



League of Women Voters of Minnesota Records

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League of Women Voters

1730 M Street, N.W. Washington, D.C. 20036

Dear Friend,

The dream of genuine economic equality for women that you and I share is rapidly slipping away.

Women's rights are being undermined by those who are now pressuring Congress into slashing budgets, gutting programs, and reversing long-standing federal policies that benefit women. They have met with alarming success.

At least \$38 billion have been slashed from job training and apprenticeship programs ... student loans ... affirmative action ... assistance for displaced homemakers and battered women ... medicare for the elderly ... and many, many other programs. Even greater cuts are now being proposed.

Frankly, it seems to me and to all of us at the League of Women Voters that there is only one conclusion to be drawn:

An organized coalition is deliberately trying to reverse decades of progress toward economic equality made by a generation of American women.

That is a frightening conclusion.

Because, the truth is, in spite of the gains we have made, economic discrimination against women is still rampant.

- Women continue to earn barely half of what men do -- 59¢ for every dollar earned by a man.
- 80% of all women continue to be segregated in low-paying clerical, retail sales, service, and factory jobs.
- Women with a college degree continue to earn an average of \$3,000 a year less than a man with a high school diploma.
- 1 out of 3 women raising their children alone continues to live in poverty. Among black women the number is over half.

You and I both know the effects of this blatant discrimination. Millions of American women struggling to better the economic conditions for themselves and their families are being denied opportunities open to men.

(over, please)

Poor women are hardest hit. But all women suffer the consequences when discrimination against women in employment, housing, credit, and education is tolerated.

Now, those who wield the budget axe have an economic agenda that will make that discrimination worse.

We must stop them before it is too late, or they will succeed in dismantling fully 20 years of effort on behalf of women's rights.

It's time the League of Women Voters got much tougher.

Yes, that's right. The League has always been tough on women's rights. But now we intend to fight back more fiercely than ever. And, we intend to marshal all of the political skill, the know-how, and the clout that for 60 years has made the League a uniquely powerful and effective citizens' organization.

I know tough talk is not what you'd ordinarily expect from the League of Women Voters. We are known for our moderate, non-partisan stance, and that will never change. But, these are not ordinary times.

Never before in history have women had so much to lose.

You and I cannot stand silently by and let a small coterie of wealthy special interests destroy the progress won by a generation of American women.

The League of Women Voters intends to counter these efforts with our own agenda designed to create strong public support for programs and policies that can help move women forward toward equality. And, we need you to join us as a Friend of the League in order to implement our plan.

Already, the League has a wide-ranging program of action to ensure a woman's right to full and equal opportunity in our society.

But right now, we're broadening our efforts, sharpening our strategies, and stepping up our activities to emergency levels on behalf of women's rights. You and I can do no less, or we will fail even to protect the rights women have already won.

I urge you to join us as a Friend of the League. We need your help. But before you do, let me tell you a little about how we intend to carry on our fight.

THE EQUAL RIGHTS AMENDMENT: Beginning in 1972, the League has been working to ratify the ERA.

(next page, please)

Now we're working to bring all laws into compliance with the goals of the Equal Rights Amendment. Our members have adopted a broad mandate to fight all laws and policies that discriminate on the basis of sex.

EQUAL ACCESS TO EDUCATION: The League lobbied successfully for passage of Title IX of the Education Amendments of 1972, which prohibits sex discrimination in federally assisted educational programs.

To ensure this law is enforced, Leagues in five states are working to make sure enrollment of women and girls in non-traditional training programs is being carried out in full compliance with federal laws.

At the same time, dozens of local Leagues across the country are waging citizen information and outreach efforts and joining coalitions to fight all attempts to weaken Title IX and deny women the right of equal access to educational opportunities.

EQUAL ACCESS TO EMPLOYMENT: The League of Women Voters has proven that litigation can be a potent weapon in opening up new, nontraditional jobs for women.

In 1976, attorneys on the staff of the League of Women Voters Education Fund successfully filed suit against the U.S. Department of Labor forcing it to adopt affirmative action requirements for federal contractors. The League's action opened jobs to women in the construction trades for the first time.

But litigation was just the first step. The League of Women Voters Education Fund has now helped develop a national organization called Women for Blue Collar Jobs, USA, which we hope will help women gain jobs in nontraditional fields.

HOUSING AND EQUAL CREDIT: The Equal Credit Opportunity Act passed in 1974 with strong support from the League. But single women and female-headed households still face great discrimination in the housing market.

To help women become more aware of their credit rights, 10 local Leagues last year held workshops, distributed pamphlets and articles, and went on radio and television shows. We reached close to one million women during this exciting project.

I could go on, because the League has more than 100,000 members active in every state on behalf of women's rights.

Our members conduct painstaking research on every issue we take up, lobby Congress and their state legislatures in support of League positions, litigate, hold conferences and workshops, and distribute timely and well-thought-out publications to

(over, please)

facilitate well-reasoned national debate on major issues that affect the future of American women.

As you can imagine, a program of this scope requires an enormous commitment of financial resources, a commitment for which we must rely on our dedicated Friends.

Our Friends are people like you who realize that the League of Women Voters must take strong action to preserve the political, social, and economic advancement of women in the coming, difficult years.

Moreover, our work on behalf of women is just one facet of the League's far-reaching program. We play a very special and public role in the American political arena.

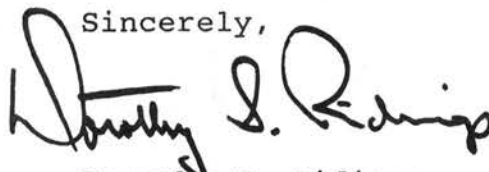
Because of the League's efforts in 1976 and in 1980, the American public had the chance to hear candidates for the presidency before going to the polls. With your help as a Friend of the League, we plan to sponsor another set of presidential debates in 1984.

But right now, women's rights are under attack. There has never been a more pressing need for the strong, reasonable voice of the League of Women Voters.

We must fight back! And, we must do it together. That's why your support as a Friend of the League is so critical.

Please help us now while my letter is still before you. Your generous contribution will be put to work immediately on behalf of justice and equality for American women.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dorothy S. Ridings". The signature is fluid and cursive, with the first name "Dorothy" being more prominent and the last name "Ridings" following in a similar style.

Dorothy S. Ridings
President

P.S. When you become a Friend of the League, you'll receive your own, personal copy of The Voter, a special quarterly publication on the most important issues facing our nation today.

P.P.S. If you receive a duplicate of this mailing, please pass it on to a friend. It's even more expensive to remove duplicate names from our mailing lists than it is to send out extras.

Congress

The Congress, through the Joint Economic Committee, Budget Committees and a concurrent Resolution in the House and Senate, is required to develop an integrated economic program in response to the President's recommendations.

Federal Reserve Board

Within a month after the President sends his economic report to Congress, the Governors of the Federal Reserve Board would have to provide Congress with a statement setting forth their policies for the coming year and the relationship of these policies to the short-term goals expressed by the President. Congress would have the right to "take such action as it finds necessary to ensure closer conformity" with the purposes of Humphrey-Hawkins.

PROGRAMS

The President is required to develop programs to reach the targets contained in the bill. The legislation establishes a priority for job creation emphasizing the private sector and regular public employment:

- 1) Expansion of conventional private jobs.
- 2) Expansion of private employment through Federal assistance.
- 3) Expansion of regular public employment jobs.
- 4) Last-resort public service jobs.

The legislation requires the federal government to create additional jobs directly if other efforts to achieve the unemployment goals fail.

The bill outlines a variety of options, including public works, public service employment, anti-recession aid to states and cities, programs for depressed areas, training, counseling and special youth employment programs.

If these approaches fail to meet the stated goals and timetables, the President would be required to provide last-resort public jobs. He could do so by expanding existing employment and training programs or by instituting

new job-creation efforts. However, such new programs would not be activated until two years after the bill has passed and after the President has informed Congress that such action is necessary to meet the specified goals and timetables. They would require Congressional authorization and funding. Under the bill, these jobs would pay at least the minimum wage (\$3.35/hour in 1981) and no less than the amounts earned by others doing the same work for the same employer.

INFLATION

A number of specific anti-inflation policies, consistent with attaining full employment, are called for in this legislation. These do not include wage and price controls, but do include:

- 1) An effective information system to monitor inflation;
- 2) Programs for increasing supplies, with emphasis on basic commodities;
- 3) Agricultural stockpiles to meet emergency needs and stabilize prices, consistent with adequate income to farmers;
- 4) Voluntary labor-management cooperation to increase productivity and assure production incentive;
- 5) Strengthening and enforcement of anti-trust laws; and
- 6) Curtailment of Government regulations and red tape which increase costs.

THE BILL'S SIGNIFICANCE

The Full Employment and Balanced Growth Act establishes this country's commitment to a job for every American able and willing to work and sets in motion a comprehensive planning process to reach this end. This legislation would put an end to the cynical process of redefining full employment as 5%, 6%, or even 7% in order to explain the failure of particular economic policies. It also lays the foundation for the policies and programs needed to fulfill that commitment. Its passage would be a major step toward a more just, productive and humane America.

A SUMMARY OF:

THE FULL EMPLOYMENT AND BALANCED GROWTH ACT

WHAT HUMPHREY-HAWKINS DOES

The Humphrey-Hawkins Full Employment Bill (H.R. 50 and S. 50) makes the achievement of full employment the central priority of national economic life.

This vital legislation will commit this nation and its leaders to specific targets of no more than 3% adult unemployment and 4% overall unemployment by 1983. The bill mandates the President and Congress to implement policies and programs to reach these targets and achieve genuine full employment. This legislation will permit us to measure year by year, the progress of particular policies and programs against specific goals and will also document the need for additional job creating programs outlined in the legislation.

This bill establishes a comprehensive process of planning and economic coordination focused on reaching full employment. It also includes strong anti-inflation and anti-discrimination provisions.

Humphrey-Hawkins provides an overall framework for a concentrated and flexible attack on joblessness. It is an essential first step toward full employment.

815 15th St., N.W., Rm. 516
Washington, D.C. 20005
(202) 628-0217



CO-CHAIRPERSONS

Murray H. Finley
President,
Amalgamated Clothing Workers
of America

Mrs. Martin Luther King, Jr.
President,
Martin Luther King, Jr.
Center for Social Change

HOW THE FULL EMPLOYMENT AND BALANCED GROWTH ACT WORKS

POLICY

The bill establishes as national policy "the right of all Americans able, willing, and seeking to work to full opportunities for useful paid employment at fair rates of compensation." It also recognizes inflation as "a major national problem."

It calls for a national policy based on explicit economic goals, the full use of the private sector and programs to reduce cyclical and structural unemployment. It finds that unemployment has resulted in numerous economic and social costs to the nation.

GOALS

The legislation sets interim targets and a timetable for the reduction of unemployment: a 3% rate for those 20 and older and a 4% rate for those 16 and over within five years of passage. Thereafter, the goal would be to attain genuine full employment as soon as practicable and to maintain it. It calls for efforts to reduce and then remove the gap between the unemployment rates of such groups as teenagers, women and minorities and the overall unemployment rate.

PLANNING

The legislation establishes a process of comprehensive and integrated planning and coordination involving the President, the Congress and the Federal Reserve Board.

President

The President is required to submit an annual economic report including:

1) annual numerical goals for five years for employment and unemployment, production, real income, and productivity.

2) short and medium term goals (3% adult unemployment and 4% overall unemployment within 5 years). The President may modify the unemployment goals or timetables if, at least three years after enactment, they appear unreasonable. However, such modifications require Congressional approval.

3) the programs and policies necessary to achieve these goals, and to achieve reasonable price stability as rapidly as feasible.

4) policies and programs to reorder national priorities and employ the jobless in:

a) "development of energy, transportation, small business, and environmental improvement"

b) "proper attention to the needs of rural America"

c) "health care, education and training programs, child care, other human services, and housing"

d) "federal aid to State and local governments, especially for public investment and unemployment related costs"

e) "national defense and other needed international programs"

In addition, the President's Budget is to include 5 year projections of expenditures and receipts. The budget and the programs and policies it contains are required to be consistent with the purposes, goals and national priorities of the Act.

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

November 8, 1974

The Honorable Wendell R. Anderson
Governor of Minnesota
St. Paul, Minnesota 55155

Dear Governor Anderson:

The League of Women Voters of Minnesota adds its support to the proposal of Paul Goldberg, Executive Director of Council No. 6 AFSCME, AFL-CIO, made to you in his letter of October 8th, 1974.

Often sex discrimination is not the open intentional type, which is rapidly disappearing in Minnesota, but a covert unintentional form of discrimination. A study of the policies affecting wage and career opportunities for female state employees, similar to the study done by the state of Washington, would be valuable in determining if sex discrimination does exist in state employment practices.

We are aware of your strong support for issues important to women and hope this proposal will also receive your support.

Sincerely yours,

Mary Ann McCoy
State President

Gloria Phillips
Chairman
Equality of Opportunity

Copy: Paul Goldberg, Executive Director, Council No. 6
AFSCME, AFL-CIO
Doris Danker, President, Minnesota Community College
Office Personnel Association

c: Mary Ann McCoy, Gloria Phillips, Liz Ebbott, Helene Borg



League of Women Voters of Minnesota, 555 Wabasha, St. Paul, Minnesota 55102
November 1974

TO: Human Resources Chairmen - Action Chairmen
FROM: Gloria Phillips, State HR Chairman
RE: Action of behalf of Minnesota Community College Office
Personnel Association

November 8, 1974

The Austin Community College clerical workers filed a sex discrimination charge against the Junior College Board and the State Personnel Department after the state created a new classification of building and grounds workers and promoted all of the janitors at Austin Community College without any screening or testing. Present clerk typist salary range is \$400-480, while the range for building and grounds workers is \$550-680. There are over 1,000 different job classifications in the State Services. Only four are paid less than clerk typist. They are: youth labor, student maintenance workers and student clerical workers.

The clerical workers claim discrimination exists in paying higher salaries in occupations usually held by men as compared to paying lower salaries in occupations usually held by women - the latter requiring more skill, education and responsibilities.

A complaint was filed with the Equal Employment Opportunity Committee (EEOC), which referred the case back to the Minnesota Human Rights Department. After a 22-month delay, a no probable cause decision was given. An appeal was made and a hearing before one member of a three-member panel also issued a no probable cause decision.

In October, the Minnesota State Employees Union, an AFL-CIO associate, urged Governor Anderson to create a special panel of state, public and union representatives to examine state practices and policies to determine if sex discrimination exists. A similar study was undertaken in 1973 by the state of Washington comparing: a. working conditions, b. complexity of work, c. physical effort, d. responsibility, and e. education and/or experience. The results were submitted to the Legislature and resulted in a \$28-32 million appropriation to increase levels of female occupational salaries over a five-year period.

The state League sent a letter to Governor Anderson supporting a similar study for Minnesota.

July 10, 1975

TO: Local League Presidents and Human Resources Chairmen
FROM: Lois DeSantis, State H. R. Chairman

In late June you received Parts II & III of the LWVUS Citizen Unemployment Study. A few of you then contacted me to see if parts of the study could be coordinated. After studying it, it seemed best for me to collect and disseminate that data which could only be gotten from the state and to make assignments to local Leagues in cases where there are overlapping boundaries. Also, to save you time, I have studied census data and indicated below which tables to consult in the 1960 and 1970 Minnesota Census, volumes on "General Social and Economic Characteristics". I hope this is helpful to you.

A. 1. - This material is available only on a state-wide basis. The Dept. of Employment Services provided the following. Note that the number employed and the number in the work force are not comparable, as the latter includes both employed and unemployed.

MAJOR TYPE OF INDUSTRY BY CATEGORY	NO. EMPLOYED APRIL 1975	NO. IN WORK FORCE 1974 ANNUAL AVERAGE	NO. IN WORK FORCE 1973 ANNUAL AVERAGE
Trade, Wholesale & Retail	360,400	363,000	351,700
Manufacturing	316,800	343,000	331,800
Government	275,300	265,500	256,600
Services	273,100	268,700	254,500
Agriculture	133,200	130,900	136,600
Finance, Ins. & Real Est.	72,400	72,700	71,400
Transportation	60,000	62,100	60,000
Construction	55,000	65,900	66,700

A.2.A. Per capita income. Not available 1960. Table 124 (by counties) 1970.

B. Median age - By counties, Table 27, 1960. Table 35, 1970.

C. Number school age. Same tables as above - add numbers listed for ages 5 thru 18.

D. Number in school system. Consult your school administration. Note that this will probably be on a basis other than the county as in A,B,C, above.

B. 1. & B. 2. - The Dept. of Employment Services keeps figures for 4 metropolitan areas and for the balance of the state by counties. They had statistics only for the total labor force and the total unemployed. Your local League should be in the following list of metro areas or counties.

	LABOR FORCE APR.75	UNEMPLOYED APR.75	UNEMPLOYED 1974 AN. AV.
Mpls.-St. Paul Area (7 co.)	951,600	68,888	44,000
Duluth Area (Part of 1 co.)	42,100	3,700	3,270
St. Cloud Area (3 co.)	61,315	3,452	2,254
Mankato Area (2 co.)	38,909	1,546	864
Becker	10,867	1,064	555
Beltrami	11,485	792	573
Brown	14,232	1,043	438
Carlton	11,309	837	504
Clay	unavail.	unavail.	1,181
Douglas	10,439	894	561
Faribault	8,951	512	268
Freeborn	17,076	1,183	577
Goodhue	17,443	875	439
Jackson	6,551	229	109
Kandiyohi	15,612	843	551
Lake	5,111	264	184
McLeod	14,206	734	297
Martin	11,453	631	358
Mower	18,506	1,083	682
Nobles	10,343	381	218
Olmsted	45,112	1,439	847
Otter Tail	20,354	1,299	848

Polk	16,009	839	676
Rice	19,610	1,160	626
Bal. of St. Louis	42,210	2,013	1,729
Steele	13,749	593	304
Stevens	4,947	251	136
Winona	21,542	1,363	783
Yellow Medicine	6,063	424	211

B.3. - Labor force rate. Table 83, 1960 (only numbers are given, so you will have to do long division to get a percentage). Table 121, 1970. These tables are by counties.

B. 4 thru 9. - Data not available.

C. None of this information is available in this form, and the Dept. of Employment Services does not have the manpower to dig it out for us.

D. The Research Department, Governor's Manpower Office, has promised us the answers to these questions on manpower training but was unable to do so by the deadline for this memo.

