

DEAR SENATOR SMATHERS: As one who has been working with many retirees for several years, I desire to send you two or three ideas about remedies for some of the inadequacies and injustices that exist in arbitrary retirement ages and in retirement systems. In doing this I assume that many of the inadequacies have already been identified, and will deal with other matters.

First, a help because of inadequate income in relation to increasing cost of living. I urge that retirement systems give people in service the option of paying into the system as much more for their annuity portion as they desire, either with or without any corresponding addition from the State. In addition, the directors of the system can serve as promoters to urge participants to build up their own savings outside of the retirement system. This proposal would help personnel, as teachers, very favorably, I believe. These workers have neither time nor background, as a usual thing, to do any serious examination of how to invest safely. But building greater annuity reserves within their own retirement system will give them larger return when the time comes for forced retirement.

Somewhat similar in effect is the idea that the retirement payments be increased in greater proportion for those with long periods of public service. For example, a payment per month for those with 20 years' service could be: 4 times the number of years (4 times 5); the payment per month for those with 21 to 30 years, 5 times the years of service (5 times 25). For those with 31 to highest limit, 6 times the years of service (6 times 45). In this case the State and the individual contribute as per the actuarial plan and the State makes up the difference.

Second, we need a different basic idea as to when and how personnel must retire. In my own field, we are retiring each year many hundreds of college and university teachers who can do at least part-time work for several more years, and doing this when we need these people. But if the 70th year comes, out the teacher goes. Many do find employment in private institutions, and many do not. Gradual retirement with health status conditions defined is a more difficult basis but a more desirable one. It would require a defined set of conditions and an adequate group of persons to administer it.

Third, it would be a very great and much needed service to personnel employed by governmental subdivisions, such as the State, if counseling services were readily available for the retirees and for prospective retirees. They very often need help about their own retirement status (now provided by the system), sometimes advice about retraining for other work, help about health and other insurance, housing, and probably other matters. This type of service would require a new group of counselors, for few such persons now exist. From my experience with many teachers, I know this need exists to a large degree.

I extend to you my personal thanks and the thanks of many teachers and others for your work and your interest in this matter and many other concerns.

Very sincerely yours,

A. R. MEAD, *Past President.*

DEAR SIR: I know you are talking to people in St. Pete, but maybe I could help some. I am 78 years old in April—get, since the raise last month, \$47; before that, \$43. I have high blood pressure, but take in ironings and alterations. Can get no sick insurance on account of high blood pressure. Sometimes am too tired to hardly undress, but manage to pay rent \$50 a month. God gives me strength and wisdom to carry on. I dare not think of what it will be when I can't work this hard. I am not complaining, for God has promised to care for me. I do ask Him when I can't work, please take me home. If I didn't have a great faith in God, I could be blue. I believe we need a plan somehow to take care of old people.

May God bless you. I am a widow.

Mrs. RENA WARTH.

ROUTE 4, BOX 279, LAKELAND, FLA.

DEAR SIR: We hear your program over WSUN, and I appreciate your efforts in behalf of the older people and the ill and unfortunate of our wonderful State, and want to say something to our fine Senator Smathers, and I wonder if our elected Senators and Government have any idea of the condition of thousands of our own helpless people in this time of outrageous prices for food, clothing, and doctors' bills. We are old-time Florida people and have worked very hard all our lives to be self-supporting and give our only child the education he deserved. But after trying very hard to save for a home when he had to retire from the phosphate mines, the banks closed in 1930, and we lost our savings. My husband had to retire in 1939 at 65 on account of his health. We scraped up enough to buy a modest home and did everything we possibly could to live, and at that time he only received \$26 per month social security. He is now 86 years of age, and I am only

a little younger. He is now blind; has been several years now. Both of us have had to have hospital care and surgery. Also our small savings are wiped out, and we are almost helpless. Even our home taxes are more than we are able to pay. We have never asked for nor received 1 cent of welfare aid. We have always pulled for you, Senator Smathers, and feel that you and Senator Holland are two of the finest men we have in our wonderful State of Florida. Please do what you can in Washington for all of us. Our combined social security check even now is only \$97.50 per month.

Sincerely yours,

Mrs. L. E. HOLDER.

P.S.—While millions are wasted all over the world, why should our own Americans have to suffer so?

6721 PARK BOULEVARD, PINELLAS PARK, FLA.,
October 7, 1961.

To Mr. SMATHERS.

SIR: I thank you for the many letters you have sent to me, and I was hoping to see you when you came here, but on the 29th of September I had a blackout caused through anemia. The doctors say it comes from diet deficiency. To remedy conditions of this kind, it would be human to thousands like myself to restore to the working widows, as you term them, the social security benefit that was taken away from them when their husband passed away. Instead they are brought to poverty for what was taken out of their salary as an insurance.

I hope the lawmakers of this country will understand the need of our people in want.

Sincerely,

Mrs. M. EARLE.

VENICE, FLA., September 25, 1961.

DEAR SIR: I don't know whether I am considered a retiree or not. I am on social security. I am 75 years old, been on social security 10 years. I get \$54 per month and my wife gets \$40.50; \$94.50. My social security number is 377-03-7976. I think that should be a rather small number as I got it in 1935 or 1936. Things were tight in Detroit then and the only jobs open were commission basis. For example auto selling. The firm would hire a guy on commission but if he applied himself he could get a draw. I usually got when I did not sell anything \$10. Yes, that's right \$10. I worked for * * * out at Lauder and Grand River West, and I ask them why they didn't take out social security. They said "Aw h—— that social security won't amount to anything, a couple of years and it will be outmoded." So I went to * * * at Turner and Grand River, same thing, no social security. Don't know about the other employees but I did not get any deductions or anything. Then I went to a Ford dealer * * * same thing. Then I got a job on a lathe, \$10 per week and there by their promises and stalling I got neither the \$10 nor the social security. In 1940 I went to * * * at Clark and Fort. They took it out. Then I got a job at Evens Products Co. inspecting Army gun carriages, tripods. Then I got a job in a toolroom which had me on a mill, a shaper, and a lathe. I worked and got social security for nearly 5 years. I told the social security out on Grand River and the girls out there figured up my monthly paycheck. For a long time the check would come \$54 for me and \$40.50 for my wife. There they sent it to Mr. and Mrs. Harold L. Snyder. When you live on \$94.50 a month you don't do any entertaining or drinking. If either of us gets sick well it would just be too bad. If you think I deserve a look in at your Sarasota meeting I'll be glad to come down and tell my story.

Thanking you, I am yours very truly,

HAROLD L. SNYDER.

11980 WALSINGHAM ROAD, LARGO, FLA.,
October 2, 1961.

Senator GEORGE SMATHERS,
Chairman, Subcommittee on Retirement Income,
Senate Office Building, Washington, D.C.

DEAR SENATOR: I have read that you are to hold hearings in Florida commencing October 9 concerning the problems that have arisen with regard to retirement incomes, and "what might be done so as to protect future generations of older people from a recurrence of these problems." I have no desire to testify

at your hearings, but would like to recite here my views as to two of the principal problems, which your committee might wish to look into.

