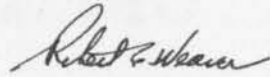


BETTER LIVING IN GREAT CITIES

Excerpts from an address by
HONORABLE HUBERT H. HUMPHREY
Vice President of the United States



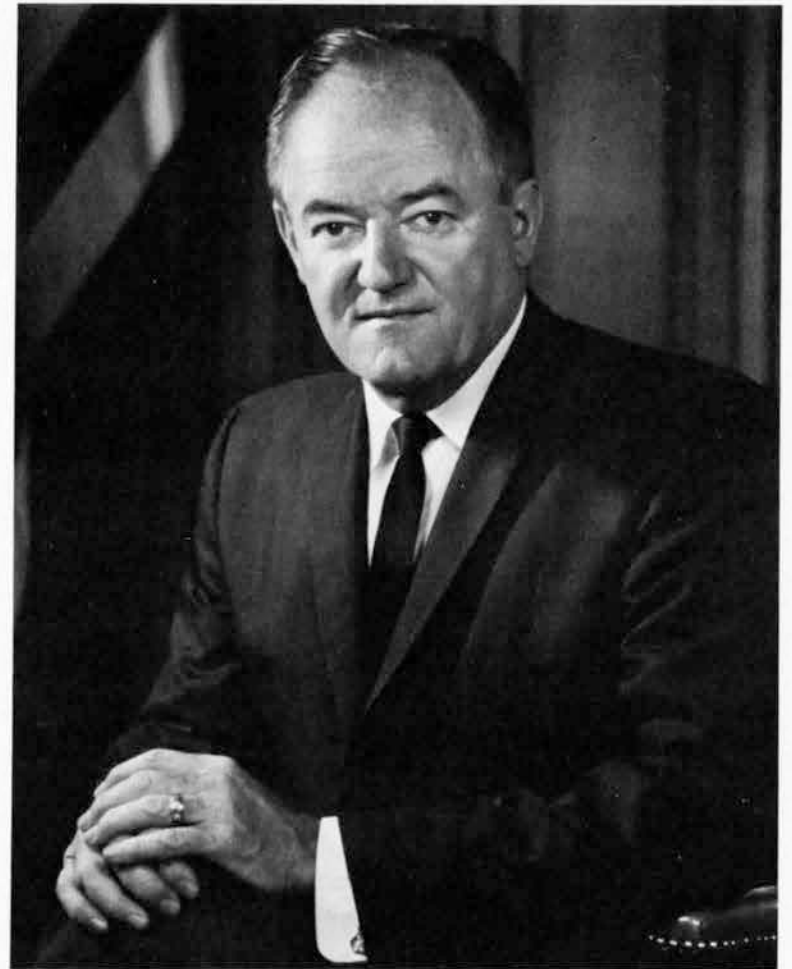
The objective of HUD programs is to achieve the "Better Living In Great Cities" the Vice President discusses in this address. We are grateful that Mr. Humphrey continues to spotlight the domestic crisis which faces urban America today. The Vice President's address should be read by everyone concerned with better living conditions.



ROBERT C. WEAVER
Secretary

Department of Housing and Urban Development

Excerpts from the Vice President's address at the Secretary of Labor's Conference of Labor Editors in Washington, D.C., May 24, 1966, published by the Department of Housing and Urban Development.



I am very pleased to be with my friends, the labor press, the editors of our labor publications. I have read with great interest what the President had to say to you. He emphasized what this Administration seeks to do for the American people and for people everywhere.

I want to continue that discussion, emphasizing domestic challenges.

Achievements of the 89th Congress

We all agree that the challenge in America is in urban areas. I think you can tell the great cities of today—and tomorrow—by analyzing what they are doing. Great cities are involved in building; but not just structures, they are building a better quality of citizenship and this Administration is helping them to do this. The 89th Congress in concert with the Democratic leadership can best be characterized as one that has achieved great breakthroughs. Many, many long-time barriers have been pierced.

The 89th Congress has a record second to none in achievement of the positive social goals of the Government and the Nation. You have heard many people say of late, "What is there left to be done by a liberal in politics? Haven't we just about achieved all of our goals?"

The fact is that we have made a beginning, yes, but we have years and years to go before we accomplish the realities. You might say that Step Number One, Stage Number One, has been accomplished in trying to make life better here on earth.

Benefits From Space Program

I am Chairman of the Space Council, and I am familiar with the terminology which is used by our space scientists. We spend a great deal of our national resources in trying to explore the mysteries of outer space. It is estimated that we may spend anywhere from \$25 to \$30 billion to accomplish the moon mission. Let me make it quite clear, that mission has much more to it than merely getting a man to the moon and returning him to earth. The space program has had a tremendous effect upon our economy, a plus effect. It has elevated the quality of education; it has surely improved the competence of industry. It has placed new demands on the professional community and the skill of labor.

Breakthrough for People on Earth

But, I feel that any nation that can justly afford to invest billions of dollars to put a man on the moon, also ought to be willing to make a commensurate investment in helping put a

man on his feet right here on earth. So we are now in this civilian program relating to our economy and our social structure at Stage Number One, as I see it. The breakthroughs that we are making are just what I say—breakthroughs—and from here on we perfect, we create, we embellish, we enhance these breakthroughs.

Health Progress

We have made breakthroughs in health. I introduced the very first bill on medical, hospital, and nursing home care for persons aged 65 and over under the terms of Social Security. That was in May 1949. It wasn't as much of a beginning as some had hoped for, but it was a beginning. And 16 years later it became a fact. We fought for it every single year. We planted the seed; there were many periods of drought, and finally came the harvest; and we have what we call Medicare—a breakthrough, but not the final answer—just a breakthrough.

This has led to some unanswered questions. Do we have adequate hospital space? Are our hospitals as modern as they ought to be? Are there not improvements in the structural organization of a hospital and the administration of a hospital that can give better service at more reasonable rates? What about all the medical technicians we are going to need 10 years from now, 15 years from now? If we are going to need more, the decision must be made now because that's how long it takes to train them.

We are going to have community mental health centers all over America in the next few years. The terrible sickness that grips millions of our people, emotional instability, will be brought in due time under control and we will find how to heal these people. We are making a breakthrough. I think that's important, but now must come the followthrough, and that's where we come in.

Education Advances

We are making a breakthrough in education. For years we fought for Federal aid to education. The very first bill that I voted upon when I came to Congress in 1949 was a bill for Federal aid to education. We passed it in the Senate, but it died in the House. It either died on the issue of church and state or on racism. They never got around to talking about education.

Finally we said: We are talking about the child and not about institutions; and we ought not to be talking about prejudices. So let us try to conceive a program of Federal assistance to the education of the child. So, at last, it was enacted.

The greatest educational effort that the world has ever known is underway now. Who does this benefit? Everybody; the sons and daughters of working people, of farm people, of the yeoman and the mechanics and the farmers.

Well, we have made a fantastic breakthrough and now we are beginning not only to get the money, but we are beginning to experiment in educational techniques. We are learning how to use closed-circuit television, audiovisual aids, improving library facilities, increasing teaching capacities, and many, many other things.

Enjoyment of the Arts

And I am not just talking about manpower training, vocational education, more dormitories, or science buildings. I am talking about what goes on, for example, in the little country area in South Carolina, where, under the Federal aid to education, they now have a festival of the arts. What makes one think that ordinary people, sometimes people poor of purse, do not have a richness of soul and spirit that loves the arts?

Philip Murray used to talk about that—he wanted the picture on the wall and the rug on the floor, not just a wage. He made his point; he wanted to upgrade the values of all human beings, so that they might appreciate the finer things in life.

I will never forget the testimony of a lady that came in when we were arguing about the minimum wage law in 1949. She said that it meant so much to her just to have a little increase. She was a textile worker. Why did she want that little increase? So she could pay for piano lessons for her daughter. "Working people like piano lessons for their daughters too," she said.

IMPROVING OUR PERSONAL ENVIRONMENT

So much for the important breakthrough in education, but just as important is the breakthrough in improving the environment.

The air that we breathe today is polluted. The water that we drink has to be treated chemically. Our rivers and lakes are the victims of man's misuse. Yet these are the greatest resources. We have an obligation to keep these resources usable and even to keep them beautiful. So, we are working on improving man's environment.

Beautifying People's Lives

Much has been said about beautification. What I say is not to diminish the beautification which means flowers in city squares, or shrubbery, all of which is so very, very fine and we ought to push it, and you ought to help us with it. But, if beautification is to be a lasting thing, we must concentrate on the beautification of the mind; the beautification that comes through enlightenment, the opportunity to study, to read good books, establishment of community colleges, expansion of facilities for higher education, and improvement of elementary and secondary education. This is the beautification that Project Headstart brings to the minds of little ones who are the victims of an environment that has left them—and their parents—with a sense of despair and hopelessness.

There is an uplifting of the spirit emanating from Headstart which gives a real beauty to our country. What is more beautiful than the smile of a child? What is more beautiful than the laughter of a child? What is more beautiful than the enlightenment of a child? This is what we are beginning to do in America.

Battling Slumism

We are faced abroad with communism; I do not mean to minimize this threat, because it is a powerful force. But we have just as powerful and as sinister a force on the loose here at home. I call it "slumism," and I define it not only as the physical slums of our cities, but the psychological and physical deprivation of the people who live in those slums.

To find it, all you need to do is go to any city and see what is happening in the core of that city. You will find poverty of the physical structures, inadequacies of transportation, accumulated debris and garbage. These are constant reminders that we have failed to make our cities beautiful.

Slumism, the enemy within. Slumism like an insidious virus consuming city after city where people live. Some people have tried to escape by going to the suburbs. But, there is no escape; slumism pursues us and soon Suburb Number One becomes Slum A. This is no answer. It must be fought now.

Goals for Our Cities

Our people deserve cities which are the most beautiful institutions man can create. It is in the city where there are the possibilities of cultural development. It is in the city where there are jobs and industry and the scientists and technicians. It is in the city where you find the big hospitals that can give you the best of medical care. It is in the city where you have the large financial institutions, the great universities, and supposedly the better schools.

And having said all that, it is also in the city where you have the gnawing, penetrating, insidious virus called slumism that spreads and encompasses, in fact imprisons, more and more people. To me slumism is more than just the dilapidated buildings, the inadequate structures in which people live, the overcrowding which is a relevant and prevalent fact. It is more than rat-infested tenements, and that is a fact too, in this richest of all countries. Slumism is personal poverty. Slumism is discrimination and segregation, de facto or not de facto. Slumism is hopelessness, despair, and cynicism. It is frustration and bitterness, anger and hate, and these are facts today that we face.

Slumism is deprivation of education. Regrettably, in our America, the best schools are in the upper income neighborhoods of the city. The poorer schools are in the lower income areas of the city. *It is education upside down.* I am not asking that the better schools be downgraded. I am asking that the poorer schools be upgraded. I am asking that the best teachers be sent in where the people need them the most. I am asking that the latest schoolteaching techniques be applied where catching up is the great need.

Make Our Cities Livable

So I say to my friends of the labor movement and in the labor press, let's join here in a struggle now; let us launch a new effort in America to make our cities livable, to make them institutions of creative living. Let's make our cities what they were intended to be—wholesome environment for man and his family. Not the ghettos that we speak of today, the urban ghettos of brick and concrete and filth and disease and crime. If there ever were a task that the labor movement ought to set itself to, it is to rehabilitate, redesign, recreate the American city. It can be done.

The Good Life for All Our People

Any nation that can put a man on the Moon and contemplates putting a manned station on the Moon to penetrate and to probe outer space to Mars and Jupiter, that nation ought to be able to improve the transportation of a worker from his home to a job.

That nation ought to be able to do something about opening up spaces in a crowded city, so there can be grass and trees and parks and shrubbery. The nation that can provide a perfect environment in a capsule for astronauts who can orbit in outer space for weeks and who can walk out of the capsule healthy, that nation ought to be able to provide an attractive environment and some sort of decent air that men can breathe here on earth. And a nation that can do what we have done—split the atom, penetrate outer space, transplant human organs from one body to another, literally "create" living matter—that nation ought to be able to do something about the inner environment in which man lives.

QUESTIONS WE MUST ANSWER

So I come to you this morning with an appeal. People ask, "What is there left for us to do?"

The answer is: "We haven't really had a good start. We have just broken through. We are only in Stage One of trying to build a community that is worthy of America." When I hear the song, "America, the Beautiful", I think of where Americans are going to live. Are they all going to live in the forests, in the wilderness area that is so beautiful? No, they are going to visit there, so we should protect and guard that wilderness.

But they are going to live where you live. They are going to live where I live. They are going to live in the great metropolitan centers. The question is, "What kind of life will they have?" Not, "What kind of life will you have?" But, "What kind of life will all Americans have? What kind of schools will their children attend? What kind of city will be their home? What kind of streets will they walk on? How much open space and fresh air will they have? What will be the condition of the environment in which your children grow?"

These are questions that I think are before every American, and I think no one has a greater stake in the answer than the labor movement.

Thank you.

Labor Editors
5-24-66

C O N T E N T S

Transcript

<u>REMARKS BY:</u>	<u>PAGE</u>
Stanley H. Ruttenberg, Manpower Administrator, United States Department of Labor; and Assistant Secretary of Labor for Manpower	131
Seymour L. Wolfbein, Special Assistant to the Secretary of Labor for Economic Affairs	134
Dr. Curtis C. Aller, Director, U.S. Employment Service Bureau of Employment Security, U. S. Department of Labor	139
Frank H. Cassell, Director, U. S. Employment Service, Bureau of Employment Security, U. S. Department of Labor	145
The Honorable Hubert H. Humphrey, Vice President of the United States	172
The Honorable Esther Peterson, Assistant Secretary of Labor and Special Assistant to the President for Consumer Affairs	207

U. S. DEPARTMENT OF LABOR
THE SECRETARY OF LABOR'S CONFERENCE FOR LABOR EDITORS

MAY 24, 1966

SHERATON-PARK HOTEL

Washington, D. C.

The Conference reconvened at 9:15 o'clock, a.m., pursuant to recess, John W. Leslie, Director of Information, U. S. Department of Labor, Conference Chairman, presiding.

MR. LESLIE: Can we get the meeting started this morning?

Good morning.

Our program this morning starts with a panel on the subject of matching workers and jobs in today's economy. As Chairman or moderator of the Panel will be Mr. Stanley Ruttenberg, whom I believe you all know, who is our Manpower Administrator for the Department of Labor and Assistant Secretary of Labor for Manpower designee.

I point out to the members of the Panel, if I pass over your introductions your biographees are contained in the kits and they can read these and digest them at their leisure.

We have Dr. Seymour Wolfbein who is the Economic Adviser to the Secretary of Labor; Dr. Curtis C. Aller -- if I missed any Doctors please forgive me -- who is the Director of the Office of Manpower Policy Evaluation and Research. It is the old office of Manpower Automation and Training and a fairly new addition to the Department, and in my short experience working with him in the Department I think a very fine, very important addition, Mr. Frank Cassell, who is directing the operation of the United States Employment Service. I would think the format will be on this particular activity that each of the members of the Panel will make a few very brief remarks concerning what their area of activity is, their interest, their problems at the present moment and then throw the meeting open following that to questions either directed at any particular one of them or directed to the group in general and they -- whoever want to answer the question.

Stan, do you want to start in?

PANEL - MATCHING WORKERS AND JOBS IN TODAY'S AND TOMORROW'S ECONOMY

REMARKS BY STANLEY H. RUTTENBERG, MANPOWER ADMINISTRATOR,
UNITED STATES DEPARTMENT OF LABOR AND ASSISTANT SECRETARY
OF LABOR FOR MANPOWER DESIGNEE, CHAIRMAN.

Mr. RUTTENBERG: Thank you very much, John. I am supposed to act as the chairman, so I really did not have much of a speech to make and really do not intend to make one as I pull out papers from my pocket.

But these three associates of mine are all going to make long and extensive speeches and by the time 10:30 arrives we will be able to adjourn and listen to the Vice President and there will be no questions at all from the floor. I assume that is the pattern you prefer to follow.

Really, though, seriously, I hope they do not speak more than five minutes and that there are opportunities for you on the floor to ask what questions are on your mind.

There used to be a radio program, Can you Top This? I am sure there is not a possibility at all this morning that we can top the affair you had last night at the White House. Anything after that is anticlimactic. The atmosphere is certainly different here than it was at the White House. We do not have any drinks and we do not have any food and you are just going to have to put up with a few poor speeches. I hope they might be enlightening at least.

I want to just, if I might, give you a few examples of the kind of manpower programs that are in being in the United States which my colleagues on the Panel here will talk to in greater detail.

If you were to go down across section of the communities in towns, in cities and counties of America you will find a variety of manpower programs.

For example, you would run into a middle-aged man in Mississippi, in the Delta area who cannot read and write, who is going through a basic education course and who would be saying, is you -- as some of you may have seen Walter Kronkhite show last Friday night actually saying, this middle-aged Negro taking a basic education course in literacy training, saying, "I am now a man because I am learning to read."

You might also walk down any cross section of a city and find a young school dropout who is on a street corner in a gang of kids and an employment service counsel or who is out attempting to encourage and motivate and bring that young man back into active training programs in employment opportunities.

You might also find a presently under-employed worker in any factory in the United States who is engaged in an on-the-job training program to upgrade his skills. Or you might find a minority, disadvantaged youngster who becomes an indentured chef-cook in one of the many programs across this country. You might find an inmate at Ricker's Island Prison in New York who is being

given a skill in occupational training program that will enable him upon release from that prison to move into an active job and prevent his repeating the crime that he committed or whatever it was that led to his being incarcerated in the institution.

You might find a non-white teacher who is teaching in a Southern school unable to become certificated in a Northern city who is being trained to pass her certification examination.

You might find a volunteer to the armed forces who has been rejected because he could not pass his mental examination going through a particular program to prepare him, so that he can become a volunteer in the armed forces, if that was his desire.

You might also find an individual with a low level of education who is given a non-verbal test instead of a written test in an employment service office. A great advance.

Or you might find a highschool dropout who becomes indentured as a tool and die maker in one of 57 different programs across the United States today. Or you might find a young man who is in a pre-apprenticeship program who becomes indentured as a bricklayer.

Or you might even find a young minority individual who is rejected by a building trade apprenticeship program who is tutored and coached and finally accepted into a regular apprenticeship program.

Or you might find a member of the operating engineers who is under-employed, who is being trained to become a bulldozer

operator or heavy equipment operator.

These are but a few of the many kinds of manpower programs that are in being across this country in some 700 different occupations for which something more than a half million individual have been approved for training programs in the last three and a half years since this program got started.

My colleagues on the Panel here this morning are going to talk to you in more detail about those kinds of programs and what we are doing, but I hope that you will keep in mind your questions -- do not hesitate to ask them -- make them embarrassing if you want. I am sure we will all be prepared to respond to them as best we can.

So if we might start this Panel off this morning with Seymour Wolfbein, whom as you all know, is a long-term Government employee who is a Special Assistant and has been a Deputy Assistant Secretary of Labor and who more recently is a Special Assistant to the Secretary of Labor and Economic Advisor.

Seymour.

REMARKS BY SEYMOUR L. WOLFBEIN, SPECIAL ASSISTANT TO THE
SECRETARY OF LABOR FOR ECONOMIC AFFAIRS

MR. WOLFBEIN: Let me follow up very briefly on what Stanley has said. I will make five points and each will take less than a minute.

My idea will be to underscore what Mr. Ruttenberg has said in terms of what we see coming up in the next few years and

which practically demand, we think -- requires this kind of training and retraining of manpower programs that Stanley has described to you.

Very quickly here are the five main dimensions of our future for the next, let us say 1965 to 1967 on which really make the difference in terms of the people we have.

Item No. 1, we would like to call your attention to the fact that -- how shall I put it -- in a recent study we made we found that a guy who starts out on his working life at around age 20, let us say, can expect to hold eight different jobs during the rest of his working life. In other words, he is going to make seven different job changes. I do not think we have to belabor that point. No longer, if it ever was true, can you start out in a nice job and stay with it for the rest of your life and get promoted and be happy and retire after umpteen years. That is true. Some people stay in their jobs longer than others. Some make only one or two changes. Some make many more. But remember that average -- the average guy starting out in his working life is going to hold eight different jobs. This is not surprising, given all the changes that you and I have taken place and are going to take place in the kind of work that is being done and the kind of work that gets to be done and where it gets to be done.

Now, the second item very quickly, and again, I think it enhances the points that Stanley just made in terms of the various people for example going through the manpower program is what we

call geographic change and just to highlight it with one figure which we love to put before a group -- one out of every six jobs in the United States of America, ladies and gentlemen, one out of six jobs in this country is located in just three States. Anybody want to name the three States? California, New York -- what else? The three States of California, Texas -- and Florida. And it did not used to be that way even just a short time ago.

The very geography -- the very location of job opportunities is changing, as you see. And there again, we think that the big story is no longer the fact that you have to be near a coal seam or water power -- the bigger and bigger item that makes the difference in where industry locates is the matter of manpower.