Since there are eight prime sponsors for CETA programs in Minnesota, I am suggesting that eight local Leagues interview their area CETA office for PART III, Interview 3. Then when I receive the answers for this PART II, Section D, I will forward them to those eight Leagues to include in their responses. Other Leagues can omit this section and refer to the appropriate local League for response. The eight prime sponsors and the Leagues assigned responsibility are:

1. Minnesota Urban Comprehensive Employment and Training Consortium, Minneapolis - Golden Valley LWV has agreed to do this interview.
2. City of St. Paul, Manpower Office - St. Paul LWV has agreed to do interview.
3. Ramsey County, Manpower Planning Office, Maplewood - Shoreview LWV has agreed to do.
4. Dakota County, Manpower Office, Rosemount - West Dakota LWV has agreed to do.
5. City of Duluth, Manpower Office, 206 City Hall, Duluth - Robert Hoch, Director - 218-727-2957. It is hoped that Duluth LWV will be willing to interview.
6. Region III Comprehensive Employment and Training Consortium Arrowhead Economic Opportunity Agency, P.O. Box 1066, Virginia - Dennis Wain, Director - 218-749-2912. It is hoped the Mid-Mesabi LWV will be willing to interview.
7. Rural Minnesota Concentrated Employment Program, P.O. Box 647, Detroit Lakes - Emil Marotzke, Director - 218-847-9205. It is hoped that the Moorhead LWV might be able to do this interview.
8. Any area of the state not covered by the above 7 offices is administered from a special section of the Governor's Manpower Office, St. Paul. I would be glad to interview the director on behalf of an out-state League which is participating in the study - and send the completed interview form to that League to include in their findings. Let me hear from you, please.

E. These questions should be asked of local employment offices. It is suggested that the answers to this section be obtained at the same time as the interview 2, PART III.

In the Minneapolis-St. Paul metro area there are five employment offices. The following local Leagues have agreed to do Question E, PART II and Interview 2, PART III for these employment offices. Other Leagues in the metro area can omit this and refer to the appropriate League.

1. Minneapolis office - Minneapolis LWV
2. St. Paul office - Cottage Grove LWV
3. Bloomington office - Richfield LWV
4. Fridley office - Fridley LWV
5. Hopkins office - St. Louis Park LWV

Outside of the metro area, offices are located in the following communities. We hope that local Leagues in these communities will wish to interview personnel there:

Albert Lea	Duluth	Mankato	Red Wing	Winona
Alexandria	Ely	Marshall	Rochester	Worthington
Austin	Fairmont	Moorhead	St. Cloud	
Bemidji	Faribault	New Ulm	Virginia	
Crookston	Hibbing	Owatonna	Willmar	

PART III

Questionnaire 1 - All can do. Questionnaire 2 - Those completing E, Part II can do.
Questionnaire 3 - Those completing D, Part II can do.

LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA, ST. PAUL, MINNESOTA 55102

To: House Labor-Management Relations Committee
From: Lois DeSantis, Human Resources Chairman
League of Women Voters of Minnesota
Re: Statement Prepared for Meeting of August 21, 1975, 12 Noon
Date: August 13, 1975

The League of Women Voters of Minnesota has had a long history of interest in the employment of women. During the 1950's League members studied the question of employment on merit and came out strongly in favor of the Fair Employment Practices Act which became law in 1955. We continued to work in this area and promoted the passage of legislation which ended in the setting up of the State Act Against Discrimination in 1961, as well as legislation creating the Department of Human Rights in 1967.

In 1971 we undertook a state study of women in the Minnesota labor force and issued a publication on this subject. Following that, we worked actively to extend our antidiscrimination legislation to include sex. Since 1973, when this was added to our Human Rights law, we have collected no new statistics, but we want to assure you that we have a continuing concern about equal opportunity for women in employment.

Later this year we may have some material which would be helpful to your committee. Our League of Women Voters nationally is embarked on a study of unemployment in the nation. Their focus is especially on how the recession and inflation have affected those who are already especially disadvantaged -- such as women heads of households. We would be glad to make such information available to you when we have it.

Meanwhile, we commend the Labor-Management Committee for its interest in the employment and economic status of women and pledge our continued interest and support.



Women Voters now requires public disclosure of issues and positions and an opportunity for public response before negotiations begin. Florida now requires collective bargaining sessions to be open to the public and a few other states are considering this possibility.

Although experience with a public role, as such, at the bargaining table is limited, several procedures have been proposed:

- Public disclosure of issues before negotiations begin, such as the California law provides.
- Citizens advisory committees to receive information from negotiators and to channel views from the public to negotiators.
- Direct access to negotiations--as watchdog, as mediator or even as a third party in the negotiating process.
- Referendum allowing voters to accept or reject either the contract or fact-finding recommendations.

Both labor and management have assailed most such measures. The grounds: that they would only encumber an already long and complex process, that they might shift the balance of power between labor and management, that the public interest is represented by elected officials. In a number of states, nevertheless, legislators and citizen groups are studying ways to represent the public interest more directly.

(For more information on representing the public interest, see reading list, page 4.)

A FEDERAL ROLE ?

Bills are in Congress that would regulate local and state government employee labor relations on a national basis. One would amend the National Labor Relations Act to include public employees. Proponents--the various labor groups--argue that states have failed to provide adequate state legislation. Opponents (organizations representing governmental units such as National League of Cities, National Association of Counties, National Governor's Conference, Council of State Governments, National School Boards Association) maintain that federal requirements would be an intrusion into the internal affairs of state and local governments which they believe should be free to decide their own labor policies according to their individual needs. They point to the increasing number of state statutes as evidence that states are working to provide needed legislation.

Passage of federal legislation seems less likely today than in recent years. In an election year few members of Congress will commit themselves to support legislation that their constituents might interpret as strengthening the hand of municipal employees. Even in strong labor-oriented communities blue-collar homeowners relate municipal union demands to rising taxes on their homes.

The United States Supreme Court is considering a case regarding the inclusion of public employees under the Fair Labor Standards Act, a decision that might have implications for the proposed public employee labor relations legislation. It is

generally agreed Congress will not move until the court acts.

FUTURE OF LABOR RELATIONS

The issue is no longer whether employees have the right to join unions or bargain collectively with their public employer but rather how to provide the legal structure and climate for unions and government to work together.

The present economic situation offers a test of the ability of employees and employers to work together for the public good. Most states and cities are required by law to pass balanced budgets, a difficult task when public revenues are declining and costs are increasing. In many communities unions and employers are confronting the issues jointly. Fact-finding panels have been used in Detroit and in Portland, Ore. to judge the appropriateness and level of city revenue, and recently the Industrial and Labor Relations Review published an article suggesting ways labor arbitrators could help determine the community's ability to pay. And, in all of these developments, the essential role to be played by the general public must not be overlooked.

Sources of information

Labor-Management Relations Service of the National League of Cities (NLC), U.S. Conference of Mayors, National Association of Counties (NACo), 1620 Eye St., Suite 616, Washington DC 20006.

NACo, 1735 New York Ave. NW, Washington DC 20006.

NLC, 1620 Eye St. NW, Washington DC 20006.

National Conference of State Legislatures, 1150 17th St. NW, Washington DC 20036.

International City Management Association, 1140 Connecticut Ave. NW, Washington DC 20036.

Publications of some of the above organizations may be available from your city manager's office.

The Unions and the Cities, Harry H. Wellington & Ralph K. Winter, Jr. 226pp. Brookings Institution. 1775 Massachusetts Ave., Washington DC. 20036. 1974. \$7.95.

Managing Government Under Union Pressure, David T. Stanley. Brookings Institution. 1972. \$6.95.

The Community at the Bargaining Table, by a study team of the Institute for Responsive Education, 704 Commonwealth Ave., Boston MA 02215. 59pp. 1975. \$3.

"Who Represents the Public in Public Sector Bargaining?" Update on Community Issues, LWV Education Fund. March 1975. 25¢.

Grass Roots Government: The County in American Politics, Susan W. Torrence. R.B. Luce, Inc., Washington DC. 1974. \$7.95.

"Collective Bargaining and Tenure in the Public Schools," Facts & Issues, LWV of Massachusetts. 4pp. 1976. LWV of Massachusetts, 120 Boylston St., Boston MA 02116. 25¢.

So you want to know more about public employee unions

April 1976

"Collective bargaining may be defined in its simplest terms as a series of meetings between representatives of employers and employees to confer in good faith with respect to wages, hours and conditions of employment and to sign a written document containing all agreements reached."

"It is in fact a great deal more than that. It is a demanding relationship whose adversarial nature sometimes makes it difficult to define 'good faith.' The scope of collective bargaining (in the public sector) is increasing steadily from the conventional issues of salary and fringe benefits to include matters affecting a broad range of public policy and management concerns. And what to do when the negotiating parties reach an impasse is an especially complex issue when public employees are involved."

League of Women Voters of Massachusetts

Each workday, more than 10 million persons report to work at a statehouse, city hall or county building. These employees dispose of trash, operate hospitals, teach children, fight fires, keep the peace and perform a myriad of other duties. In total, they are the first-line suppliers of vital municipal services to the general public.

Approximately 2 million or 24 percent of these public employees are members of a union or other organization that represents them in labor-management matters. Public employees care about serving the public, but, like most of us, they are also concerned with their compensation, benefits and working conditions.

In less than a decade a higher proportion of public employees have joined unions than have workers in the private sector in the past 35 years. In 1972-74 alone, 800,000 government workers became union members. So great is the number of public employees, and so pronounced is the trend of public employee organization, that after the civil rights movement, unionization of public employees is considered by some to be one of the greatest social changes occurring in the nation.

Why do public employees organize? The answers are fairly simple and, in fact, predictable in these times of inflation. They want better pay and better working conditions. For years public employees were underpaid in relation to private industry. Now their compensation is generally comparable; some say there is a tilt in favor of the public sector employee especially when fringe benefits such as pensions, tenure and civil service protection are taken into account.

Many citizens equate the spurt in public employee organization with the rise in the number of teacher strikes that have closed schools for substantial periods of time; with sanitation workers' strikes

WHO IS ORGANIZED... INTO WHAT ?

State and local government employees in nearly every function join unions or other associations that have taken on the role of a union by representing employees in collective bargaining. They are organized into both industrial and craft-type unions, some affiliated with AFL-CIO or other national group, others independent. Some of the unions are composed only of public employees while others enroll both public and private employees. Among the most popular:

American Federation of State, County and Municipal Employees (AFL-CIO)--one of largest, composed of workers in all kinds of jobs--white collar and blue collar.

National Education Association and American Federation of Teachers (AFL-CIO)--rival organizations.

International Association of Fire Fighters (AFL-CIO).

Fraternal Order of Police.

Service Employees International Union (AFL-CIO)--both private and public sector employees, with latter drawn from several professional, blue collar and uniformed occupations.

Patrolman's Benevolent Association, New York City--former leader attempting to form International Brotherhood of Police Officers affiliated with SEIU, above.

Laborers' International Union (AFL-CIO)--both private and public workers, with latter mostly employed in public works, sewer and water departments. One of few AFL-CIO affiliates to enroll numbers of minority workers.

International Brotherhood of Teamsters--most teamster members in the public sector are state employees, with some locals in major cities.

State and Local Government Department

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that have left garbage in the streets; with threats of fireman and police strikes that might endanger the community. Citizens also relate wage settlement to the galloping increase in local taxes. (While it is true that public employee costs have contributed substantially to budget increases, it should be borne in mind that other factors have affected municipal budgets: citizens' demand for services, revisions in local-state-national financial arrangements, city practices and policies that have caused a shrinking of the tax base, results of former municipal finance practices and, of course, inflation.)

LEGISLATION

Labor-management relations is still a new issue for most state and local governments. The right of public employees to join unions is no longer an issue, having been upheld in the courts. Legislative action to provide the framework for discussing and resolving peacefully questions of wages, hours and conditions of employment has been taken only recently--beginning in earnest in the mid 1960s.

Laws and enforcement practices differ from state to state and from community to community as the struggle continues over how to balance the demands and rights of labor, the responsibilities and authority of government, the availability of government revenues and the best interests of public.

There are some 90 state laws in force and "no two are alike," according to one union representative. Some laws, for instance, cover all public employees; some cover special groups such as teachers or police; some apply only to local employees but not state; some only to state employees but not local.

Some states provide for a "meet and confer" procedure rather than true collective bargaining. (The latter requires employers and employees to negotiate a written agreement in good faith. The weaker "meet and confer" procedure does not necessarily lead to decision-making and does not result in a written contract.) Some states permit public employers to engage in collective bargaining; others (about 18) require that they do so.

Other factors generally spelled out in labor relations legislation include:

- how representation of employees will be determined; election procedures
- who represents the public employers (sometimes difficult, given the distribution of executive functions among a variety of local officials)
- whether all employees or just union members are required to contribute to the union kitty
- who should be represented by the union and who should not (e.g., supervisory, managerial, confidential employees)
- what measures of union security are guaranteed
- what practices are off limits to labor and to management (Most states pattern their legislation after the unfair practices clauses of the National Labor Relations Act; some 33 also prohibit strikes)
- which topics will be negotiable (See Scope of

Negotiations, below)

- which responsibilities are retained by government officials such as decisions about services to be rendered, technology to be used, right to hire, fire, promote, discipline and assign work
- grievance procedures
- administrative machinery
- impasse procedures.

Scope of Negotiations

The generally accepted items subject to negotiation are wages, hours, fringe benefits and conditions of employment. In the public sector, the interpretation of conditions of employment easily spill over into major policy concerns, often of particular interest to the general public.

Consider such "conditions" as establishment of civilian boards to review police actions, the rights of teachers to discipline students, class size, curriculum reform. Should these issues be subject to negotiation between management and labor or should the public also have a voice in the decision-making? A precise determination of scope of negotiations has become an issue in itself in public sector labor legislation.

Some state statutes have either broadened or limited the scope of negotiable items. For example, one state specifically excludes retirement benefits and civil service salaries from the scope of negotiable issues; another includes standards of productivity in the scope of bargaining. (Wisconsin law allows employees to share part of savings resulting from improved productivity.)

Scope of bargaining is limited in many states and communities by the existence of a civil service commission. These commissions generally have authority over hiring, firing, promotions, reclassifications, wages, grievance procedures and other issues that are possible topics for negotiation. Few communities have resolved the ambiguities created by the existence of the old and the new (i.e. the civil service commission vis-a-vis management and labor unions); those that have gone to court to clarify the question have found the powerful position of the commission upheld.

Deadlock

When an impasse is reached in collective bargaining several steps may be considered. State statutes usually call for one or more of the following techniques or their use in sequence:

- Mediation: Intervention by a neutral third party who interprets, suggests and advises. A mediator does not make recommendations and does not have the power to force settlements.
- Fact-finding: An investigation of the dispute by a panel or board which issues a report describing the issues and makes recommendations. The panel seeks agreement of both parties to recommendations.
- Arbitration: The settling of disputes through recourse to an impartial third party whose decisions are usually final and binding. Some state laws require binding arbitration to break an impasse; some

permit it if requested by one or both parties. Arbitration may be a choice between either labor's or management's "final offer" or it can be a real resolution of the issues. The practice of making a final offer (all-or-nothing) tends to discourage arbitration although some municipal unions opt for legislation that provides for binding arbitration legislation, as an alternative to right-to-strike laws, because arbitration is a technique that the public seems to feel is more acceptable. Thus, with public opinion on their side, unions may be able to obtain more satisfactory settlements or at least as satisfactory as would be obtained by striking.

A real question that troubles municipal managers and citizens: Does binding arbitration give the arbitrator authority to make final decisions that should be made within the political structure of local government?

Strikes

Laws regarding strikes by public employees--after breakdown in negotiations and impasse procedures--are as varied as statutes dealing with collective bargaining. Strikes are prohibited in 33 states; they are permitted under certain conditions in 11; in 6 states there is no provision that prohibits or permits strikes.

Among the 11 states that permit strikes are:

ALASKA--Strikes are prohibited for correctional and hospital workers, police and firemen, allowed for some other workers such as sanitation workers but may be enjoined if public health or safety is threatened.

HAWAII--Strikes are permitted after a cooling off period and notice is given but may be enjoined if a threat to public health and safety exists.

MINNESOTA--Strikes are permitted only when the employer refuses to comply with an arbitration award or a union request for binding arbitration.

OREGON--Strikes, permitted except for police and firemen, may be enjoined if safety is endangered.

PENNSYLVANIA--strikes are permitted for teachers and state and local employees but may be enjoined if safety is endangered.

VERMONT--Strikes are permitted for all state employees unless public safety is endangered, or in the case of teachers, unless the education program is endangered.

Who Sees That the Law Is Obeyed?

The trend is toward creation of new neutral administrative agencies with responsibility for conducting representation elections, certifying employee organizations for recognition, executing impasse procedures and adjudicating charges of unfair labor practices. These are generally fashioned after the National Labor Relations Board. Collective bargaining laws are sometimes administered by existing labor relations-oriented agencies, such as a state department of labor, or by other existing agencies or boards when the negotiations involve their personnel--the department of health for hospital

workers, the school board for teachers.

WHAT ROLE FOR THE PUBLIC?

Inflation, expanding budgets, inconveniences due to strikes and work slowdowns are only a few factors spurring heightened citizen interest in public labor-management relations. As has been mentioned, questions are being asked about the widening scope of negotiations that brings matters of public policy to the bargaining table. A basic premise of representative government is that elected officials must ultimately be responsible for decisions made in bargaining sessions; yet those decisions reached through binding arbitrations are removed from the normal political processes.

Despite the direct impact of collective bargaining agreements on state and local budgets, on the allocation of tax dollars and sometimes on issues of public policy, the public has not generally been granted direct access to that agreement procedure. Further, knowledge of unions and negotiations is often so limited that the public does not know when serious labor-management differences are approaching impasse--much less the consequences in taxes or policy--until a strike is imminent. Thus, in many disputes, the public is caught off guard and both labor and management can manipulate public opinion to their advantage.

In a few states, however, the public is beginning to make a break-through. One such state is California. Legislation backed by the state League of

CITIZENS ARE ASKING . . .

What is the appropriate machinery to administer public labor-management laws? Who should be covered?

Who is the bargaining agent for the public?

How is a bargaining unit determined? What should be the procedure for its recognition?

What are management's rights?

What items should be considered negotiable?

What should be the extent of union security?

How are impasses to be resolved?

Who should have input into contract proposals?

Who should know what proposals will be presented?

Who should be at the bargaining table? In what capacity?

Should negotiations be open, closed, combination?

Should the public and/or local officials be kept informed about progress in negotiations? How?

What legal provisions should be made about grievance procedures? Right to strike?

What impact should collective bargaining have on policy making?

LWVs of Louisiana and Massachusetts

some is not the right timing for others. Lots of key individuals and organizations will not join the effort until actual desegregation of students is about to take place. Notables in the community--industrialists, business people and prominent political figures--tend to climb on the bandwagon during the last critical months, when the need is imminent. Some may well adopt or adapt the citizen effort to meet their needs. Nonetheless, it is critical to get their support, even though these traditional power brokers may well supplant the citizen-based group that takes the heat earlier on.

HOW

// Identify the kinds of people needed for key tasks and get them involved as soon as possible. It is helpful to have a leadership team consisting of an administrative person to manage the activities of a citizens' coalition and a person with political sensitivity to hold the coalition together and broaden it.

// As you build your network, preserve the coalition's credibility, particularly at the leadership level. If you want to be able to bring opposing sides together in a cooperative effort, they must not allow themselves to be captured by any one faction. Your top leadership must be perceived as dedicated and not seeking a power base or personal aggrandizement.

// Be a Johnny-One-Note. Citizens in general and those who work with the coalition in particular need a single, clear goal--safe, peaceful compliance with the law--around which to rally. That goal is hard for any American to attack.

// Stay pragmatic. Don't be drawn into theoretical discussions about which remedies are best or the value of an integrated society.

// Use as coalition spokespersons people who are articulate and able to speak to other citizen groups calmly and can resist responding to emotion with emotion.