First, the cost of living gradually increases year after year while the base pay to retired people from Federal social security and from industry pensions remains stationary. I am mindful that there have been some minor improvements in social security benefits over the years, but such changes have been of a fringe nature which have not appreciably affected the base pay. As far as I know there have been no improvements in any industry pensions to the advantage of former employees now on pension. On the other hand, persons in active employment have protection against the steadily increasing cost of living by reason of periodic labor-management contracts, many of which have automatic escalator clauses, or if not, the employees have the powerful persuasion of a threatened strike or a real strike. It seems to me that social security benefits should be on somewhat of an escalator basis, subject to periodic review and adjustment to changes in cost of living. Likewise, industry pension plans should provide for periodic adjustment of pension payments in line with the rise or fall of the cost of living. If feasible, both of these suggestions for benefits to retired people should be made retroactive to some fair past period.

Second, when the Social Security Act was passed by the Congress, or anticipatory thereto, many corporations which had so-called voluntary or noncontributory pension plans in effect for many years adopted the practice or policy of deducting from the pensions of future pensioners a monthly amount equal to one-half of the amount of such pensioners' monthly social security benefits, purporting to represent the one-half portion contributed by the employer to the employee's social security fund. Accordingly, such pensioners are not receiving their full pensions and their full social security benefits as originally provided for in these industry pension plans and in the Social Security Act. In the first place, these pension plans are misnamed when they are called noncontributory. While it is true that the employees do not contribute cash money to the pension fund, they do contribute what the lure of the pension plan is designed to accomplish, i.e., acceptance of employment, loyalty, and continuity in service through the years instead of shifting to some other employer when a more favorable salary presents itself. I cannot believe that the Social Security Act could be rightfully interpreted to benefit the employer as against the interests of the employee or to relieve the employer of obligations under its pension plan. This may be considered more of a problem for the courts to decide, but it is my view that your committee could do much to mold public opinion and possibly to exhort a change of policy on the part of such employer corporations.

I hope you will find the foregoing comments worthy of consideration.

Very truly yours,

JAMES A. KENNEDY.

POST OFFICE BOX 471, LAKE HELEN, FLA.,

August 14, 1961.

Senator GEORGE SMATHERS,
Washington, D.C.

DEAR SIR: We noticed a piece in the Orlando Sentinel paper over your name saying that you were much concerned about the old folks in Florida whose only source of income was social security.

My wife and I are in that group. Our social security amounts to \$75.50 per month for both of us combined.

Prices being what they are now, we are in a tight squeeze to live.

We were farmers in North Carolina and, as you are well aware, about the time that the farmers were covered by social security program we had already reached the age, that our income put us in the low bracket, and as I had reached the age to retire we sold our farm in North Carolina in 1955 and came to Florida, we bought a modest home in Lake Helen, Fla.

We own our home now, but we do not have much money, just a little we have tried to save for our funerals, but if something doesn't happen favorable for us we will be compelled to use our funeral money. We do not have insurance or hospitalization at all.

For about 1½ years now I have been spending close to \$15 per month for medicine and doctor bills as I have glaucoma in both eyes and my doctor says it's a must, or else I will go blind. I may as it is now.

We will appreciate anything you can turn our way.

I am being treated by a doctor in Daytona Beach, Fla., if you would like to check my case.

If there is anything in the way of information that we can furnish concerning our case, we would be glad.

Wishing you complete success in your research and findings in behalf of us and others like us.

Yours truly,

Mr. and Mrs. J. A. STRADER.

5434 6TH AVENUE, NORTH, ST. PETERSBURG.

I believe that the crying need in St. Petersburg is reasonable rentals in updated apartments. There is lots and lots of planning and building going on for the upper income class, able to pay from \$100 to \$300 per month rentals. At the other extreme are the indigents, who, if they cannot afford to pay their rent, relief is provided for them, or they can live at the county home.

But where can the unfortunate people in the \$1,000 to \$2,000 annual income group go? So far much has been done to aid senior citizens to buy property with a small downpayment and small monthly payments. This is very fine as far as it goes. But as couples become older, when one or both become feeble or ill, they can no longer take care of that property or that yard, which is a 12-month job in Florida. This becomes especially hard for a woman when she becomes a widow. Some are physically able to take care of house and yard, but many are not able to do the hard physical work necessary to adequately take care of house and yard.

Also, in many cases, when a woman becomes a widow her income is cut considerably. Mine was cut almost 60 percent when my husband died. The Government and other retirement agencies seem to think that when half of a married team dies the expenses for the survivor are cut in half. That is definitely not true, as all widows know from experience. If she lives in rental property her rent remains the same. If she owns a home, the mortgage payments, the interest, the insurance, heating, cost of repairs, assessments, minimum charge for water and garbage collection, gas and electricity, remain the same. Even food cost is not cut in half, because when you cook for one there is always waste, as one cannot buy or cook infinitesimal quantities. Yard care expenses usually increase greatly, and never are cut in half.

If she has plenty of money the problem is easy, as she can become established in a comfortable high priced apartment or hotel. There are gobs and gobs of high priced apartments to be had. And all newly planned apartments are being built plush, so that sky high rentals can be charged. When some builder or incorporated group is willing to put up a moderate priced building, in which lower rentals can be charged, they are harassed by professional and business groups, who rush in to put a stop to such plans, and always succeed to do so. I know this from personal experience of talking to men who were willing to help lower income groups, who so badly need, and are entitled to, low-cost modern apartments at reasonable rentals.

It is the group with an income from \$1,000 to \$2,000 annually that needs help. They cannot afford rentals of \$100 or more per month.

And what can they get in St. Petersburg for \$50 to \$65 or \$75 a month, on an annual basis? I'll tell you what.

Apartments in old remodeled houses, usually very dark, with poor ventilation, old-fashioned inadequate plumbing, and inadequate heating. Our senior citizens are entitled to something better than this.

In some of our northern cities, and in San Antonio, Tex., the cities themselves have provided modern, plain but comfortable rental apartments. St. Petersburg has done nothing along that line, nor will the councilmen, the chamber of commerce, nor the realtors go along with this sort of thing. All they want are plush apartments to attract high-income retirees. Please remember that the people who retired 5 or 10 years ago have much less retirement income than those retiring now, or will retire in 5 or 10 years from now.

All right, then let the Federal Government do something about it. The Government subsidizes airlines, railroads, steamship lines, farmers, big business, and some small business, etc. Why can't the Government then subsidize modern, comfortable rental apartments for our senior citizens? Prospective tenants must, of course, be screened, so that only those with an income below \$2,000 a year can rent such an apartment. Also, the building should be in an area close to a shopping center, recreational facilities, and transportation.

EDNA W. TOMANDLE.

5177 4TH AVENUE, NORTH, ST. PETERSBURG, FLA.,

November 6, 1961.

