

PROBLEMS OF THE AGING

HEARINGS
BEFORE THE
SUBCOMMITTEE ON
FEDERAL AND STATE ACTIVITIES
OF THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
EIGHTY-SEVENTH CONGRESS
FIRST SESSION

Part 11.—Wailuku, Hawaii

NOVEMBER 30, 1961

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NOTE.—Thirteen hearings on Federal and State activities in the field of aging were held and they are identified as follows:

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Part 4—Las Vegas, Nev.	Part 11—Wailuku, Hawaii.
Part 5—Eugene, Oreg.	Part 12—Hilo, Hawaii.
Part 6—Pocatello, Idaho.	Part 13—Kansas City, Mo.
Part 7—Boise, Idaho.	

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PROBLEMS OF THE AGING

THURSDAY, NOVEMBER 30, 1961

U.S. SENATE,
SUBCOMMITTEE ON FEDERAL AND STATE
ACTIVITIES OF THE SPECIAL COMMITTEE ON AGING,
Waialuku, Hawaii.

The subcommittee met at 9:30 a.m. in the board room of the Maui County Building, Senator Oren E. Long (chairman of the subcommittee) presiding.

Present: U.S. Senator Oren E. Long of Hawaii and U.S. Senator Wayne E. Morse of Oregon.

Committee staff members present: Mr. William G. Reidy, staff director; Miss Dorothy McCamman, professional staff member; Mr. John Guy Miller, counsel for the minority.

Senator LONG (presiding). The meeting will come to order.

This is the third hearing in the State of Hawaii by this subcommittee of the U.S. Senate Committee on Aging. I might say, in passing, that the importance of this committee in the minds of the Senate is indicated by the fact that it is the second largest committee of the U.S. Senate.

The meetings that we are holding in the State here are some of the 30 meetings that are being held on this topic throughout the United States.

The purpose of the meeting is to gain information on the topic of aging. May I state that we are not here in behalf of any specific bill or any specific law. We are here to gain information from the community on this very important topic. We want to know what the situation is, and you people know it. We want to know what the needs are; therefore, we want your suggestions. And we want to know what is being done and what plans you have for further meeting this important problem. We want to know what you think should be done. We want to get ideas as to how it should be done—the extent to which it should be a State undertaking and the extent to which the Federal Government should participate.

A feature of our program—and to me, it is a great feature on the basis of our experience on Oahu and Kauai—is what we call the "Town Meeting of Senior Citizens." We would like to have those to whom this is not an academic matter—because they are in the midst of it—tell us how they feel about it. We would like to know of any problems that they have, and have their suggestions. I might say at this time that on the basis of our experience we are interested not in purely personal problems but primarily the problem of aging—whether it is being met as it should be met.

Everything that is submitted in the way of a written statement or of an oral statement will appear in the printed record that will go to the

21 members of the committee and, ultimately, to the entire membership of the U.S. Senate. All suggestions made will be given consideration.

We have great hope and great interest. We hope that out of these meetings here and on the mainland the Nation will come more nearly to meet its obligation, because there are some of us who look upon it as an obligation to the people who spent their lives building this great country of ours. We hope that out of the hearing will come laws that are sound, that are reasonable, that are equitable. We hope that they will be something that will add to the happiness of people and, thus, to the strength of the Nation.

Now, if there is anyone here who, when the meeting is thrown open, has an idea or a suggestion, but who hesitates to take the witness chair over here and give it to us at this time, we want you to write it out and mail it to us. Do it anytime within the near future—10 days, 20 days, or even 30 days from now. We hope that you will participate to the fullest possible extent.

I am convinced that we not only have a moral obligation to give careful consideration to this, but I am convinced that it is entirely in keeping with the announced purpose of our Government. You remember our Founding Fathers, in setting forth the purpose of government, included this statement: "to promote the general welfare."

So it is in that spirit that we come this morning, and I will ask Mayor Tam—Eddie—to open the meeting.

STATEMENT OF EDDIE TAM, CHAIRMAN, BOARD OF SUPERVISORS, MAUI COUNTY

Mayor TAM. Thank you very much, Senator Long. Senator Wayne Morse, members of your staff, ladies and gentlemen—and especially our senior citizens who are gathered here this morning—perhaps before I say "Aloha" to everyone, I should say that I can be classified not only as a senior public official, but also as a senior citizen as well, interested in the subject matter that you have brought here.

I do want to say to you, Senator Long and Senator Morse, that we are most appreciative that you have decided to hold such a hearing on Maui and in Wailuku for the benefit of our senior citizens.

I have already, for the benefit of our citizens of Maui, last night officially welcomed Senator Long, and Senator Morse especially, on his first trip to Maui, and I have given him the key to the county of Maui. And by this symbol, I'm sure that our citizens of Maui—and especially the program that they are going to relate to—will benefit our citizens of the senior group to a great extent; otherwise, I wouldn't have given the key so freely.

I want to express to all of you who are here this morning, on behalf of the board of supervisors and the people of Maui, appreciation for your keen interest in this program; and I am sure that when this hearing is over by sometime today you will have gained a great deal of benefit.

So to you, Senator Long and Senator Morse, may I say again, "Thank you for coming here." And if we can be of any assistance to you throughout the day, please do not hesitate to call on us.

Thank you very much.

Senator LONG. Thank you, Mr. Mayor.

I wish to express my great satisfaction that the senior Senator from the State of Oregon, Wayne Morse, can take time out not only from a busy life, but from a campaign for reelection to his fourth full term in the Senate of the United States to be with us today. We appreciate, Senator, your being here with us. And this is not a new interest with Senator Morse. He has held it with the strength of a religious conviction for years and has shown in many ways his concern for people as they get old. Thank you for being here, Senator.

Senator MORSE. Senator Long, I am delighted to be here and I want to say to your constituents that it is a great privilege for me to serve with you in the Senate. I only want to say to them that their Senator is a man who has demonstrated time and time again that he has a great social conscience and he is a great addition to that body. It is a privilege, really, to be here and to participate with you in these hearings.

Senator LONG. Thank you, Senator.

The first witness is Dr. F. H. Tong, district health officer, Wailuku. Dr. Tong.

**STATEMENT OF DR. F. H. TONG, DISTRICT HEALTH OFFICER,
WAILUKU, MAUI, STATE OF HAWAII**

Dr. TONG. Senator Long, Senator Morse, members of the committee:

I would like to take this opportunity to express, with your permission, congratulations to our mayor, Eddie Tam, who doesn't look a day over 39 but he just celebrated his 62d birthday.

Senator LONG. Are you his physician, Doctor?

Dr. TONG. No, I am not.

I heard the oratorical speech last night and somehow I was a little—I had a little misgiving about coming up here this morning, but I was encouraged by a remark or a statement by George Eliot, the novelist, who said that one could carry on life comfortably with a little blindness to the fact that everything has been said better than we could put it ourselves; so, with that, I am going to read what I have written down for the committee.

The county of Maui is made up of three islands: Maui proper, Molokai, and Lanai, separated by water, and the only means of transportation is by air. The district health office is located in Wailuku on the island of Maui from which specialized programs of the State health department are implemented. The islands of Molokai and Lanai are served by two public health nurses, one sanitarian, and a microbiologist on half time. One of these nurses from Molokai usually goes to Lanai on a semimonthly basis; and Lanai is also served by one of our sanitarians here who goes about once a month to the island of Lanai.

There are two physicians on the island of Molokai and one on the island of Lanai. Both islands have outdated hospitals, but on Molokai a modern hospital of 25 beds will be constructed in the near future. Maui Island is served by Central Maui Memorial Hospital in Wailuku, built in 1950.

On the problems of aging, our local situation is accentuated somewhat by the presence of a fairly large number of elderly men who are

retired plantation laborers, many of whom have no family connections on Maui, have a poor educational background, and are often faced with language difficulties. Of course, there are many families who do an admirable job of keeping their elder members in circulation and enjoying life.

Most of our aged patients are housed in the decrepit, abandoned structure that was formerly the Manulani Hospital in Wailuku. Hale Makua, as it is now called, is a nonprofit voluntary institution managed by a very competent licensed nurse who is trying to provide care in one area for a varying number of patients, about 30 to 40, who need skilled nursing care; and domiciliary care for 60 more patients in another area. She is faced with a shortage of skilled help, poor facilities, and the geographical separation of this institution from the medical and ancillary facilities of the Central Maui Memorial Hospital. Hale Makua has been condemned twice by the then territorial fire marshal, first in 1953 and also in 1957. In April 1958, the trustees of Hale Makua and the geriatric committee of the then Maui Health Council made strong but futile demands for aid to provide modern facilities for geriatric care.

The utilization of a certain number of beds for the chronically ill at Kula Sanatorium, a tuberculosis hospital, has partly alleviated the demand for more beds at Hale Makua. The board of health, at its August 18, 1961, meeting on Maui recommended that no license be issued to any nursing home not meeting the standard requirements. There is need for a modern well-equipped nursing care home and a good domiciliary care institution here on Maui, using the present organization as a starting point and working toward the general goals of home care programs.

As mentioned above, Kula Sanatorium has been reorganized as a chronic hospital to allow for more economical utilization of its hospital facilities by the chronically ill and chronic mental patients, and Central Maui Memorial Hospital has provided the facilities for the acute psychiatrically ill patient.

Technical assistance and consultation services of the State health department in the organization of community health services for the aging have been utilized. The concept of continuity of health care implies progressive patient care in its broadest sense. The objective is wherever possible to return the patient to his home in the best possible health. Periodic followup of these aging patients in the home by qualified geriatric personnel from existing health and medical services are promising methods of taking the hospital and the nursing home skills into the home instead of bringing the patient into the hospital. The public health nurses have pioneered this work by continuing to give the tuberculosis patient at home almost as much care as they would get in a hospital bed. They have administered streptomycin injections and oral medication to these patients in the homes. Home care has also been given to other home-established cases in the community by our public health nurses, to the mentally retarded, cancer, Hansen, cardiovascular, diabetic, mentally ill, arthritic, and accident cases, to mention a few. Efforts have already been initiated by our mental health service to establish care homes in the community.

There have been some other areas which I have not mentioned. The need for the aged are also dental care—we see a lot of them without

any teeth—and rehabilitation services which are needed in the community.

Thank you.

Senator LONG. Thank you, Doctor. Senator Morse, any questions?

Senator MORSE. No questions.

Senator LONG. A very splendid statement, and thank you for it. It is a good beginning.

The next witness will be Mr. Hidesuke Uyenoyama, administrator, Maui Division, Department of Social Sciences.

STATEMENT OF HIDESUKE UYENOYAMA, ADMINISTRATOR, MAUI DIVISION, DEPARTMENT OF SOCIAL SERVICES

SOCIAL SERVICES FOR THE AGED IN MAUI DIVISION

Mr. UYENOYAMA. The department of social services among other functions is charged by statute with being responsible for providing the needy aged with economic assistance including medical care payments and to promote their general welfare by the conservation of human resources through measures that support the individuals' efforts to maintain themselves and to participate in community life as they wish.

The Maui Division, Department of Social Services, administers these programs for the Islands of Maui, Molokai, and Lanai and we do have section offices in each of these islands.

1. *What is being done*

(a) *Economic assistance.*—Cash payments are made to aged persons after determination of goods and services required by each applicant on the basis of the department's standard. The amount of money necessary to purchase this standard is compared with the applicant's resources and the assistance is the amount of the difference. Aged persons who are in receipt of economic assistance also receive medical assistance through vendor payments.

During the past fiscal year old age assistance payments in Maui division totaled \$156,226.26 of which \$99,602.38 was Federal money and \$56,623.88 State funds. This amount of money provided maintenance and medical care for about 186 aged persons each month at an average payment of \$69.78. In addition, the monthly value of other resources in cash and kind averaged about \$20 for a total income of about \$89.78 per aged person in need.

(b) *Medical assistance for the aged.*—This program was started on July 1, 1961, at which time the responsibility of determining medical care payments to or on behalf of medical indigents was transferred from the county governments to the department of social services.

This program is on a vendor payment basis but the aged persons under this program are requesting assistance for cost of medical care only and their needs are determined under a separate set of standards than those groups mentioned earlier. The standards for this group are much more liberal than the regular standards of assistance.

During the current fiscal year (July 1961–June 1962) it is estimated that \$78,452 will be spent for this program. Out of this, \$41,878 will be in Federal funds and \$36,574 in State funds. This will mean about 37 aged persons will receive assistance at the cost of \$77 per

person for a total cost of \$6,538 per month. The cost of nursing home care for those aged persons whose assistance payments for such care exceeds \$95 per month is included in the above figures.

(c) *Counseling, information, and referral services.*—Aged persons are helped by personalized counseling to solve their daily problems of living. Some of these problems include help with living arrangements; securing retirement benefits; medical, dental, psychiatric, and public health nursing care; institutional placement; household budgeting and help in strengthening family life by encouraging families to sustain the normal relationships between aged parents and adult children and planning on the basis of the needs of everyone concerned.

(d) *Substitute home care.*—With the shifting of the population from the outlying districts in Maui to the more centrally located areas such as Kahului and Wailuku, we are finding it extremely difficult to recruit boarding and care homes.