// Build a resource background. Get some contacts in other cities undergoing desegregation. Review the research on desegregation and legal requirements. Talk directly with plaintiffs and defendants, if a court suit is the basis for change.

WHAT

Once the coalition is in place and has a broad-based core of reputable leadership, what are some of the things it can do to facilitate school desegregation?

// One of the most important roles the coalition can play is to provide accurate, unbiased information to the public. These are some of the items that should be covered:

--Why the system is undergoing desegregation:

Legal and historical background
Highlights from the local court case or negotiations with HEW or other local voluntary efforts

--Details of the desegregation plans:

Bus routes and schedule
Attendance zones
Grade structure
Changes in curriculum
School day schedule of classes

--Who to call for additional information

--Rumor control and hotlines

// Involve the community in planning for change.

--Sponsor workshops for parents, teachers, school administrators and students

--Set up school or area-wide parent advisory councils

--Discuss the need for curriculum changes to accommodate new students in individual schools

--Organize welcoming committees and have a pre-school opening day for parents and students

// Encourage school and local officials (police and government) to develop contingency plans.

// Help school officials develop firm but fair discipline procedures and then disseminate information about

them to the community before there is an incident that requires their application.

// Work with the media. Help them have access to accurate information and feature material that is helpful in achieving a smooth transition rather than leaving them to rely on the few inflammatory situations that don't represent the overall picture.

RESOURCES

Fulfilling the Letter and Spirit of the Law - Desegregation of the Nation's Public Schools. U.S. Commission on Civil Rights, August 1976. U.S. Government Printing Office, Room 315, Washington, D.C. 20425: 626-311/518. Free.

Desegregation/Integration: Planning for School Change, Kathleen Smith, Editor. National Education Association, 1201 16th Street, N.W., Washington, D.C. 20036, 1974. 112 pp. Paper, order No. 0-8106-1332-8-00.

An HR Source Guide. LWVUS, 1975. Pub. No. 590, 75¢.

FOOD STAMP DEBATE

This year's efforts by conservative forces to whittle back the food stamp program through tougher eligibility requirements and cuts in benefits have failed. But the struggle has not ended, it has merely been delayed. The current law authorizing the program expires on September 30, 1977, so the future of the food stamp program will be decided in the next session of Congress.

Citizen education and involvement will continue to play a crucial role--creating the climate in which the debate on the new act is conducted. The Wisconsin state League made this controversial program its 1975-76 HR focus. It shared Food Stamps: Local Action Option--a study, monitoring and action guide--with almost every League member in the state to increase their awareness of the structure and intent of the food stamp program and of the problems now besieging it. Members have been kept up to date through state bulletins and through discussions at every-member program briefings.

Several Leagues reached beyond their own membership and provided background material on this important food supplement program to other community groups and interested individuals.

At a public meeting held to discuss ideas for incorporating outreach in the state's new plan, the state League stressed that "the adverse publicity and negative public opinion surrounding [the program] must be dealt with in a forthright and aggressive manner.... The actual facts regarding the program...must be publicized to deal with the current prevalent stereotypes." Acting on their own advice, the League distributed its pamphlet to organizations involved in hunger issues, to the state coordinator for food stamp outreach, to private citizens and to various social services agencies for use in training their workers.

The Wisconsin League believes that the statewide educational campaign has paid off. Members know more about the existing program and are more aware of the necessity for a food program that is both efficiently administered and responsive to those in need: "Certainly the legislative reform proposals at the national level can be assessed more intelligently by League members who have been apprised of the current program and its shortcomings. More importantly, it is hoped that local implementation of the program will become more humane and accessible because Leaguers care enough to insist it be so."

For more detailed information and copies of Food Stamps: Local Action Option (25¢), contact Charlotte Hamlet, LWV Wisconsin, 1610 N. Prospect Avenue, #1003, Milwaukee 53202. (414) 271-0311.

Order from League of Women Voters of the United States, 1730 M Street, N.W. Washington, D.C. 20036 Pub No. 412, 30¢

HR EXCHANGE

November 1976

WHAT IT MEANS TO BE UNEMPLOYED: LEAGUE FINDINGS

Over the last 18 months official unemployment has been as high as nine percent and never lower than seven percent; since 1970 it has averaged six percent. The costs of this unemployment to the federal government are enormous. The combined effects of reduced GNP, outlays for unemployment compensation and stepped-up demand for social services add up to a cumulative "unemployment deficit" of \$245 billion since 1970; whereas had the economy been operating at full employment there would have been a \$10 billion surplus. These are the staggering federal-dollar costs of sustained high unemployment. On top of this there are enormous dollar costs to the private sector and to state and local governments as well.

But what about the social costs--what about the impact of unemployment on the eight million jobless? How did they cope? What about the millions more who were members of families in which someone was unemployed?

During the summer of 1975, over 200 Leagues across the country did a citizen survey of unemployment in their localities. This three-part survey was designed to document the human problems attendant on unemployment; to encourage a better understanding of the implications and ramifications of unemployment; and to dramatize that behind the statistics that the nation seems to have come to accept with complacency are real people.

The first step was to collect case studies of the jobless in order to document the problems and psychological impact of unemployment on its victims. Leagues used interview forms designed to identify similarities, if any, in hardship suffered by the unemployed, irrespective of where they lived or what type of job they had.

Between June and August 1975 Leagues interviewed over four hundred people from all walks of life who were out of work. Though not a statistically valid random sample, it does represent a good cross-section of the population both geographically and socio-economically--by race, marital status, age, job classification and sex. The configuration was in fact remarkably similar to the configuration of those out of work throughout the nation.

Despite the fact that this survey was done over a year ago, the correspondence with the general unemployment profile is still striking; the problems the interviewees faced in 1975 are still representative of those that today's jobless have to deal with. There has been no intervening major reform of welfare or unemployment compensation. Inflation, which further intensifies problems for the jobless, though somewhat abated, has continued. This year's local administration of income assistance programs is not significantly better than last year's at easing the burdens of the jobless.

The helplessness, loneliness, anxieties and deprivations of the unemployed don't fit readily into data processing machines or Bureau of Labor Statistics graphs. The case studies that were the core of this survey can't say it all either, but they do go a long way toward bringing alive the real people whose experiences get compressed into those fractional changes in the unemployment rate. They even shed some light on the kinds of solutions so desperately needed if this nation is to relieve the costly problem of continuing high unemployment.

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RESULTS

Almost half the 400 interviewees (43.8 percent of the sample) had been unemployed for more than 30 weeks, and one in six (16.8 percent) had been unemployed for a year or more--3.4 percent for over two years.

Over such periods of sustained unemployment, what did these people do for income? Many had to rely on more than one source:

--59 were dipping into their savings;
--50 were on welfare and/or social security;
--125 were receiving help from relatives;
--27 were supplementing with odd jobs here and there;
--5 were receiving donations of some sort;
--152 were receiving unemployment compensation benefits;
--only 10 were supplementing their income with food stamps.

Unemployed for a year, a 55-year-old female executive in Ohio, who had previously held a position for six years as a university information coordinator, relied on her early retirement, frugality and odd jobs--such as driving a delivery truck, temporary clerking in stores and working for a telephone answering service.

A research chemist in Alabama, married with two children, had been unemployed for over two years. His unemployment benefits had run out, and he'd been relying on his small garden, the little interest produced by dwindling savings and his retirement fund investments, an income of \$168 per month.

Fifty-three percent of the sample were or had at some point been receiving unemployment benefits, and most of those (79 percent) signed up for their benefits within three weeks of becoming unemployed. A jobless commercial house painter in Topsham, Maine said he had no savings, securities or other resources and had to rely completely on unemployment benefits. He waited three weeks after signing up before he received his first benefit payment. "It was rough," he recalled. Most people in the survey had to wait that long or longer before they received any benefits. Only 9 percent started receiving benefits within a week of their application; 21 percent received theirs within two weeks, but 41 percent waited longer than three weeks: 14 percent had to wait between five and eight weeks and 8 percent waited more than eight weeks.

Generally, people didn't blame the local employment office people for the delays. A man in Calvert, Texas waited nearly three months to receive his benefits. Despite this he said the employment office people were "...nice,

Welfare reform at the national level has been a dormant issue since the demise of the Family Assistance Plan in 1972. But interest is reviving.

The HR Committee is considering developing materials on how state and local Leagues can educate the public concerning current welfare programs and proposed reforms, but we can only do it if you help. We are eager to get ideas based on your experience. If your League has been examining income assistance at the local level or is considering taking up the issue, please contact Carol Payne of the Human Resources Department.

friendly, helpful." Nevertheless many spoke of the degrading aspects of applying for the benefits. A 44-year-old married telephone company supervisor who'd been unemployed for 70 weeks talked about his experience in Ukiah, California with unemployment compensation. "It was a hassle and it is a degrading process.... I try to get something I think I'm entitled to.... I went through three weeks of filling out forms, standing in lines and putting up with the numbers they do on you. The forms seem too sophisticated for simple things like 'did you work? What was your wage?' I didn't get unemployment compensation." This man was living on \$100 a month from savings.

What do people cut back on first when they lose their jobs? Food was the item most often mentioned, particularly meat and "expensive things." Entertainment was almost uniformly cut back to zero--no eating out, movies, bowling or liquor. Unemployment meant moving to a less expensive house or apartment for a number of families in the survey. It meant cutting back on the use of a car; it meant more careful use of utilities; it meant no new clothes. For two percent it meant they could no longer pay bills. One family was evicted for not paying their rent.

Were people optimistic about the future? Thirty-seven percent felt their chances of finding a job within the next two months were poor; 27 percent felt their chances were fair to moderately good. Only 18 percent felt their chances of finding a job within the next two months were very good. What about within the next year? People were generally more optimistic about the not-so-immediate future: 29 percent felt they would find a job within the next year; 23 percent felt their chances of finding employment during that time were good and only 14 percent still felt their chances were poor.

Many men 40 and over were particularly discouraged and frustrated by their search for employment. A 48-year-old man in Minneapolis, with five dependents, felt very strongly that there is major discrimination toward people over 40. He believed his job applications had been rejected on this basis alone. He said that he could not get into the civil service at his level of experience and is over-qualified and over-aged for acceptance at the lower levels.

A 45-year-old man in St. Peter, Minnesota was depressed by his long, unsuccessful search for employment. In January and February he said he didn't even bother to look, thinking that the situation might improve by spring. Spring came and he started his search again, again without success. He was still unemployed in June. He felt his chances of finding a job were poor and likely to remain so. There is "no reason to think things will be any better a year from now than in the next two months," he said.

Even for the very optimistic, inflation presented a problem. People in the survey were asked if inflation continued how they could pay more for such necessities as food, clothing and utilities. Twelve percent said they simply couldn't; 23 percent said they didn't know how they would manage. Twenty-seven percent felt they could meet rising costs only if they were working and were willing to take any kind of job but admitted that the prospect of a job that requires no skills or thought is depressing. One 30-year-old single female head-of-household who had a young son was quite depressed and frustrated. She'd applied for a job at the unemployment office and for CETA job training, but no CETA slots were available for her. She speculated that she would perhaps get a part-time job at Sears working three hours in the evenings. The pay was \$2.00 an hour; the baby-sitter for her young son charges \$1.00 an hour. She was reluctant to apply for the job, despite the unemployment office's urging, because of the low wage, combined with the part-

time nature of the job didn't seem to improve her situation. She needed and hoped for a job that would support her and her son.

Unlike this woman, 34 percent in the survey felt they could manage and discussed how. Two respondents would sell their homes, another his car. One planned to move in with relatives; six said they'd borrow from their relatives. Twenty-three said they would have to go on welfare, and forty-three said they'd try to cut back still further. Seven believed they could meet rising inflation for a while at least, without a job, on their savings. Three said they'd turn to crime. Fourteen men said they would have to rely on their wives' continued employment. All of these ways of coping are short-term, by no means real solutions. Five people had more long-range solutions: one was planning to join the military, and four others were going back to school for retraining to increase their employment chances. But does retraining increase employment opportunities?

Over the last decade or so, U.S. manpower policy has assumed that a good part of unemployment can be blamed on having no skills or the "wrong" skills, so there has been a heavy emphasis on training, retraining and on-the-job training programs. Programs have provided "training allowances" to enrollees and even relocation allowances. Some places have tried regional job vacancy data banks to facilitate matching jobs with the jobless.

Would these policy assumptions be the right ones for people in this survey? Sixty-two different occupations were listed by respondents in the sample--only eleven or twelve categories could be considered low-skilled--cook, laundry worker, packager, dispatcher, housewife/babysitter, maid, food store clerk, etc. Exactly 25 percent of the sample had held jobs in these categories--over half of these were women.

Some 12 percent of the sample were "managers" or supervisors--others were electricians, carpenters, mechanics, computer programmers, real estate consultants, chemists, draftsmen, architects, photographers, news reporters, market researchers, buyers, hairdressers, corporate planners, testing engineers, bricklayers, teachers, nurses, secretaries, social workers, etc.--the vast majority unquestionably skilled. Yet 57 percent felt they would have a better chance of finding a job if they had more or a different type of training.

Would manpower training programs help these people? Theoretically these people would all be eligible for CETA training, but everybody who is eligible and applies cannot be trained--there simply aren't enough slots. Applicants are accepted according to greatest need, generally where the skill to be acquired will represent an upgrading, or the applicant's current skill has become obsolete. Not just any skills are taught--only those where a person so trained would have a "more reasonable chance" of securing a job; recently, most CETA job training programs have been for secretaries, machine operators, microfilmers, medical records keepers and community aides. Help from CETA then wasn't really a viable possibility for the many highly skilled people in the survey.

What about relocating? If a job were available in another state, half of those surveyed said they would be willing to move, especially male blue- and white-collar workers. Four others were willing to move to a job somewhere else within the same state. Predictably, single people were slightly more willing to move than married

Economists at the University of West Virginia assisted in the design of the unemployment survey. Analysis of Part I, which forms the basis of the article, is the work of Nicole Solomon. Computer analysis of Parts II and III, which was to have been done by the UWVA consultants, has not been completed.

people. The reasons people didn't want to move were simple and very understandable. They didn't want to give up their homes or leave their families. They liked where they were. Some had never lived anywhere else and felt more secure where they were. Many thought moving would be too hard on their children. One family had already moved once for a job, and as a 37 year-old unemployed maintenance mechanic in Saginaw, Michigan put it, "I don't want to move because everything I own and worked for is here."

What does it all add up to? Plainly, the nation needs to take a fresh look at its manpower policies and its income assistance programs--most of them evolved through years of high employment. Perhaps more urgently, the nation needs to reexamine its attitudes about the jobless. In a country that has placed so high a value on work, the jobless suffer the consequences of more than lost income. Society tends to look on them as flawed Americans, as somehow the cause of their own problems; sometimes the jobless even view themselves that way. But when one willing worker in sixteen--one in every two or three, in some areas--can't get work, old assumptions don't stand up. While the jobless wait for change, the suffering, both economic and psychological, is incalculable--a toll that individuals and families are called upon to pay, but one for which the nation as a whole pays, too.

ACHIEVING PEACEFUL SCHOOL DESEGREGATION--THE COALITION APPROACH

School desegregation is a national goal, expressed in court orders and federal regulations over the 22 years since the first Supreme Court mandate in Brown v. Board of Education. In that time, many changes have taken place. Racial barriers have been removed, attitudes have changed, the national commitment to eradicate racial discrimination has grown, and the lives of millions of people have been altered. It is also true that some of the conditions for school desegregation have not come about. Racial minorities still suffer discrimination in every aspect of life--open housing is on the books, but the kind and scale of housing desegregation that would make school desegregation natural and easy still does not exist in most neighborhoods and communities.

In consequence, the nation's public schools have borne the brunt of desegregation efforts. Some school systems have voluntarily taken steps to erase racial and ethnic isolation. Many have achieved desegregation by complying with court orders and federal regulations. Many other systems, particularly in the north and west, still have significant minority populations attending racially or ethnically isolated schools. Where there have been no adequate voluntary moves in the 22 years since Brown, court orders and HEW directives continue to provide the impetus for compliance with the law. In the absence of changes in housing and job patterns that would obviate other measures, court-mandated desegregation guidelines often make busing a necessity. Busing then becomes a focus for expressing latent fears and hostilities.

Contrary to the impression sometimes created by newspaper headlines and TV film clips, however, many communities are working at and achieving peaceful school desegregation. But it hasn't come easy. It has taken foresight, planning, skillful community footwork, and a lot of learning from mistakes. Many of those who have been involved--Leagues included--agree on one point: Keeping school desegregation peaceful means building a coalition centered on that goal. Below are some guides and insights based on their experience, drawn in part from materials prepared by Marcia Pitcole of the Detroit LWV and Elwood Hain, both with the Detroit Coalition for Peaceful Integration. They should help to answer some of the *when's, who's, how's, what's and why's*

of creating and maintaining a coalition that is working for desegregation without turmoil.

What stands in the way of completing the task of school desegregation, and of doing so peacefully?

- // fear, often based on lack of knowledge about people and cultures that are different from the majority;
- // lack of knowledge about legal requirements and their application in a particular community;
- // misunderstanding about the goals of desegregation;
- // lack of technical know-how about the various ways of desegregating schools and facilitating the process;
- // lack of leadership and commitment on the part of school officials;
- // lack of community leadership and support;
- // apathy; and
- // racism.

These obstacles will not keep schools from being desegregated eventually, but they have made and will continue to make the process more painful, confusing and disruptive than it needs to be. The nation's children are paying the immediate price, but the country as a whole will pay the price, if public education is allowed to deteriorate--a price that the nation cannot afford.

The recent report by the U.S. Commission on Civil Rights, Fulfilling the Letter and Spirit of the Law, states many times over, by example and in conclusion, that "the most important ingredient in successful school desegregation is leadership, both at the community level and in schools." Leagues are not only saying the same thing but are finding that the League is well suited to fill a leadership vacuum and inspire others to join in making the transition process a smooth and peaceful one. They have helped their communities through the school desegregation process by working to build a very special kind of coalition, one with a single very tight focus--to make that process peaceful.

The coalition approach to providing community support and citizen education is essential in dealing with school desegregation, because of the large number of people directly affected by change and the emotional and inflammatory nature of race-related issues.

WHO--AND WHEN

All coalitions bring together allies of varying stripe, groups that set aside differences on other scores to put their common strength toward an agreed objective. But few require the harnessing of such diametrically opposed groups as does a school desegregation coalition. To succeed, some "anti" forces must be drawn into partnership with the "pros" and the in-betweens. And they can be, IF the goal is rightly defined; peaceful compliance with the law.

It is never too soon to begin community preparation for change; if you have a long lead time, use it to advantage by starting to build your community contacts and getting out reliable facts to citizens.

There are several sectors to be dealt with by a coalition--media, local school groups, school officials (school board leadership and administrative staff), and prominent civic, labor and political officials and groups.

Don't use all your time and energy trying to amass a large number of groups early on. The right timing for

Many Leagues have become part of the Clearinghouse on School Desegregation set up by the Human Resources Department. Through the clearinghouse you can have access to contacts in other communities undergoing desegregation and find out what techniques and materials they are using to facilitate a peaceful process. If you have information to share or want a copy of the contact list, write to the HR Department.