HON. GEORGE SMATHERS.

DEAR SENATOR: Being unable to attend the meeting today, I am using this means to present my case to you and your committee.

After 40 years of service in the Post Office I retired December 31, 1948. At that time I named my wife the survivor annuitant. She died December 1953. I have since remarried. The deductions of approximately \$300 a year have been taken from me which the retirement division say will never revert back to me. This is the most unfair vicious piece of legislation that was ever passed and should be corrected. There are two suggestions, either stop the deductions or give the second spouse the same benefits given the first wife after a period of 3 to 5 years of marriage.

Thanking you for any consideration you may give concerning the above, I remain.

Respectfully,

RICHARD C. DORWARTH.

OCTOBER 4, 1961.

DEAR SIR: Enclosed is a clipping from St. Petersburg Times. I have wanted to write to someone about it but didn't know who. I fall in that category. My first husband passed away December 2, 1943, from cancer, having been ill for 3 years—in hospital for 3 months with two major operations. Our bill was \$3,000. He was 48 years old and I was 45 and our son was 13 years old.

At that time no deductions for hospital or doctors could be taken off income tax. It left my son and I very broke. We came down to St. Petersburg to live with my widowed mother. The next year she had a stroke and passed away.

My mother left me some very old rundown property which at that time was frozen at a ridiculous figure. Also there was no self-employed social security at that time (1945).

My son and I were getting all of \$50 a month social security from my husband's position.

In 1947 I met and married a retired (on disability) man who said he could help me with property. We were married 3½ years and he decided he would not contribute to our income unless I put property in his name. So that was the end of that. We were divorced December 1950.

My son had part-time jobs at Times and Miami Herald. He went to junior college and Miami University on a scholarship. I paid for his clothes, books, and board. This too was not deductible then.

My son enlisted in Navy Air Corps in 1951. I was alone then, so took a hotel course at Tomlinsons hoping to get on social security, having lost my first husband's when I remarried.

Then in 1953 I met an elderly man who was very much in love with me. We were married and bought a modest little home. He had an annuity which stopped at his death. We were married 4½ years and he passed away.

I sold our home and bought a trailer and invested the rest of the money. I have no other income, and I am not eligible for any group sickness insurance, and the other is too expensive for me. I am now 63 years old and where could I get a position?

My point is this: As long as I am not collecting social security from my last husband why can't I go back to my first marriage? I am sorry to sound like a "hard luck Sal," but, I imagine, there are many widows in my same position. I would be glad to give you more details if you want it.

Sincerely,

ISABEL N. HURLEY.

425 PARK STREET, NORTH, ST. PETERSBURG, FLA.

ROUTE 2, BOX 72, BOWLING GREEN, FLA.,

October 5, 1961.

DEAR SENATOR SMATHERS: It is with great pride I write to you as I believe you have rendered a great service to our country.

My mother is 88 years old. She does not receive social security. She received \$85 a month from my late father's school pension. He did not receive this pension until he was 80 years old since the bill that was passed did not include his age group. Before that time my parents were on State welfare. When my father received his school pension the welfare cut them down to \$3 a month each. However, after so many months they requested to be taken off welfare

rolls. While on welfare assistance they took out an insurance policy that pays only \$200 toward burial, which is not adequate. Since June of 1947 my mother has been paying on this insurance, from \$2 to \$3.64 a month, which is a terrible amount to pay for only \$200.

Our other problem is that the county hospital in Manatee County refuses to let our doctor practice there because he is an osteopath. He was allowed to practice in the old county hospital. After the hospital moved to a new building it became a Blue Cross hospital, although it is supported by taxpayers. If we should have to be admitted to the hospital we would not be allowed to choose our own doctor.

Osteopaths are trained in medicine, surgery, and osteopathy. Should their knowledge and skill be denied the sick because of certain groups? Since we have integration of the races, why not have integration of physicians, at least in a county hospital?

Sincerely and with deep respect,

Mrs. SAM BRADLEY.

120 SUNLIT COVE DRIVE, N.E., ST. PETERSBURG, FLA.,
October 2, 1961.

DEAR SENATOR SMATHERS: It is consoling to know that we have a Senator who will take time to listen to and pass judgment upon inequities in social security payments.

On January 23, 1957, my husband phoned me from his office (as chief engineer for a large midwest company) to state that his left side was becoming paralyzed. He had consulted a nearby doctor. Would I call for him in our car. That was the beginning of a prolonged illness—4 months in bed and several months more of slow recovery. We were heartened, however, by the social security income, which was awarded (to our surprise) as of January 1; also by a so-generous bonus given to said husband by his company in appreciation of services over and above the call of duty in past years.

A few days after the stroke which put my husband in bed, he asked me to make application for social security payments. I told the social security administrator of the bonus which the company had granted to Mr. S. I explained that he (my husband) had been retained by his company for a year and a half past retirement age. He had been asked to remain on the job until April 1 that year (1957).

To our surprise and delight, social security was granted from January 1, even though the bonus had already been paid to my husband and I had reported same. At that time the money was not reported as salary earned. If earned, it had been earned in past years of service to the company over and above the call of duty. The administrator so considered it, apparently.

In October that year, Mr. S. felt sufficiently recovered to help me drive to St. Petersburg for a winter in warm sunshine. Here he continued to improve until a fall and back injury on April 23. Two days later a blood clot brought a fatal heart attack. During all of that time we had received social security payments. (I have neglected to state that Mr. S. had paid into the social security fund since its inception in the mid-thirties.) The fact, also, that he had gone past retirement age for a year and a half might have influenced the early grant of payments—we had supposed.

It was not until August 1958, at which time I had returned to our former home to make disposition of same, that I received a call from the local administrator there asking me to meet him. There he notified me that it appeared we had been granted social security too soon the previous year. The bonus which had been given to Mr. S. was then considered as "salary earned." Of course, it was not earned as he lay in bed half paralyzed, but one cannot win an argument with Government officials, I learned.

Four months before my husband's death, I had to have eye surgery, which left me blind in my right eye. I had partial vision in my left eye, following surgery for glaucoma several years previously. On leaving our midwest town, I accepted an invitation to visit a sister in their Albuquerque home, in order to take advantage of further eye treatment there by an outstanding eye specialist.

There, while undergoing a series of eye probings and surgery, I received word from the Chicago office of the Treasury Department that my social security payments would be withheld for 5 months—from November 1 through March. The excuse was that my husband had received too much money the previous year. Their administrator had visited the State office of our home State; had

noted that we had paid \$394.30 income tax. What he failed to note was that the full amount of that tax was returned to me. (I have documentary proof of that fact.)

Because I have felt so convinced that individual circumstances should be considered in differing cases of social security awards, I made every appeal possible. I needed money at the time the awards were withheld to pay hospital and doctor bills. Besides, there was a principle involved, which I hoped might be acknowledged by our Treasury paymasters. Not so, however.