On two separate situations, it became necessary for us to arrange for temporary "makeshift" housekeeper arrangements. Makeshift because we do not have approved homemakers waiting and ready to step in on any given notice.

Out of the 186 aged recipients, 54 are living at Hale Makua's nursing section, 5 at Kula Hospital's nursing section, and the remaining 122 are living with relatives, friends, or alone. We have three Chinese Society homes but the aged living in these homes all have separate rooms and do their own cooking and are considered as living alone for this report.

(e) *Services to the aged who are blind.*—There are 23 aged blind. Fifteen of these are on Maui and eight on Molokai and all are receiving social services from this division. This includes such services as casework, placement, services, medical referrals, mobility instructions, and talking book services. Five of these people receive economic assistance and only three are cared for in the Hale Makua nursing section. The remaining 20 aged blind are maintaining independent living with their own families, relatives, and friends.

2. *What we plan to do in Maui division*

(a) *Economic assistance.*—We plan to recommend to the State department a review of the agency's standard of assistance for the old age assistance and medical assistance for the aged categories.

Sufficient funds for realistic needs such as contributions to churches, recreation, and social obligations should be included as part of the regular requirements. Attention should also be given at regular stated periods to adjust these standards to reflect the rise and drop in the cost of living indexes.

The tax assessed value of property should also reflect the current price indexes.

(b) *Medical assistance for the aged.*—We plan to recommend to the State department a review and evaluation of the current practice of using Government physicians to determine the possibility of allowing the aged recipient to use the physician of his own choice, if he so desires.

We would also wish to see a clinic operated solely for the aged and to be intensely concerned with the problems of health maintenance and treatment.

(c) *Counseling, information, and referral services.*—These services should be expanded to meet the needs of all the aged people in Maui and not be limited to those who are receiving assistance. This would mean increase in staff as well as increase in appropriation from the State legislature.

(d) *Substitute care homes.*—Two care homes were developed for a short period during 1959 but these had to be abandoned because of relocation of the persons involved. We are aware of this need but with the closing of the various plantation communities and the relocation of its people, we have suspended planning and recruitment of these care homes for the time being. There appears to be a greater need for boarding homes for the aged women and we are focusing much attention on this problem.

(e) *Legal guardianship.*—Current practice prohibits the naming of the Department's personnel as legal guardian for any of its aged recipients. We have seen instances where an individual does not need placement in an institution or appointment of a court guardian but does require the skilled help of a social worker to act quickly when an individual is in a state of temporary confusion, memory loss, and disorientation. We would like to have the State department give careful study to this problem and act on this, if this is legally possible.

(f) *Other areas of need.*—(1) Services to aged persons in their own homes: A great many of the aged persons can remain in their own homes if economic assistance included such needs as remodeling the home so that homes can be designed and equipped with safety features for the infirm and handicapped.

Other social services should include such features as mobile food service, visiting nurses, housekeeper and homemaker services, rehabilitation, recreation and educational services. We would also like to see medical treatments in the recipient's own home on a team approach basis. This team consisting of a physician, nurse, social worker, physical therapist, etc.

(2) Social services in institution: Currently we come into the picture in most instances after an aged individual has been admitted to the institution. Social services should be an integral part of institutional care to evaluate admissions to assure that the choice is never an arbitrary one and that the individual and his family's well-being is the guiding factor. Counselling residents and providing opportunities for transfer to other settings or return home should also be a part of the institutional care.

(3) Social work personnel: Social work personnel should be increased to handle the present as well as the future needs. We would like to see a consultant on aging in the State department to provide information and training to the Maui division staff to understand and cope with the problems of the aged. We would like to have the consultant develop projects and programs to meet the challenge of the unmet needs.

(4) Coordination of services for aging: There should be continuous coordination of ideas so that these ideas could later develop into specific social services to the aged. These should be developed in accordance with community needs.

3. What Congress should do

(a) *Economic assistance.*—Increase or remove the maximum amount which will be matched by the Federal Government for old age assistance in view of the rising costs of medical care and substitute home care.

(b) *Medical assistance for the aged.*—Permit Federal matching of payments to as well as in behalf of eligible persons.

Senator LONG. Thank you for a very comprehensive statement, Mr. Uyenyoyama.

Senator MORSE. I have a question. In your statement you said:

The standards for this group are much more liberal than the regular standards of assistance.

I wonder if you would expand that for me.

Mr. UYENOYAMA. Yes. Under the economic assistance the requirements considered are very limited, and we do not even consider debts, but under the medical care for the aged, we can consider what debts they have and include that as a requirement.

Senator MORSE. Then, over on page 4, under "Medical assistance for the aged," you say, "We plan to recommend to the State Department a review and evaluation of the current practice of using Government physicians to determine the possibility of allowing the aged recipient to use the physician of his own choice, if he so desires."

Am I correct that here you are talking about, really, the administration of the Kerr-Mills bill—the fact that under the present administration of that bill a patient doesn't have free choice of a physician?

Mr. UYENOYAMA. No. Under the present administration, he has to go to a Government physician for treatment and care. The Government physician may ask for a specialist's services for the patient, then we can have that specialist come in.

Senator MORSE. Well, just so the record will be perfectly clear, as you administer the Kerr-Mills bill on the island, he has to use—in the first instance—the physician that the Government supplies. Do you believe that the regulations ought to be modified so that he can have a voice in the selection of his physician?

Mr. UYENOYAMA. Yes, I do, sir.

Senator MORSE. Well, I just want to say that no one—

Dr. CLIFFORD MORAN (interrupting from the audience). I think there is a confusion here, Senator—excuse me, sir. This has nothing to do with the Kerr-Mills bill whatsoever. I don't think you made yourself clear, Mr. Uyenyoyama. Under our present setup here, the aged who are medically indigent on Maui and in all the other counties have to go to a designated Government physician. This has nothing to do with the State. The State as yet, as far as I know, has done nothing about implementing or putting the Kerr-Mills bill into action. He is talking about the present thing that is happening now. If the medically indigent individual has to have medical care, he goes to the Government physician.

Senator MORSE. You mean, literally, none of the Kerr-Mills funds are used to pay—

Dr. MORAN (interrupting). As far as I know, this bill as yet has not been active in the State.

Mr. UYENOYAMA. No, under the "Medical Care for the Aged," we are using the—

Dr. MORAN (interrupting). As a part of—if the Kerr-Mills bill comes in, then I am quite sure that the——

Mr. UYENOYAMA (interrupting). It does come in.

Senator MORSE. I still think we're miles apart, and I ask this question now: is money under the Kerr-Mills bill presently being used for the care of the aged?

Mr. UYENOYAMA. Yes, it is being used.

Senator LONG. For the record, will you give your name to the reporter?

Dr. MORAN. I am Dr. Moran.

Senator MORSE. Kerr-Mills funds are used at the present time?

Mr. UYENOYAMA. Yes, they are.

Senator MORSE. And in the use of those funds at the present time, the aged does not have the choice of his physician?

Mr. UYENOYAMA. No, he does not.

Senator MORSE. Dr. Moran, the committee would be pleased to have you supply a memorandum for the record that will present your point of view, all right; but here is the witness representing the agency that is apparently involved in the administration of funds and he repeats his statement for the record that under the application—under the financial application of the Kerr-Mills bill that Federal funds are used for these patients and they do not have their choice of a physician. If so, I think it is wrong and I think there ought to be a modification of it so he will have the choice of his own physician.

Dr. MORAN. May I say something?

Senator MORSE. Yes.

Dr. MORAN. Are you saying that the Kerr-Mills bill funds today are being used to pay Government physicians?

Mr. UYENOYAMA. No, not pay Government——

Dr. MORAN (interrupting). Now, may I ask another question? In what way are any of the Government physicians tied up with the Kerr-Mills bill and the funds?

Mr. UYENOYAMA. I'm sorry. I'm unable to answer that.

Dr. MORAN. Well, I think this should be clarified because as I understand it, at present the Government physicians have nothing whatsoever to do with the Kerr-Mills bill's funds.

Senator MORSE. Except that the money from the Kerr-Mills funds go to pay for the cost of the treatment of the patient.

Dr. MORAN. It is supposed to, yes.

Senator MORSE. Well, it has been going to pay for the cost of the treatment of the patients, but apparently by doctors not of their own choice.

Dr. MORAN. Well, if this is happening and I don't know that it is happening, then it's not right and something should be done about it.

Senator MORSE. I agree, but that is the testimony of the witness.

Senator LONG. At the hearing in Honolulu, we were informed by the representative of the State health department that the Kerr-Mills bill was put into effect or went into effect as a result of legislative action on July 1, but that so far no State funds have been made available and what is being done is being supported out of Federal funds. I think that is what it is—yes, not enough in the way of State funds. It takes time to implement it.

Dr. SLOAN. Senator, may I say something?

Senator LONG. Yes.

Dr. SLOAN. [Dr. Sloan of the State health department.] I don't like to get into this because it is a field apart from the social services, but I think I might clarify it a bit. I have heard it discussed several times. As I get it, the department has used the Kerr-Mills funds to carry on—the legislature made it possible for the department of social services to use the Kerr-Mills funds in connection with the funds which the legislature provided, but for this year only to carry on the program at the present level of services with the idea that they would further study the service and would present to the legislature at the session next February their statement of what they thought was required for further implementation. I hope that clears it up.

Senator LONG. Thank you, Dr. Sloan.

Senator MORSE. That clears it up, but it doesn't change one iota the testimony.

Dr. SLOAN. No, but I explained what I wanted to make clear. I think the gentleman's testimony is correct. I think Dr. Moran misunderstood.

Senator MORSE. Furthermore, let's take a look at page 2 of this testimony (reading):

During the current fiscal year (July 1961 to June 1962) it is estimated that \$78,452 will be spent for this program. Out of this, \$41,878 will be in Federal funds and \$36,574 in State funds.

What will be the source of those Federal funds?

Mr. UYENOYAMA. Those Federal funds?

Senator MORSE. Could you tell the committee what is the source of the \$41,878 referred to by you on page 2 of your testimony as Federal funds?

Mr. UYENOYAMA. It also includes the Kerr-Mills.

Senator MORSE. The Kerr-Mills funds.

Mr. UYENOYAMA. That's right.

Senator MORSE. Now, you had another breakdown of State-Federal funds in another part of your testimony. At the bottom of page 1—

During the past fiscal year old age assistance payments in Maui division totaled \$156,226.26 of which \$99,602.38 was Federal money—

What Federal money was that?

Mr. UYENOYAMA. That is based on the Federal matching funds, sir.

Senator MORSE. One more question. Over on the last page where you make suggestions to the Congress and I can assure you that we are delighted to have your recommendations under Economic Assistance"—

Increase or remove the maximum amount which will be matched by the Federal Government for old age assistance in view of the rising costs of medical care and substitute home care.

Would you care to expand that?

Mr. UYENOYAMA. As I understand it, under the Kerr-Mills bill, there is no maximum matching; but under the old age assistance, the economic assistance, there is a definite amount that the Federal Government would match in one particular case.

Senator MORSE. You think that should be modified?

Mr. UYENOYAMA. Yes, sir.

Senator MORSE. In passing, let me say I was delighted to see you make a passing reference to the tax problem in regard to the aged.

As I said at the hearing yesterday, I just think we must go into this question of providing some tax equity to the aged. I don't know what the formula should be, but certainly it seems to me to be one way in which equity can be done to the aged and, at the same time, have a wise expenditure of Federal money. Exemption would promote both these worthy ends. I'm glad you mentioned it.

That's all, Mr. Chairman.

Senator LONG. I have just one question, please. On page 3, section e—"Services to the Aged Who Are Blind"—you say that there are 23 such cases, and that 3 of them are cared for at Hale Makua and that the other 20 "are maintaining independent living with their own families, relatives, and friends."

The question that I wish to raise is to what extent during the period that these 23 individuals were progressively losing their sight was adequate medical attention possible for them. That is, could there have been preventative measures—or were there such measures?

Mr. UYENOYAMA. I'm sorry—I can't give you the answer to that.

Senator LONG. Well, I didn't expect that there could be an answer to that. That's one reason this is a problem. As we move into the future, we should be concerned about any individual, just as we should be concerned about a member of our family. That's one of the purposes and the reason we are having these meetings.

Dr. BURDEN. I am Dr. Burden.

Senator LONG. Yes.

Dr. BURDEN. I believe I can give a little light on that. As the setup is on Maui here, any case where a specialist's services are required can be referred to a specialist. We have two eye doctors here on Maui, and both of them handle cases referred to them by the board of health for checkup, and I don't believe any of these eye cases were neglected or went without medical care. They received it as they needed it.

Senator LONG. Thank you. And thank you very much, Mr. Uyenoyama, for your comprehensive statement.

The next witness, supervisor for Maui section, department of social services, Miss A. K. Hew.