Let me give you an example. Let me take 30 seconds more.

I just had this cut out from a newspaper called The Wall Street Journal. Here is a pretty big AD and it got a big picture of a man and you know what he had stamped on his forehead? "IQ". Look at that. It says, hear this well -- especially in South Carolina workers. Here is where you get brain power in your manpower.

And the whole pitch of this AD is, Come to South Carolina, you can fill in the blank -- it does not have to be that particular State. What are they advertising? The so-called natural resources of South Carolina? A guy with IQ stamped on his head. And boy, that is an interesting switch from a very few years ago. And the

selling point? Trained manpower. Again, I do not have to belabor that point.

The third item that I want to put before you, and listen well as my friends go on to describe the problem of matching people and work. That is what it really gets down to. This is what Stanley was emphasizing -- the third item and very much to the point is, what we call educational change. I hope you listened well when Mr. Ruttenberg gave you the examples of a Mississippi guy getting basic literacy training, of a dropout getting another chance, of the guy who gets rejected by the armed forces, and do you know that one out of every six cookies who gets before this Board gets rejected because of educational and mental reasons? And to underscore what was said so far, 20 percent of the boys who flunk the armed forces qualification test which is supposed to be the equivalent of a grade school education, they turn out to be high school graduates. The very, very great importance for better or for worse of getting a decent education and training background, I cite you just one figure -- the average worker in the United States of America already -- this is the average now -- already has a little bit above a high school graduation. The exact figure is 12.2 -- you know 8 is an elementary school education and 12 is a high school graduation and so on. Imagine, already in this country the average worker has 12.2 years of education under his belt. And the dropout and the other guys that Stanley mentioned have that much harder a row to hoe when the rest of the working

population got this kind of educational background.

So far, we have emphasized the fact that there has to be a lot of job changes, the geography itself is changing and overlying this is the increasing education and training you apparently have to have even before you can latch on to a job, not to say anything about keeping it, when you get mergers and you get all sorts of shifts in the economy.

The fourth one very quickly is another, another highly important item where you try to think of matching people with jobs and that is -- let us call that occupational and industrial change. I will just cite you a few figures on that. Maybe later on you will want to get more details.

Let me give you a little bit of the score card. Just in the years 1965 to 1970, the years through which we are trying to survive, the Bureau of Labor statistics tell us this: You take the industrial setup, industry like mining we expect a minus 7 percent change in employment, 1965 to 1970.

In construction, an increase of 15 percent.

In trade, 13 percent. And listen to this one: In State, and local Government, teaching, firemen, highways and all the rest, and the Secretary mentioned this yesterday on the State and local Government level, a 32 1/2 percent increase in employment in the United States of America. And the same kind of difference you find in the occupational side. Unskilled workers, minus 4 percent, skilled workers increasing 13 percent, not to say

anything of the professional worker who is going up by 25 percent. That is enough figures. The whole pitch is that there are enormous differences just in the next few years in the kind of jobs that are going to be available into which we are supposed to make a match with the people we have, and that leads to my last and fifth point, and maybe in a sense the most important one because it tries to answer the question, Who is going to be around in the next five years that we are going to have to match? And the big story there very briefly is as follows: We got a big batch of people coming up who are very, very young, because of the big population increase and we actually have a minus in one very important category. And any of you who are age 35 to 45, please accept our congratulations because the number of you guys in the labor force is going down by 10 percent between 1965 and 1970. So that is the problem of match that we have in this country. The geography, the job changes, the occupational and industrial shifts and the very people that we have around to fill those jobs. And that is the problem my colleagues have. How do you fit those into the jobs we are going to have.

Thank you.

MR. RUTTENBERG: Thank you very much, Seymour.

(Applause)

MR. RUTTENBERG: I could not feel, as you talked about that IQ of the man in South Carolina. And the trained manpower may be the implicit underlying part of that AD was that they were

also non-union.

Our next member -- although I am sure the Wall Street Journal would have no such implications in any of its ADs.

Our next Panelist this morning is Dr. Curt Aller, who is an associate manpower administrator and director of the Office of Manpower Policy, Evaluation and Research, who is on leave of absence as a professor from San Francisco State College, and who some of you may remember as the staff director of the subcommittee -- Select Subcommittee of the House Labor Committee that handled Manpower and Training Act legislation. Dr. Aller.

ADDRESS BY DR. CURTIS C. ALLER, DIRECTOR,
U. S. EMPLOYMENT SERVICE, BUREAU OF
EMPLOYMENT SECURITY, U. S. DEPARTMENT
OF LABOR.

DR. ALLER: Thank you, Stanley. I could not help but think as you opened your remarks of a comment by a young lady from New Haven in a recent conference when she told the audience that in New Haven it was now reaching the stage -- the stage had now been reached where it was very, very difficult for a person to be unemployed and remain at peace. Now what she was simply saying there was that we have been pioneering and rediscovering in the last few years what most of us, I think knew in the late '30's and early '40's but forgot this after, and that is that few people in our economy are truly unemployable. If we have both the will and the resources to devote to the task of moving them into effective

employment, that is.

I want to talk very briefly about the experimental and demonstration program because it has had a very positive contribution to make in a number of important respects to the development of our overall manpower training and development activity.

In this program, which is, as the term implies, experimental, we have been tying together and experimenting with new kinds of institutional arrangements and new techniques for working with the unemployed. Thus, in many areas of the country we have been working directly with new groups such as churches, with the HMCA, with the Urban League and with other community groups. Frequently newly pulled together organizations for the purpose of trying to utilize their insights and energy and also contacts with one or more elements of the unemployed in our economy.

Now, out of this effort which stems now around about three years in length a number of important pioneering findings have emerged which are part of what I call the mainstream operations today, and by mainstream I have reference to on-going activities of established institutions such as the vocational education system and the employment service, to mention two.

Thus, in these projects there were pioneering efforts developed in the direction of what we now call outreach -- that is discovering it was possible to go out into the depressed areas of our society, cities and rural areas and actually find people who are unemployed, deal with them on an individual basis, get them into

a training site, support them through counseling and other kinds of supporting services while in training and move them ultimately into productive and permanent employment.

All of the mainline organizations now put a good deal of stress on outreach activities.

All -- some of the early projects pioneered with basic education activities and out of the early successes of some of those projects we had a sizable expansion of the Manpower Development and Training Act, so that it is now possible to operate on a routine basis in this area.

Fully 20 percent now of all trainees do go through a basic education sequence as part of the on-going training effort.

Also in the E and Q projects going back to my original comment about working with two kinds of institutional arrangements, the projects pioneered on the job training contracts using community groups and again, the Bureau now uses this as a standard procedure. We have regular on the job training contracts all over the country with the Urban League, with mayor's offices and with other kinds of community groups.

Perhaps I ought to say that the whole effort has been mounted by a relatively small staff. The items that I just mentioned represented outstanding successes where the lessons of these projects moved into the mainstream activities by a process of discovery and imitation by almost osmosis. We are now turning our attention very seriously to the problem of how we take the learnings

of these experimental or tailor-made projects and move those learnings into operating practice more quickly than has ever been done before. At the moment, as a short term effort, we are contracting with eight or ten outstanding authorities around the country to look at the projects that have been funded during the last three or four years to write rather short monographs that pull together the outstanding findings and to make those monographs available to all potential users of this kind of experience.

However, I want to emphasize that I view this as a kind of starting point for a fairly large scale and innovative effort in its own right to try to reduce the customary lag between an experimental finding and the full utilization by operating agencies.

Here I can speak with some familiarity because the normal academic and Governmental approach to this kind of activity is to develop a scholarly monograph with appropriate footnotes, distribute it into appropriate mailing list and hope, over time, that new students coming through colleges and universities will begin to see this material in their courses and that five or ten years later those who are now running operating agencies will begin to apply these lessons.

What we are trying to do instead of following that process exclusively does establish in Washington a small utilization unit that will have as its reason for being the job of being idea brokers -- that is, individuals who are sufficiently familiar with the on-going activity and the imperatives and operations of

mainline institutions so that they can move between the two. They can pick up ideas as they begin to emerge from projects and try to discover how you sell those ideas to the mainline operating organizations.

Now that is a tremendously challenging task and it has not been done effectively anywhere that I know of and yet this would be the real payoff of much of this activity.

Two quick words about the research activities of the office which may be of interest to you.

For sometime we have been concerned about the shortage of trained personnel in all of these activities. Consequently, we are now funding 70 to 100 Ph.D candidates during their thesis writing year giving them virtually a full year of free time so that they can conduct their research and write their thesis and move into one or more of our operating agencies in a far shorter time than if they went through the usual Ph.D process and as some of you may know, if left to your own resources it will take three to five years frequently for people to write their Ph.D thesis.

Some of those thesis projects are very interesting. There is one fellow from New York University who is renting a trailer truck this summer and he will be traveling with the agricultural migrant labor stream on the west coast this summer for the purpose of studying that activity and coming out, I hope with recommendations as to how we can make a more effective use of that portion of the agricultural work force and provide at the same time a more

satisfying work life for these people.

In addition, we are about to fund seven or eight institutions around the country for the purpose of beginning to create locally a center of informed faculty and associated personnel who will have a kind of unrestricted grant support from us and who can then use the resources combined with their own to begin to develop university and college competency in the local and regional area in all of the manpower programs.

I have gone past my five minutes, so I will sit down.

(Applause)

MR. RUTTENBERG: Thank you very much, Curt.

I was just about to give you the same note that I gave to Seymour. You have gone twice your five minutes, and as I picked it up you had said you had gone past your five minutes. Remember, folks, keep in mind the questions you want to pose to the various members of the Panel and after our next speaker we will still have at least 30 to 40 minutes and I would hope we could spend that time in questions and answers about problems that are on your mind that might or might not have been raised by the three people who have made their presentations.

The next person on our Panel is rather new to Government. As a matter of fact, very new to Government. I think he has been in the City of Washington now -- two and a half months -- he says two months, not even a half. So that he comes to Washington as the Director of the United States Employment Service, a Federal-State

agency that has some 2,000 offices around the United States.

Frank has been with Inland Steel Corporation as Director of Personnel on industrial relations problems and comes with an excellent background of having been chairman of Governor Kerner's Committee on unemployment in the State of Illinois and has devoted his lifetime to a study of the problem of labor area and labor relations problems.

I present now Mr. Frank Cassell, the Director of the United States Employment Service.

FRANK H. CASSELL, DIRECTOR, U. S. EMPLOYMENT SERVICE,
BUREAU OF EMPLOYMENT SECURITY, U. S. DEPARTMENT OF LABOR.

MR. CASSELL: Thank you, Stanley. The most remarkable thing I think about U.S. Employment Service is the fact that it has available to the research and development department in the field of human affairs. It is hard to underestimate that development. Most organizations in the world just grow and never take a look at themselves and never try to determine how to do things better, nor is there a very objective look taken at things. So the thing that pleases me most about what is new in the employment service is the fact that we have this research and development department in effect headed by Curt Aller, which enables us to take a look at our work to do a better job.

There have been two themes emphasized by both Seymour and Curt and Stanley. The one is the development of employability. But other more subtle one is the need for adaptability in the human

being. And the whole object of the work of the U. S. Employment Service revolves about these two concepts of making people employable and in enabling them to become adaptable. Seymour talked about the eight job changes and he is not kidding. The fact is that this is true. From the industrial standpoint I can tell you it is true and one of the great problems of all human beings is the capacity and ability to adapt to these rapid changes.

Essentially our job is to bring the work force characteristics into line with a demand for people for occupations.

And this is a continuing thing. As Seymour suggested we have technological and social changes occurring, so the consequences will be changing all the time. That means the Employment Service is constantly assessing the nature of the job changes that are occurring in the society and assessing the people who are available to do the work and somehow make the people -- bring the people into conformance with the requirements of the job so that they can become employable.

The second aspect of the research that is beginning to feed its way into the Employment Service is this question of how we relate ourselves to the people we see.

I think I have to say that we are moving in the direction of being employee-centered. Some people say, well, how can you service an employer at the same time you are servicing an employee? My answer to that I think is simple and I think it makes sense for the employer, and that is, when we are employee-centered, when we are trying to make the employee adaptable and employable, we are also serving the employer, whatever kind of employer it may be.

The third aspect of this picture, and again, comes from the research and is related to being employee-centered, is the outreach. In this connection, as you may know we have some 139 Youth Opportunity Centers throughout the United States directed to reaching into the center of the cities, to bring these young people in for training, in for education, in for referrals to the Neighborhood Youth Corps, to the Job Corps, to regular jobs wherever they

can best be placed for remedial work of one sort or another and in connection with this, we have a program of human resources designed to learn about the people who are hard to reach -- what kind of people they are, what kind of resources need to be brought to bear, to make them employable.

I might say parenthetically, that one of the great problems here is the health factor that keeps so many people from being employable. And then, to help bring this altogether in some meaningful sense, we have to have occupational information. We have to have information about jobs, information about job opportunities, where the jobs are. Because in the long run, we have to enable counselors in the schools, counselors in the Employment Service, counselors in the unions, counselors in the employers -- to know about the state of the job market, where opportunity lies, what is required on the job, so that one can guide these people properly.

Lastly, in this connection, what we are aiming at ultimately is enabling each individual to have a better chance to decide on his own options -- on his own job options. If he has information, if his counselor has information, if the schools have information, he is then in a position to pick and choose. He isn't limited as he would be in the absence of such information.

One very quick comment about the shortages that are existing today. In this connection, of course, the whole notion of employability which feeds its way and is reflected by the MDTA programs, the OJT programs and the like of course increase the

labor supply.

We are pressing hard in the major cities, in the major cities where there are shortages for upgrading, so that we make way for the lesser qualified at the bottom of the scale. We have job analysts working with companies and courses to simplify jobs so that people of lesser qualifications can do these jobs. Extensive efforts in inter-area recruitment. We have 407,000 jobs at the moment being moved around the country from State to State to fill occupational shortages. We are urging employers to make their job standards more realistic which means lowering and raising agencies, making it possible for more young people and more older people to be in the work force and of course more and more women are entering the work force.

At this point in time we have three times as many people as we have job openings and yet there are 407,000 unfilled openings.

This tells you about the very first point I made and which Seymour and Curt have made, and that is, we have to bring the work force into relationship and into line with the demand and that's the job of the Service. It is much more than the oversimplified notion of matching one man to one job. It means bringing people to the job. It means making people employable so that they can do the job. My time is up.

(Applause.)

MR. RUTTENBERG: Thank you very much, Frank.

We certainly have excellent discipline here in terms of

their staying within their time limit.

I am sure with a group of labor editors such as you all are in this room, you are not at a loss for questions and I would look around to find first one who wants to start us off.

MR. SANTIESTEVAN: As many of you know, before I ask my question, I would like to say a few words. I have been working very closely during the past several months on a farm workers' problem in California, the strike that has been going on out there and I have been going out there frequently with Bill Kercher, the AFL Director of Organization. I think I can say now without fear of contradiction that we are very, very close to putting this thing together in California and we are going to come up with an AFL-CIO Union of Farm Workers.

It is our intention, and I hope Brother Meany doesn't contradict me, because I seem to be speaking for him, but I am not, to build a Farm Workers' Union that will move clear across the country, beginning, I hope with this business in California. We are already in Texas and Florida and we intend to be in other spots. When I say "we" I mean the IUD and the AFL-CIO.

You mentioned this fellow working on a Ph.D. working with the migratory stream. We would have several questions and interest in that. We would like to work very closely with your department, Stan, and find out everything we can about the migratory labor stream. Where does it come from? Where does it go? What jobs do they reach? What are the chances for upgrading and breaking out of

this trap the migratory workers are in, so that they can get better jobs?

We have as you know dissatisfactions with the kind of recruitment that has gone on in the past. The bracero program is virtually dead, thanks to the courage of Secretary of Labor Wirtz. And following that, the Department of Labor in its various State departments did creditable work in job recruitment, but that, as I am sure you will agree is by no means solved. We need to work together on that problem. There is a residue of suspicion ranging to hostility among farm workers about the actions in the past of farm placement officers in the States. They see these officers as agents of the growers and shippers and they don't trust them. We need to do something about that.

I think you get the broad perspective that I am talking about and I wonder if the panel could spend a few minutes discussing that in a more specific way.

MR. RUTTENBERG: Well, I am at a loss to know, Henry, what question you would like to have them address themselves to. But maybe Curt Aller will want to take on the first part of this. I would like to comment upon something you said at the end.

DR. ALLER: I want to say three things that will partially relate to your problem.

First of all, I want you to realize that in 1960 and '61 I went on record before the State Democratic Party in California, the Policy Committee, in favor of collective bargaining for farm

workers and the end of the bracero program, establishment of minimum wages and so forth. That bothered Senator George Miller and some others and it didn't go very far. You are probably familiar with that.

Second, my office sponsored a farm labor conference some months ago of research workers in this field, for the purpose of seeing whether we could begin to stimulate some academic research of a new kind in the area of farm labor. And in my comments to the group I argued that we needed to begin to think very seriously of ways of which we could put effective structure into the farm labor field and there I use two examples which I thought were quite pertinent, if we were creative enough to think of the application.

First, you realize that years ago longshore work was a very miserable kind of activity -- it was a shape-up activity.

With the coming of unionization on the West Coast and later with the intervention of the States of New York and New Jersey, we put effective structure into the longshore labor situation, so that you have a stable work force attached to the industry and you have a decent annual income as a result produced by that activity.

I am also thinking of the Hawaiian agricultural experience which provided another kind of model that we might use.

Third, we have just funded a large scale project in California with the four big Mexican-American groups, called the War on Poverty Program. Hector Abacia is the Executive Director of

this. While they won't be focusing exclusively on the agricultural labor field they will be focusing on the American-Mexicans. I am hoping out of this activity we will get some programming ideas that we can use rather generally through our manpower development training efforts.

MR. RUTTENBERG: Thank you very much, Curt.

I notice the Under Secretary, John Henning, has just come in the room. Jack, do you want to comment at all on this question?

MR. HENNING: I just came in on the end of these remarks so I will be listening.

MR. RUTTENBERG: Thank you very much for coming in.

One thing I would like to add, Henry, is that we proposed a bill this year on Federal standards for unemployment insurance. And that bill had in it the coverage for agricultural workers. Some of my colleagues and myself and Secretary of Labor Wirtz have been sitting in executive session of the Ways and Means Committee for seven or eight weeks and you know the outcome of that bill the other day. That Committee overwhelmingly with only two or three supporters rejected UI coverage for agricultural workers. I think you have seen in the paper, on the big fights that is going to occur on the Hill today and tomorrow, whether or not the limited amount of agricultural coverage which is now in the minimum wage bill will remain in or whether it will be voted out on the floor of the House. So we have got some very serious problems and I am sure we are a long way away from extending the rights of collective bargaining and the

National Labor Relations Act to agricultural labor. But I do want to say, and I think you fully well recognize that Secretary Wirtz' efforts over the last two years in the bracero field has now produced a situation where there is in the United States today less than 500 braceros as compared to two years ago at this time when there would have been at least 15,000 or 20,000. So that all of last year, except in the tomato crop of California there was relatively few braceros in the United States and tremendous progress has been made.

When you say the Farm Labor Service, which is part of the United States Employment Service has been responsive to agricultural growers and farmers, you are right. That is true. And it was Secretary Wirtz' fundamental objective in getting at the bracero program to bring that farm labor service into line and where a State Farm Labor Service as a part of the Federal United States Employment service function couldn't do the job and actually as in the State of Florida represented the growers there more than the workers or more than anybody else, they were bypassed. And the decisions were made not at the State level, but at the Federal level. So that I think while progress is slow, I think progress has been good. I wouldn't want to defend all of the Farm Labor Services because as you full well know and as we all know, there is much to be improved. But I think there is considerable effort now afoot to bring these services into a realization that the bracero program is no longer here and we have got to find ways and means of

protecting, of developing and have jobs for domestic workers in the agricultural field. If somehow we can do something about the minimum wage laws, do something about improving the conditions of labor which are offered on the farm, there is no question in my mind that we could recruit sufficient domestic workers to take care of all agricultural crops in the United States.

The problem is, how long will it take us to improve the wage and working conditions? Some of this can be done by regulation, but most of it has got to be done by legislation and that legislation is in the hands of the people who have the pressure upon the Congress to get certain things enacted like the very limited minimum wage coverage that is in the bill now or may be on the Senate side writing into the UI bill something about agricultural coverage.

Does anybody want to add anything to this?

QUESTION: Thank you very much. You gentlemen said some of the things I wanted to hear. We are determined, we of the labor movement are determined to go ahead. We are on the march and we are going to organize farmers workers and we are going to have a union and we hope to work very closely with all of you in doing that.

I am glad to see Jack Henning is here because both as a trade unionist and as a Mexican-American, that Jack has been responsible for a lot of work being done in this area, much of which has not been visible to public view, and I want him to know that we are aware of it and that we appreciate what he has done and what he

is going to continue to do.