Nor can the conservative citizens of this country exert enough influence to halt deficit spending which threatens to fulfill Lenin's prophecy that Russian collectivists would cause us to spend ourselves into bankruptcy, at which time they can take over.

In conclusion, may I recommend to President Kennedy and to Congress that the present Government head of social security awards—that he be transferred to figuring ways and means of reducing our huge Federal indebtedness. If we do not start now when can we start?

Mrs. ERNEST S. SCOTT.

OCTOBER 3, 1961.

Hon. Senator George Smathers and Committee Members.

GENTLEMEN: From the very first day when Blue Cross and Blue Shield came into being in Michigan, and while I was employed, my employer paid one-half of the monthly cost of the premium. When I was compelled to retire in 1957 the entire premium was assumed by me, which was deducted from my company pension check.

Over the past retirement years the premiums have been increased, and last June the premium was increased again, which brought my monthly premium to \$19.47 for my wife and me.

During June I went to the Blue Cross-Blue Shield office in St. Petersburg and asked to have my account transferred from Michigan to Florida and after 3 months I received a due bill from Michigan Blue Cross for 3 months premium amounting to \$58.41, which is due and payable on October 13 for the months of August, September, and October.

Why the Florida Blue Cross did not accept my account they never explained, but instead turned it back to Michigan, where the rates are higher and the payments are higher in Michigan, but not in Florida.

Let me also explain a case concerning myself, which is so unreasonable and out of proportion that it requires more committee studies to stop this form of the practices of this nature.

In December 1959 I developed a large boil on my buttocks. I went to a local doctor and he did me absolutely no good. I finally went to a hospital in Dunedin and went though the clinic and the attending physician insisted it should be a case of surgery. I asked him to call the head physician for an opinion because I did not think so, and while I was on the table in the doctor's office the boil burst, the result being that they insisted I stay at least overnight as a patient in order that my infection could be cleansed, which I did.

When I returned home, the next day, on December 24, I received a bill for \$59.25 from the hospital and \$30 of this bill was for doctor services in the clinic. This doctor did not use surgery, nor any medication. All he did was look at it once on admission and again the next morning, when he signed my release.

I wrote a letter to the board of directors at the hospital, protesting the charges, especially the doctor's and they returned \$10 of the doctor's charges.

Gentlemen of this committee, you can see the value of passing legislation to help people who are retired on small incomes, in order that they do not become paupers through excessive and unwarranted charges, because this country of ours is too big to allow this to continue.

This statement is sworn to and notarized, which affidavit is attached.

Thank you kindly.

CHARLES E. SCHMIDT,
1205 Cedar Street, New Port Richey, Fla.

3734 5TH AVENUE, NORTH, ST. PETERSBURG, FLA.,
October 3, 1961.

Re senior citizen financial woes.

Here are two unjust financial woes of two senior citizens I know.

Hospital new ruling that no one may enter the hospital for diagnosis. Senior citizen A has small income, but has faithfully kept up Blue Cross hospitalization.

She is very ill and needs a complete physical to identify whether her trouble is stomach ulcers or cancer, heart trouble, or pernicious anemia. A complete physical is nearly \$100 which insurance formerly would nearly cover in hospital. She cannot afford outpatient checkup; just suffers.

Case B may either have cirrhosis of the liver or cancer. Because his hometown does not give free cancer examinations (Miami), some cities in the North do and our cancer drive contributes to them, and he has no money. He, too, must just suffer.

What, if anything, does our country do for such cases who have always been good citizens?

Thank you.

Mrs. IRA BOBBITT.

838 47TH AVENUE, NORTH, ST. PETERSBURG, FLA.

HON. GEORGE A. SMATHERS,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SIR: I am led to believe you have interested yourself in the problem of the finances of the retired population of the country and more especially of your own State of Florida. May I begin by reminding you of the evident concern of many about doctor and hospital expenses for this class of people, and from all I hear and read on the subject a lot of us can be long dead before anything constructive is done about it. May I suggest that a simple way to help us take care of ourselves, would be to grant income tax exemption to retired people, up to \$4,000 per year. I paid something over \$400 on something under \$4,000 last year. Ordinarily that would take good care of medical expenses for my wife and I although I am drawing disability social security and the wife has pernicious anemia and both of us are arrested cases of tuberculosis. The accumulation of this saving on taxes could very well do the job in the coming years.

This may be too easy for the average politician to understand but I'm sure of your interest and understanding in this matter, having followed your activities in the State and Nation for some time. The double taxation on corporate dividends and its injustice is of course another of the burdens of the retired, and familiar to you.

Having been a lone fighter for civic reform and improvement for many years in my home State of Connecticut, I know what you have to contend with to some extent. Please know that we and thousands like us, will help if you can tell us how best we can. In closing let me add, your stand on Cuba meets with our hearty approval.

Sincerely,

FRED W. LOWELL.

227 ESTADO WAY, NE., ST. PETERSBURG, FLA.,

July 28, 1961.

Senator GEORGE A. SMATHERS,
Washington, D.C.

DEAR SENATOR SMATHERS: I understand there is a special Senate committee searching for answers to the problems of providing a better living and better care for the elderly.

I have one thought which I wish might be considered in this committee. I am married man, aged 72, and drawing social security only on myself for my wife is now only 59 years of age. We have been married 32 years and it is a hardship in not being able to draw for a dependent until she is 62 or 65 as we choose. What I am trying to say is that a woman at her age cannot easily find a job to supplement the income. It seems to me that if a husband can prove marriage for 20 or longer years to the same woman that age should not be the determining factor. There are many men who have married younger women who face this problem.

We hope you will give some thought to this idea.

Thank you.

Yours truly,

R. C. JAMISON.

2701 34TH STREET, NORTH, ST. PETERSBURG, FLA.,
October 3, 1961.

Senator GEORGE SMATHERS,
Washington, D.C.

DEAR SENATOR: It is with great interest and gratitude that I note your concern over the problems of our senior citizens. God bless you.

I have a problem that affects many of us and I feel it should be corrected.

I've been a widow for over 20 years, supporting myself during that time. At age 63, I retired from my position with the Army and Air Force Exchange after 13 years of service. I took the social security from my own earnings, as it was a lot more than if I had taken it as the widow of my husband. He had died in 1941 and had been covered only a short time and under a low salaried position.

Consequently, when the amendment was passed recently giving widows a 10-percent increase, I wasn't eligible. However, my social security payments are a lot less than the average widow. I receive \$76.80 per month. You can see a 10-percent increase would help me—at least, it would supply me with food for a week.

With the ever-increasing cost of living (unions getting their demands and unemployment payments raised) it seems no more than justice that a combined widow-worker get that little amount. My health was bad so I retired at 63—if I had been able to work the 2 years more, I could have received my full social security, which would have been about \$12 over my present payments. So I seem to be unfortunate and lose all around.

I hope you will give this matter your kind consideration and see that justice is done.

Thank you.

Most sincerely,

Mrs. ELSIE S. MEYERS.

SEPTEMBER 20, 1961.