STATEMENT OF MISS AH KEWN HEW, SUPERVISOR FOR MAUI SECTION, DEPARTMENT OF SOCIAL SERVICES

CITIZEN PARTICIPATION IN AGING PROBLEM

Miss HEW. As far back as 1948, some interest was shown in the problems of the aging in the county of Maui, composed of the three islands—Maui, Molokai, and Lanai. According to U.S. census figures for 1960, population of the three islands totaled 42,327 with breakdown as follows:

Lanai.....	2, 095
Maui.....	35, 549
Molokai.....	4, 683

Reliable figures are not available for persons over 65 years of age. However, this should not be a deterrent to any plans for the older citizens. In this dynamic society of ours, the needs, problems, and unfulfilled potentials of the older citizen have recently been given

more attention. As the nature, extent and implications of the problems became clearer, the feeling that some action should be taken to solve or alleviate some of the problems have been more apparent.

It is heartening to see that back in 1948, the leadership was taken by an official agency, department of public welfare (now the department of social services) to see what some of the problems and characteristics were. While there were no conclusions reached, it was a beginning. The scope of the study was limited. It did give some indication of the problems facing the community including—

1. No nursing homes were available at that time, care being available only in hospitals.

2. Housing and housekeeping facilities were indicated as major needs.

3. No accommodations were available to care for aged women.

The findings of this study were circulated to various community organizations for necessary action. Due to lack of interest, no action was taken.

In October of 1953, I was requested by the Oahu Health Council to provide assistance in the development of a representative community group to plan a territorywide conference on the problems of the older age group. As a result, the Maui Business and Professional Women's Club decided to accept the challenge. Consequently, a meeting with 21 agencies and other interested people was held in February 1954, for the purpose of laying the groundwork to make a study to determine the needs for this island. A committee of five was organized. Somewhere along the line, after several meetings, the committee became inactive. This did not deter interested individuals from participating in the territorywide conference held in April 1954, in Oahu.

Because of the void left by the original committee to follow through, the Maui Business and Professional Women's Club, again renewed efforts to stimulate community action. In conjunction with the cancer and health department, they sponsored a geriatric institute in February 1955, opened to the public. The concerns discussed at the time continue to be concerns today. They included such matters as mental and physical needs of the aging, income, housing, social services, religion, education, and recreation. The basic problem to resolve was the renewal or reactivation of a community group to foster, develop, and plan some action to handle the needs of the aging population. There was general agreement that the problem was not as great as elsewhere in the Nation but it was felt that the community should make preparation to meet the increasing problems. Though this was accepted with enthusiasm and the consensus of opinion was in favor of such a group, nothing materialized.

At this point, it should be made perfectly clear that though there are no organized community groups, as such, to coordinate the activities and work being done, there are groups in the community attempting to do what seems necessary to provide some services to the aging. (Activities of public agencies such as OASI, Department of Social Services and the Department of Health, which have responsibilities for specific programs within their agency structure are excluded from the discussion.)

In 1955, the Hale Makua auxiliary was organized to "administer the Memorial Fund to help the home in whatever activities might be ap-

propriate to enhance the welfare of residents of the home." (Hale Makua is a home for the aged.) The auxiliary called upon the community for assistance, especially to meet those unmet needs that the home could not provide. This might include visitations, "adoption" of one of the older citizens, meeting special needs such as clothing, inclusion in certain community activities, outings on an individual basis, special appliances, finances for those items not included in the payments made to public assistance recipients.

The Maui Business and Professional Women's Club members continue to provide services to individuals through Hale Makua. Some of the cultural groups, particularly the Japanese and Chinese groups, had special projects for the aged of their cultural and racial groups. Invariably, they worked through the local department of social services office to see that the older citizens who had no relatives, were taken care of.

For the past year, the Wailuku Union Church has operated a senior citizens club, which meets once a week on Wednesdays from the hours of 9 a.m. to 3:30 p.m. The purpose of this is to help the elder citizens to maintain social contacts and to provide some recreation.

The most recent effort of citizen participation was effected in February 1961.

Cognizant of the increasing interest and awareness of the problems of the aging, the fact that there was participation in the White House Conference held in January 1961, the fact that the Governor had appointed an Interim Commission on Aging which recommended that counties create a citizens committee for aging, the local board of supervisors, then through Resolution No. 14, created a Maui County Citizens Committee on Aging. The citizens committee immediately went into action to disseminate information on the White House Conference and its impact. It began work, too, for a conference on aging. This was held on May 13, 1961, with the theme, "Ability is Ageless." Conference subjects included general discussions on medical, housing, financial security, retirement emotional and physical needs, recreation, and counseling.

One of the unique features of this conference was the participation of the youth of the community. Their wholehearted interest and enthusiasm demonstrated by their attendance and participation was a real revelation to many of the older people. Many of them heretofore felt that youth was not concerned with their problems and did not care. How heartening it was to find out differently.

In the endeavor to make this conference so meaningful that action would follow for definite plans to keep continuously at work on the problems of our aging population, and to avoid the pitfalls of the past, much work and time went into the planning. This included the printing of the senior citizens' charter in the three major languages: English, Ilocano (Filipino), and Japanese. Publicity through press, radio, and television, also, was in the three languages.

The conference attracted an attendance of 130 people from 55 organizations and other interested individuals.

Two resolutions came out of this conference:

1. Endorsing the establishing by the State legislature for a permanent committee on aging in the State and its several counties.

2. Recommending that a workshop be held in August 1961, to put into action an overall program for the aging.

Following the conference, the citizens committee adopted the resolutions and recommended that the board of supervisors establish a permanent citizens committee to conduct studies concerning problems of the aged on Maui and that a steering committee be formed for the purpose of conducting a workshop in August 1961. As of this date, the board of supervisors are working on the recommendations and reviewing the data compiled by the citizens committee.

I should like to make a personal observation in my closing remarks. While efforts have been made to understand the scope, extent, and implications of the problems of the aging, this has been sporadic. There has been no group of individuals having continuous grasp of this area of growing concern. As noted in the conference held in May 1961, the conference was a learning one. Now is the time to move forward. We need leadership. Therefore, it is my considered opinion that the time is ripe in view of increasing problems which are of national concern that the needs of the aging population require legislative action. The State should take leadership through legislative action to create a permanent commission on aging. This commission (patterned after that of the commission on children and youth) would certainly provide proper continuity, coordination, and action in seeing that the needs and unmet needs of the aging are given proper focus, attention, and relief.

Senator LONG. Thank you, Miss Hew. Senator Morse?

Senator MORSE. No questions.

Senator LONG. I want to thank you for a wonderful statement, that is most encouraging. You have shown one principle in our American society that is basic: the progress that you have reviewed over a period of a decade and more has come very largely from the people in the community—one paragraph after another, relating to this organization and that organization. And, I might add, that the ladies played an exceedingly important part in it. That's the way it should be. That is, society grows from the grassroots; and these movements that are so essential in relation to progress don't come from legislative halls so far as their inception is concerned. That is a reflection of the thinking that is being developed in the community.

We thank you very much.

Dr. Joseph E. Andrews, representing the Maui County Medical Association. Dr. Andrews?

MEMBER OF THE AUDIENCE. He is not here yet.

Senator LONG. Not here yet? Well, we will let that go over.

The administrator of vocational rehabilitation on Maui, Mr. Hirose.

STATEMENT OF MEIJI HIROSE, ADMINISTRATOR, VOCATIONAL REHABILITATION, MAUI

Mr. HIROSE. Senator Long, Senator Morse, and members of the Special Committee on Aging:

Thank you very much for this opportunity.

I represent the division of vocational rehabilitation of the State department of education. I have two counselors under me, and we also service the Islands of Lanai and Molokai.

The laws governing the State-Federal rehabilitation agency permit the serving of the physically and mentally disabled who have a reasonable potential for employment and to those who have need of rehabilitation services which would lead to self-care and independent living, but not a return to work.

Now, these services can be specifically labeled as providing general vocational rehabilitation services and independent living services.

In all of these programs, the aged are provided services, along with other groups, if disability is a problem.

Now, as far as some of the specific services that are provided here on Maui, we can provide evaluation and training services in a sheltered workshop setting. This is a place where the client may build up work tolerance and regain self-confidence so that he is secure in his work and social relationships.

Another type of specific service that is provided is that of home-bound activities. Again, this is a service provided through the shelter workshop on a contract basis to clients who are severely disabled and cannot go to work out of their home.

Some of the problems that we face in providing our services—the problem that I am about to cite, I realize, is a real basic one, but which I can also assure you is a real trying one—and this is the matter of transportation. We do not have a public utility or public bus system here. We have a difficult time in bringing the client to job opportunities. We have a difficult time in bringing clients to training facilities.

Another specific problem that can be cited in providing vocational rehabilitation services to our elder citizens would be that of the lack of job opportunities. Over 50 percent of the people referred for vocational rehabilitation services have little or no education. Many of these people now being retired might not be able to do work involving heavy energy expenditure but can do many types of light work. Unfortunately, this light work is extremely lacking here on Maui.

Another specific problem that might be cited would be the lack of training facilities for older persons whose job skills have become obsolete. I understand that some cures or some solutions are being brought about. We recently received a questionnaire from our Federal Office of Vocational Rehabilitation asking us what our transportation problems here were as far as the employment of the handicapped was concerned. I understand this has been prepared for presentation to Congress. Perhaps Senator Long and Senator Morse can give this impetus after today.

Another possible solution to some of our problems in providing vocational rehabilitation services could be that of a general educational program for employers to emphasize the assets of the older person as an employee, patterned after the present President's Committee on Employ the Physically Handicapped.

Again, I say thank you very much for this opportunity.

Senator LONG. Thank you for your statement. Senator?

Senator MORSE. I would like to call your attention to a project with which you are probably familiar, but I would like to make note of it for the record. For many years I have been very much inter-

ested in the Senate helping in vocational rehabilitation work. You are familiar with the great work that Dr. Rusk does.

There is a Federal pilot project at Arlington, Va., under the National Orthopedic & Rehabilitation Hospital. The head of the staff is Dr. Anderson Ames, assisted by Dr. White. They have been doing a remarkable piece of work, so doctors who know tell me, and it has been my responsibility now for several years to manage through the Senate the appropriation requests that help finance the Federal aspects of this great orthopedic and rehabilitation hospital.

It is characterized by the fact that it is an under-one-roof operation. The patient comes there and receives the medical attention, but at the same time in other parts of the hospital receives the vocational rehabilitation training.

One of the most remarkable things about this project is that it is a community-supported project. The service clubs in Arlington, the various women's auxiliaries, the labor groups, the chamber of commerce, all participate in helping carry out this program. When the person is rehabilitated vocationally the community carries through in helping them find jobs; in many cases right there in the area.

I am sure that, if you would like to become more familiar with the project, Dr. Ames would be glad to supply you with what information they have. He is one of the most dedicated human beings I have ever known and a great private practitioner, but he devotes a great deal of his time to the work of this hospital.

To this hospital are sent, for example, Federal employees who are seriously injured on the job—fall down an elevator shaft or get injured in some way at work or in car accidents, or what not. And every time I go over there, I feel I come away a better person, because you can see the combination of community support and the efforts of the medical profession which are producing such great results in this hospital.

There may be some phase of this program that could be transferrable here to your project.

I want to thank you for your statement.

Mr. HIROSE. Thank you.

Senator LONG. Mr. Hirose, you emphasized the importance of transportation and, as I understand you, you set that forth as one of the hurdles, one of the real problems. Of course, it is necessary for these people to have transportation to the doctor's office, to meetings, of senior citizens, to church, and to a great many other places where they have an interest.

I understand that this problem, generally, has been solved through volunteer workers—men and women and organizations. To what extent have you been able to move toward a solution of the problem through volunteer workers?

Mr. HIROSE. Volunteer help is excellent if it is only on a once-a-week or once-a-month basis, but to transport somebody to work on a daily basis becomes a burden to anybody. And if it could become a part of the community services or a part of the Government services, then I think this would be a better solution.

Senator LONG. Thank you. We will hear next the general superintendent of Kula Sanitorium, Dr. Edmund Tompkins.

**STATEMENT OF DR. EDMUND TOMPKINS, SUPERINTENDENT, KULA
SANATORIUM AND KULA GENERAL HOSPITAL**

Dr. TOMPKINS. I am general superintendent of Kula Sanatorium and Kula General Hospital. In these two hospitals we have operating five different medical care programs:

1. An acute illness care program in Kula General Hospital.
2. A tuberculosis treatment program in Kula Sanatorium.
3. A mental convalescent care program in the sanatorium.
4. A chronic illness rehabilitation program in the sanatorium.
5. A nursing care program in the sanatorium.

These last three programs were started a little over 2 years ago in an effort to put our vacant tuberculosis beds to some worthwhile use. These programs have been very successful and are being gradually extended as rapidly as feasible.

I also have responsibility in Maui County for all the tuberculosis outpatient work. This involves discharged tuberculosis patients, contacts, suspects, and referrals from private physicians. I only mention the preceding to show that I am in contact with a lot of medical patients from all over Maui County and of all ages.

It is my opinion that at the present time the people over 65 years of age are receiving good medical and hospital care in Maui County. I limit my remarks to only Maui County as I do not feel qualified to speak for the whole State. With the Government physician program for care of the indigent and medically indigent there is no one, regardless of age, who cannot obtain medical and surgical care. Hospitalization, when necessary, can be easily arranged for through the department of social services for eligible patients. Others are able to pay either from private funds, insurance programs, or, industry and organized labor have arranged health insurance coverage for retirees. There is at present no excuse for any aged person to go without necessary medical care. To me, it seems that this problem has been adequately provided for.