I think that's enough, but I do want to tell the labor editors one more point, and that is, Stan, you said we may be a long way from coverage under the NLRA for the farm workers. I don't happen to agree with you. Yesterday, when we met with the President, he said that our battles were over and that the violent strikes are finished. This not completely true, as I mentioned later to the Secretary of Labor who is quite aware that this is not true. But we are getting there and we are getting there faster than most people realize. That's why I wanted to say this one more word.

I personally think that we are pretty close to achieving protection for the farm worker under the NLRA, closer than most of us now realize and Senator Pete Williams is ready to move and we are in the process of beginning our campaign to see to it that the public opinion is swung over to our side. Harry Kahn has been in on some conferences on this and he can tell the rest of you labor editors about it and I suggest you watch his stories because we want your help. We want your help and we need your help to tell the story to this country of what is needed to protect the farm workers.

Thank you, Stan, and I think we are going to have that coverage before most people realize it.

(Applause.)

MR. RUTTENBERG: I would like very much to share your optimism. Whether or not we should be optimistic or pessimistic

is going to be contingent upon the degree of effort made by the labor editors and by the labor movement to bring to the attention of the public the problems we talked about.

QUESTION: I want to add to what Henry said in talking with Senator Williams being optimistic about including farm workers under the National Labor Relations Act and he feels that the situation in Delano has dramatized the whole problem of the dilemma faced by farm workers to the extent that he will have no trouble with his Subcommittee and very optimistic about the full Committee and generally feels he can get legislation through.

QUESTION: I would like to turn to the industrial worker if I may for a while.

It seems to me that the work that is being done with the older workers takes on the nature of a rescue operation, even though you offer re-education.

I am concerned about the figures that Dr. Wolfbein gave us as they affect the prospects for the young. I have seen a considerable amount of educational work being done at the high school level, for instance, which is called preparation for life. I don't know that that work is programmed to take into account the changes that you have indicated to us. A good deal of it sometimes seems to me to be a preparation for jobs that are already vanished.

My question is, to what extent does the work that you do and the fact that could have for us become a basis, if at all, for

the program we are doing in the field of education? How do the two things link up? Is there liaison work or is it education being done on one track and yours on another? This is for Dr. Wolfbein.

DR. WOLFBEIN: Let them start and I will pick it up.

MR. CASSELL: You are getting everybody on this one. It is an excellent question and it is one that I think should trouble everybody -- the fact is that as this is my own personal opinion, that the educator very frequently is very far removed from the realities of what happens in the world of jobs. And the connection between the two is not as good as it ought to be. There has to be a means for these people to be brought together so that they know what these changes are. The Employment Service does have a function in this and that is, we often have to produce the kinds of information and projections which suggests to educators what the world of jobs is likely to be in the future as well as what it is like today. I would certainly agree with you, that most people's view of what jobs are like today is really what they were ten years ago. There is a terrific lag here. So, one of the most important things we in the Service can do is produce that kind of information.

However, another thing we can do is through our educational programs with educational systems, bring more and more school counselors who have something to do with this whole thing into a relationship with the Employment Service as well as into a relationship with employers.

Now, one of the things we are doing in the Service and are

urging all over is that our people in the Service need to be brought up to date, too. I am not accusing everybody else. I say we need to be brought up to date and I am pushing hard for internships of our own people working in various kinds of businesses -- whatever the range might be -- public or private -- so they learn what the jobs are like, what job conditions are like. What one has to be qualified to do on the job and what is the world likely to be?

I am proposing that we do that ourselves. But other things we can do, we can and should be bringing educators and employers and people together so that they get the picture.

People simply do not read those brochures and monographs that tell us all about the future.

DR. ALLER: Two quick things.

Under the Vocational Education Act, roughly about \$17 million will be available during the coming year for research and development activities. Now, the thrust of that is to try to discover how we can make the Vocational Educational System work. We are trying to make that more responsive to the needs of the oncoming generation and the future work line.

In that connection my office meets regularly with those that are directing this research and development effort for HEW about once a month for the purpose of sharing our separate activities, trying to relate our activities so that they are additive one to another and frequently we get together on jointly supported

research or development projects so that we can tie both of our activities into a single effort. And there is a lot going on and I won't cover it.

The second thing that I wanted to mention very briefly relates to what Frank talked about.

Part of the problem here is to discover an efficient way of charting what the world will look like five or ten years from now so that we can then get that kind of information back into the educational system where it can be used for effective planning. Here we are really on the frontiers. Employment Service has done a lot of work in the area of occupational studies and some forecasting. But we are only now turning our attention to an extraordinarily difficult job which is how we create on an efficient basis effective information that can be used for forward planning by the educational system. Frank and I and others are presently talking as to how we can get started on this job.

MR. RUTTENBERG: Seymour Wolfbein.

DR. WOLFBEIN: It was originally directed at me. You have heard from my colleagues on what the government is trying to do in the field of vocational education, but some character has to say it and I guess I am elected, when the chips are down the real big push also has to come from out in the States and the communities and the cities on doing something about programs of vocational education. You and I know that the facts showed very, very clearly that vocational education hasn't gotten the resources, hasn't got the

quality of curriculum, hasn't got the teachers and the up to date equipment that you really need. To put this in a nutshell, what we are trying to get accomplished is to have the same kind of deal for what shall I say, the vocationally talented, the guy who works with his hands, the manually talented, as we do for the academically talented and as you know, we were in your city with Dr. Donovan on exactly that item, and it is striking to me that in a city where you do have a real good smash of a program in vocational education you get a dropout rate of maybe five or six per cent. Where you don't have it it is close to 30 per cent. So your question is right down the line, but somebody has to say this, that you really got a long, long way to go to get vocational education at the State and local level up to par.

MR. LANG: In regard to Long Island there is a project being undertaken right now to handle the vocational education as applied to high school dropouts. I don't know just how far along it is. It is still in the developing stage where we are going to take a high school dropout and apply them -- use them in the culinary trades and educate them along those lines to make use of this vast manpower area. Do you have anything further on this in other parts of the country?

MR. RUTTENBERG: This sounds exactly like a manpower and development training program. We have an extensive amount of training for the culinary trades. For example, in the State of Connecticut there is an extensive program. Anybody here from

Connecticut I am sure is fully aware of it with the Connecticut Restaurant Association and with the unions cooperating fully where the Manpower Development and Training Act finances it through the Vocational Education System in part, but also on the job training of people as cooks and chefs, waiters, waitresses and it is an extensive program. We just now funded a new program for the State of California where there will be 8,000 people. It is California, Hawaii, Arizona, New Mexico where there will be 8,000 people on the job training in the culinary arts working with the trade associations as well as the unions.

This raises a fundamental question and it can't help but making a hitch for the Manpower and Development Training Act as it relates to the vocational educational system. Because the MDTA Act operates and as it was written, the determination of what kind of training will take place in the vocational educational system that is paid for under MDTA, that determination is made by the Department of Labor -- by the Department of Labor and the Employment Services across the country where they decide what occupations it is that people ought to be trained for today. And then, once that decision is made, the vocational education system is asked to set up these courses and in many cases they have set up courses that have never been set up before -- they have never conceived of establishing before, because they have been told under the Manpower Development Training Act by the Department of Labor that certain occupations -- certain courses to train people for certain

occupations need to be established. This is one way of bringing about innovation within the vocational education system. I wish we had more time to develop that theme.

MR. SCHLESINGER: There is going to be and has been a considerable amount of dislocation and will be, I am sure more strikes and more problems in the future as jobs change and as there is considerable resistance to this change. I wonder if the gentlemen up there would care to comment on the fact that under MDTA and under other programs put out by the Department of Labor and USES, these things are not reaching the people who need them the most, which are the presidents of unions who have to decide policy for the future. There are very few people in USES going to the presidents of unions and laying the facts for that industry on the table to them so that they can decide policy in advance. The best way that I know of is that MDTA exists and many presidents and other officers of unions are not suspicious of MDTA -- and not using it for various reasons and there are people here, particularly the retraining of mixed groups of people. The thing that I wanted to bring out particularly is this, in an early warning system which the USES could develop by the people who make policy in unions before contracts expire, to help them in their process of retraining and process of change. Also, the employers in that particular area. This could, I believe eliminate a lot of labor friction and possibly some strikes.

MR. RUTTENBERG: That's a very good point. I might just say that widely varying unions as the Operating Engineers, the Bricklayers, International Union of Electrical Workers, the Machinists and the Sleeping Car Porters have all been actively engaged in MDTA type training programs.

Other unions that are interested ought to get busy and talk about the establishment of programs and meet with various of our people in an attempt to set up specific types of training programs. I usually suggest talking to the chap at the Operating Engineers who probably has done more than any other person in the United States in terms of bringing unions in and involving union activity and the upgrading of individuals currently employed to higher paying jobs and the better skilled occupations and that's one example of the union that has done very well. We could say the same about others that I have mentioned.

Frank, do you want to comment at all on the role of the Employment Service here?

MR. CASSELL: I think it is a valid comment. We must do just what you say. I agree with what Stanley is saying. All I can say in addition is that we have much more to do in contacting union presidents and I propose to do it.

MR. RUTTENBERG: Who has the next question?

MR. FIESTER: This is a more general thing. I was intrigued by a statistic that Dr. Wolfbein started off with, that a sixth of the jobs are in California, Texas and Florida and I

wonder if he could tell us about something of what that means the situation is in New York and more populous States and the latter two? Is that simply a higher rate of unemployment in those States or are there other factors?

MR. RUTTENBERG: I wonder if you would not only comment on that question, but restate the issue. I think we have augmented our crowd by a hundred per cent since you first made the point.

DR. WOLFBEIN: Very quickly, we made the point, it must be about an hour ago, that one of the things that is changing, and you guys know it better than we do, is the vocational jobs in the USA. And when we make this point we love to quote the statistics that one out of every six jobs in the United States of America is located in just three States and that is California, Texas and Florida.

You can get all sorts of combinations of States and get different kinds of ratios. New York is still very big and I admit California is ahead of it. The important thing, that one out of every six jobs being concentrated in just three States out of the 50 is the dynamics of the thing, the fact that the location of jobs is moving like anything and I think one of the major reasons is that with the kind of changes that you get in technology, it is no longer required for industry to sit next to a hunk of coal or near waterpower or be near big steel centers. Industry itself can move around, you see. And it means that, at least from the point of view of the topic of this panel, how do you go about matching people on the one hand and jobs on the other, is that you really have got to

keep yourself maneuverable.

May I say gratuitously, even when you are trying to organize workers or getting them jobs, you see. This is very important for guys in the Employment Service. How do you move and keep track of this changing geography? Is this responsive to your point?

MR. FIESTER: Could you get another combination of three States that would have a higher rate?

DR. WOLFBEIN: You could get combinations of other States, yes.

MR. LUTTY: Pointing out the problems, just recently, the Town of Donora where United States Steel closed a large plant and they were afraid of it becoming maybe a ghost town and what do we do with all the people who live there and who have been raised there and have families still living there? What do we do with a town like Donora and what would you train them for and how do you bring new industry in? United States Steel closed a wire plant and for a period of years has been pulling out plants in that area.

MR. RUTTENBERG: I happen to be familiar with Donora, with that situation, not only because it is one in which the Employment Service has been actively engaged in, but because I used to live in Charleroi, Pennsylvania, which is a few miles away. But the big wire and nail plant in Donora is closed.

The interesting thing is, at this present point of time the demand for workers being as great as it is, a large number of those people in Donora have now found jobs elsewhere. They may

have had to migrate a little out of the area into other surrounding communities, but there is a serious problem when any large plant closes down and there are specific examples of what we have done in say, the big Studebaker closing in South Bend where the whole concentration of the government was put upon doing something specifically for the community. We made efforts in Donora but the reports that we keep getting in terms of Donora is that there is not now an immediate problem as the result of the closing down of that plant, although there very well may be as time goes on and if the situation slackens from the way it is now.

MR. SCANLAN: Dr. Aller, you suggested that your Department has funded the writing of Ph.D. theses on various topics. I wonder if the Department would be amenable to suggestions for such topics? May I explain just one moment?

The shoe industry is a very small one in point of employees. There are about 210,000 production workers in the shoe industry and we produce more than 630 million pairs of shoes a year. We shoe many of our own citizens plus others. At one time it required 238 operations. It is now 150. But the Department of Labor Handbook on Vocational Advantages does not even list shoe-making or did not at my last examination of it. Would Dr. Aller have anything to say about this? Would he receive suggestions on Ph.D. material and does he have any comment on this?

DR. ALLER: We are always open to suggestions and Hy Rosen who heads up the research office in my office is always on

the lookout. Let me say, however, that one aspect of this program which I didn't cover is that we will find on a grand basis innovators or exploratory research work by established faculty members as well. So that if there was someone in your area, say at Northeastern or the University of Massachusetts who was interested on his own in doing an exploratory research in that industry perhaps in cooperation with your union, then we would be very interested in seeing if we could support that kind of activity.

Secondly, I think perhaps I ought not to say anything specifically on the question you raise, because I am not that intimately familiar with the industry to be very helpful.

MR. RUTTENBERG: Other questions?

QUESTION: In response to Dr. Aller's last remark, I would just like to say, since we all are so articulate -- your comment is that you would accept funding on behalf of established faculty members. It would seem to me there is a large gap between the program that we are talking about here and the actual working conditions in the labor force in the field. I wondered if there is a possibility of this funding program being extended to actual working members of a given industry or given situation with the idea of developing a curriculum based on practical experience.

MR. RUTTENBERG: I would point out that a recent contract we signed with the Research Training Foundation of the American Hospital Association, to develop curriculum for training of people in hospital occupations, this would be a different kind of program

than the one Dr. Aller was referring to. But we certainly would be and are interested in funding those kinds of operations where training curriculum is involved.

I dare say that in the tool and die industry, for example, we have actively financed and supported the development of curriculum material to train tool and die apprentices. We developed material to train cooks and chefs in the culinary area with the unions and the Connecticut Restaurant Association as part of a training program. So that that is a different approach to the same kind of problem, but it doesn't relate to the kind of program which Dr. Aller was talking about where basically what he is saying in funding Ph.D.'s is Ph.D.'s theses writers, is that we have a shortage in this country of university social scientists who are willing to devote their lifetime to the manpower and social science field. What we are trying to do is to encourage the college graduate who is going to become either an economist or a political scientist or a sociologist or engineer or mathematician a chemist or physicist to choose that his lifetime work will be devoted to studying the problems of manpower and it is really with that thought in mind we get to the funding of the Ph.D. thesis that Dr. Aller was talking about.

QUESTION: We are all aware of the tremendous trend of industry to the South. We call that the union busting area. Some of the Northern States have become conscious, too, of this exodus and they are alarmed -- they have set up programs to recentralize

attraction for industry. Is there any statistical limitation that this tremendous wave for the South or the Southwest is ending?

MR. RUTTENBERG: Seymour, would you comment on this?

DR. WOLFBEIN: This is nothing new. In one word, no.

MR. RUTTENBERG: That doesn't add to the enlightenment, does it?

DR. WOLFBEIN: When you look at the data, it looks as though it is tilted. The movement that has been going on for quite a few years continues in a very, very substantial way. I think you have raised, however, a very important problem that is worth 30 seconds.

It was also raised by the man who mentioned Donora. We have been talking so far in the panel of how do you get the men matched with the jobs wherever they are and whatever they are. I think it ought to be understood we are trying the reverse side, also. How do you get the jobs themselves to fit the people we have? And Curt and Stan and others can tell you about some of the work we are doing in that field and it includes meeting the geographic problem, too. It isn't given, that for example, just two fast examples which are responses to the points that were made.

First, it isn't given for example that every job requires a high school graduation. In some programs we are doing it is trying to get dropouts into jobs we don't need a high school education for. We are trying to help industry to stay and

relocate in areas which have been picked. There are two examples of how we are trying it the other way around of making the jobs fit the people.

I think you are going to find more and more of that going on.

(Whereupon, the panel was concluded.)

MR. HENNING: Friends, throughout all of his political career, Hubert Humphrey has been the constant, courageous advocate of the American labor cause. He has been the unfailing champion of union labor in this nation from the first days of his political activity in Minnesota. He is in truth one of the heroic liberals of our generation.

Today he has been permitted by great courage, tenacity and truth, advocating a world which will honor the nobility of man.

We are honored of course by his presence, the Vice President of the United States.

(Applause.)

ADDRESS BY THE HON. HUBERT H. HUMPHREY,
VICE PRESIDENT OF THE UNITED STATES.

VICE PRESIDENT HUMPHREY: I must say that it is very reassuring and consoling to have such a generous and kind and wonderful introduction, even if it isn't all true. But it means a great deal to me.

I am very pleased to be with my friends, the labor press, the editors of our great labor publications. I know that you had a most rewarding conference here. I see that not only have you had a number of speakers come to you, you even went to quite a speaker here yesterday. And I have read with great interest what the President had to say to you and the theme that he emphasized in terms of what this Administration seeks to do for the American people and for people everywhere.

Yesterday I was a visitor in Philadelphia. It was a wonderful day. Arriving there about noon, visiting with school children, school authorities, members of the Philadelphia School Board, with our officers of Federal Government, State and local government, with the many constituent groups in the community for labor, business and the churches and the ethnic groups, talking with these good people about the building of their city. Not merely the building of the structures of their city, but the building of people -- the improvement of quality of citizenship of the people of that great city.

If you have ever felt a little discouraged, one of the

best ways to get over it is to spend three or four hours with our young people. My first visit was with the students of five schools. There were over 6,000 students of five schools -- a high school, a junior high and three elementary schools. These were in District One in South and Southwest Philadelphia where the income levels are not too high, where the children of low income workers attend school and where there are many of our minority group members.

Later on I visited a parochial school in what they call the jungle section of Philadelphia. I hesitate to use that term because it connotes or it indicates the sickness of some of our life and particularly of our urban life. That was a beautiful experience, however, for me, to go into that school in this area of Philadelphia and to see what was being done to upgrade the life of the people of a community, and then later on, over to Central High which is one of the great high schools of America where approximately 90 to 95 per cent of the students graduating go on to higher education, a public high school and last night the Philadelphia Fellowship Commission -- I spent my day yesterday talking about our people and talking about this government of the America by the people and for the people, and I want to talk to you about it for just a few minutes. And then if it is agreeable with you, let's take some questions and see if we can't field some answers.

You have heard many people say of late, what is there left to do for a liberal in politics? Haven't we just about

achieved all of our goals? And how many times people have asked that question. Of course, the fact is that we have only now begun to make the breakthroughs that we should have years and years ago.

I have talked to some of you ten years ago, fifteen years ago when we were arguing about and hoping for much of which has happened as of today. The 89th Congress has a record that is second to none in terms of achievement of the positive social goals of the government and of the nation. But I would be less than honest with you if I didn't say that we have only made the beginnings. In fact, you might say that Step No. 1, Stage No. 1 has been accomplished in trying to make a better environment here on earth.

I am Chairman of the Space Council, and I am very familiar with the terminology which is used by our space scientists and we spend a great deal of our national resources in trying to conquer the mysteries or explore the mysteries of outer space. It is estimated that we may spend anywhere from \$25 to \$30 billion to accomplish what we call the APOLLO Program, the moon mission.

Now, let me make it quite clear, that mission has much more to it than merely getting a man on the moon and returning him to earth. This whole mission of the space program has had a tremendous effect upon our economy, a plus effect, a positive effect. It has elevated the quality of education, it has surely improved the competence of industry. It has placed new demands

upon the professional skill of labor. It has brought into the American market thousands of new products, particularly in the field of fabrics, metallurgy, ceramics and electronics. But I have felt that any nation that feels that it can justly afford to invest billions of dollars to put a man on the moon and return him to earth also ought to be willing to make a commensurate investment in helping put a man on his feet right here on earth. And that's what we are trying to do, to help people stand on their own feet right here on earth where we are going to live.

The breakthroughs that we are making are just what I say -- breakthroughs -- and from here on out we perfect, we create, we embellish, we enhance these breakthroughs. Just as we had in the space program first the Mercury Missions. You remember the first flights, then the Gemini series and next the APOLLO to explore Jupiter, Mars, et cetera. So we are now in this civilian program relating to our economy and our social structure at Stage No. 1, as I see it.

We have made the breakthrough in health. I introduced the very first bill that was ever introduced on medical and hospital and nursing home care for persons aged 65 and over under the terms of Social Security. That was in May 1949. That bill evoked a bitter criticism, as I recollect. I don't want to tell you what people said about the author of the bill, because we ought to live in a happier environment than some of those words would indicate, but I did feel in 1949 that this at least would

be a beginning. It wasn't as much of a beginning as some had hoped for, but it was a beginning. And 16 years later it became a fact. But we fought for it every single year. We planted the seed, there were many periods of drought and finally came the harvest and we have what we call Medicare -- a breakthrough, but not the answer. Just a breakthrough. We have now to take a look at the whole structure of medical services and hospital services. Do we have adequate hospital space? Are our hospitals today as modern as they ought to be? Are there not improvements in the structural organization of a hospital and the administration of a hospital that can give better service at more reasonable rates? What about all the medical technicians, the people in the healing arts? Have we really taken a good hard look at what we are going to need ten years from now, fifteen years from now? Because that's when you start to train people. It takes a long time to train a radiologist or a pathologist or someone who is capable of directing the medical school or nursing school or all the many other people that are required in the healing of a sick body or a sick mind. But we have made the breakthrough in the National Institutes of Health in the Medicare program, in mental health, in mental retardation.