From retirement we talk to :

DEAR SENATOR SMATHERS OF FLORIDA: We read that the Government buys millions of pounds of chicken and turkey for school lunches, taxing the people to pay for this subsidy. But we, who are not allowed to use our entire income, even in our retirement years, cannot afford to have chicken and turkey on our tables very often. Our children had to carry their lunches in tin pails, boxes, etc. and we paid for it. The Government never subsidized our children, but still, in our old age, we must subsidize other people's children.

No woman in decent society was subsidized in our time for producing children out of wedlock, but now we are taxed, in our old age, so that these women can be paid to produce offspring which are a danger and a disgrace to American character and will ultimately increase delinquency and ill-bred people to the point where we will have financed and built a powder keg likely to blow up in our faces.

The Congress has voted foreign aid to the point where the heavy burden is just too much for the citizens of America to bear and unless some relief comes, the Congress will be faced with what to do with the crying need of the American people for relief from their burden. Retired people have all they can do to pay local, sales, and State taxes, and for the Federal Government to take from them also, is too much and they are having a difficult time of it.

To tax the old people because they managed to save a few dollars is a scheme unworthy of the American spirit and how the Congress could go along with the Revenue Service on such a step is beyond our understanding. You are penalizing people for trying to save and be self-supporting individuals—it looks like the Congress doesn't want such patriotic and dignified people to remain in our country and prefer the other type which lives like parasites on the tax money of others.

No retired couple should be subjected to Federal income taxes on his retired income—if he has another job, then that should be taxed—but his retired income should be free of Federal taxes. Congressmen and others are always talking about helping the retired, the aging, the elderly, but they might manage themselves if the Federal Government would stop confiscating what income they have and let them live out their lives in the privacy of their homes instead of being invaded by the Government's income tax people.

So you wanted to hear from retired people and we've had our say.

Sincerely yours,

BERNICE BUNDY.

19316 GULF BOULEVARD, INDIAN ROCKS BEACH S., FLA.

DEAR SIR: We would deeply appreciate it if you will present this letter for consideration, at the October 9 town meeting.

I am 70 years of age, my wife 68 years. We have been married 42 years and do not have children. Our social security checks for both of us is \$130 per month for which we are very thankful.

The problem is how we can continue to live or exist on said amount. Our insurance for life, health, and accident plus automobile insurance on a 1956 car amounts to \$31 per month. This leaves a balance of \$99 for food, clothing, rent, etc.

Our life savings are about exhausted and at our ages no jobs open that offers a salary. At present we have a job at a small motel and in exchange for our services as handyman, maid, etc., we get a 1-room efficiency apartment. We are on duty 24 hours a day, 7 days per week, with a few hours off now and then.

This so-called job helps us in trying to maintain our standard of living, but what happens when our coming ages bars us from even this type of work.

We thank the good Lord that we are still in good health but are certainly worried about the future.

Having lived the years we have and under the present day of high prices it is impossible for us or any other old couple to live decently under \$200 per month.

Thank you.

Yours respectfully,

Mr. and Mrs. HORACE M. CASE.

INFLATION

774 4TH AVENUE, SOUTH, ST. PETERSBURG, FLA.,

October 1, 1961.

Here is a problem you can put before the U.S. Senate, on finance woes. I just retired from the Federal civil service position; came here because of reason of my health, arthritis in the neck; creditable service in the Federal Government, 30 years; pension \$200 a month; what is \$200; how much is your dollar worth today in buying power? I remember when you could buy a hot dog for a nickel; what is \$600 allowance for tax purposes—could you raise a family, one child for example, on \$600 yearly? Everybody is talking about college today, but I never went to college. Here the other day, while at employment agency, looking for work to build up social security, in order to live decent, so I won't have to buy secondhand clothes at the Good Will Salvation Army sales, a man was offered \$25 a week to work at some hotel. I almost fell through the floor, at this day and age, at that sum, but everybody in business claims labor is high here, "Oh brother," that is a joke, * * * the way prices are today; also high taxes, the only thing not taxed is the air.

The unions are crying for higher wages, because of high taxes, and so forth, but how about prices here in the South are the same as the North, if it was not for Webbs' City this place would die a slow death. How can the chamber of commerce hold their heads up, about this paradise for retired people. I am very much disappointed about coming to Florida, and live cheap on a fixed income. I repeat I did not go to college, but wages and prices don't balance here in the South. If the wages were like the North, OK. High prices, low wages, don't make sense in my arithmetic.

So I think the honorable Senator from Florida, George Smathers, should know; I guess he does know, but people here, are sitting on their dead centers, and remarking you can't fight city hall. I hope this conference will do some good for people on fixed incomes, also medical care.

Sincerely yours,

ALFRED W. BROWN.

P.S.—This is not a letter from a crank, but are the facts, as I see them in the Sunshine State.

A.W.B.

640 60TH AVENUE, SOUTH, ST. PETERSBURG, FLA.,
October 2, 1961.

DEAR SIR: Referring to the coming conference on financial problems of senior citizens.

For several years I have endeavored to secure from Washington, D.C., and others the real answer as to why those securing social security benefits are not allowed to earn unlimited income and thereby pay income and social security taxes on money earned without jeopardy to their social security payments.

I have heard they wish to restrict employment of those on social security but this to my way of thinking, an unreasonable prohibition as well as unpatriotic.

Can you explain or secure an explanation as to why our Government is not interested in this source of additional revenue?

Very truly yours,

E. P. CONNETTE.

TAMPA, FLA., October 3, 1961.

SIR: I am 68 years of age. I am now getting a pension from the social security of \$40 a month. I also get a pension of \$60 from the Veterans' Administration. I am a shut-in and in a wheelchair as the result of several falls during my lifetime. I am partially paralyzed on my right side from a stroke. I am writing this letter with my left hand.

I own my own home but my income is not enough that I can afford a woman to give me baths and stay with me part time as an assistant. Is there any way I can get this help?

Sincerely,

ANITA PAGE.

4031 OVERBROOK DRIVE, ST. PETERSBURG, FLA.,
October 4, 1961.

A suggestion for Mr. Smathers.

We believe retirees over 65 should not be required to pay school real estate taxes or at least not the high rates now in effect.

Yours very truly,

(Mrs.) A. C. WILLIAMS.

LAKELAND, FLA., September 3, 1961.

DEAR MR. SMATHERS: I am writing you my objections to the welfare program for the old folks of our State of Florida.

I am in my 89th year and trying to keep the house which I own.

I am receiving a monthly check of \$61 per month making it about \$15.30 per week. It makes me go some to budget on that amount. What do you think. I am partly blind, have to write through a power glass. It seems to me the old folks are unfairly dealt with in the program they now have. I am asking you for a better program in the future.

Please use your office to better our last days.

Thank you.

HARRY H. HOLMES.

ST. PETERSBURG, FLA., October 3, 1961.

DEAR SIR: Would you please bring to the committee's attention the plight of many women who married again after their first husband's death and through no fault of their own ended the second marriage by a divorce.