League of Women Voters of the U.S.
1730 M Street, N.W.
Washington, D.C. 20036

STATEMENT SUBMITTED TO

THE COMMITTEE ON THE BUDGET

U.S. HOUSE OF REPRESENTATIVES

JOB: THE NECESSITY FOR GREATER EMPHASIS

ON JOB CREATION

BY

RUTH C. CLUSEN, PRESIDENT

LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

MONDAY, JANUARY 31, 1977

Mr. Chairman, Members of the Committee, I am Ruth C. Clusen, President of the League of Women Voters of the United States, a volunteer citizen education and political organization of 1,350 Leagues with approximately 136,000 members in 50 states, the District of Columbia, Puerto Rico and the Virgin Islands.

The LWVUS is concerned not only about the health of our national economy, but with the welfare and well-being of the unemployed and underemployed whose lives have been ravaged by the long recession. Our approach to the problem before us grows out of our commitment to equal opportunity in employment, education and housing, the reform of our income assistance programs and our belief in the need to provide assistance to our hard pressed cities.

Believing that the 7.56 million unemployed workers have borne the greatest burden of the current recession, the LWVUS urges Congress and the incoming Carter Administration to place primary emphasis on job creation as a means of stimulating the nation's economy. Direct job creation is the most effective means of relieving the suffering of the jobless, offers a rapid methods of stimulating the economy, and targets aid on the regions that need it most. Moreover, carefully designed job programs can begin to meet some of the pressing social needs--in housing, health, child care, education, mass transit and environment that have been neglected as state, local and federal budgets have been depleted by the recession.

Clearly, the need to revive the stalled economy is the central issue facing the new Administration and Congress. The question is not whether stimulus should be applied, but how much and in what manner. President Carter's economic proposal calls for the expenditure of \$12 to \$16 billion in FY 1977 and \$13 to \$16 billion in FY 1978. Numerous noted economists have observed that the Administration's package will not provide sufficient stimulus to meet President Carter's own goal of reducing unemployment to 6 1/2% by the end of the year. The Joint Economic Committee recommends expenditures of \$22 billion in FY 1977 and \$30 billion in FY 1978.

The issue is not only the size of the economic stimulus, but how to spend federal dollars to achieve quick, efficient stimulation that will help those most injured

by the recession. Prominent economists and manpower specialists have argued that expansion of existing public service and public works programs is the best means of creating more jobs per dollar, providing direct aid to those most in need--the jobless--and providing it in the areas of highest unemployment. As the members of the National Council on Economic Policy--including Charles Killingsworth, Secretary of Commerce Juanita Kreps, and Secretary of Labor Ray Marshall--observed in a policy statement issued last December, "Recent research and experience have convinced us that direct job creation is the most effective and least expensive way to reduce unemployment." A study by the Congressional Budget Office indicates that the net cost per job created by a public employment program after 24 months is \$2,600 to \$3,500, while the cost per job created by a tax cut is between \$17,000 and \$21,000. The Council's statement concludes: "The latter type of program [direct job creation] is also much superior in terms of its inflationary impact, the time needed for maximum effect, and the degree to which the areas and persons most in need of help are directly benefited."

The Congressional Budget Office study "Temporary Measures to Stimulate Employment: An Evaluation of Some Alternatives" points out that "programs having minimal capital and equipment expenditures and paying low wages will create the most jobs."

Thus Public Service Employment programs where most of the money goes directly into wages and where wages are low, is one of the least costly and least inflationary ways to stimulate the economy. Another advantage is that PSE programs provide the greatest opportunity for employment for those who have low skills.

Our cities, many of which were not in very good shape to begin with, have been sent into an economic nose-dive by the recession. Declining incomes result in a reduced tax base while higher unemployment has pushed up the cost of social services and income transfer programs. Unlike the federal government our cities do not have the escape hatch of deficit spending. Many are unable to float unlimited debt increments and others are prohibited by law from going into debt to finance current expenditures. As a result they have been forced to raise taxes and cut back on services and payroll.

For this reason counter-cyclical aid, earmarked for cities of greatest need and keyed to unemployment triggers, will be an important ingredient in any jobs package.

Job creation in the housing field would be advantageous both because the construction industry is severely depressed and because the need for low and moderate income housing is so great. A housing component stressing renovation, rehabilitation and repair would be especially appropriate because this approach takes less time to start up and complete than new construction, and therefore provides more stimulus to the economy, faster. Rehabilitation and repair also creates more jobs at less cost than new construction because the capital investment and level of skills required is lower.

Similar considerations should be given to designing public works programs. If a large proportion of the expenditures goes for materials and equipment and if skilled laborers who earn high wages are employed then such projects have a high cost per job but a program stressing small projects, rehabilitation and repair lowers the cost per job.

Last session saw the enactment of a \$2 billion dollar public works bill. Within 45 days after enactment the Commerce Department received 29 billion dollars worth of

applications. All of these projects must be started within 90 days after approval and are limited to a maximum of \$5 million each so an expansion of the program would not involve a great deal of lead time.

We also suggest that a portion of the jobs package should be devoted to child care. This kind of job creation is often overlooked but we believe it demands serious consideration by Congress.

Women account for nearly two thirds of the growth in the American work force over the last 20 years. In fact, nearly half of all American families that have only a median income require two workers to maintain that level. The two parent working family is now the national norm. In addition, there has been a dramatic raise in female-headed households. One third of all new marriages now end in divorce and only 14% of these women receive alimony, and only 44% receive child support.

Increasingly, the profile of the poverty family is that it is female-headed. The lack of adequate child care, a low level of skills and discrimination in the job market have combined to push these women on to the public assistance rolls because there are no other alternatives.

The League of Women Voters of the United States sees employment and income assistance reform as prime goals facing the nation. These issues are clearly interrelated. Women, especially those who are heads of households, need day care in order to be free to work, as well as a greater opportunity to participate in all of the various jobs programs, be they public service employment or housing construction and repair.

The needs of our young people are also acute. In April of 1976 when the overall unemployment rate was 7.5% unemployment among teenagers averaged 19.1%. For non-white teenagers the rate soared to 35.9%. In our central cities the jobless rate was over 40% in 1975. Some portion of our resources must be allocated to our youth. They are our tomorrow. If we do not find ways of integrating them into our economy we will have mortgaged our future, for we will continue to pay high social and economic costs for our failure.

It is shameful that this, the richest nation on earth tolerates the high rates of unemployment which we do. As the Budget Office studies indicate, the countries of western Europe have far lower unemployment rates than the United States.

The current 7.9% official unemployment rate represents 7.56 million idle people. People who are frustrated, angry and in despair. In addition there are an estimated one million workers who have given up--the so-called "discouraged" workers who are left out of official unemployment statistics.

We must address not only the needs of those who have recently become unemployed, but those who are chronically jobless--blacks, hispanics, women and youth. If rates of unemployment above 3%, 4% and 5% are intolerable for the nation as a whole, these rates of unemployment for the chronically unemployed ought to be intolerable as well.

It is clear that any recovery package will employ a mixed approach utilizing both direct job creation and tax cuts or rebates. But we believe greater consideration and emphasis on direct job creation is necessary and appropriate.

In sum, the LWVUS encourages the Congress to place greater emphasis on job creation, to consider expanding the size of the stimulus, to address the problem of structural unemployment as well as the problem of recession related lay-offs, to place greater emphasis on those programs which will produce the most jobs at the least cost, to structure job programs so that the hard-core unemployed will be able to secure employment, and to focus on the problems of female unemployment, particularly of women who are heads of households.



LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 Wabasha Street, St. Paul, Minn. 55102 - 612/224-5445

September 28, 1977

Dot Ridings
LWV - United States
1730 M Street N W
Washington, D C 20036

Dear Ms. Ridings,

Lois DeSantis asked me to notify you that she will clarify the minimum wage information in the Board Memo which will be mailed out in mid-October. Lois acknowledged that the way the material was written, some could construe that we had supported that when, indeed, we did not.

I have no copy of the letter you wrote to Lois in front of me, so I am unable to refer you to that. However, I am sure you know to what Lois and I are referring.

Sincerely,

Harriett Herb
Executive Director

Borg in For Memo?

SEP 21 1977

H

Minnesota



League of Women Voters of the United States

1730 M St., NW, Washington, D. C. 20036 (202) 296-1770

September 16, 1977

Ms. Lois DeSantis
Human Resources Chair
League of Women Voters of
Minnesota
6508 Newton
Richfield, Minnesota 55423

Dear Lois:

Recently we came across a copy of the "Counterpart Communique" you put out with Maggie Brown to the Human Resources chairpersons of your local Leagues. While reading about how you are managing your coverage of the myriad Human Resources positions (a subject of special interest now since we are drafting a new HR Committee Guide and intend to concentrate on program management), we noticed that on the back side of the sheet you list a League of Women Voters of the United States Human Resources position on minimum wage. The National Board does not consider the LWVUS to have a position on minimum wage, and in fact has informed numerous groups and Leagues that we do not have a position on minimum wage itself. In other words, while we have supported legislation that includes as part of the total provisions a stipulation that minimum wage should be paid, we have never addressed the question of what is or is not an adequate minimum wage.

We're sure you did not mean to imply that we did have such a position, but since the "Counterpart Communique" listed it without any accompanying explanation, we are concerned that the local Leagues in Minnesota might get the mistaken impression that the LWVUS does indeed have such a position.

Sincerely,

DR:bb/US

Dot Ridings, Chairperson
Human Resources

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This is not going on DPM

TESTIMONY BEFORE THE WELFARE REFORM SUBCOMMITTEE

U.S. HOUSE OF REPRESENTATIVES

ON

HR 9030, BETTER JOBS AND INCOME ACT

BY

RUTH C. CLUSEN

PRESIDENT, LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

NOVEMBER 1, 1977

I am Ruth Clusen, President of the League of Women Voters of the United States and with me today is Regina O'Leary, chairman of the League's Income Assistance program area. The League of Women Voters is pleased to have this opportunity to present our views on HR 9030, the President's "Better Jobs and Income Act." The League is a volunteer citizen education and political organization of 1,400 Leagues with approximately 140,000 members in 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Welfare reform has been a major concern of the League since 1970, when the organization undertook a study of alternatives to welfare as a means of combating poverty and discrimination. As a result of the study, the League agreed to support a system of federalized income assistance and lobbied extensively for welfare reform in 1971 and 1972.

The League continues to view welfare reform as one of the nation's most pressing needs. Since last spring when the Administration's advisory committee on welfare reform began exploring the issue, the League has worked to share our ideas and goals for overhaul of this nation's welfare system.

The debilitating effects of our current welfare system can be felt throughout society. Recent increases in program costs -- exacerbated by high rates of unemployment -- have severely taxed government budgets at all levels. Unrealistic benefit and eligibility requirements plus the inequitable treatment of single versus two-parent families have encouraged family breakup. And the complexity and lack of coordination among existing programs have frustrated bureaucrats and recipients alike.

But the most critical effects of the current system's failings have been on those whom these programs were designed to serve. Inadequate benefit levels and the lack of realistic work opportunities condemn too many Americans to the crippling welfare cycle.

While near unanimity exists as to the failings of the current system and the need for change, welfare reform means different things to different people. To the League, the most critical test of any welfare reform proposal will be

the degree to which it provides adequately for the needs of the poor. All those in need must be eligible for assistance, and benefit levels must be sufficient to provide decent, adequate food, clothing and shelter. It is in this light that we look at HR 9030 today.

We recognize that any welfare reform proposal that provides adequate levels of support for all needy people will be expensive. But we believe that providing adequately for all Americans will be less costly in the long run, since poverty is a major cause of so many social problems. Moreover, a country as rich as ours can no longer tolerate a system that allows 26 million people, including 11 million children, to live in poverty.

We all must also recognize that welfare is increasingly a women's program and a women's problem. In 1975, females headed one household of every eight, but nearly half of all poor families were headed by women. And while only six percent of households headed by men lived below the poverty level in 1975, nearly one-third of families headed by women had incomes below the poverty line. I need not tell you the AFDC program's clientele are primarily women with children, but I will call your attention to the fact that 58 percent of food stamp households are headed by women. If welfare rolls are to be decreased, special attention must be given to the problems women who want to work face in our society. Day care must be provided for the children of all low income parents who want to work. In addition, vocational education and job training programs must be free of sex discrimination and must encourage women to pursue higher paying nontraditional jobs. Equal employment statutes must be enforced. Job creation programs should provide part-time jobs to enable women to care for their children and work as well. It is with these criteria in mind, too, that we look at HR 9030 today.

HR 9030 -- BETTER JOBS AND INCOME ACT

The League recognizes the very close interaction between employment policies and welfare programs. Not only does high unemployment spell high costs for welfare, but more jobs are, in the end, the only alternative to welfare.

A policy of full employment is the best insurance against uncontrollable welfare rolls. While the President's plan to reform welfare falls short of embodying a full employment policy, we view it as a significant step toward guaranteeing every American able and willing to work a job at a living wage.

We applaud the expanded job opportunities found under Title II of the bill. The fact that this plan does address the problems of the working poor is certainly to be commended. We are pleased to see the inclusion of part-time job slots for single-parent families with child care responsibilities. The League lobbied hard throughout the spring and summer to get day care into the plan and while the inclusion of a day care deduction for single-parent families is certainly a step in the right direction, this deduction does not answer enough day care needs. I will address this later.

The League fully supports the extension of cash assistance under Title I to two-parent families for we share the Administration's concern that the present welfare system contains incentives for family break up.

We believe one of the most significant features of the plan, a policy that the League has advocated for many years, is the introduction of a federal basic benefit level. We support federalization of welfare, and are thus pleased to see this plan take us a step further towards that goal. The fiscal relief to states and localities in HR 9030 will also help to relieve the burdens of state and local governments of what is, after all, a federal responsibility.

The League finds much in HR 9030 which is commendable. But we do not believe the plan goes far enough to rectify the shortcomings of our welfare system. It is these points that we wish to address in the remainder of our testimony.

Cash Assistance Component

Women and children last

First, let me address the inadequacies we find in the cash assistance portion of the Administration's welfare reform plan. We are especially troubled that the Carter "better jobs and income" legislation would continue to provide least adequately for our nation's most valuable resource -- its children. While the cash assistance benefit under the Carter plan for aged, blind and disabled individuals is 80 percent of the official poverty line and the benefit level for such couples equals 98 percent of the poverty line, the cash assistance benefit for families with children is 65 percent of the poverty line.

We believe that this policy of "women and children last" is not only inequitable, it is short-sighted. The results of HEW funded income maintenance experiments described in hearings before this committee in October indicate the long range benefits of providing more adequate income supports to low-income families. The Gary experiment separated AFDC recipients into two groups -- one received standard AFDC benefits, the other received higher benefits. The children born to high-risk mothers in the group receiving the higher benefits weighed up to one pound more at birth than did babies born to high-risk mothers receiving the standard AFDC benefits. Low birth weight, which has been correlated with poor nutrition in pregnant women, is linked to higher rates of mortality and morbidity in children and may be associated with lower learning ability in later life. Moreover, both the rural income maintenance experiments and the North Carolina experiment showed improved school performance, including increased attendance, improved achievement in behavior and scholarship, and increased scores on standardized tests for grade school children whose parents received higher income payments. In the Gary and New Jersey experiments, higher income supports enabled high school and college students to reduce hours worked and remain in school longer.

We believe these studies support our long-standing argument that adequate income supports for poor Americans are "cost effective" to society in the long run, as well as humane public policy.

Poverty line

The cash assistance level for all groups should gradually be raised to at least the poverty line. While we recognize that the poverty line itself is too low to provide an adequate income, raising cash assistance payments to this level is a first step in meeting the needs of poor Americans. We strongly support inclusion of language in HR 9030 that would provide for incremental increases in cash assistance benefits until they reach the poverty line.

In addition, we support inclusion of language providing an automatic cost of living increase for cash assistance benefits. The current food stamp program and the Supplemental Security Income program both contain an automatic cost-of-living provision. To omit cost-of-living adjustments, as does HR 9030, is a step backward for millions of poor Americans, who, as you know, are the hardest hit by inflation.

Food Stamps

We advocate retention of the food stamp program as a means to supplement benefits until federal benefit levels are adequate. The benefit for a family of four under the recently enacted food stamp program -- roughly \$1,100 with an income of \$4,200 in 1978 -- would raise the cash assistance level to \$5,300, or about 80 percent of the 1978 poverty line.

Day Care

As I mentioned earlier, the League lobbied hard for inclusion of day care in the Administration's welfare plan. We were pleased that the final Carter proposal contained a day care deduction for single parents of \$150 a month for one child and \$300 for two or more children. While this provision is essential to encourage women with young children to work, it does not go far enough.

First, the day care deduction must be expanded to include two-parent families. Currently, the food stamp program and AFDC permit two-parent families receiving benefits to deduct child care expenses. Because so many families require two incomes to maintain a decent standard of living, the day care deduction must be available to these families to offset some of the additional expenses of the two parent working family.

Second, HR 9030 fails to address the other side of the day care coin -- the supply issue. The day care deduction means little in those areas of the country where day care is not available -- either center care or baby sitters. In 1975, almost 6.5 million children under six had working mothers. In the same year, according to a survey commissioned by HEW's Office of Child Development, only about three million children were in licensed day care centers, nursery schools or licensed family day care homes. This left over 3.5 million children in unlicensed centers or homes, cared for by relatives or, in too many cases, left to fend for themselves while parents were at work. And, of course, we have no figures on the number of parents unable to accept work because day care is not available. Adequate, high quality day care must be made available for these children and their parents.

The Administration's plan to channel Public Service Employment workers into day care centers is not sufficient to meet day care needs. We strongly urge that additional funds be made available, either by increasing amounts earmarked for day care under Title XX or by authorizing funds under HR 9030, to expand the supply of licensed day care slots to meet the needs of all parents with preschool children participating in either the cash or jobs program who want to work.

Accountable Period

One of the most controversial provisions of HR 9030 is the provision which would base eligibility for cash assistance payments on income earned over the previous six months. This "six month retrospective accountable period" is a drastic departure from the current AFDC and SSI programs, which base eligibility and benefits on current and prospective income needs.

HEW estimates that the six month provision would reduce benefits to recipients by between \$1.5 and \$2.5 billion compared to current needs test under the Carter proposal. The League however, cannot support a savings that would hurt many prospective recipients. The League would support a reasonable compromise between retrospective and prospective accounting such as the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

Under HR 9030, a family of four with an income over \$8,400 annually would be ineligible for assistance from one to six months after applying for benefits. But delays would be even longer considering that under the retrospective system benefits based on a given month's income will not be processed and in the hands of recipients for up to 45 days according to HEW estimates.

For a particularly startling example of how this accountable period would work, let us look at its effect on a single person who loses his/her job, and receives \$55 a week in unemployment compensation for six months. After unemployment benefits run out, the individual applies for the \$1,100 cash assistance benefit -- the only aid available under HR 9030. Such an individual would be required under the Carter administration plan to wait eight months between the time unemployment benefits ran out and the time he/she began receiving the \$83 monthly benefit available under HR 9030. Currently, the same individual would be eligible for food stamps as soon as unemployment compensation runs out.