We are going to have community mental health centers all over America in the next few years. And the terrible sickness that grips millions of our people, emotional instability, mental illness, will soon be brought -- at least in due time can be brought under control and we will find how to heal. We have already found out

much about mental retardation. We have found out that these are priceless individuals. We always should have known it, but we found out that not only are they filled with love and they are, but that they can be self-sustaining, many of them and right now better than one million of the mentally retarded are self-sustaining because of efforts on the part of government and voluntary services, the medical profession and trade unions, and churches, many groups. We are making a breakthrough. That's what I think is important -- the beginnings -- and then the follow-through and that's where we come.

We are making a breakthrough in man's environment. We are making a breakthrough in man's education.

Let's just have a word first about education. For years we fought in this government of ours about Federal aid to education. The very first bill that I voted upon when I came to Congress in 1949 was in the United States Senate, a bill for Federal aid to education. We passed in the Senate the bill but it died in the House. It either died on the issue of church and state or racism. They never got around to talking about education. And finally we said, look, we are talking about the child, we are talking about the individual, we are not talking about institutions. And we ought not to be talking about prejudices. -So let us try to conceive a program of Federal assistance to the education of the child. And I was in a school yesterday where Federal aid will come for library books in a parochial school for the children in that school and I

was at a school in Philadelphia yesterday, a public school where massive Federal aid will be brought in to help the children of low income groups, the children that are the victims of deprivation, that are the victims of poverty, of education.

The greatest educational effort that the world has ever known is under way now and who does this benefit? Everybody. But particularly, as President Johnson said yesterday, the sons and daughters of working people, of our farm people, of the yeoman and the mechanics and the agriculturalists. They were put in the old days under the Act of 1862 which established the great land grant colleges. The purpose of the land grant colleges was to provide an education for the sons and daughters of the toilers, of the workers, of the farmers, of the mechanics and the yeomen, as they said in the legislation.

Well, we have made a fantastic breakthrough and now we are beginning not only to get the money that is needed for education, but we are beginning to experiment in educational techniques. There is no creative thought in education. We are breaking through the old stereotypes. We are beginning to find out how to use closed circuit television, audio-visual aids, how we can improve our libraries, how we can increase the teaching capacity of a teacher. How we can bring into our schools teacher aids and we are finding out many, many other things. I could take your time this morning, but I shall not.

I have gone from State to State, gone about the things

that are possible under the Federal aid to education program. Not only manpower training, not only vocational education, not only the fantastic grants for certain higher education and the dormitories for students and the science buildings. I am not talking just about that. I am talking about what goes on, for example, in the little country area in South Carolina where under the Federal aid to education they now have a festival of the arts. What makes one think that ordinary people, sometimes people poor in purse do not have a richness of soul and spirit that loves the arts?

Philip Murray used to talk about that -- he wanted the picture on the wall and the rug on the floor, not just a wage. I will never forget the testimony of a lady that came in when we were arguing about the minimum wage law in 1949 and she said that it meant so much to her just to have that little increase -- she was a textile worker -- and why did it mean a great deal? So she could have piano lessons for her daughter. Now, you know, people like piano lessons for their daughters. This is living. Now, we are making the breakthrough in education, but more importantly we are making a breakthrough in the environment in which man lives and this is very important to all of us.

The air that we breathe today is polluted. The water that we drink has to be treated chemically. Our rivers and lakes are the victims of man's misuse and yet these are the great resources -- air and water. And we have a special obligation, don't we, to keep these resources usable and in a sense to keep them beautiful. So

we are working on man's

We have heard a great deal about beautification. The beautification that's more important, without diminishing the other is not merely the beautification of the flowers in the city square, or the shrubbery, all of which is so very, very fine and we ought to push it, and you ought to help us with it -- but the real beautification of America that is important is the education of its people, the beautification of the mind that comes through enlightenment, the opportunity to study, the good books to read, the establishment of community colleges, expansion of our higher education facilities, the improvement of elementary and secondary education and the beautification that comes on Project HEADSTART where little ones that are the victims of an environment that has left them with a sense of despair and hopelessness and their parents with even more of it -- that there is an uplifting of the spirit in the Project HEADSTART that gives a real beauty to our country. What is more beautiful than the smile of a child? What is more beautiful than the laughter of a child? What is more beautiful than the enlightenment, the knowledge of a child, and this comes in our pre-school program and our HEADSTART program. This is what we are beginning to do in America.

Now, I want to finally say to you, that we have many problems that confront us and I imagine that as we visit here today there will be problems about the international scene, questions on the domestic scene and I know and you know that in the

international scene a colorful force that is called communism is at work in this world. But you and I know that even if there were no communism there would still be trouble in this world. You and I know that communism exploits the trouble. It seeks to profit on the trouble, but the communism alone is not our only problem. But our nation is geared up to meet this enemy of communism. We have alliances and treaties, we have powerful military forces, we have foreign aid programs, we have a network of diplomats, we have a United States Information Agency, a Central Intelligence Agency, we have a tremendous establishment to face up to the power and the tactics and the penetration and the aggression of communism. But I am here to tell you that the enemy within our gates is not merely those few that have become duped by the false philosophy of communism, because they are few indeed, but the real enemy within our gates is what I call "slumism"-- s-l-u-m-i-s-m -- "slumism." And what do you mean by it? Well, I don't need describe it to you. All you need to do is to go to any city and see what is happening in the core in the center of the city, in the core cities. Slumism, the poverty of the physical structures. Inadequacy of transportation, the accumulated debris and garbage that all too often is a constant reminder of our inability to make the city beautiful.

Slumism, the enemy within. Slumish like an insidious virus consuming city after city where people live. And remember, we go around talking like this is an urban society, and indeed, by the year 1975, 80 per cent of the people of the United States

will live in large cities, or large metropolitan areas. Some people have tried to escape it by going to the suburbs, but soon Suburb No. 1 becomes Slum (A) under big title Slumism, it becomes Slum (A), little slum, because of inadequate planning. So we seek to escape from the core city to the first ring around the city to the second ring, the new suburb. This is no answer. You cannot run away from this urban social virus that is penetrating every major metropolitan community in this land. The city ought to be the most beautiful institution that man can create, because it is in the city where there are the possibilities of cultural development. It is in the city where there are jobs and industry and the scientists and technicians. It is in the city where you find the big hospitals that give you the best of medical care. It is in the city where your trade unions have their base. It is in the city where you have the large financial institutions, the great universities and supposedly the better schools. And having said all that it is also in the city where you have the gnawing, penetrating insidious virus called slumism that spreads and spreads and spreads, and encompasses, in fact imprisons more and more people. To me slumism is more than just the dilapidated buildings, the inadequate structures in which people live, the overcrowding which is a relevant and prevelant fact. It is more than rat infested tenements and that is a fact, too, in this richest of all countries. Slumism is personal poverty. Slumism is discrimination and segregation, de facto or not de facto. Slumism

is hopelessness, despair and cynicism. It is frustration and bitterness and anger and hate and these are facts today that we face.

Slumism is deprivation of education. Regrettably in our America the best schools are in the upper income levels of the city. The poorer schools are in the lower income levels of the city. It is education upside down. I am not asking that the better schools be downgraded. I am asking that the poorer schools be upgraded. I am asking that the best teachers be sent in where the people need them the most. I am asking that the latest school teaching techniques be applied where there needs to be catching up, where you need to catch up in your educational experience. So I say to my friends of the labor movement and in the labor press, let's join here in a struggle now, let's launch a new effort in America to make our cities livable, to make them institutions of creative living. Let's make our cities what they were intended to be. A wholesome environment for man and his family. Not the ghettos that we speak of today, the urban ghettos of brick and concrete and mortar and filth and disease and crime and if there ever is one task that the labor movement ought to set itself to, it is to rehabilitate, redesign, recreate the American city and we can do it.

Any nation that thinks it can put a man on the moon and any nation that contemplates putting a man's station on the moon to penetrate and to probe outer space to Mars and Jupiter, which

is our plan, that nation ought to be able to improve the transportation of a worker from his home to a job. That nation ought to be able to do something about opening up the spaces in a crowded city so there can be grass and trees and parks and shrubbery. That nation that can provide a perfect environment for astronauts in a capsule, that can orbit in outer space for weeks and that the men can walk out of the capsule healthy, we ought to be able to provide some environment and some sort of decent air that men can breathe here on earth. And nation that can do what we have done -- split the atom, penetrate outer space, transplant human organs from one body to another, literally create life -- that nation ought to be able to do something about the inner environment in which man lives.

So I come to you this morning with an appeal. People say what is there left for us to do? We haven't even really had a good start. We have just broken through. We are in Stage One of trying to build a community that is worthy of America, and when I hear the song America The Beautiful I want to think of where Americans are going to live. And are they all going to live in the forests, in the wilderness area that is so beautiful? No, they are going to visit there and that we should protect and guard. But they are going to live where you live. They are going to live where I live. They are going to live in the great metropolitan centers. The question is, what kind of life will they have? Not what kind of life will you have? But what kind of life will all Americans have? What kind of schools will their children

attend? What kind of hospitals can we take their sick to? What kind of city will be their home? What kind of streets will they walk on? How much open space and fresh air will they have? What will be the condition of the environment in which your children grow?

These are questions that I think are before every American and I think no one has a greater stake in it than the labor movement.

Thank you.

(Applause.)

MR. HENNING: The Vice President has been gracious of us to offer to remain with us for 15 minutes to answer whatever questions you might have in mind.

Would you please identify yourself by name and organization?

MR. SANTIESTEVEAN: Mr. Vice President, we have in the labor movement many hundreds of thousands of Mexican-Americans of which I am proud to be one. We know of your compassion and dedication. We know of your muy simpatico to our problems.

VICE PRESIDENT HUMPHREY: Thank you.

MR. SANTIESTEVEAN: So that we labor editors may tell our Mexican-American members and all our friends of our concern, would you please comment on what you and the Johnson-Humphrey Administration has done to aid the rising expectations of the Mexican-Americans? You know we are seeking to join our hands with our

Negro-American brothers and sisters in the great movement. Thank you.

VICE PRESIDENT HUMPHREY: Of course, one of the things that has been done is that every program that has been passed is designed for all Americans. The great programs of Federal aid to education are directed, as I have said primarily to the low income group, not exclusively to many of our Mexican-American fellow Americans who fall within that group. Fortunately, more and more are rising out of it. Our war on poverty program has some beneficial effect. But it is my considered judgment, sir, and I have so stated, and I believe efforts are under way now to act upon that judgment, that we need to give some special attention to the social and economic problems that face our Mexican-American fellow citizens and at this very hour there is discussion under way in the White House with the Vice President participating as to the possibility of a conference that will highlight the problems and search for the answers to some of the problems that our Mexican-American fellow citizens face.

I am proud to say that the government's effort through the Department of Labor on the migrant labor question has been of considerable help to many of our fellow citizens that are migrant workers -- agricultural workers. Those efforts will not be relaxed. We hope to have learned a good deal from our first year's experience and to build on it.

The passage of a new minimum wage bill that will cover

farm workers as well as industrial workers will surely have decidedly good effects. Those are some of the things that we look forward to. But I would just like to call your attention to the importance that I place upon a special type of conference that relates to the unique problems that our Mexican-fellow Americans face.

Anyone else?

MR. PERRY: Mr. Vice President, I realize that the slumism has many facets to it. I know that many efforts have been made to eliminate slums within themselves. But I have seen no real effort by anybody -- perhaps no one has the courage -- to take a position with respect to the people who help themselves. What I mean by this is, I have seen a number of areas which have been in fairly good shape, even though poor people lived in it. Then pretty soon other people would move in who were poor, too, but that area would become very blighted, run down, dirty, filthy.

VICE PRESIDENT HUMPHREY: Yes, sir.

MR. PERRY: And I find that in many areas where there have been projects and they have a tendency to deteriorate and there shouldn't be any reason except that the people are not taught on cleanliness or ability to do for themselves and wait for somebody to come for them. I don't know if you saw that Al Capp thing of the Invisable Yokums.

VICE PRESIDENT HUMPHREY: Yes, I did.

MR. PERRY: There was a dead cat lying there and lying

there for six weeks and it was smelly. Nobody came to help them remove the cat. The hole in the wall where the rats come through -- I don't say this was sarcasm or with any ill feeling, but I think this is one of the great things that have to be done in the re-educating these people to help themselves -- to at least keep the areas in which they live clean.

VICE PRESIDENT HUMPHREY: Yes, sir. When I mentioned this term "slumism" I was not speaking merely of the physical structure of the community. Much of what you say has great merit. I am talking about the condition of the people. There is such a thing of a person getting to the point in personal experience of no longer caring -- losing really any sense of motivation or incentive, being the victim over a long period of time of neglect. I think that has happened to a number of our people.

I would remind you that literally hundreds of thousands -- millions of people come out of the Deep South from the sharecrop farm, the plantation, with no industrial experience, little or no education, no spirit of self-reliance. They were a part of a community in the South which is a community that no longer exists. Even the machine itself has broken up much of the community. But the change in law, change in social standings -- all have had its effect. Many of these are Negro-Americans that have migrated by the thousands to Cleveland, Chicago, Philadelphia, New York and other areas. They are industrially illiterate, they educationally illiterate, they have never lived in close proximity with others.

They have been rural people. They have had no experience. They have had no background at all in urban living. And they are literally forced into an old area that already is on the downgrade and by the immense pressure of additional population in an already congested, obsolete, dilapidated area, it becomes progressively worse. Now, what do we do about it? One thing is to try to rehabilitate the structure and it is interesting to note that in areas where there have been new structures, where there is proper planning of open spaces and where there are markets available and where the transportation facilities are readily available, that there is a higher quality of performance on the part of the people. That is just a fact. We know that to be a fact. Now, you can find instances where it doesn't happen, but in the main that's a fact.

But more significantly, with the war on poverty, the Office of Economic Opportunity with the many programs which Federal, State and local governments and voluntary agencies, which we now have, which needs better coordination I should add, that are directed toward the individuals, we are getting at the point you are talking about, helping people to help themselves, to restore spirit. Now, my dear friends, let's be very candid about it. When a person becomes an alcoholic somebody has to get him and work with him to help him get hold of himself. Until that moment he is nothing but flesh and bones. The spirit has been disturbed, the soul is literally inundated in a filth, in alcohol. Now, that individual finally gets hold of himself through the help of others and this is

self-help and brings himself back into self-respect. This has happened hundreds of thousands of times, thank goodness. The same thing happens in dope addiction, less often, regrettably, but it happens.

Now, to transfer that analogy to some other human experience, it is entirely possible if you have been told to get to the back of the bus for a hundred years, that you may have lost some desire, even, normal desire to get to the front of the bus. Or you may very well have this experience where you have been told to stay in your place, whatever that is, for a hundred or two hundred years, to walk on your side of the street -- you are not wanted here. You can go here but not here. And then, when a new day comes where the law says there is equal opportunity and where the law says there is no discrimination and where the law says you are entitled to use all of these facilities on an equal basis, you may not even believe it. This is one of the problems that we have today with many of our young people.

Within the last four or five years -- since 1957 when we passed the Civil Rights Act of '57, the Civil Rights Act of 1960, the Civil Rights Act of 1964, the Voting Rights Act of 1965 -- why all so much has happened in the past few years, that it is almost beyond the comprehension of some people, either to know it or to apply it. Now, we have equality of opportunity in law. The next stage is how do you get it in practice? We have it in theory, but how do you actually get it in life? You can say there shall be no

discrimination in employment. And you can enforce that law. No discrimination in employment. But if a fellow doesn't know how to a job, if he can't read, if he can't write, if he has no incentive, if he has no motivation, if his spirit has been crushed, he is the victim of discrimination that is inbred. That has to be lifted out. It is rehabilitation. We are really lifesaving -- that's what our project is and this is my life's work. This is the only reason I am in politics. If I didn't believe that we could help rebuild people by helping them get hold of themselves through guidance and counseling and education and the improvement in environment and a thousand and one factors, I would get out of this public life in five minutes because it sure doesn't leave any time for private life.

So you see, I think we are on the same wavelength. It's going to require a great perseverance and the will to do it. Any nation that thinks it can save the world from communism and any nation such as ours that thinks we have a duty, and I think we have, to prevent the success of aggression, and any nation that thinks we can explore the universe, good grief, that nation ought to roll up its sleeves and be willing to tackle a problem of our own people. I yearn for the day when we can pour all our reserves into this, not just money, but the best people.

I saw high school students yesterday tutoring little children. It is a wonderful thing. I saw better than a hundred high school students giving freely of their time. I saw a young

Negro boy in Saint Elizabeths School that came from the public high school who was a merit scholar, an award winner in the field of science. He was teaching there every day, youngsters that were behind in their science courses, tutoring. I saw young ladies that were up there teaching speech therapy to little children that were undoubtedly the victims of emotional instability which is most of the problem in speech, and they were working, helping. I saw three young ladies that were working -- giving of their free time, giving several hours every week to the management of a library under a trained librarian. These are young people. This is Peace Corps work at home without being organized. This is great. There are just thousands of them that want to do this and if I can do a little something to inspire these young people to want to do a little more, maybe we, with a few of us working at it can get a job done around this country.

All right, next.

MR. KAHN: I am sure all the editors here feel a very deep sense of warmth and gratitude to you for all your years of service to liberalism and the trade union movement. I am sure we all share with you the enthusiasm of the accomplishment of the 89th Congress and of the breakthrough that you spelled out in in the first stage.

I think that one thing that does concern these editors, Mr. Vice President, is what has happened to some of the bills that the trade union movement is particularly concerned with and we know

what has happened to 14(b). But we would like to hear some of your views on it.

But also on the situs picketing, on what will happen -- the House will be taking up minimum wage, the portability of pensions which has become more and more an important issue and what has happened in unemployment compensation where the Committee did water it down? But we would appreciate very much, I am sure some expressions from you on these measures.

VICE PRESIDENT HUMPHREY: I regret deeply we were unable to succeed in the repeal of Section 14(b). You know that this Administration was committed to it. I went as far out on the limb as a man could. I don't have two speeches. I have said the same thing to business friends I meet with. I think that section of our labor law is discriminatory. I don't think it improves labor-management relations. I think it is unnecessary frankly, it is unfair and it ought to have been repealed and we will just have to keep at it. I can say that for many of our unions, despite the limitations of 14(b) they proceed to make progress and I wouldn't want my words here to in any way indicate that you ought to just hold fast and do nothing until 14(b) is repealed. Just go out and organize and do the best job you can. Remember, we did make a commitment, and we hope to be able to keep that commitment to the best of our ability.

I personally spent a great deal of time in the United States Senate on this subject, talking to some of my good friends up

there in the hopes that they would come through.

I regret to tell you that I wasn't as persuasive as I had hoped I might be.

Now, insofar as the minimum wage is concerned, I am confident that by the end of this session we will have a new minimum wage law along the lines that you have been reading. I believe it is \$1.40 and then \$1.60. It is not as much as some would want, but it is progress and there will be considerable expansion of coverage.

On Federal standards for unemployment compensation, we have real difficulty. I would be less than honest with you if I didn't tell you that the bill thusfar has been for all practical purposes pretty well emasculated. However, it is my view that we ought to do what we can. The Administration is committed to its own proposal. The President had a meeting about this with the leadership. I sit in on those meetings. And we want to move ahead with what improvements we can get in the Federal Unemployment Compensation Statute and we will make some this year. We will pass a bill, but not as good a bill as you deserve or as I think we ought to have.

On pension portability, that is plain economic sense in the kind of society in which we live, in which we have a mobile population. That one, however I think -- I would have to tell you, has not had the priority attention that I think it richly deserves. This is becoming a more important question for a worker than almost

any other because of the large amount of fringe benefits or the growing amount of fringe benefits that are available to a worker. He ought to be able to carry those benefits as in other countries they do. I recall in the Scandinavian countries you have what you call this pension portability where you can move from one plant to another and still be able to have your accumulated fringe benefits and to those of you who are industries that frequently call for some movement of a person, this is a very important economic matter and it will have our attention, and I hope that it will be pressed by the union leadership for our attention.

MR. LANG: Mr. Vice President, when you mentioned the enemy within and slumism, you brought to mind the fact -- it struck a responsive chord in me that these are the very areas where the Communists are moving the strongest.

VICE PRESIDENT HUMPHREY: That's right.

MR. LANG: In the slum areas. They are taking advantage of blight and the illiteracy of these people and I think -- I really think you have come to the solution to get this there and work with these people and show them the American way of life and defeat the Communists.

VICE PRESIDENT HUMPHREY: Exactly.

MR. LANG: Is that what you would have?