At present these women cannot get their first husband's social security or anything from second husband.

In my case my second husband was seriously ill—emotionally. I recognized this 2 weeks after the marriage. Lived with it 2 years trying to help—until my own health gave out. This can be verified by doctors and an attorney here. Thank you for your interest in this matter.

E. J.

1850 5TH AVENUE, NORTH, ST. PETERSBURG, FLA.,
October 4, 1961.

Senator GEORGE SMATHERS.

DEAR SIR: My husband (72 years old) is a diabetic, blind for about 10 years (no operation possible). In 1955, after contacting the social security office

about disability, his check was raised 70 cents a month. Our savings went to the eye specialist and drugstore. His check amounts now to \$56 a month. Is the difference between having normal eyesight and being blind for the rest of the life just worth 70 cents?

Thanks for your interest.

Yours truly,

Mrs. FRANK GLEIKNER.

5504 21ST STREET, BRADENTON, FLA.,

October 2, 1961.

DEAR SIR: Replying to your suggestion that we oldsters write to you, I will explain our circumstances.

My husband and I were married in 1920 and were just getting started in life when I was stricken with polio in 1923, with near total paralysis. Due to the necessity of hired help and other expense it has been impossible for us to lay by for retirement. Little was known about treatment or therapy for polio nearly 40 years ago.

My husband's social security is \$63 and I will be 62 in July 1962 but will receive only small amount. We have had Blue Cross hospitalization many years, such payments are difficult to meet on the low incomes. Anything that Mr. Smathers can do to increase our income will be most gratefully appreciated.

Yours truly,

Mrs. LESLIE FULLER.

DEAR SIR: We have been here in Florida almost 11 years. We thought we were all set, that we would live on the little money my husband could earn and \$84 social security. Then sickness ate up all of our savings plus insurance (20 years endowment).

We could not live or even exist on \$84, so we asked for old age assistance from them. We receive \$79. Combined, that is \$163 we are allowed, the minimum for electricity and the minimum for water. In a climate like this, one must use plenty of water to keep clothes, house, and ourselves clean. That uses electricity. Then on top of the water comes sewers and garbage for which we get nothing and \$2 a month for heat. Now there is only 1 month of the year that has 4 weeks, (February), all the rest has 30, 5 of those, and 7 months with 31 which makes 13 months, counting 4 weeks. It sure is hard to make ends meet. We have to find money for Blue Cross and Blue Shield. I have never used it though my husband has. When he could work a little that helped to pay for phone, Blue Cross, Blue Shield, also to run the car for shopping. With the cost of living no one can live under \$200 a month. Why try to make old people live longer? Just to make them miserable that much longer. I say charity begins at home.

My husband is 74 years, I'm 67, will be 68 in April. Please help.

Mrs. L. G. M.

3027 6TH STREET, SOUTH, ST. PETERSBURG, FLA.

DEAR SIR: We saw in the Sunday paper that you wanted people to write that is on social security. Mr. Thomas gets \$75 and I get \$37.50. Our rent and utilities take \$50 and my husband is sick; has to have asthma medicine every month and it is very hard to make out on what we get. My husband has been sick for 3 years and not able to work. He needs medical care but we do not have the money for doctor care. We were in hopes to get a raise.

Sincerely,

Mrs. J. H. THOMAS.

9441 55TH WAY NORTH, PINELLAS PARK, FLA.,

October 3, 1961.

DEAR SIR: I note by the St. Petersburg Times that the Subcommittee on Retirement Income is having a regional conference on Monday, October 9, and that senior citizens having problems should contact you.

We have a problem.

I am retired, 69 years old, and receive social security benefits for my wife and self amounting to \$168.40 per month; this is our only income.

I have paid into social security since its inception, and while working have held very good administrative positions and earned substantial salaries.

My wife's mother lived with us for 37 years as she had no other relatives. I was her only means of support.

On two different occasions she fractured her right and left hips and on several occasions lacerated her head, all of which required hospitalization.

The hospital, doctors, and nursing home expenses were enormous.

She was in a nursing home for approximately 1½ years at \$75 per week. She fractured her right hip while she was in a nursing home.

She was in the hospital for 3 months and while there she passed away at the age of 90.

In spite of the foregoing and other expenses we had a nice savings account.

April 1957, my wife suffered a cerebral hemorrhage which paralyzed her left side; however, she partially recovered with the exception of a slight drag with her left foot and only partial control of her left hand and arm.

The hemorrhage occurred while her mother was in the nursing home.

September 1957, the manufacturing and service plant in Springfield, Mass., of which I was general manager, was taken over by the parent company and I was retired.

The group hospitalization ended with my retirement.

My wife's doctor said my wife would feel better if we lived in Florida.

July 1958, we came to Florida to look for a house and while in West Palm Beach my wife fell and fractured a vertebra and her left wrist.

Two days after my wife came out of the hospital I was admitted with a ruptured appendix. (Good Samaritan Hospital, West Palm Beach.)

As we were staying at a motel there was no one to take care of my wife, therefore we had to get her into a nursing home for 2 weeks while I was in the hospital.

After I was discharged we stayed another 2 weeks at the motel to recuperate, and then headed for the Sun Coast and we put a downpayment on a house in Orange Lake Village, Largo.

We returned to Florida and took possession of our home on December 1, 1958.

November 4, 1959, my wife fell and fractured her left hip.

After two operations and 3 weeks in the hospital the fracture would not heal, therefore she had to stay in bed for 2 months, necessitating the hiring of a hospital bed, wheelchair, and walker.

At the present time she is mostly in bed; however, she can walk some with assistance.

December 25, 1959, Christmas morning 1:15 a.m. I was admitted to the hospital with a bleeding ulcer.

It was again necessary to get my wife into a nursing home for 2 weeks as there was no one to take care of her.

April 1961 we traded our home in Orange Lake Village for a smaller and cheaper home in Florida Retirement Village. Our monthly payments are much less and as I have to do all the chores including nursemaid and so forth, it's much easier for me.

May 4, 1961, I was again admitted to the Sun Coast Hospital with a bleeding ulcer. While I was in the hospital my wife was admitted with stoppage of the bowels.

The doctors, hospital, nursing home, and medication bills caused by the foregoing have reduced our savings to \$10, and we still owe the doctor \$20 and the hospital \$69.

Our average monthly expenses are as follows :

House payments.....	¹ \$50.59
Insurance.....	¹ 22.50
Electricity.....	13.00
Water and garbage.....	6.00
Milk.....	12.00
Phone.....	5.28
Car.....	5.00
Drugs (medication).....	25.00
Miscellaneous.....	7.50
Total.....	146.87

¹ Fixed.

This does not include house and car insurance due January 1 (total \$93). You can see that it's practically impossible to live on \$168.40 per month with no savings to fall back on.

There is not much left for food, especially when one is on a special diet.

This letter is much longer than I had anticipated. However, I don't know how I could explain our problem in fewer words and still be able to explain the cause of our present circumstances.