It is generally stated that hospitalization for persons over 65 years of age is three times more than the rest of the population under 65. Even so, industry has been making it possible for these persons to receive care through a senior security policy in many cases. Our own local HMSA, which is a counterpart to the mainland Blue Cross, extends its plan to those over 65. Retirees continue coverage for life and active employees over 65 are kept on a group basis. From my reading, I gather that some health insurance carriers are developing new policies specifically to meet the health needs of these older people on the mainland.

I see other areas where help to the aged is much more needed, especially in these times of spiraling costs and gradual inflation. These areas are—

1. Housing is a grave problem and some starting attempts have been made in Honolulu and much more on the mainland to meet this problem. With a usual fixed income, these aged persons are finding it increasingly more difficult to find adequate housing they can afford.
2. The provision of intensive nursing care under good medical supervision represents the most acute need for these older citizens

today. The majority of nursing homes are inadequate, lacking trained professional and technical help. Hospitalization for these persons is too expensive and a waste of needed beds for acute cases. The nature of illness affecting older people is usually one of long-term care. The problem is even more difficult when an acute illness is superimposed on a chronic condition, entailing more therapy, longer convalescence, and more expenses.

3. Setting up geriatric clinics for examination of these persons to discover beginning chronic illness and try to prevent future serious disabling conditions. Also, these clinics should be used as a training place for these people for health guidance, with care and supervision given to foods, personal hygiene, recreation, and attitude toward old age. These clinics would be a team effort of the doctor, visiting health nurse, therapist, and social worker. A lot could be done in prevention of disability as well as making the lives of these senior citizens more enjoyable and happy.

4. Sheltered workshop opportunities should be more fully developed and could tie in closely to the geriatric clinics. The aged should be kept busy, according to their individual capabilities, and can produce a great deal of usable materials to the benefit of the whole community as well as the increase of their own happiness. These people should not be relegated to the rocking chair and inactivity.

In conclusion, may I briefly state that at present the aged over 65 years of age are receiving needed medical and hospital care. Efforts should be directed and supported as I have touched upon, to maintain the health and welfare of these persons and to the whole community betterment, rather than in other lines.

I have not discussed either the Kerr-Mills Act or the King-Andersen bill, as I feel others more qualified will speak on this subject. However, I am strongly in favor of local control in the State of all medical programs.

Senator LONG. Thank you, Dr. Tompkins.

Senator MORSE. A very good statement.

Senator LONG. I am interested in asking a question. Your reference to having vacant beds at Kula indicates that tuberculosis incidence is coming down in our State?

Dr. TOMPKINS. No, not particularly that. Our methods of treatment have changed. We are treating more people on an out-patient basis rather than in the hospital; therefore we are getting them out of the hospital earlier and we are having more vacant beds. Our census has fallen but the incidence of tuberculosis has not particularly come down.

Senator LONG. Thank you. I certainly think it is commendable that you are using the beds for other purposes. I think that is true at Leahi and the others.

Dr. TOMPKINS. That's right.

Senator LONG. Thank you very much.

Senator MORSE. This calls up a question in my mind. This very interesting statement that you make about the incidence of TB, is that typical in other areas, too? Is it typical on the mainland? I was under the impression that, because of the new methods of treatment at the very early stages, there had been quite a drop in the incidence of tuberculosis, nationwide. Am I wrong about that?

Dr. TOMPKINS. There has been some drop, but not a great drop.

Senator MORSE. Is that so?

Dr. TOMPKINS. In the State of Hawaii, in fact, it went up last year.

Senator MORSE. Is that so? I didn't know that.

Senator LONG. Thank you very much, Doctor, for a helpful statement.

Dr. Andrews has not arrived yet, has he? We will next hear from the manager of the Wailuku Employment Service Branch, Mr. George Leong.

**STATEMENT OF GEORGE LEONG, MANAGER, WAILUKU
EMPLOYMENT SERVICES BRANCH**

Mr. LEONG. Senator Long, Senator Morse, and members of the Special Committee on Aging.

I am the manager of the local Wailuku office of the Hawaii Employment Service.

EMPLOYMENT SERVICE DEFINITION OF AN OLDER WORKER

Any person who is encountering, or may be expected to encounter difficulty, in getting or keeping a job, primarily because of his age. For reporting purposes, however, the Employment Service considers applicants 45 years and over as older workers or aging.

Age level which a person is considered an older worker depends on the occupation, local labor market conditions, et cetera.

CHARACTERISTICS OF THE 262 OLDER WORKERS IN THE WAILUKU LOCAL
OFFICE FILE AS OF NOVEMBER 1961 (SEE CHART)

1. Of the 262 applicants on file, 32 percent are females and 2 percent are veterans.

2. Approximately one-fourth of our unemployed workers registered at the Wailuku local office are persons over 45 years of age.

3. Approximately 19 percent of the older worker applicants are handicapped and have at least one type of physical disability.

4. Of the 262 registered, 40 percent are in the unskilled, 14 percent in skilled, 6 percent semiskilled, 17 percent in agriculture, 9 percent in service, 6 percent in clerical and sales, and 8 percent in professional, semiprofessional, and managerial.

5. The average schooling for these older people is from 4 to 5 years of formal education.

Approximately 17 percent of the older male applicants and 40 percent of the older female applicants seek employment in agriculture while the other older male worker applicants are divided into several major occupational groups.

6. The older worker, once unemployed, tends to be unemployed longer than any other group.

PROBLEMS ENCOUNTERED IN PLACING THE PHYSICALLY AND MENTALLY
HANDICAPPED AND OLDER WORKERS

1. Lack of appropriate skills. Majority are in the laboring group.

2. Lack of formidable education. Schooling up to fourth or fifth grade.

3. Employers' reluctance in hiring. Set hiring policies of employer requiring physical examinations.

4. Unrealistic demands of older workers who are unaware of labor market conditions.

5. Dependency through subsidy from charitable and related organizations.

6. Alcoholics—irregular work habits and attitudes.

7. Language barrier.

8. Vocational change because of disability.

9. Lack of transportation and housing in rural area.

Maui has the highest percentage of unemployed to labor force in the State, which is 6 percent. Because of this high percentage of unemployed labor force and a shortage of staff, it is difficult to place the older worker in employment.

RECOMMENDATIONS

Additional funds be made available for additional staff to be assigned to older worker program.

Increase counseling program.

Job development.

Develop better occupational labor market program that can be used to help the older worker.

Wailuku local employment office, active file inventory, applicants 45 years and older, November 1961

Occupational group	Total		Female		Veteran		Handicapped			
							Total		Female	
	45 to 64	65 up	45 to 64	65 up	45 to 64	65 up	45 to 64	65 up	45 to 64	65 up
Professional, semi-professional, and managerial.....	16	5	5	2	1	0	1	1	0	0
Clerical and sales.....	12	2	6	0	1	0	4	0	2	0
Service.....	18	7	9	1	1	0	10	3	3	0
Agriculture, forestry, and fishing.....	44	0	34	0	0	0	2	0	0	0
Skilled.....	21	15	1	0	1	0	6	1	0	0
Semiskilled.....	14	3	4	0	1	0	3	0	0	0
Unskilled.....	45	0	16	0	0	0	16	0	9	0
Entries.....	21	39	9	3	0	1	9	3	2	0
Grand total.....	191	71	84	6	5	1	51	8	16	0

Senator LONG. What do you think, Mr. Leong, the picture holds for poorly educated elderly citizens? Can anything be done about it?

Mr. LEONG. Well, with the economic condition on Maui, there's not much we can do except, if we have more funds available and with an additional staff, we can concentrate more on the older worker program. As it is now, my staff does practically all of the different categories of work.

Senator LONG. And as we move into the future, this problem will become less and less as the older people pass on and the younger generation, which, in the main, has been exposed, at least, to more formal education, comes along, the problem will be less.

Mr. LEONG. That's right.

Dr. K. C. LEEBRICK (president, Maunaolu College). Senator, may I ask a question?

Senator LONG. Yes.

Dr. LEEBRICK. This says Wailuku. Is this for Maui—or just the Wailuku area that you are talking about?

Mr. LEONG. We cover the Maui and the Lanai area. We have a separate office on Molokai.

Senator LONG. Mechanization, of course, will continue to aggravate the problem.

Mr. LEONG. That's right. Of course, counseling and training will come into the picture then.

Senator LONG. You have no statement of suggestions as to what the community—State or Federal authorities—might do in relation to this problem, other than what you gave?

Mr. LEONG. No; because, unless the economic condition gets better, it is rather difficult to place the older workers.

Senator LONG. Thank you.

John Milligan, director of industrial relations, H.C. & S. Co. will be our next witness.

STATEMENT OF JOHN E. MILLIGAN, DIRECTOR OF INDUSTRIAL RELATIONS, HAWAIIAN COMMERCIAL & SUGAR CO., LTD.

Mr. MILLIGAN. Ladies and gentlemen, I am here, first, at the recommendation and suggestion of Mr. Douglas Sodemani, who, I believe, helped you set up this program and who felt that it might be helpful to you to understand some of the plantation problems or practices as it had to do with the aged people in our employment.

First, if I can give you just for background purposes a few of the statistics on the H.C. & S. Co. We employ at the moment 2,150 people. Our total population; that is, employees and families, 6,876. Now, if we were to lump in subsidiaries, subsidiary companies on Maui who have programs similar, although not in every aspect identical, to the ones I will discuss, we would be talking about approximately 9,000 employed people, which is very close to a quarter or more of the population of the island.

As for pensioners of Hawaiian Commercial & Sugar Co. alone, at the moment, as of the end of last month, we had 918 people on our pension rolls. These are pensioned employees. Now, my next figure is just an estimate. I wasn't able to get it off of the records immediately. If spouses were included, this figure would be between 1,500 and 1,600 elderly retired people from the plantation alone.

I would like to mention, as we are discussing needs of older people—even though it is my understanding that you are not examining social security—approximately 300 of these 1,500 or 1,600 lives at the moment are not covered by any form of social security. They are people who were retired before it was applied to agricultural employees and who have not as yet been covered under the extensions to that act. All of the rest, then, would be retired with company benefits, as well as social security benefits.

Now, as to the fields which I believe you are interested in: first, medical care. Plantations for years—I might state first, even though I can speak for only one plantation, there are 25 other plantations in

the State whose programs are similar, if not identical, to the one I will describe—the plantations for years have provided medical care for all of their people, including their retired people.

At the moment we have a plan which to all intents and purposes is complete medical and hospital care, including specialist service when required when not provided by our own company physician. We are in the process of working out a dental care program. This program is available to all of our retired lives, all of our pensioned people.

I think it might also be helpful to point out at this stage that this program is conducted at considerable cost to the company. Active employees pay a minimum rate for medical care, and a rate which could not be matched under any insurance plan, I'm sure, any place in the country. For this complete care a single individual pays \$1.65 a month. The maximum, regardless of the size of the family, is \$6 per month for complete medical and hospital care.

I can say, then, I believe, that to all intents and purposes we do not have amongst our retired employees a medical care problem.

The second subject, housing, which I believe you are interested in, I would like to discuss briefly. If I may, I will skip through a history of practices on the plantation.

Before 1946, complete housing perquisites were provided by the plantation. This included not only the home to live in, but the necessary utilities to run the home. After we were organized in late 1945 and 1946, we negotiated a conversion of these perquisites to cash. Since this time, active employees have been paying a minimum rental for the houses that they live in. For a number of years, that is, until 1954, after 1946, pensioners continued to receive free housing under our old plan.

In 1954, a formal pension plan was negotiated with the bargaining agent for our employees, and at this time pensioners were also converted from the free perquisite system. So since that date, our plantation pensioners have paid the same minimum rental schedules as employees.

Now, this leaves us today with approximately—and these figures are approximations only—600 pensioners living under the old free perquisite system, and housing provided by the company, the remainder paying a minimal rental.

Housing has been a problem to the plantations. In recent years you may have seen, and if you have some free time while you are here, the new developments in Kahului. We started in the late 1940's providing fee simple house lots and homes for not only our employees but for anyone on Maui who wanted to enter the market and purchase these houses.

We have been interested since that date, as a plantation, in getting out of the rental business. We still have approximately 2,000 houses. These houses are old. They are below standard by today's measures. We are tied to old rental schedules through our labor agreements. The rentals which we receive for these are the same rentals we received in 1946. We feel the only economic step for the company is to discontinue housing.

We have encouraged employees further by assisting them with financial arrangements, by making land available at our cost—which is under, incidentally, \$2 per lot—exclusive of improvement costs,

costs of the raw land at 1913 costs. We do this to encourage people to move into their own homes.

We have been carrying on this program for a number of years. It is our hope that in approximately 10 years we will be to all intents and purposes out of the housing business. We will still have a great many pensioners living at that time. We have a good many older employees living today who find it difficult to commit themselves to the purchase of a home, regardless of the economic incentives we can offer for them; so we do have problems in the housing area.

We have problems that deal with the quality of the housing. Some housing we will have to continue to have for pensioned people for probably as long as 30 years, computed from actuarial tables. We have the problem now facing the employees, I would say, from 50 or 55 on up to the normal retirement age of 65, who do not feel that with their other commitments they can commit themselves to the purchase of a new home. We have been working with established housing authorities, trying to get assistance in this area. There are more questions at this stage than there are answers to our questions.