VICE PRESIDENT HUMPHREY: Yes, they are twin enemies and require a coordinated solution, coordinated control. I want to mention that we do have a program before the Congress that we sure

could use your help on called Demonstration Cities. Demonstration Cities are just what they say. A certain amount of cities, I believe 80 were to be selected -- less than a hundred, between 75 and 100 cities that will be selected for massive efforts -- not just a little nit picking, add a brick here and clean up a block there and put in a storm sewer over there. No, to go into the city and make it a demonstration city. Say here, there are 67 blocks in this city that need rehabilitation or there is a local traffic pattern that needs to be redirected and redesigned. There are problems of utility, traffic, education, health services, housing, demonstration cities and come in with all these great Federal programs and migration, we have a lot of them. There is a catalogue bigger than a Sears-Roebuck catalogue of Federal programs and come in with a massive effort and show it can be done by trying to rehabilitate, redesign, redesign in many areas as a whole city. Now, do you know why this bill is bogged down? Because -- you know, the Senators and Congressmen are worried that the Demonstration City may not be in their district. Therefore if they vote for it they may be voting funds for another district or another State. But my goodness, we have to get a start. We need to see whether or not this will work.

Now, there is another program, rent supplements and it is up. Wouldn't you think we would do something about that? Yet, we have more trouble even with this great liberal Congress on rent supplements than on any, on almost any other program we ever had. I worked my head off in Congress to get support for rent supplements.

The President looks at me and says, what are you doing about rent supplements? He, too is working on it. And the leadership works on it. Now, what is a rent supplement?

The rent supplement permits private housing by a trade union, for example or a non-profit corporation to build privately owned housing. The government doesn't run it, you don't have a government supervisor and you can move in, into a neighborhood, a decent housing and if your income is below a certain level, you will be given a certain amount of additional rent income to be able to move into that house. Now, when your income goes up you lose that rent supplement, but you can still stay.

Now, let me tell you what happens in public housing projects. If you are earning under \$3,000, as long as your income stays under \$3,000 a year you can stay in the public housing project at a cost to the taxpayer of over a thousand dollars a year per family unit. A thousand dollars a year to you per family unit. But if you get above \$3,000 you have got to go on out and try to find another house and you just simply cannot find a good one, so the incentive is, don't get the income up.

I know, I have been there in a city. I know what goes on. Now, what about the rent supplements? The rent supplement says to this low income family and the people who are eligible for rent supplement housing -- they are the same people who are eligible for public housing. That's all. That is the standard. No new standard. If you are eligible for public housing you would

be eligible for rent supplement housing. But the difference is, when you come in you have around \$3,000 income and therefore you may be getting \$20 a month extra or \$15 a month extra rent supplement. If your income goes up to \$6,000, maybe you got a good job, maybe you took manpower training and development courses, you don't have to move. But you don't get any supplement. You pay the rent that is due out of your own pocket. Therefore, the motivation, the incentive to improve your income. At the same time you get a decent house in which to live, a privately-owned, privately operated home. Now, what is the difference in cost? The cost is a thousand dollar subsidy for a low income family in public housing. It costs about \$600 a year at a maximum in rent supplement housing. You just think that this made sense. I guess it makes too much. It confounds some people.

If there ever was a program in which those of us who call ourselves humanitarians, it is this one. It is hard to go up here to Congress to get appropriations for public housing. We are lucky to get 25,000 units a year and it comes right out of the taxpayer. But you can have private capital, your health and welfare funds, your church groups or your non-profit groups who can go on out and raise private capital. They don't have to go through Congress and explain everything. They can go out and build this housing if it meets standards and is eligible for rent supplement housing.

A family can move in. If the family is eligible they get the little difference between what they can pay out of their own

pocket and what the government pays as the extra. That is to provide for the proper amortization of this investment in a house and if the family income then goes up the man can stay there or he can leave. He doesn't have to go on out.

I want to repeat that the other form of housing has a downward pressure -- don't get the income up too much or you will have to leave that nice little five-room flat that you have. These are some of the things we can do.

Demonstration Cities, get excited about it. I have been around when the labor movement used to get so excited we would tear hotels like this apart at a meeting. I still am filled up with this enthusiasm. I am having a hard time projecting it to others, that's my problem. I don't want us to get fat, I don't want us to get content about these things. We are just beginning.

When I hear people say, there won't be anything left to do Humphrey, they don't realize we have only started. I want them to know what we have done thusfar -- these are the testtube projects. These are the prototypes.

I repeat, we have got a big job to do in education, a tremendous job to do in medical service, a great job to do in rehabilitation, a fabulous, unbelievable job in the improvement of our environment. I don't think people on the Eastern Seaboard ought to have to breathe smoke. Why don't you do like I do in Waverly, Minnesota? It is cheap, fresh air. It is good for you, by the way. I go home and spend one night and I feel better

than if I have spent a week someplace else. You know that good old oxygen and ozone without carbon dioxide and soot. It works real good.

QUESTION: Mr. Vice President, the question I have is with the latest change in Social Security and this time talking about the people 70 or 72 years of age which does not affect our immediate membership, but rather the mothers and fathers and relatives of those who are our members. I had hoped that our government using the deductible clause with this latest change which affects -- if you are entitled to State or local security, then they would deduct this from the Social Security portion. I would have hoped that our government would not have followed the same pattern that private industry follows in Social Security and pensions in which there is a deductible clause.

Would you please comment on that?

VICE PRESIDENT HUMPHREY: I am not fully familiar with it, but if you state it as it is, I agree with you. I would have to take a look at all the facts on it. I am not trying to duck your question, but once in a while it is plain ordinary good sense to admit you don't know. I am really not fully familiar with this situation. If you want to state a few more of the details maybe my memory will be slightly refreshed.

QUESTION: That's all I know about it at this point.

VICE PRESIDENT HUMPHREY: I really don't know, but I would be more than happy to look into it. I think you know where

my sympathies would be in this matter. The Social Security pensions are small enough as they are and we ought not to try to limit their effectiveness or their amount by these deducts that are all too often applied.

I think I will have to run along. I will take one more question.

MR. FOX: I have a fully political question.

VICE PRESIDENT HUMPHREY: Good. That will be something new in Washington.

MR. FOX: I think the progress we have made is wonderful. But what bothers me is that the Chambers of Commerce, real estate boards, the NAM go down to Washington, get all kinds of benefits, people listen to them, they get aid to increase profits and we are just -- you are talking about this rent supplement program. This won't stand a chance unless the real estate boards saw that it made sense. But they come back to our local communities and beat our ears off as though they never got a thing out of Washington.

Isn't there some way that we can put a ramrod or something behind their back and make them stand up to the truth and come home?

VICE PRESIDENT HUMPHREY: I have a feeling that you are more capable of that than I am.

// Let me just tell you a little story that may be of some interest to you. It is true ~~that~~ ^{of} a number of our business friends

and business leaders and groups here in Washington and it is ~~also true~~ that there are many things that have been done on the surface ^{which} seem to benefit only them. But that is not always the case. In my home State of Minnesota we had quite an argument over some period of time as to the development of our so-called taconite industry, which is a low grade ore in hard taconite rock. I have been an active participant in it, ~~and some people called me a leader in the Democratic Liberal Party in Minnesota -- that is when things are going bad.~~ And ~~for~~ years our party took the stand that we would never yield on any type of tax concession to the iron ore industry which was becoming more interested in taconite. So we ended up with them getting it in Labrador, Nigeria and Venezuela and our workers were without work and our mines were closed down and Duluth was becoming a city dying on the vine and the port wasn't producing much. The young people were leaving and the older people were dying. That is what the situation was. ⁷ I could have continued to make those political speeches about the steel trust. -- ~~And I made my fair share;--~~ or I could face the facts, and I started to face the facts and believed at some political risk of supporting an amendment to our State Constitution which gave what I considered to be equitable treatment under the tax laws of Minnesota to treat taconite as a manufacturing process, which it is, rather than to treat it as an ore, as one of the basic metals or basic ores. There was a difference in tax treatment of the basic metal or ore and the manufacturing processes.

The result was that we did get the help of the labor movement, we did get the help of our political party, of the Farmers Union and also the liberal groups. I took the battle on to get that done. I met with the captains of the steel industry and they asked me to get all these things done and they said they maybe would invest and I said no maybe. I will do my part, you do yours. When I get commitments out of you that you are going to build a plant, if I do my part, then we will start to do business. But there isn't going to be any, you do it Humphrey and maybe I will do it on the other side. We are going to go right down the line together.

To make a long story short, there is over a \$1 billion investment in northern Minnesota and we have no unemployment. We are trying to get workers. Fantastic new developments.

What appeared to be to some people a great benefit to the steel companies has turned out to be good sense to every worker and to every community and the population is starting to come back, the workers' income goes up, they are able to negotiate a better contract. I don't say that you have -- but it is ^{ier} easy to deal with the company.

I am in politics. It isn't easy to deal with the opposition and sometimes not even with your friends. When we put on tax laws that have reduced taxes we didn't do that only because we thought it was going to be nice to business, and even though we felt that if the tax could be reduced business might

invest and by investing would create new plant and in turn would create new jobs and income and it proved to be right.

Now, my good friends of the labor movement, I know that you are not exactly without capability in the field of collective bargaining and I wish you well. And maybe I say that you have an administration that looks upon workers' income as a vital factor in the long term strength and well-being of this country. We are not ^{only} interested in business profits, even though profits are a legitimate, necessary factor in the economic system of this country. We are also interested in a fair wage and good working conditions and fringe benefits for the American workingman and I haven't changed my convictions at all.

I was down here in Dallas and one fellow, a big meeting down there -- that's where they give rather substantial contributions. It is a good idea. There was a fine businessman who got up there and he said to me, Mr. Vice President, I believe you have changed. And I have read that a great deal you know. I said, I hope so, I am a little older, I hope that I have learned a little something along the way. I wouldn't want the American people who have been paying my salary for years to think that I learned nothing in my 16 years of service in Washington -- 17 years. I possibly have changed. Maybe I am a little more understanding, possibly slightly more tolerant of other people's point of view. I hope that I have matured some and possibly worthy of the office that I hold. But if I can be quite candid,

I think you have changed or you wouldn't be here listening to me.

(Laughter.)

VICE PRESIDENT HUMPHREY: That's a fact. There has been a great change. The NAM today for example is sponsoring fair employment practices clinics. Can you imagine? Regional meetings. They are helping us. They are out here doing it. When the Real Estate Board endorsed the rent supplement as did the home builders, I just said, "Hallelujah", I am grateful for these endorsements. The only trouble is, they weren't any more persuasive than Humphrey when they got up to Congress. I know who can really be persuasive. I know how I got elected and I am ever grateful to American labor. They have helped me get elected there time after time. That was a good habit and I want them to keep at it.

I must run.

(Applause.)

MR. LESLIE: We heard about needing a new agenda. Well, we got a new agenda right now.

This afternoon, I am sure that Secretary Weaver will be able to go into the Demonstration Cities Project which is a very interesting project and I think very important to all of us.

Yesterday, you heard Bob Fleming discuss a day in the life of the President. It seemed like a very full day, quite busy. It seems almost impossible that any person could squeeze any more

into a day than the President does.

Well, if there is anybody who can do it it is our next speaker.

Esther Peterson is, as you all know, wears two hats, one as Assistant Secretary of Labor for Labor Standards and the other as Special Assistant to the President for Consumer Affairs.

She does both well. I don't know how she does both. She has time also for counsel and advice for other things -- things we are doing. She is also involved in the small activity called the Status of Women which also is making great progress.

So, if not the busiest man in the city of Washington, at least I would like to introduce to you now the busiest woman in the city of Washington, the Honorable Esther Peterson.

(Applause.)

ADDRESS OF HONORABLE ESTHER PETERSON,

ASSISTANT SECRETARY OF LABOR AND

SPECIAL ASSISTANT TO THE PRESIDENT

FOR CONSUMER AFFAIRS.

MRS. PETERSON: Thank you all very much and thank you, John.

It's good to be here and I must say it is awfully nice to come before you.

I just flew in on the Red Eye Flight. When you come from San Francisco overnight they call it the Red Eye, because I was out there addressing the Better Business Bureaus.

You know, Secretary Wirtz tells of the guy who was being chased by a lion, he got up against a dormer and he couldn't go any place and he thought the only thing he could do was pray. So he got down on his knees and started praying and turned around to look and saw the lion was also on his knees. He said, that's wonderful. He said, I didn't know that you were God fearing, a nice person like this. He said, What do you mean interrupting me? I am just asking the blessing.

I always feel that way just a little bit before I get up before some of these groups, but my father used to say to me, let's not just talk to the converted, we really need to get out.

I must say it is with great comfort that I am here with you and may I say right at the beginning, a great thank you to the labor press.

It is so marvelous to have been reported accurately by you and to be reported fully and to feel this very strong base of support for I think it is one of the really exciting and new developments in our country.

When I was given the assignment to be Special Assistant for Consumer Affairs, I thought I hardly knew what this was. My experience in the trade union movement and certainly this did help me a lot. I have become converted to it, let me tell you.

I think a little bit of this sophisticated cartoon that was in the New Yorker -- I guess you saw it -- if I remember correctly it showed a fish wiggling out of the water and thing

underneath said, "Because that's where the action is going to be, baby."

The movement up until then and I think right now in the consumer area this is where the action is and where the action is going to be, baby, man or woman or whatever you want to say on it.

I am really sort of encouraged and heartened by the number of things that are happening in the development of the whole consumer question.

When we met with you a couple of years ago I had just been appointed and I think it was before, if I recall correctly, we got our views really going and right after that -- I don't know if you recall some of the things they were saying -- this office was viewed as the most pernicious and they said I was an enigma wrapped up in anachronism. I don't know what that means. The trade press with which I am beginning to read a lot of, said it was fraught with potential things, you should come and pay your 25 bucks to her. It bothered me, I must say. I didn't like being used -- well, anyway, they said the mere mention of her name makes grown men shudder.

How do you like that?

I don't see any of you with the shakes. If so just take your favorite little pill.

Then, also the Wall Street Journal said the other day, I was the only shopper who goes around the country looking for bad

bargains. Then, recently I was called "Mrs. Snoopy." I frankly didn't mind that one, either. In fact, all of these -- in a way I feel I should thank the advertisers because I don't think we have created quite the stir. When they say you have this great big organization, I just really have to laugh about because we have a little staff over at the White House, do it part time along with the other. But the thing that proves to me that it is time -- it is time right now, because it is coming -- there is a real consumer awareness that is aroused. I think that you folks have helped tremendously in that and that is one thing that I wanted to say a real thank you to you about.

There have been a lot of things that have happened since we met and there is this real consumer awareness and I find it all around. Of course, I think the biggest thing was what President Johnson has done, his consumer message and his pressure on really supporting the consumer program and working for this which has been tremendous for us.

We have seen this great new consumer awareness and more and more individuals, consumers are realizing they are consumers.

I have fantastic experiences when I go marketing. They recognize me, they recognize my braids or something. I don't wear hats but they will come up and ask me about bargains and I have had a number of women say, you know, Mrs. Peterson, I don't know if I am happy about this program that you all got started because you have made me so conscious of the things now that I don't buy with

the ease that I used to buy because I am aware of these darn fractional ounces and whether I am getting the better buy and on the quality and a number of these things.

Well, I think frankly that it is a good thing and I ran into a store the other day and I found a lady who had a walkie-talkie. I said, what do you use this for? She said since you have been talking about this, my husband shops in the other stores and we compare prices and he just told me to buy this at this store because it was cheaper.

How do you like that? Talk about the new methods and new ways for this consumer thing. It is terrific. It does please me a lot because I think we are beginning to be ready to speak up. And I was very pleased when I saw Sunday, for example, in the Washington Post a full page ad saying, "Did you ever get a lemon?" I have been talking about lemons and I have been telling people if they get lemons, talk about it. Speak up to the point of purchase. Here was a full page ad by business and it was Esther Peterson speaking. They didn't say it was me. But the whole point is here is business now saying, is you get a lemon speak up.

The point is, this is important. It is important for us in the labor field to recognize this. So we are learning that what we don't know can hurt us. That it does hurt us. We thought before this isn't the case and it really does and it is important.

The confusions that we don't want to complain -- we are beginning to and we have a right to do it and we must. I think this

is one of the things we want to do. Unless we speak up we can't have a lot of the corrections made.

I got a letter from a woman the other day -- she said she had been at the super market people at the way they place candy at eye level shelves for children at the checkout counter. She wrote me and said, I have the hardest time when I am going out with my kids, picking up the groceries. You are so right. If I have lost my mind, Mrs. Peterson you will find it at the check-out counter.

She then listed the kinds of things that were important. But the thing that is nice here is that they are beginning to be vocal and I say, "Hurrah," to this.

At the market I was at the other day, a lady said, I want you to stand by me when I am going to do something. I am bringing back a sack of potatoes that had three rotten ones in it that I paid for. I am also bringing back a sack of oranges that had two rotten ones in the dozen bag that I paid for because I just got them. But I didn't open them when I was here. Will you stand by me while I do it, while I make my complaint?

But the point is, it can be done and I think we have to do this. We don't need to agree to the kind of practices that are there. So, a lot of these things are happening. A lot is happening. I think on the part of the individual consumer awakening on the part of what power they have as consumers. Then I am very, very pleased about the work that is being -- that really is on the Federal level.

I think it is splendid that safety is finally, finally taking its right place, in car safety and tire safety.

WS You saw the New Yorker cartoon I am sure where it showed the Board of Directors looking at the little car. "The gimmick to this here is safety." This is typical -- this is the kind of thing.

But any way, this is on its -- this is coming and the Congress is certainly sensitive to the sounds that are coming from the market space and are responding to it.

I think we are going to really see progress in that area and the fact that the package bill was voted out 14 to three when on the tight amendments within the Commerce Committee, it was so much tighter a vote with only a margin on the hard amendments of two votes. On the final passage when the noses are counted, it is the usual trick, you know, then coming through on the vote. The final count was 14 to three. We are going to have rough sledding on this, but I am positive we can get a package bill out.

On the consumer bill, safety, metric system, guarantees and warranties the number of bills that have been put in are tremendous.

What I am saying, is there is really a growing consumer bloc in Congress and a real sensitivity to it. The number of requests I get to talk about this in political districts and met with Congressmen shows that there is a real sensitivity to this as a real bread and butter issue in the coming campaign.

hws-2

There is a growing awareness on the part of Congress that is very strong. There is a growing awareness on the part of administrative actions. One that really pleased most of all was the Defense Department's directive which I think is due some good publicity and a pat on the back on the part of these people and we have not been able, the Defense Department came through with a splendid regulation that financial institutions, people buying on time and credit and lending money, buying cars or whatever, have to tell all the costs involved and it was recently amended so that they tell the annual rate. So we are going to have some real experience under what we would call a Little Douglas regulation in the Defense Department. This is splendid and it was not easy. Because the same forces that were opposed to this as in the truth in lending bill that is before Congress. The fact is that there are some breakthroughs in these areas and I think this is tremendously to the good.

The FCC is now opening its door to more consumer testimony and this pleases me. At least the persons who listen and who view are going to have a say in some of the hearings before the Federal Communications Commission. I think it is time for that. That it was not just the buyers of time, but the end users.

There is a lot of activity within the Federal

hws-3 Government where we are making I think real progress to see that the consumer's voice is finally there. We do not win all the time, I will tell you this, but we are trying and we are beginning to get I think -- thanks to the President -- in many cases a consumer oriented people in the appointees that are made to various positions. I think this is very, very much to the good.

The Federal Power Commission, Federal Trade Commission and the Commerce Department -- I was but very pleased there -- that when they set the voluntary standards procedures now in getting industries to work out standards, that the consumer will be present. We have that written into the regulation now. These are little advances, but are bound to have a real effect that I think is important.

Agriculture certainly is moving up. Look at the consumer's book that we have. There is a new constituency that people are aware of in the Federal Government that we are serving and one of the finest things I think is being all -- is being able to get into the guidelines of the OES and the possibility that consumer education, consumer programs can be funded through the OEO and up to date there are 56 consumer projects around the country under the OEO with an appropriation of expenditures of around \$3 million. Some of these are in for tough sledding because many communities view them as anti

business. But in most of the areas there is cooperation from most of the legitimate business communities in the assisting there. But in this area I think it is absolutely one of the most important developments because for people to be able to get counselling on their credit, to establish credit unions for example -- I am very pleased with these credit unions that are starting with 25 cents a week, where they are really beginning to get on their feet in understanding some of the problems involved in these areas of these and this is a tremendously good development.

The action by the states, and there is a real movement on the part of the states which again is good. There are 18 states now that have consumer protection agencies. Three states have consumer representations at the executive level. Legislation is being introduced in a lot of these. Oregon enacted a prohibition against deception in home improvement and they also require -- there is a limitation on telephone soliciting. I do not know how you members feel about that, but this is one of the big abuses, telephone soliciting and there is a regulation on that one.

Now, California and Delaware and the number working on deceptive advertising -- I will not go down the list but I can supply this if you want a roundup some time of the actual activities on the state

level that is new, that is moving. I think this is very much to the good.