I trust the foregoing is a sample of the information you are seeking and the problems faced by our senior citizens.

Sincerely yours,

ROBT. F. BLASH

ST. PETERSBURG, FLA., *September 30, 1961.*

DEAR SIR: I would like for you to present my problem to Senator George Smathers when he comes on October 9, as I may not be able to get down there. I am a retired librarian from our city library as I worked for the city for 25 years and had a severe heart condition and had to retire 5 years before I was due for retirement but I didn't go out on disability, as I had reached my 60th birthday and had the years of service. At that time my pension was \$100, but in the years following after retirement the city kept taking out more for my Blue Cross and Blue Shield so it has cut my pension down now to \$95 and I just get by and that is all.

Two years ago I had a stroke and was in the hospital for months so it has taken most of my savings as you know how much they charge these days to be sick so if I ever have to go back again I won't have anything left and it has worried me sick because I have always been able to pay my way. I wrote you once about your American National Insurance and you sent a lady out to talk to me but she advised me to go on and keep my own as I am in a group and it doesn't cost me as much as the other would have. Living conditions have gone up so high but our pensions haven't been raised one cent in the past years, so I for one think it is high time something is done about it for all of us older senior citizens. Thank you very much and I do hope I can come down to the meeting.

The hardest blow of all is I lost my home, my car and everything after I had my stroke as it took it all to pay for my sickness.

Yours truly,

BETTY MARTIN.

OCTOBER 3, 1961.

DEAR JACK: I listen to your programs every night. I do so enjoy them all especially the old songs for they bring back many memories. Yes Jack I sure would like so very much to come to St. Pete and hear Senator Smathers talk. Wish we had a TV set so I could see and hear all about the talk. I would like to tell him I need a doctor's help. Our social security check don't go far enough for any doctor bill and I don't see why people have to live in Florida 5 years to get any aid. I hate to ask for charity. But I have a very bad right leg. If I don't get some help soon I am afraid I may lose it. I am in pain and misery every day and night, but try and keep house clean. I never go outside of the house, only once a month to cash the check and shop. I can't go up or down steps without help and walk with a cane. But if I could have some kind of help. Hope Congress will pass some kind of aid for us old folks. We sure need some help.

Thanks for letting me write to you.

Mrs. WILLIAM W. SMITH,
Valrico, Fla.

324 2D STREET, NORTH, ST. PETERSBURG, FLA..

October 2, 1961.

Re "Town Meeting"—Senate Subcommittee Financial Problems of the Aged.

DEAR SIR: Subject for thought.

World War I veteran; nonservice disability—heart disease—at age 64. Pension awarded in amount of \$70 per month.

Social security granted in amount of \$121 per month.

Veteran gets progressively worse as time goes on.

After 2 years' social security payments veteran's payments are considered as income and veteran's pension ceases, due to the fact that his income (sole) through social security comes to \$1.452 annually.

He is more aged and less self-sufficient, yet his weekly income is reduced from (approximately) \$47.75 per week to \$30.25 per week. He is less able, at 66, to meet his medical and living expenses, and may become a public charge.

Should not Congress divorce the Veterans' Pension Act from the social security laws?

Sincerely yours,

HOWARD A. MOODY.

855 28TH AVENUE, NORTH, ST. PETERSBURG, FLA.,

September 29, 1961.

SIR: I have an invalid mother 95 years old and next month I will be 77 years old taking care of her and standing alone. Therefore I can't attend those meetings on Monday, October 9. My mother has no insurance nor income. I am her whole support. I too have no insurance and a very small income. That it keeps me busy taking care of my mother and how to meet our financial ends. My mother is in bed but through my help she succeeds to get up on a commode in daytime. At night she does it in bed. I have a small garage apartment (unfurnished just large enough for one person) \$35 month all year around but it's been vacant for months that income I miss. I receive in income \$87 month social security twice when new Presidents came into office I would get a raise. This time I didn't. I also receive \$40 a month from my savings from my earnings when I worked in Chicago. That makes a total of \$127 a month for our income to support us. Altho the doctor says I am taking very good care of my mother, she is in better condition than when he started with her. He doesn't come every day but when I call for him to check her up, he comes then I must pay him and my other information I get through his office nurse. My trouble is dizzy spells. If I lay down in bed on my right side I get dizzy spells. I do my mother's laundry every morning and that I do in the bathtub. I have no other place or equipment. I also do all my own housework as I said before I am standing alone and every step I take I must pay for.

God bless you. Thank you for taking care of this letter for me.

Sincerely yours,

MISS M. WALTERS.

Box 126, EAGLE LAKE, FLA.,

October 5, 1961.

DEAR SIR: I am writing you to tell you I am also a senior citizen of Florida since 1925. My husband passed away in 1931. I have worked since then in citrus work, but now I am unable to work. I am 78, and my health is not the best. I am a diabetic and have heart trouble. My medicine costs more than my food. I have my home, but social security is only \$60 per month, so I have had to rent my home, and live first one place, then another, and I am tired of shifting around (renting, then taking my home again), and cleaning and repairs eat up almost all I can save from rent (taxes, insurance, and utilities upkeep on home).

I had social security since it started until summer of 1948, when I started drawing. I drew little over \$24 for some time. I worked as forelady for 18 years, then as forelady in Bridgeville, Del., for three summers, one summer canning pineapples, one spring at Bordo, Winter Haven, Fla., then for 2 years at Snively Groves or Polk Packing Co., Winter Haven, then one winter for Floridagold again. My doctor has been able to help me a great deal. Doctor bills and the drugs are very heavy.

This is my first appeal for help.

Sincerely,

MYRTLE HEWITT.

428½ 3d AVENUE, SOUTH, ST. PETERSBURG, FLA.,

September 30, 1961.

Senator SMATHERS: I am a widow 80 years old. I have a small income. I am under Dr. Wilcox's care. It costs me \$18 a month for medicine and paying doctor, rent, utilities, and buying food. I have a hard job to make get it all.

If they would only take the Townsend bill out of hiding and pass it, then there would be no need for the widow to go without the necessary things of life.

Sincerely,

Mrs. LEONA F. MALLOY.

140½ 21ST AVENUE, SOUTH, ST. PETERSBURG, FLA.,
November 7, 1961.

Senator GEORGE SMATHERS,
Washington, D.C.

DEAR SENATOR: I hope my letter will reach you in time to go into the records as I was at the meeting at the pier November 6, and as I have had a stroke I knew I couldn't get up and talk so others would understand me and it would have been too embarrassing. I wrote Mr. Jack Bland a letter before you came and he said he would see that you received it.

My problem concerns my retirement pension under the city of St. Petersburg, so I didn't know if what you talked about would come under the heading of your subject, "The Aged," as none of us who retired years ago have enough pension to live on as living conditions have gone so high we just cannot make it.