The Administration seems to expect that families with an income over \$8,400 would be able to save for adversity. We find this expectation unrealistic when studies show and our own experience indicates that families are not able to save until their income approaches \$20,000. Furthermore, if a low -- or moderate -- income family were able to save funds to tide them over in an emergency, they would be ineligible for assistance if their savings exceeded the assets limit contained in HR 9030.

The six-month retrospective accountable period would most adversely affect unemployed workers not covered by unemployment insurance. Even after the unemployment insurance amendments passed last year go into effect

(PL 94-566), approximately 2.6 million workers will not be covered by unemployment insurance, according to Department of Labor estimates. (This figure omits self-employed individuals, who are not covered by unemployment insurance.)

The Administration argues that the emergency assistance program contained in HR 9030 could be used by states to provide benefits in emergency situations for families who were ineligible for benefits due to the six-month retrospective accountable period. The League does not believe that the harmful effects of the six-month retrospective accountable period will be remedied by this emergency assistance fund. In the first place, the money will be distributed to states as a block grant. There is no assurance that states will choose to spend part of their allocation to provide for families who are without income due to the six-month retrospective accountable period. Second, we question the adequacy of the total \$620 million authorization. Comprehensive data on the total expenditures for emergency needs is not collected, but available statistics indicate that much more than \$620 million is currently spent by all levels of government.

One final thought on retrospective accounting -- we criticize retrospective budgeting because it is unresponsive to current needs. But this factor cuts both ways -- not only does this budgeting method fail to provide cash when a family needs it, but it also maintains high benefits for a period after a family begins earning higher income. Thus, if a parent begins earning \$100 a month in January, under the prior month budgeting system, the reduction in the cash assistance payment would not appear until March.

Again, we would support an accountable period similar to the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

State Supplementation/Fiscal Relief

The League has always insisted that any welfare reform plan must assure that current recipients receive benefits equal to or greater than what they currently receive. Thirty-eight states and the District of Columbia currently provide combined AFDC and food stamp benefits that exceed the \$4,200 level for a family of four contained in the Carter proposal. If these states do not continue to supplement to current levels, large numbers of recipients will receive lower benefits under HR 9030 than they now receive.

Both HEW and the Congressional Budget Office have done extensive computer analyses of the "gainers and losers" under HR 9030 as compared to current programs. These analyses all assume that states will continue to supplement cash benefits up to current levels, but that states will not necessarily "hold harmless" all current recipients of public assistance.

It is impossible to predict precisely the amount of supplementation in each state, since this decision rests ultimately with state legislatures and will depend in large part on the state of the economy and of state budgets when the supplementation question is under consideration. But preliminary information from the states seems to indicate that while high benefit states by and large intend to maintain benefits to current levels, at least during the

first years of operation, the same assumption cannot be made for midrange states. Moreover, even high benefit states may decide to cut back supplementation in the event of an economic downturn, since state costs will increase dramatically as more people revert to the cash assistance program.

We favor increased incentives for state supplementation and an increase in the number of public service jobs, if required, both to provide additional fiscal relief to states and to encourage more adequate cash assistance benefit levels. First, we propose increasing the federal share of the basic benefit to 100 percent. Second, we would increase the federal match for state supplementation of the \$4,200 cash assistance benefit from 75 to 90 percent of the first \$500 and from 25 to 50 percent from \$4,700 to the poverty line. We also urge the committee to consider creating more public service jobs and expanding eligibility for these jobs as a means both of protecting states from additional costs and providing more adequately for recipients.

Grandmothering

We believe that the provisions in HR 9030 that would reimburse states for "grandmothering" AFDC must be strengthened. Under HR 9030, a state is reimbursed for 100 percent of the cost of "grandmothering" current SSI recipients. Only 75 percent of the cost of "grandmothering" current AFDC recipients will be picked up by the federal government, and this will happen only if the state spends over 90 percent of 1977 assistance expenditures in the first year of operation of the new program. The League believes states should be required to hold current AFDC and SSI recipients harmless, and that they should be reimbursed by the federal government for 100 percent of these costs.

Jobs Component

The League has been a longtime advocate of expanded employment opportunities as the best alternative to welfare. We were therefore pleased with the emphasis on job counseling and referral and direct job creation embodied in HR 9030. We believe the intent of the jobs portion of the plan is, for the most part, commendable. However, intent is not enough. Specific language to assure the intent is put into effect is necessary.

Number of jobs

It is our view that the current Administration proposal does not go far enough in providing employment opportunities for all low income people who could benefit from them. It seems to us that the 1.4 million public service jobs to be created are not sufficient to provide a job for every eligible individual who wants to work. The Department of Labor's estimate of the number of PSE jobs required is based on the assumption that unemployment will be down to 5.6 percent by 1981. If unemployment is higher, 1.4 million PSE jobs will clearly be inadequate.

Many state officials, too, have expressed concern over whether the number of PSE jobs contained in HR 9030 is sufficient. The Massachusetts Department of Public Welfare observes that, if the number of PSE jobs created is not sufficient to provide a job for all those required to work, the states will be

forced to absorb additional costs. For example, if a state supplements the cash assistance grant to \$5,500, it would be required to supplement the PSE wage by 25¢ above the minimum wage. Thus, it would cost the state between \$600 and \$700 a year to supplement one PSE job. But if a PSE job were not available, an eligible family would revert to the higher cash assistance tier, which would cost the state between \$1,100 and \$1,200 annually for a family of four. The same situation would apply in states which choose not to supplement the cash assistance grant. These states would not be required to supplement the PSE wage at all. But they would be required to provide 10 percent of the basic cash grant to any family which "flipped up" from the lower job track to the higher cash assistance track.

A last minute addition to the jobs component was the inclusion of 300,000 part-time job slots out of the 1.4 million jobs figure. These slots were added to provide employment opportunity for single heads-of-households -- read "women" -- with children between the ages of 7 - 14 years. We question whether these 300,000 part-time positions will be created, since HR 9030 does not require that a specific percentage of PSE jobs created be part-time slots. We doubt that the figure of 300,000 part-time job slots will cover the pool of eligible people, which includes those who want to volunteer as well as those who are required to work. The League urges that you include language which will assure an adequate number of part-time jobs.

The assumption that PSE participants will stay in a public service job for an average of only 26 weeks is optimistic to say the least. The Labor Department is counting on private sector employment opportunities to encourage PSE participants to move out of public service employment rapidly. But, if private employment opportunities are limited -- and I would point out that nothing in the plan would stimulate private sector job creation -- PSE participants will remain in publicly funded jobs for longer periods, leaving others eligible for PSE jobs without work and forced to live on the lower cash assistance benefit.

Given the program's commitment to expanding job opportunities for the poor, we believe that the Administration should move toward making public service jobs an entitlement to all those eligible, just as cash assistance is an entitlement to all those eligible.

Principal Wage Earner

The Carter Administration "better jobs and income" proposal currently limits eligibility for a public service job to the "principal wage earner" in two parent families with children. The principal wage earner is defined as the person who earned the most in the last six months or, alternatively, worked the most hours. This provision creates a ready-made bias toward men over women in two-parent families in the allocation of PSE jobs. In fact, the Department of Labor's own estimates project that only 14 percent of PSE participants from two parent families will be women.

The League of Women Voters strongly believes that the decision concerning which family member should take a public service job is a decision best left up to each family. The allocation of training and employment opportunities should not be based on an outmoded conception of who the family breadwinner should be, but on the needs of the individual family and their decision of who best could profit from the job experience.

In his testimony before this committee, Secretary of Labor Ray Marshall stated that if the principal wage earner provision were eliminated but PSE jobs still limited to one per family, approximately 880,000 additional PSE jobs would be required. But this estimate assumes that eligibility for PSE jobs would not be means tested. We recognize that if the decision as to who should take a PSE job is to be left up to the family, some limit must be placed on gross family income to prevent an unemployed or low paid spouse of a high income individual from being eligible for a PSE job. We think, for example, the Bureau of Labor Statistic's lower living standards (\$10,040 in 1977) would be a reasonable limit on family income for eligibility for a PSE job.

Job Search

The League is opposed to the provision in the jobs program that stipulates that all families with a member who is expected to work will receive a reduced benefit during the initial eight week job search. The lower tier benefit for the "expected to work" category is \$2,300 a year for a family of four, or \$44 a week. An annual five week job search at the reduced benefit will be required of all individuals who remain in a PSE job for one year.

The Administration argues that this period of reduced assistance is necessary to provide "an incentive to seek and accept employment." We would point out that the lower benefit during the eight week job search creates an incentive for family breakup, since a family with a member who is expected to work must wait eight weeks before they are eligible for the upper tier cash assistance benefit. If the father deserted however, his family would immediately become eligible for the higher benefit as long as a child under seven was present.

Numerous work incentives -- including the \$3,800 income disregard, the low benefit reduction rate, the wage supplement and the earned income tax credit -- already exist in in HR 9030 which make work more financially rewarding than not working. We strongly believe that these financial incentives are sufficient to ensure that poor individuals will in fact seek and accept jobs. HEW Secretary Joseph Califano has stated many times that the poor want desperately to work. Numerous recent studies support his assertion. The eight week "job search" payment, however, does not.

Denying adequate benefits for the initial eight week "job search" is unnecessary as well as inhumane. The upper tier benefit (\$4,200 for a family of four) should be available to families with a member who is expected to work until a job -- in either the public or private sector -- is provided.

Sex Discrimination

Prime sponsors administering the public service jobs program under Title II of HR 9030 would be required to comply with prohibitions against discrimination on the basis of race, creed, color, national origin, sex, age, political affiliation or beliefs that are contained in the current Comprehensive Employment and Training Act.

An examination of participation rates in Title II and Title VI of CETA suggest that existing prohibitions against sex discrimination are not sufficient to assure the equitable allocation of jobs. In 1975, 65.8 percent of participants under Title II were men, while only 34.2 percent were women. Under Title VI, the proportions were even more skewed -- 70.2 percent of Title VI participants were males, while only 29.8 percent were females.

We strongly endorse the Department of Labor's recent efforts to improve the sensitivity of prime sponsors to serving more equitably various categories of the unemployed. We especially commend the Department's recent action to require prime sponsors to analyze the local unemployed workforce and explain in their service plans how they plan to serve these target groups. The Department of Labor then reviews the justification for failing to serve within 15 percent of each target population and returns the plan of service if the deviation is found to be unjustified. We will be watching Labor Statistics closely to see whether these efforts are reflected in the participation rates, particularly in the improvement of female participation.

We believe that more needs to be done to assure equitable treatment of all categories of the unemployed, both under existing CETA programs, and under the Title IX, to be created by HR 9030. First, prime sponsors should be required to develop, submit and carry out affirmative action plans. Prime sponsors should be required to show not only how they plan to serve the various target populations, but also how they plan to ensure that women are given the opportunity to participate in training and job placement on an equal footing with men. As the WIN experience shows, too often women are channeled into low paying traditional "women's work" instead of higher paying non-traditional fields.

Finally, the Department of Labor should rigorously enforce anti-discrimination provisions, and make clear to prime sponsors that funds will be cut off for persistent failure to plan and carry out effective affirmative action plans.

Singles, childless couples

Under current public assistance programs, the groups provided for least adequately are non-aged single individuals and childless couples. The only assistance available to these groups is a food stamp benefit of \$625 for an individual with no income and \$1,150 for a similar couple. In a few states, singles and childless couples are eligible for general assistance, but often on only a short-term basis.

HR 9030 continues this inequitable treatment of singles and childless couples. Single people with no income are eligible for only \$1,100 a year, or \$92 a month. Couples are eligible for \$2,200 annually. Worse, they are ineligible for public service jobs. Single individuals and childless couples constitute 30 percent of the poverty population. Unemployment among single people is particularly high -- 16 percent in 1975. In the same year, 2 million childless couples experienced unemployment.

During consideration of welfare reform in 1971 and 1972, the League pressed rigorously for coverage of singles and childless couples for cash benefits. Today we urge this committee to strongly consider additional coverage

of singles and childless couples. We think the best approach would be to provide part-time public service jobs. For those unable to accept regular employment, sheltered workshops would provide the opportunity for useful work and additional income.

Training

Finally, a word about training. HR 9030 requires prime sponsors to provide both jobs and training. Training is to consist of classroom instruction, skills training, on-the-job training and other types of work experience. It is left to the prime sponsor to determine the mix of job and training provided. It is also left to the prime sponsor to determine whether they will pay training slots at at least the minimum wage.

League members who have worked with training programs have concluded that too often, training programs fail to train participants for jobs that are in demand in the private sector. As part of each plan of service, the Department of Labor should require prime sponsors to analyze existing and projected labor supply demands and to design training components on the basis of these findings. In the case of women, it is particularly important that training for non-traditional jobs be available and accessible.

In summary, while we do not beleive that the jobs portion of HR 9030 goes far enough in providing job opportunities for the nation's poor, we have serious doubts that it will even be able to fulfill its own modest promises.

The Letter of the Law

THE CETA AMENDMENTS OF 1978 Public Law 95-524

The Comprehensive Employment and Training Act (CETA) is the nation's primary program of job training and job creation. Reauthorized in October 1978, the program has been revised to focus services more to the poor and unemployed. The 1978 amendments also single out public assistance recipients as a group to receive special attention. With the future of comprehensive welfare reform uncertain, CETA will undoubtedly remain the primary alternative to welfare dependence provided by the federal government for many years to come.

CETA has undergone a series of shifts in emphasis since it was created in 1973. Originally enacted to replace the Manpower Development and Training Act, a program to train the long-term unemployed, CETA shifted from a training focus to a job-creation focus as it became an antidote for rapidly rising cyclical unemployment during the recessions of 1973-75. The program also underwent rapid expansion—the original \$2 billion annual appropriation was increased to \$12.7 billion by 1977.

When it reauthorized the program in 1978, Congress sought to clarify CETA's dual functions by separating programs to train the "hard-core" unemployed from the one designed to employ those out of work due to recession. The resulting legislation creates a permanent employment and training program for the long-term, or "structurally," unemployed, and a "countercyclical" program designed to vary in size in relation to changes in the unemployment rate.

Other important changes in the 1978 amendments seek to promote citizen participation by expanding the role of the CETA planning councils (see below) and strengthen provisions requiring CETA to serve significant segments of the unemployed population (including women, single parents, displaced homemakers and public assistance recipients) equitably.

Administrative structure, or what is a prime sponsor, anyway?

CETA is administered at the national level by the Department of Labor (DOL). It is carried out locally by a *prime sponsor*—usually a local government with a population over 100,000—or a state.

In order to receive CETA funds, a prime sponsor must submit to DOL a *comprehensive employment and training plan*, consisting of a *master plan* and an *annual plan*. The master plan, which must be submitted only once, outlines local economic conditions and the prime sponsor's programmatic and administrative arrangements for serving the area. It must include:

- a detailed analysis of the area, including demographic characteristics of *significant segments* of the unemployed population;
- an analysis of the local labor market, including an assessment of occupations with growth potential;
- the prime sponsor's plan for improving job opportunities and economic conditions;
- a description of plans to ensure that:
 - services are provided to those most in need;
 - programs provide equal employment opportunities and do not discriminate;
 - programs include training and job opportunities in nontraditional jobs; and
 - programs seek to remove artificial barriers to employment.

Each year the prime sponsor must submit a detailed annual plan for the coming year, including:

- a description of the eligible population according to race, sex,

national origin and age; and planned services for these groups;

- a description of services to be provided to those experiencing severe difficulties in finding jobs;
- a description of the prime sponsor's performance and placement goals;
- the proposed budget and a summary of expenditures for the previous year;
- a description of how the prime sponsor plans to coordinate its efforts with other training and employment programs in the area;
- a description of efforts to involve the private sector;
- a description of wages to be paid for public service employment; and
- methods for determining priorities for selecting participants. The priorities must take into account employment and household status, handicap, veteran status, age, race, sex or other factors the prime sponsor considers relevant.

These plans must be given to the governor, the prime sponsor planning council, local governments and other interested groups for review and comment. The comments must be forwarded to DOL along with the annual plan. The prime sponsor must also give the general public an opportunity to comment on the plan via public hearings or newspaper announcements. States applying for CETA funds must submit a comparable *coordination and special services plan*.

DOL reviews the plan to determine whether it adequately carries out the purposes of the act. In particular, DOL assesses the adequacy of each prime sponsor's performance and placement goals. If, after giving a prime sponsor the chance to modify its plan, DOL determines that it does not comply with all CETA requirements, it must disapprove the plan and withhold funds.

If its plan is approved, a prime sponsor is required to submit annual reports to DOL containing: 1) a detailed comparison of actual versus planned performance; 2) cross-tabulated participant characteristics; 3) average cost per participant; and 4) participants' post-participation job experience.

The role of the planning council

Each prime sponsor is required to establish a planning council, which must include representatives of the eligible population, organized labor, nonunionized employees, community-based organizations, veterans' organizations, public assistance agencies and other interested groups. The prime sponsor must provide a professional, technical and clerical staff. The council is to help develop the prime sponsor's plans, monitor employment and training programs in the area, analyze the area's employment and training needs, and examine efforts to reduce artificial barriers to employment. Prime sponsors must give special consideration to the recommendations of the planning council. States acting as prime sponsors must set up a state employment and training council, with membership and responsibilities paralleling those of the local planning council.

league of women voters education fund

Title by Title

Title I. Administrative requirements

All CETA programs must help to eliminate artificial barriers to employment and advancement. Prime sponsors must make services available "on an equitable basis . . . among significant segments of the eligible population, giving consideration to the relative numbers" in each segment. Prime sponsors are to take into account household obligations, giving special consideration to alternative working arrangements such as flexitime, work sharing and part-time jobs. All programs are supposed to contribute to occupational development, upward mobility and the elimination of sex stereotyping. They must also be designed to enable participants to increase their earned income and to become economically self-sufficient.

Public service employment (PSE) jobs created under CETA are to go to those most severely disadvantaged in terms of length of unemployment and prospects for finding jobs on their own. Special consideration is to go to public assistance recipients, eligible Vietnam-era and disabled veterans, and others facing particular labor market disadvantages: offenders, persons of limited English-speaking ability, the handicapped, women, single parents, displaced homemakers, youth, older workers, public assistance recipients, and those lacking educational credentials.

Prime sponsors are also charged with revising job requirements, including local civil service requirements, with a view toward removing artificial barriers to public employment.

Except in certain circumstances, no one can hold a PSE job longer than 18 months in any five-year period. The wage ceiling for Title II jobs is \$12,000 and for Title VI, \$14,400 (to be adjusted according to the area's wage rates and updated annually). The goal for average PSE wages is \$7,200 nationwide. CETA trainees are to be paid at least the local, state or federal minimum wage, whichever is highest. Public service jobs are to be created in fields that are most likely to expand, and they should be intended to meet community needs.

Title II. Employment and training services for the structurally unemployed

Eligibility is limited to persons who are economically disadvantaged—that is, public assistance recipients and those with incomes below the poverty line or 70 percent of the Bureau of Labor Statistics (BLS) lower living standard—and unemployed, under-employed or in school. Services include job search assistance, outreach, supported work, education and institutional skill training, on-the-job training, work experience, supportive services (including day care), and an upgrading and retraining program. A transitional PSE program provides entry-level jobs, which must be combined with training to enable participants to move into unsubsidized jobs.

Title III. National programs

■ DOL is to create and administer *national* programs for certain groups experiencing particular hardships in finding employment, including displaced homemakers, single parents, women, youth, older workers and public assistance recipients.