We would hope, as I say, for continued study, continued cooperation with all segments of government in helping both the employee and the company meet this future potential problem as far as housing is concerned. It is not an immediate problem.

Now, gentlemen, insofar as my recommendation, my suggestion to you in your deliberations on how you can help us meet some of the problems that we have: First, if I can take the problem of medical care. As I say, this is an expensive problem for us. I know it will be an expensive and difficult administrative problem for the Federal Government. I would hope that the Federal Government will consider that its problem is to see that certain minimum standards in medical care are met throughout our Nation; that these needs be provided where the need is the greatest; that encouragement—that a plan be devised that will encourage segments of society to meet their own problems as close to home as they can—and in this instance, I am talking about the business and industrial segment. I speak of something similar to the merit rating used in unemployment compensation where the person who does not create unemployment does not pay for unemployment. I believe that the problems can be handled better closer to home were the neediest need can be met.

To be specific, I do not believe that my company, for example, should be taxed specifically as a company to help meet the medical care problems that I believe they are meeting in a way that is far above any standard that you might develop. If there is a system devised—there must be a system devised for paying for this, and I would think that a merit rating system of some kind that would encourage it to be handled locally would be helpful.

As for housing, I would hope for continued and expanded assistance from government in helping both the employee and the company meet the problem that we face in our transition from an old perquisite system to the independent system where the company has nothing to do with providing the company town and the company store.

This concludes my statement. I would be happy to answer any questions, if I can.

Senator MORSE. Mr. Milligan, I guess you know how pleased I am to hear this testimony. It is very helpful testimony. And when I return to Eugene, I shall certainly tell that lawyer brother of yours, who was one of my superior students, that he is not the only one who can ably argue a case.

I am familiar with this medical plan and I think it is a very good company plan. As I have said outside of Hawaii and am pleased to say here, you have been pace setters in a medical plan.

I have only two questions, I think, just in order to get the information in the record. To what extent does your company receive any tax benefits as a result of the plan? By that, I mean to what extent is the plan considered a part of cost of operation that is taken into account when you figure your deductions, as far as tax benefits are concerned? To be more specific, because I only seek to make a record, one of the arguments that is used on company plans by some is that to a certain degree all the taxpayers pay for part of the cost of the plan in whatever degree the plan is part of the cost of the operation of the company and, therefore, is included in the determination of taxes.

Mr. MILLIGAN. It is obvious that our cost of the plan is a cost of doing business; and as such, is considered as a cost. We are not taxed for the profit.

Senator MORSE. My second question: does your plan include dependents of your pensioners? Does it include a contribution by the dependents, if they are covered, to help defray the costs of the medical care?

Mr. MILLIGAN. The plan includes the spouse of the pensioner. If any dependent—that is, the new plan—I will have to answer this: The plan has changed over the years. The older members have some dependents who may be unable to work who are covered under the plan because they were covered originally before the new plan was negotiated. Currently, you will see in the exhibit, the plan covers only pensioner and spouse.

Senator MORSE. Is a contribution made for her?

Mr. MILLIGAN. There is no contribution.

Senator MORSE. None at all. Thank you very much. It is a very helpful statement.

Senator LONG. Mr. Milligan, on the question of the medical plan, I think for the record it would be helpful if we could have a statement that would show very clearly the cost of your experience.

Mr. MILLIGAN. If I may forward this to you and have it computed accurately.

Senator LONG. Yes, because I think it is—it may not be entirely unique, but it is widely known; and if we could have the specific information, it would be helpful.

Senator MORSE. Mr. Chairman, I would like to have unanimous consent that at the close of Mr. Milligan's testimony the plan itself be printed in the record because I think it ought to be easily accessible to the members of the committee.

Senator LONG. Without objection, that will be done.

You referred to the very low cash cost of building lots—to which I believe you said, the cost of improvement is added. It would be of value to us to have for the record the cost of an average house that you have made available to people, particularly your own employees.

Housing is such a universal problem that your experience should be of value.

Mr. MILLIGAN. I will make this available.

Senator MORSE. One other question, Mr. Chairman. In one of our other hearings on the islands, we heard from one of the industry witnesses, that one of the problems is to get some of the older pensioners to move out of houses that the company would like to have them move out of and move into better houses. But you have that understandable fixation as to the "old homestead." It was his statement that they are finding it very difficult to get them to move into better housing and, of course, that sometimes results in undeserved criticism to the company because it isn't entirely their fault if aged persons are staying in some houses that the company, itself, says are substandard "but we can't get them to move unless you want to adopt some kind of a plan that would force them to move." Have you run into that experience here?

Mr. MILLIGAN. Yes. I am perfectly willing to state that this is probably universal throughout the State. The older people, who may have grown up in an outlying village, seem to become very much attached to the place where they have lived for a great many years, and resist moving.

Senator MORSE. Thank you very much.

Senator LONG. Thank you.

(The material referred to previously follows:)

HAWAIIAN COMMERCIAL & SUGAR Co., LTD.,
Puunene, Maui, Hawaii, February 23, 1962.

Mr. WILLIAM G. REIDY,
*Staff Director, Special Committee on Aging,
 U.S. Senate, Washington, D.C.*

DEAR SIR: The information requested by Senator Long is enclosed herewith. You will note that I have given you 3 years' experience on our medical plan costs.

As to house and lot costs in our Kahului development, we have listed the prices of house and lot for the first six increments. This includes the total of about 800 homes. The first four increments were constituted of three-bedroom concrete block homes of approximately 1,100 square feet.

As construction prices were going up rapidly in later years, the fifth and sixth increment houses were mostly prefabricated wood in the 800 square feet range. The smaller house was necessary to hold the price in line with earlier cost.

Land cost to the purchaser was constituted mostly of subdivision improvement cost with the actual price of the raw land figured on 1918 values or about \$4 per lot.

I hope this information is what the Senator desires.

Very truly yours,

JOHN E. MILLIGAN,
Director of Industrial Relations.

Medical plan

	Expense	Revenue	Loss
1959:			
Regular employees.....	\$288, 763	\$114, 876	\$183, 887
Pensions.....	101, 047		101, 047
1960:			
Regular employees.....	358, 643	113, 328	245, 314
Pensions.....	138, 237		138, 237
1961:			
Regular employees.....	360, 614	110, 058	250, 556
Pensions.....	154, 589		154, 589

KAHULUI DEVELOPMENT Co., LTD.,
Kahului, Maui, Hawaii, February 12, 1962.

Memorandum to: J. E. Milligan
From: R. H. Taylor
Subject: Prices of house and lots

The following are some of the prices of house and lots sold by the K. D. Co. for the first to sixth increments.

	Lot area	Price		Lot area	Price
1st increment.....	9,057	\$7,155	4th increment.....	9,986	\$6,650
	8,630	7,350		10,950	6,650
	8,400	7,425		13,206	6,650
2d increment.....	11,995	7,500	5th increment.....	11,129	8,500
	11,184	7,250		13,724	8,500
	9,877	8,790	6th increment.....	¹ 9,000	7,400
	10,767	8,880			
	10,339	8,950			
3d increment.....	10,500	6,600			
	11,625	6,600			
	12,499	6,600			
	10,685	9,000			
	11,016	9,000			

¹ Average.

All the prices of house and lots from the first to fifth increments were sold as a package deal with no difference in price due to size of the lots. The difference of prices were due to the types of houses constructed.

The sixth increment basic house was sold for \$5,243 and the lots were sold on the following basis:

- First 7,000 square feet, at 25 cents.
- Next 3,000 square feet, at 20 cents.
- Next 2,000 square feet, at 10 cents.
- Over 12,000 square feet, at 5 cents.

R. H. TAYLOR.

MEDICAL PLAN AND MEDICAL PLAN AGREEMENT BETWEEN HAWAIIAN COMMERCIAL & SUGAR CO., AND ILWU, LOCAL 142, EFFECTIVE MAY 3, 1961

MEDICAL PLAN AGREEMENT

WHEREAS the employees of Hawaiian Commercial & Sugar Company (hereinafter called the "Company") designated ILWU, LOCAL 142 (hereinafter called the "Union") as their sole and exclusive representative for the purpose of collective bargaining with the Company;

NOW, THEREFORE, it is hereby agreed as follows:

SECTION 1

Separate Agreement

This agreement, with the Medical Plan set forth in Exhibit A, attached hereto and made a part hereof, shall be separate and independent from the existing collective-bargaining agreement and the administration, interpretation, and application of the Medical Plan and any and all matters pertaining thereto shall be governed solely by the terms and provisions of this separate agreement.

SECTION 2

Duration

This agreement shall become effective May 3, 1961, and shall remain in effect until January 31, 1963. It shall be deemed renewed thereafter for successive two-year periods unless either party thereto shall give written notice to the other party of its desire to amend, modify or terminate the same, which notice shall be served not earlier than one hundred twenty (120) days nor later than ninety (90) days prior to said expiration date, in which event negotiations shall begin within fifteen (15) days from the date of notice. In the event notice is given

by either party to amend, modify or terminate this agreement as hereinabove provided, the written notice shall be accompanied by the proposals of the notifying party.

If such notice is given by either party and thereafter the parties fail to agree, on or before January 31, 1963, on any amendment or modification of this agreement, or on any new agreement, then this agreement shall automatically terminate on that date.

SECTION 3

Employee Coverage

Employees covered by this agreement are all employees set forth in the Employee Coverage section of the applicable collective bargaining agreement between the parties hereto.

SECTION 4

Grievance Procedure

A. Grievances Other Than Those Arising Under Sections III C and D, VII, VIII of the Medical Plan

When any employee covered by the terms of this agreement, or the Union believes that the Company has violated the express terms of this agreement except Sections III, C and D, VII and VIII of the Medical Plan and that by reason of such violation his or its rights arising out of such agreement have been adversely affected, the employee or the Union, as the case may be, shall be required to follow the procedure hereinafter set forth in presenting the grievance. Grievances arising from Sections III C and D, VII and VIII of the Medical Plan will be processed in accordance with the procedure set forth in B below.

The Company will not be required to consider any grievance involving a single incident which has not been presented to the Company within twenty-one (21) days following the date of the alleged occurrence of the incident. The Company will not be required to consider any grievance involving an alleged continuing situation or alleged series of repeated identical incidents which have not been presented to the Company within twenty-one (21) days following the date on which the situation or incident last occurred.

Where the complainant is represented by a full time official of the Local or an officer of the unit, the complainant, or such official or officer on his behalf, shall give a full explanation at each step of the grievance procedure as to what sections of this agreement he alleges have been violated and how and by what act or acts he alleges the violation occurred. The representatives of the Company at each step of the grievance procedure shall discuss in detail the position of the Company and shall present their specific answer and their reasons therefor to each and every allegation of the complainant.

Procedural steps

STEP 1. The grievance may be presented by the complainant, or by the Union acting on his behalf, to the Company's Industrial Relations Director. In this step the grievance may be submitted either orally or in writing. Upon such presentation, a meeting shall be held within forty-eight (48) hours by the Industrial Relations Director with the complainant or the Union representative acting on his behalf. The Industrial Relations Director will answer the grievance in writing within forty-eight (48) hours.

STEP 2. If the grievance is not disposed of in the first step, the complainant may present the grievance to the Company's Industrial Relations Committee. The grievance may be presented by the complainant or the Union's Grievance Committee. In this step the grievance must be presented in writing. Upon such presentation, a meeting shall be held within forty-eight (48) hours by the Industrial Relations Committee with the complainant or the Grievance Committee, if it represents complainant. The Industrial Relations Committee will answer the grievance in writing within one week following the meeting.

STEP 3. If the grievance is not disposed of in the second step, the complainant may present the grievance to the Manager. The grievance may be presented by the complainant or the Union's Grievance Committee. In this step the grievance and the issues involved therein must be submitted in writing. Upon such presentation, a meeting shall be held within seventy-two (72) hours by the Manager with the complainant or the Grievance Committee, if it represents com-

plainant. The Manager's written answer to the written grievance shall be given within one week following the meeting. The Manager may designate a representative to act on his behalf in this step.

STEP 4. If the grievance is not disposed of in the third step, it may be arbitrated as hereinafter set forth. The complainant shall, within fifteen (15) days after receipt of the Manager's written answer in Step 3, serve written notice upon the Company of desire to arbitrate the grievance, specifying whether the hearing is to be formal or informal and furnish a written statement of the issues to be arbitrated. Within ten (10) days after receipt of such statement the parties shall meet and select an arbitrator in accordance with the paragraph entitled "Procedure Before Arbitrator." Within five (5) days after selection of the arbitrator, the complainant shall give written notice to him respecting arbitration of the grievance together with a statement of the issues to be arbitrated. Thereupon the arbitrator shall set the time and place for the arbitration hearing. The date of hearing fixed by the arbitrator shall be within thirty (30) days from the receipt of such notice.

General Provisions

A grievance may be presented by an employee directly or by the Union acting on his behalf. If any grievance is carried to Step 2 and presented at that step by an employee acting directly, in his own behalf without the assistance of a representative of the Union, the Company shall promptly notify the Union of such grievance.