Yesterday, when I was at the Better Business Bureau meeting they kept throwing the questions at me and one of the questions that was thrown to me, do we need this package -- can not this matter be handled on the state level, and look, we have been through that with unemployment insurance, we have been through it with minimum wage. We have been through this with so many different issues. Oh, it was very interesting. Mr. Cleaves from General Foods was there and they were all there, by the way, and I turned the question to him.

He said, you should answer that. I asked, how would you as a producer of all these foods like to have to conform to 50 different regulations relative to packaging, to 50 different states. Of course, we all know that the tactics are to say that it be left to the states and they go to the states and testify that it is not needed. You know the double play that is always used and of course he had to answer that this -- he could not answer it. He said you are the one to answer this -- he would not answer it. He said you are the ones who are to answer the questions today. This is a point. It is the same tactics that are being used

that we are catching up with in more areas than just this one.

But a great deal is being done in the states.

Laws prohibiting referral sales in Illinois -- they have developed a very good consumer fraud bureau in their state.

I think one of the most helpful ones was one that was signed into law last week by the Governor of Massachusetts, that is the Massachusetts installment credit bill and requires rate disclosure and the annual rate, by the way. This is the first state law where this is in. So there are two good testing grounds that we have now, the Department of Defense directive and this other Massachusetts legislature, that can even mean a great deal to us.

There is incidentally a cooling off period, especially to assist people who become victims of high pressure salesmen who especially call on the little lady at home to sell a vacuum cleaner or sewing machine or a set of dishes or pans and it is lovely and they sign a contract, it is a note that is transferable, the people leave town and leave the people holding the bag on these exhorbitant charges of some of the items. Actually, the bill has a cooling off period of 24 hours. So there is a chance for the people to go and look it over calmly, read the fine print and can say, if they feel that they do not want to go into it.

Also, there is a statement of the buyer's

rights relative to repossession on all of this and it is completely spelled out, which is all to the good.

Michigan is considering two consumer bills in their legislature. Rhode Island just the other day, the Senate passed a bill to establish a consumer council. That was last week. That is a sample of this new movement on the state level which I think is terribly important to all of us in the labor movement.

Another new development that is awfully important, the interpretation of the courts are beginning to give. They acted to strengthen consumer rights. The Supreme Court of the State of Washington ruled that referral sales were illegal. Just the same as lotteries. That is a great boon because there have been millions and millions of dollars lost by their referral sales techniques.

Another thing, another number of state courts have moved to a plain old policy that they do call an implied liability, declaring the manufacturer liable for household defects in his products and when no written guarantee was issued. - - This is a great deal. It puts more responsibility on the producer. I think one of the best ones that really please me the most is the Federal Appeals Court in Washington last fall, that they declared certain contracts as unconstitutional and void and unenforceable. When a woman who is living on welfare and her amount was \$218 a

month welfare check and she was talked into buying a \$514 stereo set, she could not keep up with the payments and they began to want it and to take it back, with no recount on what she did have before and also to repossess and take some of the things. This is a case where the OEO was really helpful and before the court they said that the contract was enforcable because there was not a likelihood that that woman could pay. Now, this is also setting a precedent because before all the laws had been on the part of the seller and we are beginning with this new consumer awareness to get an equalization, so we have actually some assistance for the help of the buyer as well.

These I think are extremely good.

And boy, is business responding, may I say, in many, many ways. The meeting that we had yesterday with this Better Business Bureau in San Francisco where they announced they are going to open a Washington office -- and they are also setting up consumer advisory panels in cities where they have better business bureaus and also they are reactivating a foundation.

Now, all of these can be good. I was impressed yesterday when I talked with the people who are really operating these bureaus at the local level and let me just tell you -- this is kind of familiar any way here.

I tried to point out very definitely the

dangers that I saw in their setting up another lobby office here in Washington. Although their quotation said they wanted to be a group here in Washington, that would be mediating, representing the consumer and the interest of business, to be sure that the best interests are served, they would not be taking a stand one way or another on legislation unless there was a definite feeling where they felt that voluntarily it could be done.

It was interesting in the part of the speech where I said I hoped they would not -- I hoped that they were not opening an office lobbying against legislation and I was concerned because a recent packet that they sent to every member of Congress had in it two pieces of literature, one against the lending bill and the other against the package bill and I assume that if this was a forerunner that this was what it was going to be. When I discussed this with them, about half of the room applauded and I thought this was interesting.

I found that after the discussion that there was really a definite feeling that they had best not do this, if they maintain it. But there was a sharp cleavage of opinion and they of course are going through their discussions the same as we do ours. But I think it was interesting and it is a place where we can help to strengthen the part of the better business bureau that does the constructive job in the communities in assisting

the areas.

But on the other hand, I think that we do want to watch the development of the Washington office and the development of the foundation. The people there announced yesterday as to the part of the board of directors, the -- Neil McElroy, Head of Procter and Gamble, Mr. Cleaves of General Foods -- another was Oveta Culp Hobby, and another was Charlotte Montgomery who does write some good columns, but also writes many against the consumer, especially against the packaging bill. I am not going to prejudge this because it can be a symbol of really better communications.

On the other hand, I think it is something that we must know that there are strong groups that are awakening to the sensitivity of the voice that we are all concerned with.

They are also planning an annual consumer conference every year in Washington. I thought that this was interesting, coming right on the heels of the first consumer assembly which was supported so strongly by the labor movements and by organizations affiliated, Farmers Union, Womens groups, church groups, the trade union movement and --

So again I would say that budding business is responding very, very much to this. The 4-A study on advertising, the Chamber of Commerce working in a

constructive way, the war on poverty -- many of the variety store association people who are cooperating with us in a splended way in our poverty program, in giving us materials and demonstrations for many of the consumer information centers that we are developing. We have had very good cooperation.

The American Newspaper Publishers have helped a great deal. One of the encouraging things is the Textile Advisory Committee which is working on setting up permanent care labeling in garments and are going to work in the standardization of sizes of garments.

I see it is almost time for us to quit. But I would like you to get a definite feeling and an understanding that this is moving and there is a growing consumer awareness and activity on part of business, on the part of organizations all through it. It is important for us to know it. But I also must read to you one of the things that just came in from the Supermarket News and one of the persons who is President of the Supermarket News says he is very much concerned about all the consumer awareness he says the last straw, according to Mr. Collum is the series of consumer conferences being held in different cities across the country under the auspices of Mrs. Peterson the President's special assistant for consumer affairs.

Factually, I am not holding conferences

around the country. We held our original conference. I am invited to a lot of them and I am going to them. We are having consumer conferences. But they are conferences that are being stimulated at the local level. I would be glad to help. But it is interesting that this is not the case.

Then he says, what is needed is a vast counter-attack, a mammoth public relations campaign by the supermarket industry. You cannot attack a reasonable motherly person so like Mrs. Peterson, he stated. You have to agree with her and then smother her attack.

(Laughter.)

MRS. PETERSON: I got a good collection of these. Well, any way these things are certainly moving and I think that the consumer assembly was splendid.

I want you to know how grateful we are for your support. Because you are the group that is giving us the support that is needed. I am sure that we can get the package bill through.

We are going to have a rough time on lending, but we are not going to give up. We are going to get more, I think -- we are going to see more of this because of the consumer awareness that is coming. But we got to be very, very careful and it is difficult on the state level.

And it was interesting on the state level in Massachusetts, which I was following very carefully. One

day after the advertisers met with the editors of every paper except the Christian Science Monitor -- they all came out against the lending bill except the Christian Science Monitor. And they printed some things that were factually not correct which we had to correct. Yet the bill was passed overwhelmingly when they called a roll call vote. We must recognize these pressures that are there. It is not only on the state level, but it is on the National level, as well.

I was going to talk to you not only about the awareness that is coming but also about a lot that is ahead for us to do, too. I think we haven't begun to touch the effect of credit and over extension of credit for our working people. I think the effects of the garnishment of wages, the relationships of bankruptcies to this and the wage collection -- all of these are areas that need our very deep and considered attention it seems to me and I am hoping we can move into a lot of this -- the guarantees we need to move into. Well, the list is long and I cannot go into all of them now, but I know you will follow these things. I applaud you, the papers who are giving the attention to this and I applaud you who on Sid Margolis column. He serves on the Consumer Advisory Council and without this counsel and advice we really would be at a great loss and I think this is good and I think you can

develop far more communications with your members through the papers and the columns that are possible, the write-ins. We would be glad to help as much as we possibly can with these, but we got to break through this great thing today. We got to get through to the kinds of things that are on our minds as we buy it, as we purchase and as we spend all of the money.

There is so much in relation to credit and insurance. I wish we could look into the insurance area. I am so disturbed with the discrimination and -- we have not begun to touch this, the higher rates that are charged in certain areas where people live. When some people cannot even get it. And we got to look into these policies. We got to work for equality at the marketplace as well as at the job opportunity place and this is an area that deserves our very marked attention.

I have got a long list of what can be done. It seems to me that with all of these things developing and as I look back to my experience in the trade movement, when I first came into it, and I remember walking with Bonnie in picket lines -- all of the time that we considered, we talked about these things and we now know that you are not hiring people for all these long 70 hours a week, but some of that type of open overt exploitation we do not see. The kind of exploitation today is covert exploitation that we do not see. The thing that bothers me about it, it is sort

of looked at as respectable and it is a new kind of exploitation and we have got to move.

The package that is deceptive, the shoddy articles that do not hold up that are sold as good articles -- the credit that is extraordinarily charged. It is a new kind of exploitation to which the consumer program is being directed and they are saying thanks, very much for all your help with what we are doing in it.

(Applause.)

MR. LESLIE: If anyone has any questions, Mrs. Peterson will be very happy to entertain them.

QUESTION: The question of the metric system. How important is this in the list of priorities of the things you have, and how should we in the labor press treat this? It seems to me we should do somethin.

MRS. PETERSON: It is not high on the list like packaging and lending, but it is one of them. Very definitely one of them and we are supporting this. What we need to do is to begin to have information on what this would mean. Some people begin to think about it in terms of -- if you could help with that, in fact, and when we have hearings begin to have people speak about it, so that we can get this translated into a usual way for us it would be very splendid for us because it has great

implications. I can divide by ten much easier than I can by a lot of others.

MR. SCANLAN: I wondered what your Department had in mind for shoe manufacturing? There has been reference made to getting people on their feet.

MRS. PETERSON: I must say that I have had one meeting. One of the ways that I work, that we work in our committees is to get all the problems together in various ways and to get the industry together because we try to say, look, what can you do about this?

We have had the shoe people in once and the big complaints there were really , a lot was quality deterioration and prices . I have given them all the lists of the problems the consumers have and I do not know what they are going to come back with. I am waiting for my next industry. In the textile industry it took three meetings before they came up with a plan before they said they will institute permanent care labeling to be sold in the garments. What I say and what is our policy, if you will do it, fine, if not, then maybe we go to Congress. What we need is the strong cooperation with you people because I do not know what I would do in this job if I had not had the experience in the trade union movement. If I had not known what goes into the products on the assembly line, where the short

cuts come in and where you can cut corners. It is the quality deterioration that is somewhat important.

Then I think let us tell people, if the heel breaks on the shoe and it does not hold up, take it back and ask for it. That is part of my speak up campaign. I will be glad to work this with you. In fact, I wish there were a few more hours in the day because it would be marvelous when I sit with the industries if I could sit down with the unions producing these. That is one thing I hope we can work toward.

MR. SCANLAN: We are available.

QUESTION: We are teaching consumer education in the schools. We are concerned about economics books which we feel do not give a true picture of the economic life as it is today and also we wonder what teachers can do about this, what school systems can do and particularly what you can do?

MRS. PETERSON: This is one of the major concerns and in our work with the President this is one of the points he has asked us and asked us to work very strongly on. I do not know what we have done on this. We have been encouraging consumer education in all of the schools and we have given a lot of publicity in consumer education at Lincoln High School in Yonkers, New York. That is one program. The point is we have to get that known. This

summer so, with the cooperation of the Office of Education, we are having a workshop in a number -- we are having people at the workshops around the country where the Office of Education is having teacher workshops and we are having consumer -- I think we have about 20 now where this is going to be on the agenda. I have been writing for the magazines as you may know. NEA, PTA and the Journal of Education on the need of this. Frankly, we have, myself and another person working on this.

QUESTION: Please do not forget the American Federation of Teachers.

MRS. PETERSON: Why do you not ask me for an article? We have not had one in there. But I think we should. My first union job was organizing for the teachers union. Organized three locals. I am a card carrier in the AFT. I want to teach the trade unions other -- I want them to do a little more in this and they could take a real leadership in this and I wish they would.

Let us discuss that one. The Wall Street Journal came out with an editorial saying this was brain-washing -- now Mrs. Peterson was trying -- that this is a dangerous thing. About two months ago -- when we really worked on it, they said the consumer education was a good thing and there should be more of it. So even the Wall Street Journal can change.

QUESTION: I watched a television program this morning where they interviewed 17 women at shopping centers and about 14 of those women said prices were too high. They went on and said this was somewhat similar to surveys that had been done. What have you found in talking to consumers about prices?

MRS. PETERSON: There is really tremendous concern about prices and I may -- my mail is running very heavy on the concern about prices. I am concerned about a lot of markups that I think are unreasonable -- a number of people have sent me wholesale lists and I have had these checked with people -- wholesale lists of items where there has been a markup which is being passed on to see whether there were short supplies or any reason why those should go and in many of those items except for perishable items there was no reason at all to indicate why it should be up. As you know we are terrifically concerned about this. Whether the voluntary pressure we are pressing on this can hold or not is hard to tell. On the other hand, I think it is important for us to notice that in the food industry, this has been responsible for a lot of this increase. In those items, some of those items, some of the perishables that were due to weather conditions and some due to supply of the marketplace -- the important

thing for us is to know that that is fluid and some of those are down. When the service part of the index is up, that is part of it. I think also, let us not forget, in this whole price thing, it is so terribly critical and I do not want to underestimate it, and you have a hard time when you go around and tell them the President has asked to get your little sharp pencil and it is not easy when you go into a low income family and they say, look we have been on that for years. We have already been doing that. When you say take the cheaper article, they are already doing this.

On the other hand, by explanation, it is important for us to remember what it is doing and it is normal that there are economical rumblings at this time when we have five million more back to work, when we are doing all this in education, when we're really making these thrusts necessary in addition to the carrying on the military offensive. I think we are having economic rumblings and I think Mr. Ross will discuss this more. I am deeply concerned about that and it is a real problem.

MR. LESLIE: Thank you very much, Esther. We all enjoyed this very much.

(Applause.)

Mrs. Peterson was correct, that Doctor Ross will get into the subject of prices and the manpower shortage and so forth and the effect of the manpower shortages in

pushing up prices and what have you.

The next matter on the agenda is lunch followed by Secretary Weaver at 2:30. We would hope that all of you and those of you who have run before and after the Vice President was here can be enticed to hear the Secretary. He has the newest department in Government which has a tremendous job to do and I think we will all be interested to hear what his plans and programs are in this area.

I have been asked when I adjourned to recess for lunch that you all remain for a couple of minutes so that your officers have a little business of their own which is not a part of the conference.

I will recess the meeting and turn the microphone over to Ken Fiester.

(Whereupon, at 12:30 o'clock p.m., the conference recessed to reconvent at 2:30 o'clock p.m., the same day.)

- - -

AFTERNOON SESSION

2:30 P.M.

MR. LESLIE: I would like to call the afternoon and final session of the Conference to order.

I would like to explain, Mr. Secretary, that we have a tradition of no long introductions, since the biographical information of each of the speakers is contained in the kits.

Our next speaker you all know heads the newest cabinet department, the Department of Housing and Urban Development.

I was privileged to be present at the cabinet meeting -- the had another meeting at the same time -- the President called to stir us up a little bit on the promotion of some of the programs, legislative proposals, and I am glad to say some of them have passed since then.

But at that time, at that cabinet meeting, the President announced that he intended to nominate Dr. Weaver to head this new agency. And I think that the reaction of delight and approval expressed by the men in that room is a testimony beyond anything that I could possibly say to Dr. Weaver.

The department he heads is a new one, but its importance cannot be overestimated. I think, as the Vice President said this morning, many of our Nation's present and future problems lie in our urban areas -- that these are the problems of the Secretary of Housing and Urban Development. And to bring these problems to you, and some of the programs and policies and objectives which

he has to meet these problems, I would like to present the Secretary of Housing and Urban Development, the Honorable Robert C. Weaver. (Applause.)

ADDRESS OF HONORABLE ROBERT C. WEAVER,

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

SECRETARY WEAVER: Thank you very much.

You know, in taking over the job like the one I now have, there are two periods in this. The first period is before you get sworn in. From then on you are sworn at. I am in that period now.

I realize that you have had a rather rugged session, and that you probably are about listened out. Also I am told that the Vice President spoke to you today and talked to you about some of these urban problems which are very close to his heart, on which he is quite articulate, as he is on many subjects -- and that he also mentioned some of the specific programs which the Department of Housing and Urban Development has high on its agenda.

I therefore will speak quite briefly on the Department as a whole and on probably the most controversial and I think the most exciting program that we have in this year's legislative proposals, and that is the demonstration cities.

I might say that I have never, in the five years I have been here in Washington, and in the thirty years I have been associated with the field of housing and urban development,

found a major program in that field that is not controversial. And this one is living up to its earlier predecessors.

The Department itself is for some simply a new name for five or six AGS and about thirty or forty major programs which existed before. But actually I think it is quite more than that.

One of the questions that I frequently encounter is why should there be a Department of Housing and Urban Development. And I think there are several reasons, and they fall in various categories.

First, of course, is the fact that we have been, the last thirty years, and longer an urban nation, and we are increasingly becoming more and more urbanized. And therefore it is quite fitting, both as a matter of symbolism on the one hand and as a matter of good administration on the other, that there be a department in the Federal Government which is concerned with the problems of urbanization.

Let me say, when I refer to urbanization, I am talking about in the urban complex -- not only the central cities of our country, about which we read and hear a great deal -- but also about the urbanization areas around the central cities -- including the existing suburbs, and the land which is beyond them, which will be brought into urban use in the near future.

Secondly, it is perfectly obvious that the decisions as to what the main thrust of an administration may be, the decisions

as to how the limited funds -- because even in an affluent society, they are always limited funds -- as to how these are to be distributed. And the emphasis of an administration -- are determined in large part at the Cabinet level.

Therefore, it is fitting that where almost three-quarters of the people's interests lay, there should be representation at that focal point.

Finally, there are administrative reasons for a new department, not the least of which is the fact that the old agency, the Housing and Home Financing Agency, has developed in an evolutionary process, putting together a large number of more or less independent activities and agencies under a single umbrella of dubious legality as far as its control of the parts was concerned. So that we had something of a feudal empire, with much of it more or less independent. And you cannot attack a problem as complex as are the problems of urban development, without some sort of a concerted thrust.

For these three major reasons, a new department was necessary.

Now, this department has to do, as you know, with housing, and in that field we have the FHA Mortgage Insurance Program, the various programs for land development. We have now the beginnings of the Rent Supplement Program, a new program for low-income families, we have a Public Housing

program, which is an old program for low-income families. We have the first Moderate Income Housing Program passed in 1961. And we have a Demonstration Program for low-income families which attempts to devise new approaches to this most difficult and important problem.

We also have the large Urban Renewal Program, including such things as open space in the central city, urban beautification, planning in urban areas, and the like. And we have the programs for metropolitan development, including comprehensive planning, advance planning for Public Works, advance acquisition of land for public purposes, open space, mass transit, water and sewer grants, public facility loans, college housing. And finally, we have the FNMA, Federal National Mortgage Administration, which is really our bank -- it is a secondary bank, and it is also a bank for special assistance which provides Federal funds for those programs which are new and have to be underwritten until they get on their feet.

Therefore, we are operating throughout the total urban complex, and we are operating under a system of mortgage insurance, under a system of loans, many of which are below the market rate of loans. We are operating under a system of mortgage insurance, and we are operating a system of support for that mortgage assistance program through our secondary markets.

We have, therefore, a very large scope of activities. We are not a large department as far as personnel is concerned.

Only the Labor Department, among the departments, has a lesser number of employees than do we. But we have a tremendous impact on the society, because of the size of the programs for which we are responsible.

We also are somewhat unique, being joined in this by the Anti-Poverty Program, of dealing for the most part directly with urban and local communities, rather than going through states with our activities.

We have certain activities which do go directly to the states. But most of our activities go either directly to a local government or to a private enterprise group or to a limited profit group, or to a cooperative group. So that we are a little closer to our customers than is true in many of the Federal programs.

Now, with a responsibility as broad as this, and with a series of programs as diverse as this, it is terribly important, if they are going to have a maximum impact, that they be coordinated, and that they complement one another rather than conflict one with the other. And that is one of the things which is now being done, as we reorganise the new department, to associate those programs together which have impact upon the same set of problems, and also bring a united approach to the policy on all of these problems.