■ DOL is authorized to undertake research on employment and training issues, including a study of the feasibility of job sharing, work sharing and flexitime.

■ DOL may set up demonstration projects, including: supported work programs, vocational education projects, experiments to test the Carter administration's welfare reform proposal, projects to test the feasibility of providing vouchers to encourage private employers to hire and train poor unemployed persons, and a program to test the feasibility of linking local CETA programs with efforts to stimulate private economic development.

■ DOL is to establish a nationwide system of labor market information, including a computerized job bank to match qualified jobseekers with available jobs.

Title IV. Youth programs

■ *Youth incentive entitlement pilot projects* test the efficacy of guaranteeing part-time jobs during the school year and full-time summer jobs to all poor high-school youths in designated communities.

Authorization levels (In Billions)

	FY 79	FY 80	FY 81	FY 82
Title II	\$5 billion	***	***	***
Title III	20% of total authorization excluding PSE funding			
Title IV	\$2.25	\$2.4	***	***
Title V	***	***	***	***
Title VI	Funds sufficient to provide jobs for 20% of unemployed over 4%, 25% when unemployment exceeds 7%			
Title VII	\$.5	\$.525	\$.525	\$.525
Title VIII	\$.35	\$.4	***	***

* Open-ended

■ *Youth community conservation and improvement projects* give unemployed poor youths one-year, labor-intensive jobs.

■ *Youth employment and training programs* give unemployed low-income youths between 16 and 21 work experience related to their education and career goals. Programs can include those to overcome sex-stereotyping and to increase labor-force participation by minorities and women. Such programs must have a youth council, with responsibilities analogous to those of the planning council.

■ *Discretionary projects* test innovative programs dealing with youth employment problems, including a "social bonus demonstration program" to provide incentives for private industry to hire poor youths without previous job experience.

■ *Job Corps* is an intensive program to provide education, vocational training and work experience in a group setting for poor youths between 14 and 22. A new provision requires DOL to take immediate steps to increase Job Corps participation by women to 50 percent.

■ *Summer youth program* gives poor youths useful work, basic education and institutional or on-the-job training during the summer months.

Title V. National commission

The *National Commission for Employment Policy* advises Congress and the President on national employment and training issues.

Title VI. Countercyclical public service employment

Intended to give temporary PSE jobs to those who become unemployed due to recession, this "countercyclical" program has less stringent eligibility requirements than Title II—participants may have an income of up to 100 percent of the BLS lower living standard or be members of families receiving Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI). Participants must be unemployed for at least 10 out of the 12 weeks before application. The number of jobs authorized under Title VI varies according to the national unemployment rate.

Title VII. Private sector opportunities

Under this title, prime sponsors receive funds to encourage private business and industry to increase employment and training opportunities for the economically disadvantaged. "Private sector initiatives" can include on-the-job training subsidies, apprenticeship programs or job upgrading. Any prime sponsor receiving Title VII funds must establish a private industry council composed of representatives of industry and the business community, organized labor, community-based organizations, educational agencies and CETA participants.

Title VIII. Young adult conservation corps

DOL and the Departments of Agriculture and Interior will jointly administer a program to give conservation work on public lands to unemployed youths from all social, economic and racial groups.

©1979 League of Women Voters Education Fund. Researched and written by Carol Payne, Human Resources staff specialist.

JAN 6 1978



The White House
Conference on
**BALANCED
NATIONAL
GROWTH**
& economic
development

NEWS

2001 S STREET, N.W.
WASHINGTON, D.C. 20009
(202) 673-7930

FOR RELEASE:
6 p.m. EST
Saturday, December 31

WHITE HOUSE CONFERENCE AGENDA

Speakers, panelists, and participants have been selected for the White House Conference on Balanced National Growth and Economic Development, which will be held in Washington, D. C., January 29 through February 2.

The speakers and panelists, who are named in the attached tentative agenda, will speak at general sessions and luncheons during the Conference. The 500 participants have been selected from every state and territory. They will participate in daily workshop sessions to produce ideas and recommendations on some of the most serious long term growth and development issues facing America in the years ahead.

In addition to the general sessions and workshops, there will also be a Public Forum, where interested parties will make brief statements on the issues of the Conference.

For more information call:

Erick Kanter or
Barbara Estabrook
(202) 673-7930

WHC-11-77

WHITE HOUSE CONFERENCE
ON BALANCED NATIONAL GROWTH AND ECONOMIC DEVELOPMENT

TENTATIVE CONFERENCE AGENDA

SUNDAY, JANUARY 29, 1978

Activities for Official Participants:

2:00 - 10:00 p.m. Registration
5:30 - 6:30 p.m. Reception
6:30 - 7:30 p.m. Dinner

Activities for Official Participants and Observers:

8:00 p.m. Opening Ceremonies

Conference Called to Order
Honorable Jack H. Watson, Jr.
Assistant to the President for
Intergovernmental Affairs

Invocation

Address
Honorable Juanita M. Kreps
Secretary of Commerce

Multi-Media Presentation

Remarks
Honorable John D. Rockefeller IV
Governor
State of West Virginia

Address
Vice President Walter F. Mondale (Invited)

10:00 p.m. Opening Ceremonies Conclude

MONDAY, JANUARY 30, 1978

Activities for Official Participants:

7:00 - 8:30 a.m. Breakfast

8:30 - 11:30 a.m. Theme I Workshops
"Strengthening Local Economies"

8:45 - 11:45 a.m. Theme II Workshops
"People and Jobs"

9:00 - 12:00 Noon Theme IV Workshops
"The Geography of Growth"

Activities for Official Participants and Observers:

9:00 - 11:45 a.m. General Session
Themes III, V and VI

Topic: Energy, Water, Environment and Growth:
Limited Resources and Conflicting
Objectives

Moderator: Honorable John D. Rockefeller IV

Speakers : Henry Ford II
Chairman
Ford Motor Company

Honorable Morris Udall
Congressman
State of Arizona

Panelists: Robert Georgine
President
Building and Construction Trades
Department
AFL-CIO

Charles J. Hitch
President
Resources for the Future, Inc.

Honorable Richard D. Lamm
Governor
State of Colorado

MONDAY, JANUARY 30, 1978 - Continued

Activities for Official Participants:

- 12:30 - 2:00 p.m. Luncheon Speaker
Honorable Robert S. Bergland
Secretary of Agriculture
- 2:00 - 5:00 p.m. Theme III Workshops
"Government and Budgets: The Fiscal Dimension
of Growth and Change"
- 2:10 - 5:10 p.m. Theme V Workshops
"Government and the Management of Growth"
- 2:20 - 5:20 p.m. Theme VI Workshops
"Streamlining Government"

Activities for Official Participants and Observers:

- 2:00 - 4:45 p.m. General Session
Themes I, II and IV
- Topic: Structural Unemployment: Should We Move
People to Jobs or Jobs to People?
- Moderator: Dr. Leon H. Sullivan
- Speakers : Reginald H. Jones
Chairman
General Electric Corporation
- Vernon Jordan, Jr.
Executive Director
National Urban League
- Panelists: Andrew F. Brimmer
President
Brimmer and Company, Incorporated
- Honorable Barbara A. Mikulski
Congresswoman
State of Maryland
- Rudolph Oswald
Director of Research
AFL-CIO

MONDAY, JANUARY 30, 1978 - Continued

Activities for Official Participants:

6:30 - 7:30 p.m. Dinner at Sheraton Park Hotel

TUESDAY, JANUARY 31, 1978

Activities for Official Participants:

7:00 - 8:30 a.m. Breakfast

8:30 - 12:00 Noon Individual Workshops
Themes I, II and IV

Activities for Official Participants and Observers:

9:00 - 11:45 a.m. General Session
Themes III, V and VI

Topic: Local Fiscal Plight: Who Should
Pay for What?

Moderator: To be Named

Speakers : Honorable Lila Cockrell
Mayor
San Antonio, Texas

Honorable Michael S. Dukakis
Governor
State of Massachusetts

Panelists: Nicholas R. Carbone
City Councilman
Hartford, Connecticut

Honorable Pete V. Domenici
Senator
State of New Mexico

Honorable Kenneth A. Gibson
Mayor
Newark, New Jersey

Honorable Helen Putnam
Mayor
Petaluma, California

TUESDAY, JANUARY 31, 1978 - Continued

Activities for Official Participants:

12:30 - 2:00 p.m. Luncheon

Speaker: Honorable Stuart E. Eizenstat
 Assistant to the President
 for Domestic Affairs and
 Policy

2:00 - 5:00 p.m. Individual Workshops
 Themes III, V and VI

Activities for Official Participants and Observers:

2:00 - 4:45 p.m. General Session
 Themes I, II and IV

Topic: Beyond Sunbelt-Frostbelt:
 Regional Policy for a Changing
 Economy

Moderator: Honorable John D. Rockefeller IV

Speakers : Honorable George D. Busbee
 Governor
 State of Georgia

Honorable Daniel P. Moynihan
 Senator
 State of New York

Panelists: Joseph L. Hudson, Jr.
 Chairman and Chief Executive Officer
 J.L. Hudson and Company
 Detroit, Michigan

Walt Whitman Rostow
 Professor of History and Economics
 LBJ School of Public Affairs
 Austin, Texas

Activities for Official Participants:

6:00 - 7:00 p.m. White House Reception

WEDNESDAY, FEBRUARY 1, 1978

Activities for Official Participants:

7:00 - 8:30 a.m. Breakfast

8:30 - 12:00 Noon Individual Workshops

(Participants in all six Themes meet in 24 individual workshops
for discussion of Interim Reports)

Activities for Observers:

9:00 - 12:00 Noon Concurrent Public Forums

Activities for Official Participants:

12:30 - 2:00 p.m. Luncheon

Speaker: Honorable Patricia Roberts Harris
Secretary of Housing and Urban
Development

Activities for Official Participants and Observers:

2:00 - 5:00 p.m. Concurrent Public Forums

Activities for Official Participants:

6:30 - 8:30 p.m. Dinner at Sheraton Park Hotel
Hosted by National Governors' Association

THURSDAY, FEBRUARY 2, 1978

Activities for Official Participants:

7:00 - 8:30 a.m. Breakfast

Activities for Official Participants and Observers:

9:00 a.m. Final Plenary Session Convenes

Overview of Conference Activities
Honorable John D. Rockefeller IV

Remarks
Honorable Jennings Randolph
Senator
State of West Virginia

Overview of Workshop Reports

Address
The President of the United States

12:00 Noon Conference Adjourns



The White House
Conference on

BALANCED NATIONAL GROWTH

& economic
development

JAN 6 1978

NEWS

2001 S STREET, N.W.
WASHINGTON, D.C. 20009
(202) 673-7930

PUBLIC FORUM TO
BE HELD AT NATIONAL
GROWTH CONFERENCE

FOR IMMEDIATE RELEASE

Private citizens and representatives of organizations are being invited to present their views at the White House Conference on Balanced National Growth and Economic Development. Brief presentations may be made at a public forum on Wednesday, Feb. 1, 1978, as part of the Conference agenda. The Conference will be held from January 29 to February 2 at the Sheraton-Park Hotel in Washington, D. C.

"The public forum has been planned to assure that the many interests, organizations, and individuals who desire to present their views on the economic development issue of the Conference, will have an opportunity to be heard," stated Conference Director Michael S. Koleda.

The Conference also includes three days of workshop sessions by 500 participants from across the Nation, and four general sessions featuring leading Americans as speakers.

The Conference is organized around six general themes:

1) Strengthening Local Economies; 2) People and Jobs; 3) Government and Budgets: the Fiscal Dimension of Growth and Change; 4) The Geography of Growth; 5) Government and the Management of Growth, and 6) Streamlining of Government.

The Conference was announced last August by President Carter after being authorized by the Congress. Secretary of Commerce Juanita Kreps led the Administration-wide effort to organize the Conference.

Those persons interested in making statements in person or in submitting written statements should communicate in writing no later than 5:00 p.m., EST, January 13, 1978, to Mr. Albert L. Massoni, White House Conference on Balanced National Growth and Economic Development, 2001 S Street, N. W., 2nd Floor, Washington, D. C. 20009.

(over)

NOTE TO EDITORS:

News media representatives who plan to cover the White House Conference should write for credentials to L. Erick Kanter, Director of Public Affairs, White House Conference on Balanced National Growth and Economic Development, Room 216, 2001 S Street, N. W., Washington, D. C. 20009. Reporters holding White House or U. S. Congress press cards will not require special credentials.

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For further information contact: L. Erick Kanter or Barbara Estabrook at (202) 673-7930.

WHC - 10
12/20/77

JAN 9 1978

TO: Minnesota Full Employment Action Council
Member Organizations

FROM: Earl F. Rogers, Co-Chairperson, FEAC

RE: State Hearing for White House Conference on Balanced National Growth and Economic Development *wed 1-11-78*

Enclosed you will find a copy of the notice of the State Hearing on Balanced National Growth and Economic Development. This hearing is intended to be a major preparatory activity toward the forthcoming White House Conference on the same subject, scheduled for January 28th in Washington, D.C.

The Minnesota Full Employment Action Council is encouraging individuals and organizations (particularly those who have been a part of the Full Employment movement) to:

1. Attend the hearing on Wednesday, January 11, 1978 (see notice for details).
2. Submit written testimony to Minnesota delegation at that hearing.

In all likelihood, comments collected during this hearing will provide the raw data for state plans to address the unemployment condition. Let's be sure our constituents interests are advanced and protected.

ALEC G. OLSON
LIEUTENANT GOVERNOR
ROOM 122
STATE CAPITOL
ST. PAUL, MINNESOTA 55155
612-296-2374



State of Minnesota
EXECUTIVE

December 21, 1977

WHITE HOUSE CONFERENCE DELEGATES TO HOLD PUBLIC HEARINGS

The Minnesota delegation to the upcoming conference on Balanced National Growth and Economic Development will host hearings on Wednesday, January 11, at 9:00 a.m. in Room 15 of the State Capitol. The forum will give interested Minnesotans an opportunity to respond to the discussion themes of the national conference. The six topics include "Strengthening Local Economies": How can we improve economic development policy toward cities, suburbs, metropolitan and non-metropolitan areas, states and multi-state regions?, "People and Jobs": How can the public sector work with the private sector to stimulate the creation of long-term private sector jobs? What is the appropriate role for public service employment opportunities?, "Government and Budgets: Fiscal Dimension of Growth and Change": What is the federal and state role with respect to urban and rural communities in extreme fiscal difficulty, and unable to meet public service needs?, "Geography of Growth": What should be the public sector role in affecting geographical distribution of economic activity and population growth?, "Government and the Management of Growth": Should the federal government attempt to formulate and implement a national growth and development policy?, "Streamlining Government": How can governmental institutions be adapted so that they better address problems of growth and development which cut across jurisdictional boundaries and levels of government?

The Minnesota delegation to the White House Conference will be headed by Lieutenant Governor Alec Olson, Spicer. Other participants include State Senator Emily Staples, Plymouth; State Representatives Bill Kelly, East Grand Forks, and Dave Beauchamp, Moorhead; Paul Goldberg, Area Director of the American Federation of State, County and Municipal Employees; Victor Reim, President of the Commercial State Bank of St. Paul; J. R. (Bob) Larson, a Milaca farm management instructor; and Otto Silha, President of the Minneapolis Star and Tribune Company.

They will join 500 other Americans representing each state and territory at the conference to be held in Washington, D.C., from January 29 through February 2, 1978.

The White House Conference was announced by President Carter on August 4, 1977, after being authorized by the Congress under the Public Works and Economic Development Act amendments of 1976. The legislation specified that the recommendations and findings developed by the Conference should be presented to the President for use in formulating administrative and legislative proposals.

Written statements may be submitted at any time prior to the January 29 White House Conference. Deadline for scheduling oral testimony for the January 11 hearing is 4:00 p.m. Friday, January 6, 1978. For further details, please contact Lieutenant Governor Olson's office.

AO:av

FEB 21 1978



League of Women Voters of the United States 1730 M Street, N.W., Washington, D. C. 20036 Tel. (202) 296-1770

memorandum

This is going on DPM
Feb. 15, 1978

TO: State League Presidents; State HR Chairmen; Local Leagues

FROM: Ruth Clusen, President; Ruth Hinerfeld, Action Chairman; Regina O'Leary,
Income Assistance Chairman.

RE: Status of Welfare Reform Legislation in the U.S. Congress, February 1978.

This memo is to be used as background for the accompanying ACTION ALERT. The purpose of this memo is to update coverage of welfare reform legislation since the January 1978 R/H. It also provides more in-depth explanation than the physical limitations of R/H allow.

In this memo you will find:

- 1) a summary and League position on HR 9030 as reported by the Special House Subcommittee on Welfare Reform;
- 2) a summary and League position on Rep. Al Ullman's welfare reform bill introduced in early February; and,
- 3) a summary of League-opposed amendments in the Senate Finance Committee's welfare bill, HR 7200.

League of Women Voters of the United States
1730 M Street, N.W.
Washington, D.C. 20036
February 1978

Special Subcommittee Action on HR 9030 Welfare Reform

On February 8 the Special House Subcommittee on Welfare Reform, chaired by Rep. James Corman (D CA) finished all action on HR 9030. By a vote of 23-6 the Subcommittee reported the bill as amended to the three standing committees in the House.

As reported by the Subcommittee, HR 9030, would:

* Provide universal cash coverage (intact families, singles, childless couples in addition to those currently covered by welfare programs).

* Establish the "family" (or modified "nuclear family") as the basic filing unit in the consolidated cash program; allowing the aged, blind, and disabled to file separately.

* Provide a consolidated cash program with uniform eligibility standards. Benefit levels are those as introduced:

	(annual)
Aged, Blind Disabled Individual-----	\$2,500
Aged, Blind, Disabled Couple-----	\$3,750
Single-Parent Family of Four with Child Under 14-----	\$4,200
Single-Parent Family of Four with No Child under 14, and -----	\$2,300
Two Parent Families of Four-----	\$4,200
	No Job Available
Single Individual-----	\$1,100
Childless Couple-----	\$2,200

Benefits are adjusted according to family size and are reduced at varying rates as income rises.

* Under the discretion of the Secretary of Labor, waive the "lower tier" benefit requirements for the 8 week jobs search period. This was added so that in those areas where unemployment is so high as to make it virtually impossible for a job to be found or created within 8 weeks, the recipient would not be "penalized" with the lower benefits for circumstances beyond his or her control.

* Provide fiscal relief to states at slightly higher levels than the bill as introduced -- particularly for those states which now supplement above the official poverty line.

* Provide a work requirement such that one adult (the principal wage-earner) in a two-parent family or the head-of-household in a single parent family (with all children 7 or older) report for job placement or training under CETA. Refusal to report or to accept a suitable job or training would result in lower cash benefits for the family. The Subcommittee amended the work requirement in HR 9030 as introduced to provide that enrollment in a training program that met standards established by the Secretary of Labor would satisfy the work requirement and to provide that an individual required to work may refuse a private sector job offer if it does not provide equal pay for equal work, determined on an establishment-by-establishment basis.

* Provide that states have the option of administering all aspects of the new cash assistance program. (HR 9030 as introduced would have allowed the states the option of only the intake and eligibility determination functions -- keeping basic federal administration.)