After execution of this agreement, the Company and the Union will promptly provide each other with written lists of representatives, including the members of the Company's Industrial Relations Committee and the Union's Grievance Committee, for the purposes of each step of the grievance procedure. Whenever a representative is changed by either party, written notice of such change shall be given immediately to the other party.

Failure of the Company to answer a written grievance within the time limits prescribed in each step of the grievance procedure shall permit reference of the case to the succeeding step of the procedure following the expiration of the time limits.

A total of ninety (90) days will be allowed for processing grievances through Step 3 of the grievance procedure. Said ninety (90) day period shall commence on the date of presentation of the grievance at Step 1 in the event such grievance is presented at Step 1 by a representative of the Union acting with the employee or on the employee's behalf; otherwise said ninety (90) day period shall commence on the date of presentation of the grievance at Step 2. The Company shall not be required to consider any grievance which has not been processed through Step 3 within said ninety (90) day period.

Any of the time limits under this section may be extended by mutual agreement. Sundays and holidays shall be excluded in computing the time limits established for each of the grievance steps.

In the absence of authorization to the contrary, grievances are to be presented and considered outside of working hours. It is understood, however, that where reasonable and where possible without undue loss of productive time and interference with operations, authority may be extended to present grievances within working hours.

Procedure Before Arbitrator

I. Formal Hearing

Harold S. Burr, William B. Cobb, William M. Douglas, Martin Pence and Gustav H. Webling are hereby appointed as a panel of arbitrators for formal hearings.

One arbitrator shall be chosen as follows: Each party may strike two names from the panel and the remaining arbitrator shall serve in the case. All decisions of the arbitrator shall be limited expressly to the terms and provisions of this agreement, and in no event may the terms and provisions of this agreement be altered, amended or modified by the arbitrator. The arbitrator shall receive for his services such remuneration as, from time to time, shall be acceptable to him and agreed upon by the parties. All decisions of the arbitrator shall be in writing and a copy thereof shall be submitted to each of the parties hereto. All fees and expenses of the arbitrator shall be borne equally by the Union and the Company. Each party shall bear the expenses of the presentation of its own case.

Complainant in every hearing before the arbitrator shall present a prima facie case. In general, judicial rules of procedure shall be followed at every hearing, but the arbitrator need not follow the technical rules of evidence prevailing in a court of law or equity. The arbitrator shall make his decision in the light of the whole record and shall decide the case upon the weight of all substantial evidence presented.

All decisions of the arbitrator under this Subsection I shall be final and binding upon the parties.

II. Informal Hearing and Appeal

The complainant may elect to have an informal hearing but this election shall be limited to a grievance involving or affecting the individual employee only; provided, however, an informal hearing shall not be available without mutual agreement in any case of a monetary claim of an individual employee in excess of \$500 or in any case involving or affecting more than the individual employee.

A panel of arbitrators for informal hearings is hereby created, and the following are hereby appointed to such panel:

Marguerite K. Ashford, James K. Burgess, Laurence Joseph Capellas, Henry Yuen Chong Chuck, Albert Duvel, Richard Dias Furtado, Harry Humiwo Hara, Ernest Ing, Dean Ishii, Dr. Katsuyuki Izumi, Edna E. Jenkins, Shiro Kashiwa, Dr. Peter M. Kim, Bert Kobayashi, Dr. Karl C. Leebrick, Leo George Lycurgus, Dr. Nobuichi Masunaga, Glenn Gayle Mitchell, Tamao Monden, Sumio Nakashima, Mark Norman Olds, Edwin T. Petteys, Randall Aden Pratt, Masaru Shinseki, Harry Steiner, Robert G. von Tempsky, Dr. Mamoru Tofukujii, Thomas Vance, Millard White, Erling P. Wick, Andrew H. Wong, Mark Yoshito Yamanaka.

The above panel may be expanded or reduced at any time by mutual agreement. One arbitrator from this panel shall be designated by mutual agreement of the parties to hear the informal arbitration. Failing mutual agreement, the parties shall alternately strike one name at a time from the panel and the remaining arbitrator shall serve in the case.

All fees and expenses of the arbitrator at an informal hearing shall be borne equally by the Union and the Company. Each party shall bear the expenses of the presentation of its own case.

In an informal hearing the parties shall not be represented by lawyers present at the hearing and no reporter shall be present to transcribe the testimony of witnesses and argument by representatives of the parties. The decision of the arbitrator shall be limited to a written statement of his conclusion without comment on the evidence or statement of the reasons therefor. In all other respects the provisions of Subsection I of this section shall be applicable.

The informal arbitrator may hand down a decision at the time the grievance is presented to him. He must, however, hand down or confirm his decision in writing not later than three (3) days after the grievance has been heard.

An appeal may be made from the decision of the arbitrator in the informal hearing in any case in which the party electing to appeal alleges and thereafter proves to the arbitrator on appeal that the decision of the arbitrator in the informal hearing will affect other employees than the individual employee in the informal hearing. This question shall first be heard and disposed of by the arbitrator on appeal as a matter of jurisdiction. If the arbitrator decides that the decision in the informal hearing will affect more than one individual employee as alleged by the party making the appeal, he shall then proceed with the arbitration as hereinafter provided.

The party electing to appeal shall serve a written notice of such appeal on the other party within three (3) days after receipt of the written statement of the decision of the arbitrator in the informal hearing.

No decision of the arbitrator following an informal hearing shall be final and binding until the time for filing of a notice of appeal has elapsed. In the event that either party serves notice of an appeal, then the decision of the arbitrator in the informal hearing shall be stayed pending decision on appeal.

In the absence of appeal, the decision of the arbitrator following an informal hearing shall be final and binding upon the parties as to disposition of the individual case involved, but in no event shall any such decision be binding in any manner on the disposition or arbitration of any subsequent grievance even though the facts and issues may be identical.

Within fifteen (15) days after receipt of notice of a desire to appeal the decision of an arbitrator following an informal hearing, the parties shall meet and select an arbitrator in accordance with the provisions of Subsection I of this section.

Within forty-eight (48) hours after selection of the arbitrator to hear the appeal, the party making the appeal shall give written notice to such arbitrator, requesting formal arbitration under the provisions of Subsection I of this section, and specifically setting forth the grounds upon which the party appealing claims that the decision of the arbitrator in the informal hearing will affect employees other than the employee involved in the informal hearing and shall also furnish to the arbitrator a copy of the written statement of issues of the complainant as previously submitted at Step 4 of the grievance procedure. Thereupon the arbitrator shall set the time and place for the hearing of the issue of jurisdiction and the formal arbitration hearing, if any, following the determination of the question of jurisdiction. His decision shall be based solely on the case presented at the formal arbitration hearing, in accordance with the provisions of Subsection I of this section, without regard to the hearing in the informal arbitration proceeding or the decision rendered by the arbitrator therein. The date of hearing fixed by the arbitrator shall be within thirty (30) days of the receipt of such notice.

The decision of the arbitrator on an appeal shall be final and binding upon the parties. In the case of such appeal, all fees and expenses of the arbitrator shall be borne by the party appealing the case, unless the appeal is upheld, in which case all fees and expenses of the arbitrator shall be borne equally by the Union and the Company.

B. Grievances Under Sections 111 C and D, VII and VIII of the Medical Plan.

It is the purpose of the following procedures to assure that each person who is entitled to service benefits under the Medical Plan, receives such benefits, and is also provided the diagnosis and medical treatment which his particular medical problem may require.

1. Medical Problems Arising Under Section VII.

When any person entitled to service benefits under Section VII believes that the Company has not provided such service benefits, he may seek a review of his particular medical problem under the procedures set forth below.

STEP 1. The medical problem will be brought to the attention of the Company physician by the Plan member, or the Union acting on his behalf. The Company physician and the member and, if he desires a representative of the Union, will then review the problem, within 48 hours, in conference and the physician may then prescribe such specialist consultation or additional, different, or modified treatment as he may determine the case requires.

STEP 2. If the member is not satisfied with the disposition of his medical problem at Step 1, he, or the Union acting on his behalf, may then notify the Company in writing of his desire to carry the medical problem to Step 2. Within twenty-four (24) hours of such notice, the Company physician and the member, or the Union acting on his behalf, shall meet to select a consultant specialist by mutual agreement. Failing mutual agreement, each party will designate a qualified physician and these two physicians shall then designate a consultant specialist within not more than forty-eight (48) hours after the matter has been referred to them by the parties. If such two physicians cannot agree on the designation of a consultant specialist within forty-eight (48) hours, the matter shall be referred by the parties to the President of the Territorial Board of Health, who shall designate a consultant specialist. The parties may, by mutual agreement, ask the President of the Territorial Board of Health to designate the consultant specialist if they are unable to agree in the first instance.

The consultant specialist must be residing in the State recognized as a specialist by a County medical society. As soon as possible after selection of the consultant specialist, arrangements will be made for necessary consultations with the member and with the Company physician. Thereafter he shall hold such conferences as he may deem necessary. He shall either confirm the diagnosis and treatment already provided or determine upon such other treatment as the rediagnosis may, in his judgment, require.

II. Denial of Benefits Arising Under Sections III C and D and VIII

When any person claims that service benefits have been improperly denied him under the provisions of Sections III C and D and VIII of the Plan, he shall be required to follow the procedures set forth below.

The Company will not be required to consider any grievance which has not been presented to the Company within twenty-one (21) days from the date of the written denial of service benefits.

STEP 1. The grievance may be presented by the member, or the Union acting on his behalf, to the Company physician. The Company physician and the member shall review the grievance in conference and the physician will then give his answer orally and, if requested, will confirm his answer in writing within forty-eight (48) hours.

STEP 2. If the grievance is not disposed of in Step 1, the member, or the Union acting on his behalf, shall, within five (5) days after answer of the Company physician in Step 1, request in writing that a consultant specialist be called upon to review the decision of the Company physician. When such request is made, the Company physician and the member, or the Union acting on his behalf, shall meet within twenty-four (24) hours to select a consultant specialist by mutual agreement. Failing mutual agreement, each party will designate a qualified physician and these two physicians shall then designate a consultant specialist within not more than forty-eight (48) hours after the matter has been referred to them by the parties. If such two physicians cannot agree on the designation of a consultant specialist within forty-eight (48) hours, the matter shall be referred by the parties to the President of the Territorial Board of Health, who shall designate a consultant specialist. The parties may, by mutual agreement, ask the President of the Territorial Board of Health to designate the consultant specialist if they are unable to agree in the first instance.

The consultant specialist must be residing in the State and recognized as a specialist by a County medical society. Within twenty-four (24) hours after the selection of the consultant specialist, he shall confer jointly with the member, or the Union acting on his behalf, and the Company physician for the purpose of defining the issues to be resolved. Thereafter he shall hold such conferences as he may deem necessary.

III. General Provisions

The member shall undergo such physical examinations, tests, or studies as the consultant specialist may require, to the end that the member may be provided with the appropriate medical treatment under the terms of the Medical Plan.

In no event shall the specialist alter, amend, or modify the terms and provisions of this agreement or the Medical Plan which is a part hereof.

The member will be notified in writing of the conclusions of the specialist within three (3) days following presentation of the medical problem to him.

The conclusions of the specialist at Step 2 of Subsections I and II shall be final and shall not be subject to further review or reconsideration.

All fees and expenses of the consultant specialist in Step 2 of Subsections I and II above shall be borne equally by the member and the Company.

SECTION 5

Consolidation of Hospital Facilities

The Company may transfer or consolidate hospital facilities at any time. In the event of the discontinuance of a hospital, the Company will continue to provide dispensary services.

SECTION 6

Medical Committee

There shall be created hereby a joint Union-Company medical committee composed of three (3) persons representing each party, plus the chief physician or his designated alternate as a non-voting member. The joint committee shall meet monthly and such other times as may be mutually agreed upon. Minutes will be kept of such meetings.

The Committee shall discuss and make recommendations concerning (1) the development of understanding of the Medical Plan Agreement and the Medical Plan, and (2) administration of medical services.

The chief physician shall submit each month to the Joint Medical Committee medical data contained in HSPA Form 536-538 and such other data as may be mutually agreed upon which will assist the Committee in developing understanding of the Medical Plan Agreement and Medical Plan or in making recommendations on the administration of medical services.

The Committee will not consider any grievance involving any individual or questions involving medical care or treatment of any individual.

SECTION 7

Agreement May Not Be Amended Except by Written Document

The parties realize that not infrequently, after agreements similar in part to this agreement have been executed, one party thereto will contend that the other party has at some time during the term of the agreement orally agreed to amend, modify, change, alter or waive one or more provisions of the agreement, or, that by the action or inaction of such other party, the agreement has been amended, modified, changed or altered in some respect. With this realization in mind and in order to prevent such contention being made by either party hereto insofar as this agreement is concerned, the parties have agreed and do hereby agree that no provision or term of this agreement may be amended, modified, changed, altered, or waived except by a written document executed by the parties hereto.

It is recognized that this agreement may be amended by mutual consent by written document executed by the parties hereto. However, the refusal of either party to amend the agreement shall not constitute a breach of this agreement.