Now, it is perfectly clear, I think, to anyone who reads the papers that our cities are in trouble. And it is

perfectly clear to any mayor or to any member of a city council that without more money, without more revenue, our cities are not going to survive. So that the most obvious need as far as the cities are concerned is a need for more money. And this is why there has been the pressure for the block grants and so forth.

But in my opinion, there is another need which is equally as great and which complements the former, and that is a need for more know-how and for better techniques of attacking these problems which have been with us for several generations. And that is why we have proposed a Cities Demonstration Program. This is a program which is designed to develop in many cities many approaches to many problems.

In one city the method of handling a particular problem may be of one sort. In another city that same problem may be attacked in another way. And out of this accumulation of experience, of experimentation and demonstration, will come better methods, so that when we get to the top point where we can put much larger amounts of money into these problems of urban renewal, both physical and human, we will have a better set of approaches than we now have.

It has been, in the last five years, our habit of experimenting and of demonstrating, recognizing, as I said earlier, that we do not yet have all the answers.

Now, the Demonstration Cities' Program is unique in

several respects.

In the first place, it attempts -- it will attempt to go into cities and take whole neighborhoods, or whole large sections which are now either slums or blighted areas, and deal with the total problem of those areas and the people who reside in those areas -- so that there will be a coordination of the physical approach, the approach to better housing, the approach to better facilities, the approach to better services, and the human approach -- an approach which will be concerned with better education, better training, better jobs, and, most important, with reaching the horizon of hope and the horizon of participation of the disadvantaged in the total society of which they are a part.

Now, even if we did not believe this were necessary in order to make our cities strong, we would have to believe that it is imperative to begin to deal with these problems because of the social impact of the situation we have today -- a situation in which the general affluence, which is probably greater than any society has ever known before, is marred by the pockets of poverty and the areas of deprivation, both physically and by people, which occur. And when you have, as many of you here will not be able to remember, because you are not old enough -- but I do -- a situation like the Depression, where you have mass unemployment, people of all classes, of all ages, of all occupations, in all geographic areas, subject to unemployment, then you have a situation which means that people feel something has to be done, but

9

all identify with the need for doing something.

When you have a situation as we have today, which is one of class unemployment, with only certain people, certain groups of people, I should say -- those who are not trained on the one hand, those who are old or handicapped on the other hand, those who are deprived because of race, creed or color on the third hand -- when you have that type of dichotomy in a society, you have a very explosive and dangerous social situation which any Government has to be concerned about. And it is to learn how to meet that social problem, with all of its economic overtones, with all of its psychological overtones, that we are attempting to coordinate under the umbrella of a demonstration program -- a viable means of attacking the real root problems of our cities, which is physical and human decay.

Finally, let me say that inherent in all that we do are several basic philosophical believes.

The first one is that there is nothing immutable about the present status of our cities. Man has made cities, and man can change cities. And I think man will change cities if he has the inspiration and the tools to do it.

Secondly, there is a belief on my part, shared, I think, with most in the Administration, that we have not yet even approached utilizing to the fullest extent the technological know-how or the resources which we have and can bring to bear on these problems. And this again is what the Demonstration

Cities' Program would like to do. But in addition to that, we believe that there are many possible applications of existing technology which have not yet come into this field -- and I am speaking now both in the physical and in the human aspects of it -- that can make the job easier, and that can make our work more meaningful, if we learn how to apply this know-how, and how to apply these resources more effectively than we have in the past.

And finally, not only in the central cities, but throughout the whole urban complex, I have a very very strong feeling that to date we have sold the American people short. We have not raised the horizons of hope and expectation to the level that they should be raised, so that we are not getting the demand for the better urban environment that can be ours. And it seems to me that an agency such as mine has a dual responsibility here. First, obviously, in a democracy, we have to be concerned with maximizing the choices, and of making these choices universal, so that all can have options, and all can make the decisions between possible alternatives rather than accept simply what is shoved at them.

And secondly it seems to me that we have to be concerned with the fact that we are now living in a world which is quite different from the past, a world where we have more leisure, where we have more technology, and where, for example, we have the automobile, which is a great asset and a great boon, but also can be a great detriment, if it becomes the

master rather than the servant of the people for whom it was designed.

It is in the realm of these things, as we look through the broader aspect of our problem, that we are trying to pay particular attention.

What we do is not only putting more money in existing programs, or making greater grants to do what has been done before, but constantly trying to analyze better the basic components in these problems, and constantly trying to develop programs that will be more effective and will present a background for the period when we put more and more of our resources into the urban community to the end that we will get from that more and more comfort, more and more security, more and more excitement, and more and more enthusiasm out of an urban population.

Some years ago I took what I hope will be the last examination in life. One of my professors said, "Well, you will probably be teaching." I said I would not. And he said, "When you get out to teach you will be asked a lot of questions, and you won't be able to answer them, but always dispose of them." So I will be happy to dispose of your questions.

MR. FIESTER: I would like to ask a question. Mr. Secretary, first of all let me say we apologize to you for the sparseness of the attendance, which embarrasses us no end. I will say to you that those who are here represent, I think,

the bigger and better papers and obviously the more ingelligent editors.

But --

MR. WEAVER: I bet he says that to all the audiences.

MR. FIESTER: I am very interested in this area, and I have any number of questions, but I will start with a kind of double-barreled one.

First of all, I am almost a half owner now of one of Mr. Leavitt's houses in Bowie. I took great pains, when I bought the house, to make sure there were no racial covenants and what-not connected with it. I found to my dismay that Mr. Leavitt was pursuing a policy of not selling to Negroes, minority groups. Yet Mr. Leavitt testified just recently saying that he thought that a Federal fair housing law was a dandy idea -- even though he wasn't prepared to start it.

So the first question I have is -- is it possible to exercise moral and financial suasion on Mr. Leavitt, as an operator of this size, to conform to what is the fact rather than to his conception of the practice in the community. And second, what chance do you think, as an interested proponent, and in view of Mr. Dirksen, that the fair housing provising of the new Civil Rights Bill will have in the Congress?

MR. WEAVER: Let me preface my answer by making an observation on the paucity of attendance. I could almost feel as though I were a member of the Chamber of Commerce, which I

am not, because I am a native of Washington, D. C. -- and such delightful weather, I can understand how anybody would enjoy it.

Now, as far as exercising moral suasion -- and I would not like to pick out Mr. Leavitt on this -- Mr. Leavitt has some personal problems here -- I have been putting moral suasion on him for the last decade. Either my morals are not very high, or my suasion is not very good. Maybe a little bit of both.

Frankly, there is this situation which I think is really the basis of the legislative approach to this problem, and that is that there are strong economic arguments for covering the entire universe of housing by any type of antidiscrimination measure or methods -- and these are rather obvious.

If you have escape hatches, it is because a certain segment is not covered, or because a certain group is able to get out from under it, you do have unfair competition which hits particularly heavy on those who either go by moral suasion or are covered by the law or by the administrative action. So if you are going to have effective action here, you should get as wide a coverage as possible.

What Mr. Leavitt was saying -- and for once I agree with him in this area -- was the fact that if everybody else has to do it, then the guy who does it is not going to be in as unfavorable a bargaining and economic position as the guy who does it when the others are not doing it.

This was documented not so long ago in a new development

in Pennsylvania, Philadelphia, when the developer did establish voluntary open occupancy, and all of his competitors went around and said, "Don't move over there because you will be integrated -- come over with me, and you will be happily segregated."

This is a real factor as far as economics is concerned. It has nothing to do with the morals of it, however.

But I must say real estate I believe is more concerned with economics than with morals.

So I would say that the moral suasion argument here isn't going to be very effective by itself. It is going to be effective if you have got a law that gives you a level of morality below which you cannot go without getting into difficulty. Then you can appeal to the higher instincts to pay attention to the law. This is how I think morality operates in this field.

As far as Title 4 of the Civil Rights Act of 1966 is concerned, first, I must admit that any fight that I am in I always assume I am going to win. So I assume this is going to be passed.

On the other hand, I would say that it is very difficult now to say what is going to happen in this field, because I don't think many of us would have expected the Act of '64 to have passed or that of '65. So I certainly don't think that you can immediately assume that it will not be passed.

I think you can assume two things. First, that it is going to be the most controversial part of that Act. And secondly,

that it is going to be, if it does pass, modified by amendments in both Houses of the Congress.

But I feel very strongly that we have to assume that it can be passed, and we have to work like the devil to try to get it passed.

QUESTION: We understand you have selected about eighty urban centers as demonstration cities. I would venture to say that we have quite a concentration of our membership in those eighty cities, whatever they may be. My question therefore is what is being done, if anything, to get the cooperation and participation of the labor movement in those cities, and if this is true, what can we do as labor editors to pick up the running story as this develops. Go to your public information office, for example?

MR. WEAVER: I must make a factual correction. We have not selected any cities as yet. In the first place, it would be premature, because we don't have the legislation. More important than that, we don't have the money appropriated to carry out the program.

We have talked in terms of selection of cities, and various figures have been put out. As to the number, this is rather difficult to say categorically now.

Obviously cities will be selected, and in these cities there will be concentrations of urban people, and in these cities will be a large number of members of the labor unions, and in these cities will be even some members of the labor unions resident in the

areas that will be selected.

I would say that what needs to be done is really two things. The first thing, of course, is there needs to be understanding of what this program involves, and this needs to be disseminated so as to get the support from labor and from all other elements in the cities, elements which are concerned with the survival of the city, and decent human relations, to get behind it. And here our public relations people will be very happy -- anyone who is interested, we will be happy to send them to you if you are not interested.

The second phase of it is when the bill is passed, one of the provisions of the bill -- or two of the provisions of the bill, I think, are quite pertinent. One to labor as citizens and the other to labor as organizations.

The first of these is that we require that there be citizen participation. We don't attempt to spell it out categorically. But we mean by that since this program will involve not the bulldozer type of approach that has been characteristic of urban renewal in many instances in the past, but this is concerned primarily with rehabilitation of existing housing. We expect to have the housing that is either rehabilitated or built anew in these areas to be available at rents which will not involve economic displacement, so people now resident in the area, people of their income group, can either remain living in the area or move into the area.

So that in order to do this, particularly if you have rehabilitation, you have to have citizen participation, because you cannot do this without their involvement.

Secondly, we are concerned with two other things. First, that there be the maximum participation of the residents in these areas in the actual employment incident to their rehabilitation. And this is going to require negotiations with labor unions, such as we have done in a few instances elsewhere, and participation, cooperation of the labor unions in this particular project, recognizing that it is more than simply a building activity, but also a community development activity. And selling this and interpreting this is going to be a major problem.

I think it can be done, but it is going to require a lot of doing, and we are going to need all the help we can.

And finally, we are going to attempt to involve new technology in this kind of activity, new approaches to building materials, new approaches to building methods. And here again we are going to have to have the cooperation of the labor unions in this process.

Now, when I was testifying on this bill before the Senate, one of the very liberal Senators, who is quite sophisticated in this field, was very very dubious about that possibility. And I pointed out to him that in our demonstration program for low-income housing in New York City, even today there is a dedication of the moving in of a family, or the reconstruction of a building -- I have forgotten

which -- but a dedicatory ceremony, where a private foundation financed with our demonstration funds having a whole new approach to rehabilitation of multi-family houses.

As you know, the big problem there is getting the old materials and the junk out and the new materials in, because usually you have a narrow front door, narrow stairways, no elevator, and this stuff has to be toted up and down seven and eight stories. And this is awfully expensive. So what we have done there is to cut a hole in the roof, and we will then put a crane on the outside, and have a bucket go down, and get the junk, and take it out -- or else in another one, we are dropping the refuse or the junk down stairs, and on a conveyor belt carrying it out. In either way, we cut down the costs appreciably.

We are also putting in a prefabricated 10 x 8 unit, on which one side is the kitchen, the other side is the complete preassembled back. We work this out with the unions. These are assembled off site, but they are assembled with union labor. And we have been able to do this in a town which is certainly not a non-union town as far as building construction is concerned.

So these are the types of problems in which the unions will be involved, not only as citizens, but also as operating parts and operating organizations in our economy.

QUESTION: Some of those techniques, Mr. Secretary, would make great pictures for our papers.

MR. WEAVER: We have pictures. As a matter of fact,

we have got a model crane. And I must say all of us who played with erectors just have a ball. The batteries are always run down. I put it on TV the other day, and we had to run out and get some emergency batteries.

QUESTION: Is that metro north, Mr. Secretary?

MR. WEAVER: No, this is done on Fifth Street in Manhattan. It is being done by a foundation -- Mrs. Caroline Hausman, and the P. Y. Lynn Company is doing the engineering. We are putting up demonstration money, experimental money, and and FHA insurance. They are putting the equity to buy the building.

Now, let me say that the real pay-off on this -- if they are able to achieve what they hope to achieve -- if this works the way we think it will, the engineers believe that in forty-eight hours you can go in, move the people out temporarily and put their belongings outside in a shed -- in New York with a lot of good padlocks on it -- move them to a hotel for two days, and at the end of that time they can come back into a completely rehabilitated unit.

In the first place, that means a saving of about \$3,000 a unit. But more important than that, it means instead of having these people dislocated, having them move out of the neighborhood and getting them lost, they are still there, and only discommoded for two days. So this is the potential for this kind of operation.

We will use largely dry materials. I guess many of you are interested in some of these details -- I am. And most of these old buildings have high ceilings. The problem is what do you do, when you put in a new bathroom you have to put a trap. And this is usually like so. You cannot put it in between the floors. And usually the floors are concrete anyway. But you can put that down, expose it in the ceiling, put all your electric and heating pipes in there exposed, and then drop your ceiling. And this again gives you quite an economy.

I am a frustrated builder.

QUESTION: I am from Oakland, California. My question, Mr. Secretary, has to do with the freeing of Federal funds for urban redevelopment now that the state has knocked out Proposition 13; this bears on the employment picture of our building construction trades out there. I was wondering if you can give me an answer as to the rapidity with which these funds can be freed to start the construction?

MR. WEAVER: They have already been freed.

QUESTION: Mr. Secretary, my name is Fox, Cincinnati Chronicle. One of the aspects of this urban renewal development of housing has been a situation where we have the anti-administration headquarters of the United States, Cincinnati, home of the Taft family, coming down to Washington to get grants on housing and urban renewal, and then coming back and lambasting the Administration in their newspapers and public speakers. So I would ask this

question: I understand that Cincinnati has applied to the Urban Renewal Demonstration Plan. Would it be possible for me to get a copy with signatures on it of the Mayor of Cincinnati applying for this Demonstration Cities' Plan?

MR. WEAVER: I doubt that you would, because I think that is a privileged document, since it is a contract, and it is not in the public domain. There is no reason why that probably could not be secured through your Congressman, or through a Congressman or through a Senator, which you have one that you might get it through.

But I might point out this fact. We cannot say because a city is of a different political hue than are we that it is automatically not permitted to participate. It sometimes hurts us. But there is nothing in the law that permits that.

You know, a subsidy in this country is something the other guy gets. When you get it, it is not a subsidy. And I would assume that the only way this could be done would be for you to get in touch with some of your Congressional representation in either House of the Congress, and pose the question to them, and ask them to get the materials. I think that we would be in a very vulnerable position if we were to become direct parties to such activity.

QUESTION: Mr. Secretary, I have another question. I am interested in this area somewhat.

In the case of an application under this new program,

assuming it goes through, which is a big assumption, would the decision as to what is a blighted area within the confines of a given city be made jointly by the Federal Government and the whole people, or would it be a local decision alone?

MR. WEAVER: The law, as it now stands and as I think it will be enacted, states that in order for an area to be eligible, it has to have a significant amount of blight and have substandard housing.

Obviously, it has to have a good amount of that.

The one problem that we run into is a tendency for some to say that we want to take the most blighted area, or the worst area in the city. Now, that may sound logical at first blush. But remember the other side of the coin, is not only to get rid of that area, but also to rebuild that area. And this may not be the best area to be rebuilt, because you certainly don't want to take not only the area that is worse now but the area that is most difficult to rebuild as your first attempt at this very difficult problem.

Let me point out that we have no -- at least I have no illusions about this. The rebuilding of these areas and physical rehabilitation of real estate is difficult enough. And we have got to learn a great deal about it. But we are talking also about the rebuilding and the rehabilitation of human beings, and this is even more difficult. And we are not going to shrink from this. There has got to be a lot of these social problems in these areas.

I would say what we will do, not if, but when we get the legislation, is to set up minimum standards whereby there has to be at least this amount of family disorganization, this amount of poverty, this amount of substandard housing, this amount of inadequate public facilities. And then leave to the localities the choice within that -- whether they want to get more, or just come up to the minimum. This is the way I think it will be done. One more question, and I have to go back.

QUESTION: Mr. Secretary -- Dean Ruth, of The Machinist. Are there plenty of takers, nonprofit corporations, for rent supplement programs?

MR. WEAVER: As of about six weeks ago, when it looked like we were going to get 12,000 units authorized for this year, which we finally did -- with some difficulty -- they called me "Land-slide Weaver," after that -- we had applications from sponsors for one hundred thousand units, and of that, for 70,000 units they already had either optioned or purchased sites. So I don't think there is any question but that we have sponsors.

Now, this is a quantitative statement. The quantitative statement is a little different.

Many of these sponsors have not had experience in this field. Some of them will not be able to qualify for technical reasons.

But I would say that there is no doubt but that we not only have adequate number of sponsors for the 12,000 units we now

have, the 20,000 units we hope to get in the near future, and the 40,000 units we hope to get year after next; and also this will be one of those things that will grow in itself. And we get sponsors, and as we get more participation, we will get a larger number of active participants.

You know, in our 221(d)(3) program, of which I am very proud -- this is the first moderating housing program on a national scale that has ever happened in this country -- and there we also go through the same types of sponsors -- nonprofit, limited profit, and cooperatives. And we have had a much larger number of qualified sponsors with viable projects than we have had units to be available. And this is really something, because up until that program, and until the Rent Supplement Program, in this country we had practically no tradition for this, and certainly very little know-how. And we are getting now an increasing number of groups interested. We also have at least three or four national organizations, we have one union group in the Senior Citizens, the Four Freedoms, for example, we have a large number of individual unions, both national and local unions, which are actively engaged in this. We have another union group that is about to set up a sponsorship organization with fund money to go into this on a rent supplement deal.

We have three other organizations which are supported by foundations or churches which are packaging these things and trying to train the groups to carry this out. So I think we

are well on the way.

But don't let me give any idea that this is home free, because we are going to have a lot of problems with this. We are going to have problems of people learning how to do it, we are going to have to give a lot of assistance to it.

But I think this opens up a new resource for dealing with these problems which we have never had before, and one which I believe has body, of very very good possibilities in this country.

It is going to be rough, it is going to be tough, but I think it is going to be worth it. And all the problems, anyway, will fall on my successors.

Thank you. (Applause)

MR. LESLIE: Thank you very much, Mr. Secretary. We appreciated that very much.

I think we have a good general there in the war against slumism.

The next gentleman who will be speaking is Arthur Ross, who is the fairly new Commissioner of Labor Statistics. He should be here shortly. I understand he is on his way.

I hesitate to say let's take a break. I am not sure I will get anybody back.

But Ray suggests we can let you stretch.

While we are taking this time -- where are the transcripts from yesterday? They will be mailed along with today's transcripts.

QUESTION: Mr. Leslie, I have a question for you. If you want to say anything about it or not, it is all right.

Years ago, after the First World War, there was a liaison between the State Department and the Labor Department which used trade union teams around the world both ways -- it went both ways. We took trade unions from the United States, took them to trouble spots around the world. And then you took labor teams from those spots, and brought them over here, so that we would know one another better, understand our problems, and cut out some of this misunderstanding.

It seems to me today we have plenty of trouble spots -- Viet Nam, even France -- that there might be some good sense in doing something about that again. I would just like to know if any thought has been given to that?

MR. LESLIE: Well, I cannot give you the exact figures, because I don't have them at the moment. But both the Department of Labor, through its Office of International Labor Affairs -- or whatever they call it now -- and AID, through its Labor Office, are constantly bringing to the United States what they called trade union leaders from other countries. They do make tours around the country. I know we provide, through the Labor Department, tour leaders. They do visit unions in the United States to understand trade unionism and free trade unionism. We also send experts through AID to other countries to assist them in their problems.

I would be very happy to get you more details and infor-

mation on that. But I do know it is going on at the present time.

QUESTION: I was specially interested in the Philippines. We had some teams come through Cincinnati some time ago. And also as of now there seems to be a great deal of difficulty between the relationship of the United States and the Philippines. Is there some blockage working there now? I have not seen a Filipino team in five or ten years.

MR. LESIE: Again, I don't have the figures at hand. I do know that we have had people from the Philippines. We have sent some of our Department people recently to the Philippines. - And I am sure there has been an exchange. Again, I will be very happy to look into the specifics of this as it applies to any particular country; but I do know there are constantly teams back and forth. I know at the AFL-CIO Convention they had a large number of foreign visitors here under State Department auspices, AID, Labor Department, and what-have-you.