* Rather than creating a new jobs title in CETA as provided in HR 9030 as introduced, the Subcommittee bill would add funds to current CETA titles for the economically disadvantaged. Thus, jobs and training would be created within the existing CETA framework. The bill limits eligibility to those primary wage earners in families with children receiving or eligible for cash assistance. (HR 9030 as introduced provided jobs and training for principal wage earners in a family regardless of need. However, because the jobs were to be minimum wage, it was not anticipated that those (in better paying jobs) would apply.) The PSE jobs in the subcommittee bill would be entry-level positions, for a period of 18 months within a 5 year period, and would pay at least the minimum wage. Wages would be allowed to be adjusted upward according to variations in the local labor market up to maximum of \$10,500. Only 15% of any caseload may be paid at the maximum level. Rather than a guarantee of a job or training to an individual, the Subcommittee bill is an entitlement for reimbursement for the prime sponsor when placement is achieved. If a job for a specific individual cannot be created, the individual will be eligible for cash assistance. Under the bill, the Subcommittee estimates that approximately 1.1 million jobs will be created.

* Provide that recipients required to work be reimbursed for reasonable job search expenses, including transportation and day care during the job search period. In addition to the day care deduction (\$150 per child; \$300 maximum) allowed in the cash assistance determination, day care services must be provided out of program administration funds to those who are required to work and are in need of such services in order to keep a job.

* Provide a new title to the bill to be called "Preschool Education Programs." The new title authorizes \$126,666 per year for three years to provide for ten preschool education pilot projects, for "the purpose of assisting parents in developing the basic educational needs of their children with special emphasis on developing the ability to read, write and speak effectively." The pilots would be administered by elementary public schools and would draw on volunteer labor of college students.

League position on the Subcommittee bill:

Throughout the markup, the League lobbied for those principles and amendments listed in the Dec. R/H and in the November testimony. The League has seen success on:

- * Universal coverage
- * federalization of the program, establishing federal minimum benefit levels
- * uniform eligibility standards
- * cost-of-living indexing
- * increased incentive for state supplementation
- * reduction of the onerous six month retrospective accountable period
- * increased day care services and day care reimbursement for the job search
- * elimination, at the discretion of the Secretary of Labor, of the "lower tier" payment during the job search. The elimination of the "lower tier" was quite a battle in committee -- three different votes were taken on that amendment before agreement was reached to drop the lower tier. (The January R/H went to press before the final vote. The final vote was agreed to only after the strong insistence of the League and other organizations.
- * An amendment offered by Rep. Martha Keys (D KS) to provide job counseling and placement for women in non-traditional fields (i.e. not traditional "women's work" jobs).

The League was not successful in our efforts to have the benefits raised to the poverty line or in efforts to retain food stamps as a way to raise the total benefit level. We also failed to get an amendment that would allow the family to designate the principal wage earner.

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The Ullman Welfare Reform Bill, HR 10711

Al Ullman (D OR), chairman of the House Ways and Means Committee and a member of the Special Subcommittee on Welfare Reform, has proposed his own approach to welfare reform. Basically an incrementalist approach, the Ullman bill would retain AFDC, food stamps and SSI and would provide public service training and jobs through WIN(Work Incentives program) of the Social Security Act. Ullman estimates his proposal will cost approximately \$9 billion over current levels.

Chairman Ullman introduced HR 10711 on February 2. On February 3 the Special Subcommittee narrowly rejected the bill (13-16) and voted to report the Administration's HR 9030. The League and other organizations joined in an effort to defeat HR 10711 in the Subcommittee. Ullman has now made known his intentions to push his bill in the full Ways and Means Committee.

Summary of HR 10711:

- * **Earned Income Tax Credit.** Ullman would increase EITC for those with earnings below the poverty line; would make EITC available for AFDC mothers with earnings regardless of the amount of AFDC received; would not make it available for those on public service employment.
- * **Food Stamps.** Ullman would keep the food stamp program but make significant changes in its rules. HR 10711 would lower benefit reduction rates for those with earnings below \$7,500 but raise the rate for those earning over \$7,500; repeal the shelter deduction; repeal the deduction for work expenses; make child care deduction of \$100 per month per child, \$300 maximum; allow a standard deduction of \$30 per month; and institute a minimum benefit of \$10 per month for all household sizes.
- * **SSI.** Food stamps would be cashed out for those on SSI, to be replaced by a one-time increase in benefits of \$15 per month for singles, \$30 per month for couples.
- * **AFDC for single-parent families with children.** The plan would institute a national minimum benefit of \$4,200 for a family of four. However, the benefit would be a combination of cash plus food stamps. Cash benefits would not vary according to family size, food stamps would. Food stamps would therefore comprise between 1/3 to 1/2 of the total benefit package. The plan would adopt the same income definitions, accounting periods (one month retrospective), work requirements, reporting requirements and assets rules as food stamps as amended by this proposal and would share a common application form with foodstamps. States would administer AFDC, with redetermination of eligibility required every four months. Over time, benefits would be moved toward a Federally-mandated percentage of one third of state median family income.
- * **AFDC-UF(unemployed fathers, i.e. two-parent families).** Ullman would expand to all states the AFDC-UF program for intact families with children. Eligibility would be for families with incomes less than \$350 per month. Aid would be available to any family for a minimum of 17 weeks per year entirely at Federal expense. If, at the end of 17 weeks, a PSE job is not available, the state must extend aid for another 35 weeks at state expense. (It is not clear if families can "recycle"

if no work is found after the initial 52 week(17+35) period). Benefits for families with no income would be \$200/mo. (regardless of family size) with a benefit reduction rate of 60%. States are allowed to supplement this up to \$150/mo. States would administer.

* Employment Proposals. Ullman would expand the PSE component of WIN. WIN would then contract with CETA prime sponsors to provide approximately 500,000 jobs. States would have primary responsibility and control of administration. Jobs would be available to families with children only. Families must have been on AFDC at least 16 weeks and priority would be given to two-parent families. Jobs would be minimum wage entry level positions. Wages for training would be \$30 per month plus AFDC and food stamps. There would be tax incentives to private employers for hiring WIN registrants and a bonus of \$200 to the employment service for placing those individuals.

* Fiscal Relief. The Ullman plan provides less than half the fiscal relief as the Subcommittee bill. However, state contributions to benefits costs would be fixed at 85% of 1977 costs. Thus if the economic situation worsened the federal government would provide the increased monies necessary. If the situation remained the same or lessened, state costs would not go down unless total caseload expenditures were less than 85% of expenditures for 1977.

League position on HR 10711:

The League does not believe that the Ullman proposal provides meaningful welfare reform. League objections to the bill are:

* With the proposed mix of cash and food stamps at a total level of \$4,200 for a family of four, cash benefits will be too low a proportion of the benefit package. When benefit levels are this low, to provide from 1/3 to 1/2 of the benefits in food stamps presents horrendous budgetary problems for recipients. Such a forced spending on food is nothing less than insulting to welfare recipients.

* Cash benefits are not adjusted to family size. Even though food stamp benefits are adjusted, families in higher benefit states with more than three children will see a decrease in total benefits.

* All single individuals and childless couples not eligible for SSI are excluded from cash assistance coverage.

* With the proposed changes in food stamps determination, recipients in high shelter cost states and recipients with high work expenses will see a decrease in benefits.

* The jobs proposal part of HR 10711 is clearly inadequate. First, it relies on the WIN program, a program that has had an abysmal record of training and placement, to contract with CETA prime sponsors, thus adding an unnecessary administrative layer to job creation. It would create approximately 500,000 jobs or less than 1/2 the jobs called for by the Subcommittee bill. Families must have been on the expanded AFDC for 16 weeks before being eligible for a PSE job and preference will be to two-parent families. This requirement, taken together with the smaller number of jobs created, means that opportunities for single heads of households - women - to get off welfare will be significantly lower than those provided by the Subcommittee bill. In addition, there is no principle of equal

HR 10711, page three

pay for equal work in the Ullman plan. Recipients will be forced to accept jobs paying only the minimum wage even though other employees in the establishment receive higher wages for similar work. Failure to accept the job will result in a loss of all benefits to the family. (The Subcommittee bill would provide a reduced benefit for the dependents in the case of job refusal.) Thus the jobs provided under Ullman are less likely to lead to meaningful jobs in the private sector than those provided under the Subcommittee bill.

* There is less than half the fiscal relief to states and counties under Ullman as there is in the Subcommittee bill.

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Senate Finance Committee Welfare Reform, HR 7200

While attention has been diverted to the President's Comprehensive Welfare reform plan, the Senate Finance Committee has been making drastic and detrimental changes in existing welfare programs. Using a House-passed AFDC and child welfare bill, the Senate Finance Committee has attached a series of harmful welfare amendments. As Leagues know, Senator Russell Long (D.La), Chairman of the committee, has been pushing these amendments since the middle of last summer.

Of greatest concern to the League are the earned income disregard provision, the community work and training workfare provision, the demonstration workfare project, the vendor payments provision and amendments to provide fiscal incentives for quality control (See R/H's for August, October, and December 1977 and January 1978 for previous discussion section on these issues).

In an effort to get his amendment considered by the full Senate, Senator Long attached some of the amendments to other legislation pending in the Senate. While the League and other organizations fought these amendments on the floor and in various conference committees with some success, the battle is about to begin again. HR 7200 with all the amendments (even the ones acted on on other bills) will be before the Senate sometime after debate on the Panama Canal is concluded.

League opposed provisions in HR 7200:

* **Earned Income Disregard.** In computing the amount of income assistance a family is to receive, the net earned income is calculated -- excluding payroll deductions, child care expenses, transportation expenses and union dues. Under the present formula, the first \$30 and 1/3 of any additional income is not counted, it is disregarded.

The Finance Committee bill would drastically reduce these deductions for both applicants and recipients. It would substitute this formula with a \$60 standard deduction and one itemized deduction for child care. One third of the remaining income to \$300 and 1/5 of any income left is then disregarded. The Congressional Budget office estimates that this would reduce expenditures for AFDC by \$230 million in the first full year of implementation. In many cases the families affected would be completely denied aid or lose current eligibility by reason of the changes. At the very least, the changes would be a severe disincentive for work -- penalizing the recipient who works.

* **The Community Work and Training Workfare Provision.** This proposal would enable states to require AFDC recipients to work off their welfare check. If they refuse, their payment will be substantially reduced. Under these programs, a recipient would not receive a salary for work, but would work as a condition of receiving AFDC. The programs would be administered through state welfare agencies. No training or skills development would be available.

The administration and the LHMUS oppose this program. In a letter to Senator William Hathaway (D.Me), HEM Secretary Joseph Califano stated that this program "which operated from 1962-68, which the Congress rejected as unworkable and which failed to put any significant number of people to work, should not be adopted."

The LIVUS opposes the amendment additionally because it is exploitative. Recipients would not be eligible for the protections and rights of regular employees, such as pension benefits, insurance, seniority, fringe benefits, collective bargaining, social security credits, and job standards. Moreover, we are concerned that the Senate Finance Committee's estimate of a nearly \$20 million saving under this program must be the result of expected reductions in welfare payments resulting from payment reductions of those recipients who refuse to participate in this workfare program.

* **Demonstration Workfare Projects.** Under current law, a state may operate an experimental AFDC project if the Secretary of HEM grants explicit approval on the basis that such a project would be beneficial to achieving the objectives of the AFDC program. The Governor of Massachusetts recently applied to HEM under this provision to establish a workfare project in Massachusetts.

Under the Finance Committee bill, states would be given almost unlimited discretion in the establishment of up to three projects, one of which could be state-wide in scope, thus in effect circumventing AFDC recipient protections on a state-wide basis. The state could proceed with the project without HEM authorization 45 days after submission of its project plan to HEM if in that period HEM did not disapprove the plan.

The effect of this amendment would be that states would be free to implement any type of program under the guise of experimentation and with federal monies. The 45-day disapproval period is clearly inadequate for HEM to keep any level of control.

* **Vendor Payments.** Currently, AFDC payments are made in the form of money payments paid directly to the recipients. The only exceptions in the law to this rule are in cases where there is proven mismanagement of the funds by the recipient. In these limited cases, not to exceed 10% of the local caseload, benefits may be made to protective payees or to vendors of goods and services -- usually landlords and utility companies.

The Finance bill would authorize an increase to 20% of the caseload allowed for these vendor payments. It would further allow states to make payments direct to the vendor in any case in which the recipients "requested" that payments be made in this manner. No provision is made in the bill to ensure the "voluntary" nature of such requests.

The League, through its monitoring of AFDC, fully understands how the "voluntary" nature of these requests could become quite involuntary. The threat of harassment to the AFDC recipient is unusually severe in this amendment and is therefore vigorously opposed by the League.

* **Amendments to Provide Fiscal Incentives for Quality Control.** The first amendment would provide increased federal matching monies to states which reduce their overpayment error rates. No increased monies would be provided to reduce underpayment errors or incorrect denials or terminations. Clearly, the incentive is designed to save money to the government, not to provide efficient disbursement of benefits according to recipient's needs and rights.

The second amendment in this category involves criteria for developing a quality control system. Under current law, HEM requires states to establish quality control systems which review both active cases (cases in which payment was made) and negative cases (cases in which aid was denied or terminated during the month) in order to establish corrective action plans to reduce error rates in both categories.

Again, the Finance Committee amendment focuses only on overpayment active cases. Although states would be still required to review both active and negative cases, corrective action plans would be required only for active case errors. The League opposition to this amendment parallels that of the above amendment.



LEAGUE OF WOMEN VOTERS OF MINNESOTA

555 WABASHA • ST. PAUL, MINNESOTA 55102 • TELEPHONE (612) 224-5445

February 27, 1978

The Honorable Wendell Anderson
304 Russell Office Building
Washington, D.C. 20510

Dear Senator Anderson:

The League of Women Voters of Minnesota supports fair employment procedures and enforcement mechanisms to bring Congress into line with federal government and private sector employment practices and protections. In order to achieve this, we strongly support the draft resolution of compliance procedures for Rule 50 of the Senate Code of Official Conduct.

Studies by the Capitol Hill Women's Political Caucus in 1974 and 1977 found that while there was a threefold increase in women professionals, the median salary for female professional congressional staff remained 25% lower than that of males at the same level. The number of black professionals was 17 compared with hundreds of job slots.

Adoption of Rule 50 was a positive move to correct such inequities. We support the draft resolution which includes: the formulation of complaint procedures and creation of an independent commission to establish guidelines and enforcement procedures and study Senate employment.

Sincerely,

Helene Borg, President
League of Women Voters of Minnesota

Same letter to Senator Humphrey

B:M



TESTIMONY BEFORE THE SUBCOMMITTEE ON PUBLIC ASSISTANCE
OF THE SENATE FINANCE COMMITTEE

APR 27 1978

ON

S 2084, BETTER JOBS AND INCOME ACT

BY

RUTH C. CLUSEN

PRESIDENT, LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

APRIL 26, 1978

I am Ruth Clusen, President of the League of Women Voters of the United States. The League of Women Voters is pleased to have this opportunity to present our views on S 2084, the President's "Better Jobs and Income Act." The League is a volunteer citizen education and political organization of 1,400 Leagues with approximately 137,000 members in 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Welfare reform has been a major concern of the League since 1970, when the organization undertook a study of alternatives to welfare as a means of combating poverty and discrimination. As a result of the study, the League agreed to support a system of federalized income assistance and lobbied extensively for welfare reform in 1971 and 1972.

We were hopeful when President Carter designated comprehensive welfare reform as a major priority of his administration early last year. The League took that commitment very seriously and we were hopeful because we know the present system is in sad shape. In fact it is no system at all, but rather a scrambled mess of government programs which fail in many cases to serve those in need and thus those who foot the bill. We also were hopeful because we know, from experience, that

without strong leadership from the White House and Congress, we would not be able to achieve comprehensive reform. The President's designation, we felt, promised such leadership.

The House Ad Hoc Committee on Welfare Reform has shown leadership. It worked under a good deal of time pressure to report a bill by early February, making what we regard as significant improvements in the Administration bill as introduced.

It is now late April and the momentum for comprehensive reform has come to a halt. For the past year the Senate has been distracted by proposals (contained in HR 7200) to make piecemeal, and on the whole damaging, changes in existing income assistance programs. In the House full committees, welfare reform is taking a back seat to other legislation and no markup dates have been scheduled thus far.

And now it sounds as if the Administration may be giving up before the fight and moving toward an incremental approach. We fail to see how the Administration's comprehensive welfare reform bill can be reconciled with the incremental bills that have thus far been introduced without sacrificing equity, adequacy and uniformity.

Welfare advocates, the League included, have heard the threat that if we hold out for "utopia" we will sacrifice what small gains may be achievable. Perhaps this is the reality. But there is also the reality that, given some of the provisions put forward thus far, the incremental route could leave recipients the same if not worse off than they are under current programs.

We certainly do not intend to sit idly by while incremental bills are whittled down until only fiscal relief and a small degree of administrative reform remain. It is people and the quality of their lives that are important. The debilitating effects of our current welfare system can be felt throughout society. Recent increases in program costs -- exacerbated by high rates of unemployment -- have severely taxed government budgets at all levels. Unrealistic benefit and eligibility requirements plus the inequitable treatment of single versus two-parent families have encouraged family breakup. And the complexity and lack of coordination among existing programs have frustrated bureaucrats and recipients alike.

But the most critical effects of the current system's failings have been on those whom these programs were designed to serve. Inadequate benefit levels and the lack of realistic work opportunities condemn too many Americans to the crippling welfare cycle.

While near unanimity exists as to the failings of the current system and the need for change, welfare reform means different things to different people. To the League, the most critical test of any welfare reform proposal will be the degree to which it provides adequately for the needs of the poor. All those in need must be eligible for assistance, and benefit levels must be sufficient to provide decent, adequate food, clothing and shelter. It is in this light that we look at S 2084 today.

We recognize that any welfare reform proposal that provides adequate levels of support for all needy people will be expensive. But we believe that providing adequately for all Americans will be less costly in the long run, since poverty is a major cause of so many social problems. Moreover, a country

as rich as ours can no longer tolerate a system that allows 26 million people, including 11 million children, to live in poverty.

We all must also recognize that welfare is increasingly a women's program and women's problem. In 1975, females headed one household of every eight, but nearly half of all poor families were headed by women. And while only six percent of households headed by men lived below the poverty level in 1975, nearly one-third of families headed by women had incomes below the poverty line. I need not tell you the AFDC program's clientele are primarily women with children, but I will call your attention to the fact that 58 percent of food stamp households are headed by women. If welfare rolls are to be decreased, special attention must be given to the problems women who want to work face in our society. Day care must be provided for the children of all low income parents who want to work. In addition, vocational education and job training programs must be free of sex discrimination and must encourage women to pursue higher paying nontraditional jobs. Equal employment statutes must be enforced. Job creation programs should provide part-time jobs to enable women to care for their children and work as well. It is with these criteria in mind, too, that we look at S 2084 today.

S 2084 -- BETTER JOBS AND INCOME ACT

The League recognizes the very close interaction between employment policies and welfare programs. Not only does high unemployment spell high costs for welfare, but more jobs are, in the end, the only alternative to welfare.