SECTION 8

Document Contains Entire Agreement

This document contains the entire agreement of the parties and neither party has made any representations to the other which are not contained herein.

EXHIBIT A

MEDICAL PLAN

I. ELIGIBILITY

A. All present bargaining unit employees and persons considered as dependents of such employees who were members of the Medical Plan which terminated January 31, 1961, will be automatically transferred to this Plan. Such dependent persons are hereinafter referred to as "dependents."

B. The following bargaining unit employees and their spouse and children shall be eligible for membership in the Plan:

1. Present regular employees who were not members of the Medical Plan which terminated January 31, 1961, and new regular employees. Employees hired on a temporary basis will not be eligible.

2. Spouse of employee. If not living together, the employee must be the sole support of the spouse.

3. An employee's unmarried dependent children under 19 years of age, including stepchildren and legally adopted children.

4. An employee's unmarried dependent children 19 years of age or over, including stepchildren and legally adopted children, if attending school on a full-time basis.

II. APPLICATION FOR MEMBERSHIP

A. Application for membership in the Plan must be made by an employee as follows:

1. A regular employee who was not a member of the Medical Plan which terminated January 31, 1961, must make application within fifteen (15) days after the date of installation of this Plan for himself, and, if desired, his spouse and children.

2. A new regular employee must make application within fifteen (15) days after his date of employment as a regular employee for himself, and, if desired, his spouse and children.

3. If a spouse or children are acquired after the installation of this Plan, the employee member must make application for the spouse or children within fifteen (15) days after the date of acquisition of spouse or children. Where the delivery of a child of an employee member is attended by the Company physician, the child shall be automatically included as a member of the Plan provided that the spouse and all other eligible children are members of the Plan. Adjustment in membership fees and enrollments will be made accordingly.

B. A waiver will be signed by each employee not desiring to make application for membership in the Plan for himself and/or his spouse and children.

C. Applications for spouse and children will not be accepted unless the employee: (1) is a member of, or has made application for membership in the Plan in accordance with II A above; and

(2) makes application for eligible spouse and all eligible children.

D. Any change in the status of spouse, children and dependents under the Plan will be reported immediately to the Company by the employee member.

III. PHYSICAL EXAMINATIONS

A. Persons who were members of the Medical Plan which terminated January 31, 1961, will not be required to take a physical examination.

B. Physical examinations will be required for all persons for whom application is made for membership in the Plan.

C. Based on physical examinations, any applicant with incurable, disabling invalidism shall be excluded from the Plan and the following conditions will be specifically excluded from coverage:

1. Any acute condition discovered by the Company physician at the time of application will be excluded until such condition no longer exists.

2. Any congenital malformations or conditions and chronic or recurrent illnesses or conditions as discovered by the Company physician at the time of application will be specifically excluded, except as provided for new born dependents enrolled in the Plan by a Plan member as provided in Section VII. I.

D. A new employee making application within fifteen (15) days from his date of employment or a present employee making application within fifteen (15) days from the date of installation of this Plan will not be subject to the provisions of paragraph C 1 and 2 above. However, employees making application under Section VI below shall be subject to the provisions of paragraph C 1 and 2.

IV. MEMBERSHIP FEES

A. An employee's membership fees shall be determined in accordance with the following schedule:

Single employee—\$1.65

Employee with spouse or children in Plan—\$1.40

Spouse—\$1.10

Each Child—\$1.10

Maximum rate (families of 6 or more)—\$6.00

B. An employee's membership fees will be paid monthly, in advance, by the fifteenth (15) of each month. When an employee member is hospitalized, or is under medical treatment, and unable to work during the entire month, payment of fees may be deferred until the fifteenth (15th) day of the month following the month he returns to work.

C. If a member leaves the State temporarily, membership in the Plan may be temporarily suspended upon application by the employee member, prior to his leaving, provided, however, that such suspension will be made for monthly periods only. Where the maximum rate is applicable, no reduction in fees will be made unless the number of persons covered falls below six.

D. An employee who is on leave of absence may retain membership for himself and his spouse, children and dependents by continuing payment of membership fees.

V. TERMINATION OF MEMBERSHIP

A. Upon termination of employment with the Company, an employee and his spouse, children and dependents will be terminated from membership in the Plan, provided, however, any employee who has been discharged and who has given written notice to the Company by the fifteenth (15th) day of the month following the discharge that such action will be the subject of a grievance to be presented in accordance with the grievance procedure of the applicable collective bargaining agreement, shall continue to receive medical services as provided by the Plan for himself and his spouse, children and dependents, if any, as private patients until the grievance has been disposed of as provided by the collective bargaining agreement. If the employee successfully maintains his grievance through the grievance procedure, the Company shall reimburse

him in an amount equal to all payments he made for himself, his spouse, children or dependents as private patients during the period he was discharged. He will be required to reimburse the Company the regular membership fees for the period of discharge.

B. An employee member failing to pay his membership fees by the fifteenth (15th) day of the month will be given a notice of delinquency. In the case of an employee member who is hospitalized, or is under medical treatment and is unable to work during the entire month, he will be given a notice of delinquency if he fails to pay his membership fees by the fifteenth (15th) day of the month following the month he returned to work. If payment is not made by the fifteenth (15th) day of the month following the date of notice, he and his spouse, children and dependents may be dropped from the Plan.

C. When an employee member resigns from the Plan, he and his spouse, children, and dependents will be terminated from membership in the Plan. A spouse, children and dependents may be withdrawn from membership by the employee member, but only if his spouse, all of his children and all dependents are withdrawn.

D. False statements or representations made wilfully in writing in connection with application for membership, or any condition or illness, shall be grounds for termination of membership of the employee and his spouse, children and dependents.

E. Unmarried dependent children reaching 19 years of age shall be automatically terminated from the Plan unless the employee member applies for membership of such children under Section I-B-4 above.

VI. REINSTATEMENT INTO PLAN

A. Persons who do not make application for membership within the prescribed period (II above) and persons terminated from the Plan under Subsections B and C of Section V shall be ineligible for membership for a period of six (6) months from the date of waiver or the date of termination, as the case may be. Upon regaining eligibility they must make application as provided in Section II above within fifteen (15) days following date of eligibility.

B. Persons terminated from the Plan under Subsection D of Section V above shall be ineligible for membership for a period of one year from the date of termination. Upon regaining eligibility they must make application as provided in Section II above within fifteen (15) days following date of eligibility.

C. An employee's unmarried dependent child 19 years of age or over who is eligible for membership in the Plan under Section I. B. 4 and who was a member of the Plan immediately prior to going away to school, will be eligible for reinstatement in the Plan immediately upon returning to the plantation community without a physical examination; provided, however, such dependent makes application as provided in Section II above immediately upon his return to the plantation community and, provided, further that any limitations of service applicable to such dependent in his prior membership will continue to apply.

VII. SERVICE BENEFITS

A. Professional nonsurgical services given by or specified by the Company's physician for the treatment of accidental injury, sickness, or prenatal care, will be provided, including drugs and medication which will include, but will not be restricted to, antibiotics, insulin, sedatives, analgesics, and preventive drugs and inoculations required by law or commonly accepted by the medical profession in the community.

B. Surgical services will be provided which include operations involving cutting or incision in the treatment of illness or injuries, obstetrics, and the care of fractures and dislocations performed or specified by the Company physician.

C. Hospital care including the following will be provided at the Company hospital (or hospital normally used by the Company), as specified by the Company physician:

1. Ward bed.
2. Meals.
3. General nursing care.
4. Use of operating room and delivery room.
5. Surgical supplies.
6. Anesthesia supplies, use of anesthesia equipment and administration of anesthesia.

7. Splints, casts and dressings.

8. Drugs and medication, including but not restricted to, antibiotics, insulin, sedatives, analgesics and preventive drugs and inoculations.

When the Company physician specifies the hospitalization of a patient in the hospital other than at the Company hospital (or the hospital normally used by the Company), the cost of such hospitalization will be covered in an amount not to exceed the rate for equivalent service at the Company hospital (or the hospital normally used by the Company), except that the Company shall pay for hospital room accommodations at the ward rate charged by the hospital to which the patient is sent.

D. X-ray services performed by, or specified by Company physician, will be provided.

E. Diagnostic and clinical laboratory services as specified by Company physician will be provided.

F. Maternity benefits will be provided only if the patient has been a member of the Plan for the entire period of pregnancy, provided, however, that maternity benefits shall be provided to a wife of an employee member if the employee has been a member of the Plan for at least one year and the application for membership for the wife is made within fifteen (15) days after date of marriage.

G. If a Plan member is accidentally injured outside the plantation community (but on the same island on which the Company is located) and requires emergency medical, surgical and/or hospital care at the nearest hospital or physician, such care will be covered by the Plan; provided that the Company physician is notified promptly of the nature and extent of injury. After the emergency treatment, transfer to the Company medical facilities and physician will be made at the earliest practicable time.

H. If a plan member is accidentally injured or requires medical care by reason of an emergency on an island in Hawaii other than the island on which the company is located, and such injury or illness is of such a nature that he could not be expected to return to the plantation community and he requires emergency surgical and/or hospital care at the nearest hospital, such care will be covered by the Plan, subject to the limitations listed in this sub-section, provided that the company physician is notified promptly of the nature and extent of the injury or illness and such physician agrees that it constitutes a bona fide emergency.

After the emergency treatment, transfer to the company medical facilities and physician will be made at the earliest practical time.

Benefits under this subsection will be limited to hospital and surgical care only and the following limitations, in addition to those set forth in VIII below, will apply:

1. No more than \$250 per illness will be paid out for any emergency injury or illness.
2. Payments on account of room and board will be limited to ward rates.
3. Payments on account of surgery will be limited to the Hawaii Medical Service Association surgical schedule.
4. Payments on account of diagnostic x-ray and laboratory services shall not exceed \$25 per illness.
5. Payments on account of hospital visits for medical services by a physician will be limited to \$3 a visit.
6. Obstetrics (except emergency miscarriages or premature births) will be excluded.
7. "Student" members of the Plan will not be covered when attending school away from the plantation community.
8. When the aggregate payments of all sugar plantation companies in Hawaii which have collective bargaining agreements with the ILWU, Local 142, amount to \$75,000 within the period May 3, 1961-January 31, 1962, inclusive, benefits provided in this subsection shall cease for that designated period, and when such aggregate payments amount to \$75,000 within the period February 1, 1962-January 31, 1963, inclusive, benefits provided in this subsection for such period shall likewise cease. Any amounts of such aggregate payments remaining unused in either of the designated periods will lapse and will not be carried over beyond each designated period.

I. A new born dependent of an employee member who has been enrolled in the Plan and who has a congenital malformation or condition or a chronic or recurrent illness or condition at the time of enrollment will be covered without any other limitation on the services of the plantation physician than those set forth in Section VIII.

Hospital care, either in the plantation or other hospital, shall be limited to a total of 120 days.

Specialists care (when referred by the plantation physician) and hospital extras required by such specialists shall be subject to the following limitations:

(a) Payments on account of surgery will be limited to the Hawaii Medical Service Association surgical schedule.

(b) Payments on account of medical visits by the specialist shall be limited to \$300.

(c) Payments on account of hospital extras, such as anesthesia, dressings, operating room, etc., shall be limited to \$240 plus 75 percent of any additional charges up to a maximum of \$750 (when the specialist requires a private anesthetist payments for such anesthetist shall be limited to \$15 for the first hour plus \$3.75 for each quarter hour thereafter).

(d) Payments on account of x-ray and laboratory services will be limited to 50 percent of the charges for such services.

VIII. LIMITATIONS IN SERVICE

A. The following will not be covered by the Plan :

1. Eye refractions and glasses.
2. Rest cures, unless specified by the Company physician.
3. The services of a dentist, except as provided for in (b) below.
4. Care and treatment of acute and chronic alcoholism.
5. Drug addiction.
6. Wilful self-inflicted injuries, except immediate emergency care.
7. Treatment of injuries to a member resulting from violation of the law by him (except for traffic accidents).
8. Routine nursing or domiciliary care except where hospitalization is specified by the Company physician to provide medical or surgical services which the condition of the patient requires.
9. Injury or sickness to the extent a Plan member is entitled to, or would be entitled to in the absence of this Plan, any benefits or services under the provisions of any county, state or federal act or law.
10. Services of a psychiatrist, except for diagnosis when specified by the Company physician.
11. Certain chronic diseases, including but not limited to mental, tuberculosis and Hansen's disease, which, in the opinion of the Company physician can be served in those specialized hospitals or institutions established to care for such chronic diseases. They will be covered until such time as the Company completes arrangements with the specialized hospital or institution for commitment of the patient, but not to exceed thirty (30) days from date of diagnosis, provided, however, that when a member refuses commitment upon completion of arrangements, services for such diseases will be terminated immediately.
12. Services of a plastic surgeon, except for such services arising out of disease or injury covered by the Plan where such services are specified by the Company physician.
13. Military service connected disabilities or diseases.

B. Traumatic dental surgical services necessitated by accidental injury are included under the Plan provided that such services are specified by the Company physician. However, such traumatic dental surgical services will not include dental prosthesis.