An interesting story on that -- back a few years ago the Russians, who I inherited from a very circuitous route, being the liaison with the Russian Embassy for the Department, for the exchange of information and the like -- they came, and they were trying, through me, to convince someone that we should have an exchange of trade unions with the Soviet Union. I said, "You are talking with the wrong person, you ought to talk with George Meany." They said, "But Mr. Meany is a very difficult man." I told him, "We find that also ourselves at times."

But we do, in the Free World -- we have conducted a great many exchanges of labor teams, or helped them in this operation.

QUESTION: I just want to indicate while Brother Meany may not always be cooperative -- there is an Arab group coming through our office in New York, and to indicate the cooperation we are giving this team, the President of our Union is Jewish.

QUESTION: I think it is only fair to say, Bob Fox, that while they may not always get out to Sincinnati, I would say that we average something like -- as time goes -- I don't keep track -- maybe ten people or groups of people a year who are from overseas, who have an interest in the labor press in the United States, who are steered into our office, and I try to talk to all of them. If I cannot, Irv Feigen talks to them. This is a pretty steady flow. I used the piece in the news letter about the guy from Cyprus, because who knows anything about Cyprus. But I did not mean to suggest that that was an unusual thing. I met with a group from South Vietnam who were very charming and fine people. And this kind of goes on all the time.

QUESTION: Maybe it is because they have been short-circuited out of the State of Ohio.

QUESTION: There was a Turkish delegation in Ohio quite recently, because they were to our office and spent a whole day there.

MR. LESLIE: I would say there are several thousand a

year.

QUESTION: And I sent them to Cincinnati, too.

MR. LESLIE: We will see that you are notified -- at least those teams which we program -- our regional office in this case would be in Cleveland -- that they get hopefully in advance a listing of those visitors who will be in the particular area, and we will see that you are sent a copy of that, especially those people who will be in the Cincinnati area.

While we are waiting for Mr. Ross, are there any other questions or anything, Ray, that you want to use this for urging that everyone pay their dues?

It seems we are out of announcements.

MR. RAY DAVIDSON. I am going to perform a function as president which is out of order on the agenda.

I intended to do this at the close of the day. But since we have the time now, and fearing we will lose a few more of you before the close of the day, I want to express on behalf of all of you -- and I know without checking with you that I am speaking for all of you -- to express the deep appreciation of the labor editors for this tremendous contribution to our education by the United States Government, by the Labor Department, and by John Leslie, personally.

We have always been fond of the Labor Department. In the present atmosphere of the last few years -- we have also been fond of Secretary Wirtz. And we know that John Leslie did the hewing of wood and hauling of water. And I think we can feel tremendously proud that we have had the honor to speak -- to hear, to meet with, to get acquainted with such a star-studded cast as we have had today.

For men of our humble statute, who really are just hired hands back home, to come here and have three full members of the Cabinet -- I lost count of the Under Secretaries -- the Vice President, and the President of the United States, is something that words are inadequate to express.

Thank you, John Leslie. Will you convey our thanks to Secretary Wirtz and all others. We will of course put this in writing. But I felt that all of you wanted me to say this while I

was here.

We won't take any negative votes on this one.

(Applause).

MR. LESLIE: Ray, and Ken, and all of you, on behalf of the Secretary, we thank you for your attendance and for giving us the opportunity to -- you know, we are a little selfish in this, too, because we hope you are going to go home and write nice things about everybody.

But we think it is part of the job of the Department. We certainly cannot get around to everybody around the country. We think it is part of the job of the Department to expose ourselves to you for whatever disposition you may wish to make of us, and also of our government, as we possibly can, because it is only, I think, by getting a firsthand look and information, views and activities, that it helps you in your job and makes you better able to serve your readers and your unions.

And if we can be -- talking about the yoeman job -- the yoeman job was done mainly by Mrs. Lilly, who has become the chief phone catcher since they came down here -- (applause) -- I missed the Secretary's comment yesterday about the telephones, but I agree completely that there must be a better way. At least this is not in the middle of the night. The greatest things that ever happened to me was Norman Walker -- he used to cover Labor Department for the AP -- and the Federal Mediation Conciliation Service finally decided they needed somebody in this area, and they

needed somebody in this area, and they hired Norm. And now I don't get calls at 12:30, 1, 2 o'clock in the morning saying "What about the Greyhound strike, what are you doing on it." Now and then somebody calls me, I can sort of vaguely say, "Call Norm Walker, he knows all about it." I have gotten a lot more sleep since then.

VOICE: I think we all should give a vote of thanks to President Davidson and Secretary Fiester and Mrs. Elliott, their staff, for doing a wonderful job in organizing this thing.

(Applause).

MR. LESLIE: We are on very close communications, Ken and I, and Ray and your past officers, on trying to work together on doing whatever we can to advance the labor press.

I see Dr. Ross has arrived. He has been attempting to justify the 3.5 to 3-1/2 percent unemployment rate the President announced last night. I hope you have accomplished that.

It gives me a great deal of pleasure now to introduce to you a gentleman who has taken over -- and I mean taken over -- the very difficult assignment, that of the Commissioner of Labor Statistics. He has the difficult task of serving two masters, which he does quite well. One of the at least desires of an administration for news that makes everybody happy, and, two, integrity. The second is a primary desire on his part, the part of the Bureau of Labor Statistics.

We wish we could get the little bit of change in the

fact that the cost of living is going up and unemployment is going down. We suggested the other day when he had the press conference on the cost of living that he might turn the charts upside down, and that might confuse them a little bit for a while, until they started asking questions.

But I have known Art Ross for some years and gotten much better acquainted last year when, as many of you may know, he served on the California Farm Labor panel. This was a panel set up to determine whether they should allow Braseros into California to do farm labor. They looked at all the information. And they only learned one word, and that was "no," and for that we are all very grateful.

Again, that is based on the facts that are at hand.

I would like to introduce now Dr. Ross, the Commissioner of Labor Statistics of the United States.

ADDRESS BY ARTHUR M. ROSS, COMMISSIONER, BUREAU
OF LABOR STATISTICS

DR. ROSS. Thank you for being so gracious, John, when we have been making so much trouble for you with our price announcements in the past few months.

I was leading a quiet life as a college professor for many years, and somehow or other I got a taste for living dangerously, I guess. About a year ago I was chairman of the Faculty Emergency Committee at the University of California, and after an active season at that, I found that I survived, so

I didn't know when to quit, and I became a member of Secretary Wirtz's California Department of Labor panel, and somehow or other we blundered through that, without completely destroying American agriculture, and we were able to give the employment in that industry back to American workers. And then still not knowing when to quit, while I was ahead, I took the job of Commission of Labor Statistics.

I don't know exactly what it means to be at the end of your program today. It is either a position of great honor or else an afterthought on John Leslie's part. I am inclined to think it is probably the latter. But I prefer to assume that it is the former.

It is an important honor to me to talk to you members of the labor press because this is, after all, the Bureau of Labor Statistics, and the labor press is a principal clientele of the Bureau.

We of course publish many things and analyze many things beyond what we used to think of as labor statistics. Perhaps two or three decades ago one would have thought of labor statistics as meaning statistics on wages and statistics on union membership, and statistics on strikes and so on -- where as today we not only continue to cover those subjects, but also such things as wholesale and consumer prices, productivity, and then we are one of the groups which make estimates of gross national product -- although not the official estimates --

sometimes ours are not without influence. And the breadth of our program it seems to me doesn't mean it is no longer labor statistics. It seems to me that it reflects the breadth of labor's interest in the 1960's, the breadth of labor's influence, and the recognition among labor people, and certainly not least among the labor editors, as to the social and economic factors that affect labor's welfare.

It is certainly a lot more than what we used to think of as labor statistics two or three decades ago.

John suggests I talk 10 or 15 minutes and see if there are any questions, and I think that is a good idea -- because I cannot imagine there isn't much that hasn't been said in the two busy days you have already spent with the President, the Secretary, and so many other people.

I thought I would say a little bit about where I think we stand in some of the economic situations of greatest concern to labor, particularly employment, prices and wages, and I would like to say a little bit about our needs, that is to say our program needs in the Department, to give you better statistics and the analyses that we believe you need.

As you know, our program is based to a very considerable extent on the advice we get from our labor research advisory committee and our business research advisory committee, and it has always been true that we think our principal -- or let's say our first duty -- is to provide to the country as a

whole the facts and the analyses which are necessary for the conduct of collective bargaining, for the conduct of business planning, for educational and career planning, and all the other decisions that are made.

It is true that in recent years there is of course more emphasis on economic management, or the new economics in Washington -- striving through government policy to preserve price stability, to achieve full employment, to protect the maximum amount of free collective bargaining and free enterprise. So that our statistics have a new dimension of need, and we are certainly very sensitive to that. But since the establishment of the Bureau back in the 1880's, I think the first and foremost need has been to present and make available to labor and management and all the other groups in the economy what they need to do their business.

Now, the President said approximately last night that the unemployment rate was about 3-1/2 percent. We actually do not have any figures since the most recently published data, showing a rate of 3.7. I hope that his approximation will turn out to be precise within a month or so, because in my opinion we have by no means exhausted our labor reserves, we have by no means achieved full employment.

The question of how far we can go and the conflicting pressures of concern about inflation on the one hand, knowledge of unemployment, underemployment, and poverty on the other hand,

is something which I think will come much more sharply to a head in the next few months and the next year or so even than it has already.

Our belief in the Department -- and I know I speak for the Secretary, and I am sure he has mentioned this himself -- is that we still have a long way to go before we offer -- are offering job opportunities to all those who want it and need it and could make a contribution through it.

It probably isn't too profitable to say exactly what rate of unemployment would correspond with full employment -- at least not until we get closer to it. But in the opinion of the Department and of me as Commissioner we still have a good ways to go.

Now, we publish monthly reports, which I have seen summarized in many of the labor publications, on shortages and surpluses of labor. The President, in his Manpower Report two or three months ago, asked me to make these public every month. I have been preparing them for the Secretary and some other officials since about last December, and it was felt by the President that it would be helpful if they were made public.

The next one -- that is to say the report for May, is now in the mimeograph machines. I believe it has a release date of Thursday, and this will be the first one we have published since about the first or second week of April.

Now, we have taken the position that while there are

difficult shortages of manpower in some industries, such as machinery, and in some parts of the construction industry and elsewhere, and while there are some communities which are very tight, and some professional and skilled occupations which are very tight -- we take the position that we do not have an overall manpower shortage, which is about the same thing as I said originally, that we don't have full employment.

We think that shortages, you might say, are made to be broken. In other words, the manpower shortage in a particular industry or occupation or area is a sign that something has got to be done to eliminate that shortage. And I don't think I need say anything more about that, because I see you have heard today from Stan Ruttenberg and the other manpower officials who are in charge of those programs.

We also put a great deal of stress, not only upon the governmental manpower and great society programs, but also for the need for more upgrading, in-plant training within private industry, and by arrangement between management and labor directly -- aside from those programs that are developed and funded by the Federal Government.

I think you will find, if you had figures on it, which we don't, that for every person whom we can get the money to train through federal funds, there are and should be many persons who are trained and upgraded and developed in the private sector through direct arrangements on the part of the

employers and with the labor organizations.

Now, one of the problems is that at the same time as we have a good ways to go yet before full employment is attained, the country is obviously very concerned about the rate of price increase, especially in the consumer field.

Most of you know that last year wholesale prices increased by 3.4 percent, I think it was, and consumer prices by 2 percent or a little less.

Now, in the first quarter of 1966, the trend, if it had continued for a full year, would have been considerably greater and certainly one as to not only encourage but to deserve considerable concern.

So the question is, in these uncertain times, whether we are tapering off so far as prices are concerned.

The wholesale price index, which includes both the farm and food, and all the wholesale industrial commodities, has been approximately level since February, and that certainly is a very encouraging sign.

Now, if you look inside of it, the reason that it has been level is that food prices at the wholesale level have been declining a little while industrial products -- machinery and textiles and chemicals and lumber and all the other industrial products -- have been going up somewhat.

So the last few months we have had an approximate standoff between the tapering off of food prices and the increase

of industrial prices, so that the wholesale index has been about stable.

That stability is one of the encouraging factors.

The consumer price index, as you know, showed an increase of .5 percent, that is half of 1 percent, in February, 4/10ths of a percent in March, and 4/10ths in April.

Now, of the 4/10ths in April, 3/10ths, you might say, was actual price increases, and the other 10th represented the reimposition of the excise tax on automobiles and on telephone calls. The reimposition of the excise tax did cause about 1/10th of the 4/10ths.

I think we can find some encouragement there -- and I am not trying to overdraw the picture -- you can find some encouragement if you discount the 1/10th that was the taxes -- then it would be 5, 4, 3 -- in a situation where the wholesale index has been relatively stable -- and also in a situation where there are other signs of leveling off in April, other signs in terms of industrial order and so forth.

Now, it is not quite that easy, because, as I say, within the stability of the wholesale price index, you have the rising of prices in the industrial sector. Also there have been periods where wholesale prices have remained constant and consumer prices have gone up for a considerable length of time. The two indexes are not on the same footing. For example, all the consumer services that are going up most rapidly now, such

as medical care, in price -- all of them are not in the wholesale index. And of course all the raw materials in the wholesale index are not in the consumer index. So they don't necessarily go along together.

When you appraise a 4/10th increase in the consumer index, much depends on what it is. Although it is a funny thing. The way the consumer looks at it is inversely proportional to his real ground for concern.

If you have 4/10ths made up entirely of food, you figure that is because of special demand and supply factors in agriculture, and you don't see there any sign of a general up-trend. However, that is the thing that gets the consumers most irritated. And a few months back I think there was probably more mail being received by the President and the Secretary and Assistant Secretary Peterson and myself from angry consumers because food was going up, and that is the one thing the housewife shops for every day, shops for carefully, and is very much aware of -- while if you buy a suit of clothes every year, or a pair of shoes every eight months, you just don't notice the price change, because you are not so constantly in tune with it.

So that when it was food that was going up most, then we get these angry letters -- "Mr. Commissioner, you say prices have only gone up 3 percent in the past year. Do you know what I paid for bacon yesterday?" And I answer, "Well, you ought to stay off that stuff."

But still, they were very, very angry.

Whereas I think the kind of 4/10ths of a percent that we got this month, which was more widely spread, is perhaps greater grounds for concern to the economist and on the other hand seems to cause less anger among the consumers. That is a funny thing.

So we are certainly not out of the woods as far as price increases are concerned. It is a mixed picture. But I have tried to point out both the hopeful and the worrisome aspects of it.

Much will depend upon things that we have no idea about, such as the trend in the war in Vietnam and the need for military appropriations in the second half of the year, and other matters, which are just problematical as of the month of May.

But we do have this mixture of encouraging and factors giving grounds for concern -- I would not say discouraging -- that mean that we have to watch it very carefully.

I don't think that the continued question about tax policy reflects any inability or unwillingness to come to a decision at all. I think it reflects the very real uncertainties in the situation -- because when you have prices going up and the stock market going down, when you have industrial production going up, but auto production going down, when you have very heavy demands for heavy construction, and housing

construction in the doldrums -- when you have a mixture of manpower shortages and surpluses as we have, it is a decision to appraise, and I think any responsible government would not wish to rush to a hasty decision on a matter such as fiscal or monetary policy.

My last point.

So far as wages are concerned, our most recent report, which you probably have seen, which I thought I had with me, showed that the major wage settlements in the first quarter of 1966 were averaging, I think, about 3.5 or 3.6 -- about 3-1/2 percent a year in terms of the annual worth of these wage contracts per year of duration.

We have a new measurement which I think -- there are a few lifted eyebrows when we put it out last year, but I think it is a very worthwhile one. Because if you take a long-term contract, sometimes it is loaded up towards the beginning, or sometimes the big increase is towards the end, and if you only look at the first year of it, you can get a deceptive picture. So we have a new measurement where we take the average annual wage benefit and there are now about 3-1/2 percent for the contracts negotiated in the first quarter.

As you know, the first quarter is a low ebb of collective bargaining. There are not many big contracts negotiated as a rule during the first quarter -- although we had some this time. And I think you also know that 1966 is going to be a fairly quiet

year, in that so many of the big contracts are not opened up until 1967. Some of those that are opened up, like railroads, may not necessarily be concluded by the end of 1966.

So that between one thing and another, we think there will be a lot more bargaining, or at least a lot more conclusions of bargaining, in '67 than there will be in '66.

Now, one of our data shortages in the field of fringe settlements and fringe improvements. We believe that we are getting money from Congress this year -- it is one of the things acted on favorably so far -- to make it possible to give you a semi-annual across the board study of fringe benefits industry-wide, and then in opposite years, or the alternative years, to give you special industry studies of some of the most important industries, nonmanufacturing as well as manufacturing. In the whole Bureau program I am trying to close the gap and cover all the nonmanufacturing activities as well as the manufacturing.

So this brings me to the point of some of the things we need and that we are trying to get in terms of programs, to give you better statistics and analyses.

One of them is the coverage of employment and salaries and wages in all of the nonmanufacturing industries, including services, federal, state, county government, professions and trade, as well as mining, manufacturing, and construction, and utilities, which were the old heart of the statistical program, and of course are still very important.

We need better coverage of fringe benefits and better ability to estimate the total package settlements, and not just the wage parts of the settlements. We are trying to develop statistics on employment and unemployment by occupation, as well as by industry, because for some purposes occupation means a lot more.

Both Stan Ruttenberg and his group and I, with the full support of the Secretary, believe that job

data will be extremely helpful to give us the most effective manpower programs that we can get in matching supply and demand of labor. And we are very hopeful that we are going to get the go ahead for more intensive development of the experimental job vacancy programs which have worked out well on an experimental basis for the past couple of years.

We hope to get resources for major improvements in our price statistics, including computerization of the "CPI" which will let us get it out two or three weeks earlier, including better and more reliable montly wholesale price indexes, in getting all the terms of transactions and not just the list prices. We try to get them, but sometimes we know we don't learn what is happening to discounts and other supplemental aspects of transactions.

Other improvements in the price program as well as in our program of wages, employment, job vacancies, and more provision for analysis and experimentation.

I guess that goes over my 10 minutes a little bit. If you would like to discuss or ask me any questions, please go ahead.

MR. SCANLON: Mr. name is Scanlon, Boston. This question may not be specifically pertinent to what you have said, but it is very serious with us.

We in the shoe industry are accustomed to getting each month an area by area breakdown of hourly wages, weekly earnings, and hours worked. But we have always had the problem of not being able to get a specific account of these figures in such states as Tennessee, Arkansas, Georgia, and Florida. These are called southern states, and in this particular report they are grouped under the name of "Maryland." We get the figures, therefore, for Maryland, which are supposedly inclusive of the rates in effect in these southern states.

When we asked about this from your Department, before you arrived, we had been told that because the shoe industry is largely grouped under one operation in some of these states, that it would be -- it would not be fair to the manufacturer to divulge these costs.

Now, our question automatically becomes why is it not fair to the manufacturer, why is it less fair to him than it is to us in withholding the specific information on these state rates for shoe workers.

DR. ROSS: Let me tell you the problem.

As far as that specific case, I wish you would write to me, because I have not had an occasion to look into it. I am just not familiar with that problem.

The general problem is that -- it is true of all government agencies -- take when they obtain data from individuals, or individual companies, they obtain it with the promise not to give out unpublished material for individual companies. And we are no different from the Census Bureau or Internal Revenue or anybody else on that score.

Now, if it were the case -- and I am not saying it is -- if it were the case that there was only one shoe company in the state of Georgia, and we gave out an average for the state of Georgia, we would be telling the situation of that one shoe company, which we promised not to.

So my policy is to go just as far as we can without breaching an actual confidence. So you would have to write me about the specific case, and I would look into it.

QUESTION: I would like a clear understanding if possible of the differences between wages and salary. Is salary just the right to work overtime without getting paid?

DR. ROSS: Well, that is a good one -- I don't think I can improve on it.

But a salary -- there are many sociological terms. A salary refers to a white collar worker, generally stated in terms of the amount per week or per month or per year. Historically

wages means an hourly rate. And of course there was a time, which is no longer generally true, that people only had job security hour by hour. So there was that background of sociological differences.

Actually in many cases wage earners have as much security or more than salary earners. The overtime of course isn't affected by whether you are paid a wage or a salary. If you are paid a salary and you are not exempt, then you get paid overtime, too.

I think it is one of those terms that has a historical background -- I don't think the background is as relevant as it once was when we talk about wages and salaries.

Anything more?

(No response).

DR. ROSS: Okay. Thank you.

(Applause).

DR. LESLIE: Thank you very much, Dr. Ross.

That very complete presentation of the facts and figures from the Bureau of Labor Statistics winds up our 1966 Secretary of Labor's Conference for labor editors.

I look forward to seeing all of you, and the rest of you, at your convention two years from now in Miami. And we will meet again here in Washington in the year after next.

Thank you all for coming. We wish you a very safe

(Whereupon, at 4:10 o'clock p. m., the conference was adjourned.)

- - -



Minnesota Historical Society

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.



www.mnhs.org