A policy of full employment is the best insurance against uncontrollable welfare rolls. While the President's plan to reform welfare falls short of

embodying a full employment policy, we view it as a significant step toward guaranteeing every American able and willing to work a job at a living wage.

We applaud the expanded job opportunities found under Title II of the bill. The fact that this plan does address the problems of the working poor is certainly to be commended. We are pleased to see the inclusion of part-time job slots for single-parent families with child care responsibilities. The League lobbied hard throughout the spring and summer to get day care into the plan and while the inclusion of a day care deduction for single-parent families is certainly a step in the right direction, this deduction does not answer enough day care needs. I will address this later.

The League fully supports the extension of cash assistance under Title I to two-parent families for we share the Administration's concern that the present welfare system contains incentives for family break up.

We believe one of the most significant features of the plan, a policy that the League has advocated for many years, is the introduction of a federal basic benefit level. We support federalization of welfare, and are thus pleased to see this plan take us a step further towards that goal. The fiscal relief to states and localities in S 2084 will also help to relieve the burdens of state and local governments of what is, after all, a federal responsibility.

The League finds much in S 2084 which is commendable. But we do not believe the plan goes quite far enough to rectify the shortcomings of our welfare system. It is these points that we wish to address in the remainder of our testimony.

Cash Assistance Component

Poverty line

The cash assistance level for all groups should gradually be raised to at least the poverty line. While we recognize that the poverty line itself is too low to provide an adequate income, raising cash assistance payments to this level is a first step in meeting the needs of poor Americans. We strongly support inclusion of language in S 2084 that would provide for incremental increases in cash assistance benefits until they reach the poverty line.

Cost-of-living

We support inclusion of language providing an automatic cost-of-living increase for cash assistance benefits. The current food stamp program and the Supplemental Security Income program both contain an automatic cost-of-living provision. To omit cost-of-living adjustments, as does S 2084 is a step backward for millions of poor Americans, who, as you know, are the hardest hit by inflation.

Food Stamps

We advocate retention of the food stamp program as a means to supplement benefits until federal benefit levels are adequate.

Day Care

As I mentioned earlier, the League lobbied hard for inclusion of day care in the Administration's welfare plan. We were pleased that the final Carter proposal contained a day care deduction for single parents of \$150 a month for one child and \$300 for two or more children. While this provision is essential to encourage women with young children to work, it does not go far enough.

First, the day care deduction must be expanded to include two-parent families. Currently, the food stamp program and AFDC permit two-parent families receiving benefits to deduct child care expenses. Because so many families require two incomes to maintain a decent standard of living, the day care deduction must be available to these families to offset some of the additional expenses of the two parent working family.

Second, S 2084 fails to address the other side of the day care coin -- the supply issue. The day care deduction means little in those areas of the country where day care is not available -- either center care or baby sitters. In 1975, almost 6.5 million children under six had working mothers. In the same year, according to a survey commissioned by HEW's Office of Child Development, only about three million children were in licensed day care centers, nursery schools or licensed family day care homes. This left over 3.5 million children in unlicensed centers or homes, cared for by relatives or, in too many cases, left to fend for themselves while parents were at work. And, of course, we have no figures on the number of parents unable to accept work because day care is not available. Adequate, high quality day care must be made available for these children and their parents.

The Administration's plan to channel Public Service Employment workers into day care centers is not sufficient to meet day care needs. We strongly urge that additional funds be made available, either by increasing amounts earmarked for day care under Title XX or by authorizing funds under S 2084, to expand the supply of licensed day care slots to meet the needs of all parents with preschool children participating in either the cash or jobs program who want to work.

Accountable period

One of the most controversial provisions of S 2084 is the provision which would base eligibility for cash assistance payments on income earned over the previous six months. This "six month retrospective accountable period" is a drastic departure from the current AFDC and SSI programs, which base eligibility and benefits on current and prospective income needs.

HEW estimates that the six month provision would reduce benefits to recipients by between \$1.5 and \$2.5 billion compared to a current needs test under the Carter proposal. The League, however, cannot support a savings that would hurt many prospective recipients. The League would support a reasonable compromise between retrospective and prospective accounting such as the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

Under S 2084, a family of four with an income over \$8,400 annually would be ineligible for assistance from one to six months after applying for benefits. But delays would be even longer considering that under the retrospective system benefits based on a given month's income will not be processed and in the hands of recipients for up to 45 days according to HEW estimates.

The Administration seems to expect that families with an income over \$8,400 would be able to save for adversity. We find this expectation unrealistic when studies show and our own experience indicates that families are not able to save until their income approaches \$20,000. Furthermore, if a low- or moderate-income family were able to save funds to tide them over in an emergency, they would be ineligible for assistance if their savings exceeded the assets limit

contained in S 2084.

The Administration argues that the emergency assistance program contained in S 2084 could be used by states to provide benefits in emergency situations for families who were ineligible for benefits due to the six-month retrospective accountable period. The League does not believe that the harmful effects of the six-month retrospective accountable period will be remedied by this emergency assistance fund. In the first place, the money will be distributed to the states as a block grant. There is no assurance that states will choose to spend part of their allocation to provide for families who are without income due to the six-month retrospective accountable period. Second, we question the adequacy of the total \$620 million authorization. Comprehensive data on the total expenditures for emergency needs is not collected, but available statistics indicate that much more than \$620 million is currently spent by all levels of government.

Again, we would support an accountable period similar to the one contained in the recently passed food stamp bill, which averages income received in the previous month with income anticipated in the coming month to determine eligibility and benefit levels.

State Supplementation/Fiscal Relief

The League has always insisted that any welfare reform plan must assure that current recipients receive benefits equal to or greater than what they currently receive. Thirty-eight states and the District of Columbia currently provide combined AFDC and food stamp benefits that exceed the \$4,200 level for a family of four contained in the Carter proposal. If these states do not continue to supplement to current levels, large numbers of recipients will

receive lower benefits under S 2084 than they now receive.

It is impossible to predict precisely the amount of supplementation in each state, since this decision rests ultimately with state legislatures and will depend in large part on the state of the economy and of state budgets when the supplementation question is under consideration. But preliminary information from the states seems to indicate that while high benefit states by and large intend to maintain benefits to current levels, at least during the first years of operation, the same assumption cannot be made for midrange states. Moreover, even high benefit states may decide to cut back supplementation in the event of an economic downturn, since state costs will increase dramatically as more people revert to the cash assistance program.

We favor increased incentives for state supplementation and an increase in the number of public service jobs, if required, both to provide additional fiscal relief to states and to encourage more adequate cash assistance benefit levels. We also urge the committee to consider creating more public service jobs and expanding eligibility for these jobs as a means both of protecting states from additional costs and providing more adequately for recipients.

Grandmothering

We believe that the provisions in S 2084 that would reimburse states for "grandmothering" AFDC must be strengthened. Under S 2084, a state is reimbursed for 100 percent of the cost of "grandmothering" current SSI recipients. Only 75 percent of the cost of "grandmothering" current AFDC recipients will be picked up by the federal government, and this will happen only if the state

spends over 90 percent of 1977 assistance expenditures in the first year of operation of the new program. The League believes states should be required to hold current AFDC and SSI recipients harmless, and that they should be reimbursed by the federal government for 100 percent of these costs.

Jobs Component

The League has been a longtime advocate of expanded employment opportunities as the best alternative to welfare. We were therefore pleased with the emphasis on job counseling and referral and direct job creation embodied in S 2084. We believe the intent of the jobs portion of the plan is, for the most part, commendable. However, intent is not enough. Specific language to assure the intent is put into effect is necessary.

Number of Jobs

It is our view that the current Administration proposal does not go far enough in providing employment opportunities for all low income people who could benefit from them. It seems to us that the 1.4 million public service jobs to be created are not sufficient to provide a job for every eligible individual who wants to work. The Department of Labor's estimate of the number of PSE jobs required is based on the assumption that unemployment will be down to 5.6 percent by 1981. If unemployment is higher, 1.4 million PSE jobs will clearly be inadequate.

A last minute addition to the jobs component was the inclusion of 300,000 part-time job slots out of the 1.4 million jobs figure. These slots were added to provide employment opportunity for single heads-of-households -- read "women" -- with children between the ages of 7 - 14 years. We question whether these 300,000 part-time positions will be created, since S 2084 does not

require that a specific percentage of PSE jobs created be part-time slots. We doubt that the figure of 300,000 part-time job slots will cover the pool of eligible people, which includes those who want to volunteer as well as those who are required to work. The League urges that you include language which will assure an adequate number of part-time jobs.

The assumption that PSE participants will stay in a public service job for an average of only 26 weeks is optimistic to say the least. The Labor Department is counting on private sector employment opportunities to encourage PSE participants to move out of public service employment rapidly. But, if private employment opportunities are limited -- and I would point out that nothing in the plan would stimulate private sector job creation -- PSE participants will remain in publicly funded jobs for longer periods, leaving others eligible for PSE jobs without work and forced to live on the lower cash assistance benefit.

Given the program's commitment to expanding job opportunities for the poor, we believe that the Administration should move toward making public service jobs an entitlement to all who are eligible, just as cash assistance is an entitlement to all those eligible.

Principal Wage Earner

The Carter Administration "better jobs and income" proposal currently limits eligibility for a public service job to the "principal wage earner" in two parent families with children. The principal wage earner is defined as the person who earned the most in the last six months or, alternatively, worked the most hours. This provision creates a ready-made bias toward men over

women in two-parent families in the allocation of PSE jobs. In fact, the Department of Labor's own estimates project that only 14 percent of PSE participants from two parent families will be women.

The League of Women Voters strongly believes that the decision concerning which family member should take a public service job is a decision best left up to each family. The allocation of training and employment opportunities should not be based on an outmoded conception of who the family breadwinner should be, but on the needs of the individual family and their decision of who best could profit from the job experience.

Job Search

The League is opposed to the provision in the jobs program that stipulates that all families with a member who is expected to work will receive a reduced benefit during the initial eight week job search. The lower tier benefit for the "expected to work" category is \$2,300 a year for a family of four, or \$44 a week. An annual five week job search at the reduced benefit will be required of all individuals who remain in a PSE job for one year.

The Administration argues that this period of reduced assistance is necessary to provide "an incentive to seek and accept employment." We would point out that the lower benefit during the eight week job search creates an incentive for family breakup, since a family with a member who is expected to work must wait eight weeks before they are eligible for the upper tier cash assistance benefit. If the father deserted however, his family would immediately become eligible for the higher benefit as long as a child under seven was present.

Numerous work incentives -- including the \$3,800 income disregard, the low benefit reduction rate, the wage supplement and the earned income tax credit -- already exist in S 2084 which make work more financially rewarding than not working. We strongly believe that these financial incentives are sufficient to ensure that poor individuals will in fact seek and accept jobs. HEW Secretary Joseph Califano has stated many times that the poor want desperately to work. Numerous studies support this assertion. The eight week "job search" payment, however, does not.

Denying adequate benefits for the initial eight week "job search" is unnecessary as well as inhumane. The upper tier benefit (\$4,200 for a family of four) should be available to families with a member who is expected to work until a job -- in either the public or private sector -- is provided.

Sex Discrimination

Prime sponsors administering the public service jobs program under Title II of S 2084 would be required to comply with prohibitions against discrimination on the basis of race, creed, color, national origin, sex, age, political affiliation or beliefs that are contained in the current Comprehensive Employment and Training Act.

An examination of participation rates in Title II and Title VI of CETA suggest that existing prohibitions against sex discrimination are not sufficient to assure the equitable allocation of jobs. In 1975, 65.8 percent of participants under Title II were men, while only 34.2 percent were women. Under Title VI, the proportions were even more skewed -- 70.2 percent of Title VI participants were males, while only 29.8 percent were females.

We believe that more needs to be done to assure equitable treatment of all categories of the unemployed, both under existing CETA programs, and under the Title IX to be created by S 2084. First, prime sponsors should be required to develop, submit and carry out affirmative action plans. Prime sponsors should be required to show not only how they plan to serve the various target populations, but also how they plan to ensure that women are given the opportunity to participate in training and job placement on an equal footing with men. As the WIN experience shows, too often women are channeled into low paying traditional "women's work" instead of higher paying non-traditional fields.

Finally, the Department of Labor should rigorously enforce anti-discrimination provisions, and make clear to prime sponsors that funds will be cut off for persistent failure to plan and carry out effective affirmative action plans.

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We urge the Public Assistance Subcommittee of the Senate Finance Committee to seriously consider S 2084, the Administration's welfare reform bill, to make the necessary improvements and to report out a comprehensive welfare reform bill that will begin to provide for the needs of the nation's poor in an adequate and equitable manner. To do less is to sacrifice what may well be the last opportunity to achieve meaningful, comprehensive welfare reform for many years to come.

J.K. 3
P.B.
H.B.

United States Senate

WASHINGTON, D.C. 20510

MAR 23 1979

March 19, 1979

Ruth Armstrong, Director
League of Women Voters of Minnesota
555 Wabasha Street
St. Paul, Minnesota 55102

Dear Ruth:

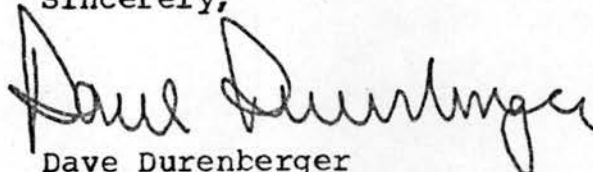
Let me share with you the enclosed response received from John S. Irving, General Counsel of the National Labor Relations Board in reply to my inquiry on your behalf concerning the strike at the Citizens National Bank of Willmar.

I am certain that you are as pleased as I am to know that Judge Gadsden anticipates that a decision in this matter will be issued within the very near future.

Should there be anything further that I can do to assist you, I trust that you will not hesitate to contact me again.

With every best wish, I am,

Sincerely,



Dave Durenberger
United States Senator

DD/rfk
Enclosure



NATIONAL LABOR RELATIONS BOARD

OFFICE OF THE GENERAL COUNSEL

Washington, D.C. 20570

FEB 22 1979

Honorable Dave Durenburger
United States Senate
Washington, D.C. 20510

Re: Citizens National Bank of Willmar
Case 18-CA-5641-1

Dear Senator Durenburger:

This will supplement my letter of January 26, 1979, in which I informed you that I would inquire into the matters raised by correspondence you received from Ms. Ruth Armstrong, Director, League of Women Voters of Minnesota, concerning the captioned case. Ms. Armstrong, in her letter, indicates that on December 16, 1977 the employees of Citizens National Bank of Willmar commenced a strike which is still in progress "based on sex discrimination in employment practices. . ." and that, although the National Labor Relations Board conducted a hearing in Willmar on this matter during the spring of 1978, no decision on the case has issued. I have now received the following information concerning this matter.

On December 15, 1977, the Willmar Bank Employees Association filed charges alleging that Citizens National Bank had violated Section 8(a)(3) and (5) of the National Labor Relations Act. One of the allegations contained in the charge was that the Bank had breached its obligation to bargain by refusing to incorporate the following provision in a collective-bargaining contract:

There shall be no discrimination in the employment or administration of employees by the employer or the Union because of race, creed, color, religion, sex, national origin or Union membership.

After conducting an investigation concerning all the allegations in the charge, the Minneapolis Regional Office, on January 12, 1978, determined that the Employer had not breached its bargaining obligation concerning the above contract provision the Union was seeking. In this regard, the investigation

revealed that the Employer was willing to bargain with the Union concerning this contract provision. The Employer took the position that it would not include such a provision in the contract if the matter was subject to arbitration because it did not want to be in the position of having to defend allegations of union, sex or race discrimination in multiple forums. In these circumstances, the Regional Office concluded that the Bank had not refused to bargain concerning this issue. On January 18, 1978, the Regional Office dismissed this portion of the charge and the Charging Party did not appeal that dismissal to our Office of Appeals in Washington.

Concerning the remainder of the charge, the Regional Office, on January 12, 1978, determined the evidence was sufficient to support the allegations that the Employer had violated Section 8(a)(3) of the Act by refusing to invite union supporters to an annual employee picnic and Section 8(a)(5) by unilaterally instituting a new employment policy which altered the work schedule of employees and required them to work additional hours each month. Unable to settle the matter, the Regional Office issued a complaint on February 2, 1978 containing these allegations and setting the matter to be heard by an Administrative Law Judge on March 21, 1978. The complaint also alleged that the employees struck on December 16, 1977 to protest the Employer's alleged unfair labor practices as noted above. On March 8, 1978, the complaint was amended to allege the Employer violated Section 8(a)(1) of the Act by advising unfair labor practice strikers that they had been permanently replaced.

On March 20, 1978, the trial was rescheduled from March 21 to April 18, 1978 because of the illness of Board attorney assigned to try the case. As the Employer's attorney was not available on April 18, the matter was postponed until May 4, 1978, at which time the trial opened before Administrative Law Judge Elbert D. Gadsden. The hearing was concluded on May 6, and the parties submitted briefs to the Administrative Law Judge in mid-August. The case is currently pending before Administrative Law Judge Gadsden for issuance of decision.

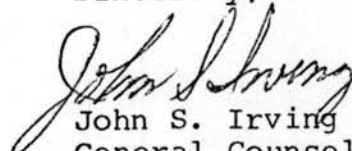
With respect to the delay in the issuance of this decision, Ms. Armstrong should be made aware, as I am sure you are aware, that this Agency is currently experiencing a serious crisis with regard to the timely issuance of decisions by Administrative Law Judges. This crisis has been brought about by (1) an expansion of the unfair labor practice cases docketed for trial

and (2) the inability to recruit a sufficient number of Administrative Law Judges to process these cases. Within recent years, the unfair labor practice cases docketed for trial in the Board's Division of Administrative Law Judges have increased to such extent that by the beginning of the current fiscal year on October 1, 1978, the docket consisted of 1,793 cases. By contrast, only 450 cases were docketed at the beginning of the 1975 fiscal year in July 1974. The staff of 95 Administrative Law Judges during this period increased by less than 10 percent. Of necessity, the Administrative Law Judges have been conducting trials on an increased frequency to avoid stretching the trial calendar to even more unacceptable lengths. This significant increase in frequency of Administrative Law Judges conducting trials has resulted in a substantial delay in decision writing and issuance. Despite the highest level of productivity in the past 3 years ever accomplished by the Board's Judges in number of trials closed, decisions issued, and settlements obtained at trial, the trial docket continues to increase and many of the Judges are backlogged with records in eight or more cases awaiting issuance of decision. In order to further increase productivity and alleviate the critical situation, the Board recently announced its intention to decentralize a portion of the Division of Administrative Law Judges by opening an office in New York City. Further, the Board is reviewing the qualifications of Administrative Law Judges who are currently with other government agencies for possible transfer to the Board.

In view of this serious crisis, an unduly delayed decision from time to time may be anticipated. With regard to the captioned case, a check with the Division of Administrative Law Judges discloses that Judge Gadsden is presently occupied with preparing a decision in that case. I cannot, of course, provide you with an exact date of issuance of his decision. The Division of Judges advises, however, that Judge Gadsden anticipates that a decision in this matter will issue within the very near future.

I trust the foregoing is responsive to your inquiry. If I can be of further assistance to you in this or any other matter, please do not hesitate to contact me.

Sincerely,


John S. Irving
General Counsel