After I had my stroke I lost my home and car and that was the hardest blow of all as I had worked 25 years and thought I was fixed for life; but being in the hospital so long it just took about all of my savings, so I need more income, as in my condition now I can't even get part-time work and I am not asking for charity, only a raise in my pension, and I know my friends who retired the same time I did feel the same way. I do hope and pray that something good will come out of your lecture on the pier as it was most interesting and I enjoyed every minute of it. Thank you for listening to my problem and may the Lord bless you real good.

Yours truly,

BETTY M. MARTIN.

1000 21ST AVENUE, NORTH, ST. PETERSBURG, FLA.,
November 6, 1961.

Subject: Congress interest in the aged.

Senator GEORGE SMATHERS,
Senate Office Building, Washington, D.C.

DEAR SIR: We just listened to the 6 o'clock television news broadcast. These are the thoughts that passed in my mind:

Congress itself deliberately let its most deserving retired civil service supervisors down unmercifully when it voted to shelve the Kaplan Committee report without acting on its recommendations. Fortunately, most of those old bosses have since died, but the few that are still living have had to suffer along on the general cost-of-living increases that have been granted even though they did contribute more to the retirement fund. To disregard civil service principles may have been smart politically, but it was a denial of the principles for which the free world struggles. Even under the Russian system, there is reward for accomplishment. The action taken was purely regimentation. Let's hope our leaders realize their error.

At one time the Civil Service Commissioners thought that it might be too much work to put Kaplan's ideas into effect. Well, that can no longer be true. The few who might benefit today are all well past 75 years old.

I don't know whether I personally would benefit or not, but I have always been hurt by the Nation's refusal to recognize what I consider to be the truest form of loyalty.

Nationally speaking, labor today is so poor that it seems to be the cause of most of the trouble we are experiencing with other countries. Certainly, we will be doomed unless some way is found to improve labor.

Please pardon this outburst, but if you see things as many of my friends do, you must agree.

Good luck.

JOHN F. EVERETT.

324 38TH STREET, SOUTH, ST. PETERSBURG, FLA.,
November 7, 1961.

Senator GEORGE SMATHERS,
Senate Building, Washington, D.C.

DEAR SIR: I regret I could not appear before your subcommittee while in St. Petersburg. I am taking the liberty to express myself in connection with the problems of retired people.

There are many problems in the high cost of living. While the social security helps a great deal, it does not insure a livelihood but has to be supplemented with life savings.

The greatest problem is the high cost of medical and hospital care. As you know, people in this stage of life get sick more frequently than the younger people. Cancer, heart trouble, and other diseases strike unexpectedly. This sometimes means months of hospitalization with a cost of thousands of dollars. If there is a life savings this can drain every penny. If one is lucky enough to survive they will have to exist on a semistarvation diet.

The medical care bill under social security is the only solution to this problem. I am sure you'll support the bill, as you always support legislation for the good of the people.

Sincerely yours,

GEORGE PERLMAN.

NOVEMBER 6, 1961.

Senator SMATHERS.

DEAR SIR: My husband and I were listening to your hearing on TV today in regard to people over 65 years of age and older, and it was very interesting. I was not feeling well enough to be there in person. Now my problem is this. We had a small business back in New Jersey which we sold in September 1950. And all those that were self-employed could start at that time to pay into social security and old age. But we had to sell on account of my arthritis and other ailments which I still have and I'm still doctoring for once a week, which is quite expensive, plus all the drugs, X-rays, etc. We are living here in St. Petersburg 8 years and I have been under the doctor's care since 1956. Our little savings is almost gone and we don't know what to do for help. I'm 67 years old and my husband is going on 74 years of age. We are living 11 years without an income of any kind.

This is our second marriage for both of us. I have 4 children plus 14 grandchildren and 6 great grandchildren. And my husband has the same. Our children would love to help us but they are raising a family and have all they can do to take care of them plus the mortgage they have to pay on their homes and other bills. We are living in a mobile home in St. Petersburg and our rent is \$25 a month plus electricity, gas to cook with, doctor, medicine, food, and other little things. We also pay up to now \$130 a year for hospitalization insurance, plus mobile insurance and tax on our screened patio, car insurance, and license and tags for the car. It's a 1952 De Soto. That needs repairs from time to time. But we need it to get to the doctor, church, and foodstores. We only wished we had a social security check coming in every month like others so we could take care of ourselves. We would be so happy. Perhaps, Mr. Smathers, you could help us some way. We would be so grateful.

Senator Smathers, we thought the savings we got from our business would be enough to keep us without asking for help. But now we know different, sorry to say. We might be able to get by on what we have for at least another year, if my husband and I don't get bedridden, which has happened to me three times. I have arthritis of the spine, ulcer, infection in my left ear. I'm doctoring for a month now, and pay every week—plus a low thyroid condition. When we sold our business and came here my husband was willing to earn some money to help out but his health would not permit him to. If we don't get some help soon we will have to sell our home which we hope won't happen. We couldn't live any cheaper than we are living now. I will close now hoping our letter to you will bring us good results.

Thanking you,
Sincerely,

P.S. Senator Smathers, we still have some pride, so we hope you will keep our name confidential. Thank you.

741 BROADWAY, ENGLEWOOD, FLA.,
November 7, 1961.

Senator GEORGE SMATHERS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR SMATHERS: This is directed to the consideration of your Senate subcommittee dealing with the needs of the aged. It seems to me that it is a new approach deserving of your committee's most careful consideration.

The point I make is simple. Mechanized progress has resulted mainly from the tools and processes which a previous generation of the employed has made possible for the presently employed to utilize.

It will be a simple showing of our appreciation of our democratic obligation to our aged for what they have done for us, and is not to be viewed as something that we are gratuitously now doing for them, if we now honor that obligation at the legislative level. Let me specify the facts on which I base my suggestion.

I am quoting directly from a recent press release from the desk of Mr. Elmer C. Walzer, UPI financial editor. He should be an authority on the accuracy of his material:

"You can put a price tag on a man on the basis of what his earning capabilities will be over his lifetime. It's been done. The economic value of a man in the United States, says the Institute of Life Insurance, has reached the \$200,000 level. In 1949 it was only \$133,000.

"That's the average. The figure ranges upward from \$175,000 to \$350,000 depending upon one's education—all figures before taxes.

"Take a male baby born now. He'll live, according to present statistics on the subject of life expectancy, for 66.6 years. Of that time, he'll work 41.6 years. The other 25 years will be spent in growing up, getting an education, and in retirement."

If the average man passes on at age 66.6 and is retired at age 65 after working productively for 41.6 years, is it at all inconsistent for a free society such as ours to show its decent appreciation of their contribution to the success of our way of life by legislatively insuring them such a short period of happiness in their sunset years?

We live in a period of great surpluses created in some degree by the splendid past efforts of our current oldsters. How can we possibly justify our attitudes to these oldsters if we insult our cherished way of life by doing less than is required in their behalf—decently.

I sincerely trust that your subcommittee will take appropriate action in the matter.

Yours truly,

G. EUGENE BERRY.