C. Blood or plasma will not be included but the cost of administering the transfusion will be included.

D. Prosthetic appliances will not be provided under the Plan.

E. If a member receives medical, surgical or hospital services (except for services received under VII G) from a private physician or outside hospital without first receiving the approval of the Company physician, such services will not be paid for under this Plan.

IX. CONSULTANT SPECIALISTS

A. A consultant specialist will be called upon by the Company physician whenever, in his judgment, such services are required. The Company physician shall have the sole responsibility for the determination of the necessity of calling in a specialist and for the selection of the specialist, except as provided in Section 4 B of the Medical Plan Agreement.

B. Consultant specialists available for call will be those specialists residing in the State recognized by a county medical society, who agree to the conditions set forth by the Company. These conditions will not apply to specialists selected in Step 2 of I and II of Section 4 B of the Medical Plan Agreement.

X. MEDICAL INFORMATION

The Company's chief physician shall make available all pertinent medical information contained in records maintained on the Plan member upon the request of a private physician or surgeon and with the written consent of the patient.

XI. SUBROGATION

Where the medical or surgical services or hospitalization is provided by the Company for injury or illness resulting from or arising out of any accident or occurrence affecting a Plan member where a third party is legally liable for such accident or occurrence and damages for such resulting injury or illness, including medical, surgical and hospital services, are recoverable, either from an insurance carrier or a third party or parties whose legal liability for such accident or occurrence is established (or the insurance carrier or a third party or parties agree to a compromise settlement in discharge of any and all further liability), then the Company shall have subrogation of the member's claim against such third party in an amount sufficient to reimburse the Company for medical, surgical and hospital services so provided. In the event an attorney is retained by the employee to proceed against the third party, it is understood reasonable attorney's fees and costs will be deducted from any recovery made before any repayment to the Company. Each member shall sign a subrogation agreement in the following form:

For and in consideration of the benefits extended under the Medical Plan and my membership and that of my spouse, eligible children, and dependents (as defined in Section I A of the Medical Plan), as listed in the application for membership and the mutual promises pertaining thereto, the undersigned hereby agrees for and on behalf of myself, my spouse, eligible children and dependents, as listed in the application for membership, that, in the event of injury or illness to me or any of us, resulting from or arising out of any accident or occurrence for which a third party may be held liable, the Company shall be reimbursed for the medical, surgical and hospital services so provided by the Company in accordance with the provisions of paragraph XI of the agreement between the Union and, the Company dealing with the subject of subrogation.

Senator LONG. Dr. Joseph E. Andrews, I believe, has just come in and we will be glad, Doctor, to have you appear before the subcommittee—representing the Maui County Medical Association.

STATEMENT OF DR. JOSEPH E. ANDREWS, REPRESENTING THE MAUI COUNTY MEDICAL ASSOCIATION

Dr. ANDREWS. I'm sorry I was delayed, gentlemen. The reason for it is that I was attending the funeral of an elderly individual, aged 85.

I would like to speak here not only as a physician—because I am sure you have heard enough from the physicians on that subject—but I would like to speak as a father of five children and also as a son and son-in-law who is in the process of taking care of two elderly people. For the benefit of those here, those two elderly people are not wealthy. One has nothing, and the other lives on a very minimum social security.

Now, I feel very strongly about taking care of my own, not only my own parents but my own children also; and in talking with the other people in my district and about the community here, they also feel strongly about having any moneys spent or any moneys brought

to the State by local taxation rather than by Federal moneys. They feel they have a better insight into what is happening to their dollar. They can do something about it with the local politicians if their money is not being spent properly. They feel they cannot do anything if it is under a Federal grant.

Also, I feel that in the future more people will have other moneys than social security. They will have insurance money, company retirement pensions; and if the members of the union are present here, I'm sure they will eventually have company benefit moneys. In fact, our older population will be very well off, I feel, in the next 10 years. Why burden the younger generation in the future to take care of these people when we think they will have enough troubles of their own trying to educate their children?

Now, we have picked the wonderful age of 65 as the retirement age. Why? I think with the progress of medicine, and it will continue, in another 20 years the age will be 80 to 90. And are we going to keep supporting these people until they are 90 or 100 years of age? The younger generation will just be taxed to death. And I think, as I said before, they will have enough income to live on.

Now, one of the Senators here—I think it was Senator Morse—said that we have a moral obligation to take care of our aged and needy. I heartily agree with you, Senator, we do have a moral obligation. But morality is not and cannot be a collective virtue. It's an individual virtue. In other words, I am responsible for my children. I am responsible for my parents. I am also responsible for the members of this community in which I live to see that they are taken of, and that can be done by local taxation rather than Federal taxation.

I believe I speak for many of my friends, my older friends, not only as a physician but as their friend in this community when I ask you to allow us to retain our self-respect by taking care of our own here in Hawaii.

I thank you for the privilege of speaking before your body.

Senator LONG. Thank you, Doctor.

Senator MORSE. Doctor, do you support the Kerr-Mills bill?

Dr. ANDREWS. I would support that in preference to the other bill, yes, sir.

Senator MORSE. That includes Federal grants?

Dr. ANDREWS. Partially.

Senator MORSE. To the tune of a good many millions of dollars.

Dr. ANDREWS. It is not absolutely necessary, though.

Senator MORSE. Well, I want to assure you, as I assured Dr. Burden the other day, that I am collecting testimony, not presenting it; but on this job of mine you have to keep a sense of humor or it would certainly kill you.

Dr. ANDREWS. I have one.

Senator MORSE. What I have to say now, Doctor, doesn't relate to you personally at all, but it does relate to a position that I took in a speech in the Senate. Last night, counsel for the committee said, "Senator, aren't you ever going to say anything about the position you took some years ago in the Senate concerning the origin? You said at that time it as the origin of your philosophy in regard to this whole matter."

"Well," I said, "I'd better reserve that for a speech at some banquet."

"Well," he said, "I think the doctors here all have a good sense of humor and I think they would enjoy having you make that a part of the record."

He assured me you were that kind of doctor and, of course, we know that the president of the American Medical Association is. I have a very high respect for the medical profession, although some of them don't have much for me. And I have a lot of friends among them, too.

But it is true that some years ago I told the Senate about the great influence of Alexander Hamilton on me. I am more Hamiltonian than a lot of people know. Of course, you know, I'm called a creeping socialist. Some call me worse than that. But I have a lot of friends, may I say, among the doctors because there are doctors that share my point of view.

But I thought it would be interesting for me to just take a minute or two, Mr. Chairman, to point out what I consider to be one of the earliest forms of Government payment for medical care. It was proposed by Alexander Hamilton, often referred to as the first Republican Secretary of the Treasury although there wasn't any Republican Party at the time, but many consider him really the father of the Republican Party. I certainly do. And he proposed at that time what really is the basic principle of the social security approach to this matter.

He became very much concerned, as I pointed out in that speech—the notes of which I have from it. He became very much concerned about a problem that developed in New York City, in Boston, and in Philadelphia—in the great sailing ship centers. When the sailors came in on those ships—although when they went out they were in good health, many of them came back suffering from scurvy and pellagra and tuberculosis and all the other ailments. And many weren't fit to work and became a medical burden on the community.

And you know what Alexander Hamilton did? He introduced in Congress a bill that provided for compulsory insurance payments by the sailors to pay for their medical care when ill. That was in 1798. I am certainly sure he couldn't have been connected with Bismarck or Marx. And that became the great U.S. Public Health Service—out of that old Alexander Hamilton bill—and that bit of history has greatly influenced me.

I would like to point out that there were many of the principles of the King-Anderson bill in it. And I thought it would be interesting for this record to say that I am Hamiltonian in that respect.

And, of course, you can go too far in this program. The Murray-Dingell bill went too far. I fought the Murray-Dingell bill. And a lot of liberal forces in the country were just as critical of me as the conservative forces are critical of me because I am a strong advocate of the Morse version of the Forand bill.

I appreciate what you say about moral obligations are individual, but they are societal, too. Those moral obligations are made very clear, may I say as an old constitutional law teacher, by our constitutional fathers when they wrote the "general welfare" clause into the Constitution. There wasn't any question in our old colonial times of the recognition of societal responsibility for those who are less fortunate than society as a whole.

And so what we are dealing with here is really a great conflict, I think, in governmental philosophy. And we've got to hammer it out, it seems to me, by trying to find that area of—what I said to Dr. Burden the other day—of conscionable compromise. It is going to be done. The idea of leaving it to the individual is just as passé as the dodo. I think this is bound to come. I want to see it come within a framework of Government administration that will protect the things that you are interested in, as far as the individual rights of the doctors are concerned.

I am a great person for insisting on the private selection of the private physician. In fact, in our bill, we do much better for the private practitioner than the Kerr-Mills. We assure the selection of the private practitioner. Kerr-Mills doesn't. With Kerr-Mills, it is possible—as was brought out earlier here this morning—that if the patient is going to get the benefit of it he may well be subject—as are many cases on the mainland—to a doctor selected for him. And so bad is that situation that Humphrey of Minnesota has pending on the calendar of the Senate now an amendment that would modify the Kerr-Mills law to assure selection of a private practitioner by the patient. You've got to have such amendment in order to guarantee that.

I was in a debate at the University of Minnesota during the past month at a huge medical meeting of hospital administrators and doctors; and one of your very able doctors, Dr. Annis, presented the American Medical Association approach. And he was a little upset about the defect of the Kerr-Mills bill, as were many of the doctors present. He was a little upset to discover that he was debating with a man who refused—and my vote was controlling—to even let the Murray-Dingell bill get out of committee some years ago. And I think it was good to have the discussion on Murray-Dingell. I believe it had an influence in some compromises that finally resulted in the King-Anderson bill.

But my plea is—and take it for what it is worth—my plea is that all of us, I think, have to try to work out, under the “general welfare” clause of the Constitution, a workable answer to this. Politics is my profession and I say it is an honorable profession; but in a democracy, as a politician, your duty is to carry out what the public will finally demands, with all of the checks on it that I support. We've got to work out a program, in my judgment, that is going to meet this public demand.

I need not tell you that within the medical profession there is a growing division within your own group. More and more doctors are coming to a position that there ought to be some modification in the adamant opposition of the American Medical Association to legislation. I don't ask for support—only for understanding.

I would like to say to the doctors here, as I say to the doctors of my State, as one who has responsibility on the committee, who has served for 17 years trying to find where this area of conscionable compromise is, I would like to see what we can do, working together. Perhaps we can modify Kerr-Mills; maybe modify the King-Anderson bill. We can all accept that our major philosophical difference, I believe, is on this question of moral obligation. We all have individual moral obligations; and we have a societal moral obligation.

It's the very essence of democracy, that this system of self-government was formed by the constitutional fathers to promote the general welfare of people, not the individual welfare of some individual or group in conflict with the general welfare of all the people.

How this can be ironed out we can't decide this morning, but I thought—because there have been stories in the press, I thought, Mr. Chairman—and this is the only time on this whole trip that I have taken this much time, but the doctor inspired me here. I wanted to at least make this statement as to my general philosophy, not expecting or asking agreement. I'm not so much interested in agreement; but I am interested, and I'm trying to weigh all the facts and come to a conclusion as a legislator as to what the public policy ought to be. And after our committee has made its conclusion then let our constituents cast their judgment at the next election.

Dr. ANDREWS. I have one more thing I want to say.

Senator LONG. Anything you want to say.

Dr. ANDREWS. You know, that magic age of 65. I now realize what we can do after 65. We can all become politicians.

Senator LONG. We, of course, are not interested in any particular bill. I made that statement after calling the meeting to order. However, yesterday we challenged one statement that was made—and I'm not challenging any statement now, but I do want to comment a little bit. The statement was made yesterday in a very forceful way as to the insecurity, the financial insecurity of social security—the whole social security scheme.

Of course, the Federal Government, all through the period since social security went into effect on July 1, 1935, has had that as a major concern. And one of the last important committees that President Eisenhower appointed was a committee of 12, made up of some of the greatest industrialists, outstanding university men—a representative group of men at the top—to bring in a report on that very question as to the financial solvency, the soundness of the social security system. And a part of that was read into the record yesterday. These men reported complete agreement that in their minds the plan is sound.

Now I stopped a little bit, just for a moment, when you referred to—and I think you were thinking of possibly tying this in with social security—that we should permit people to maintain their self-respect and communities to retain their self-respect.

As of today—this is from memory, but it is almost accurate—there are 12 million elderly Americans who each month draw their social security checks. With their survivors, a few that come under it, it likely comes up to about 15 or 16 million.

First, a comment on the general effect of it, the bitter fight made against it—the determined fight, not bitter—the determined fight that was made against it was that it was going to undermine and ruin one of the great economic structures of our Nation, the insurance business. Read back into the records and you will find that. Well, as a matter of fact, it didn't. You can go to your best insurance friend and he will tell you the insurance business was going up gradually in the early thirty's. But about 1936 and 1937 and 1938, insurance sales in this country increased as they had never increased before and it has been that way every since. Social security didn't undermine anything.

Now I don't believe that any one of these 12 million aging people or any of their friends or relatives feel that there is anything degrading about being a beneficiary of social security. I don't believe they feel that it is a handout. We buy it and pay for it and share in it, on a different scale, it's true, but on the same principle as we buy an insurance policy from an old line company. There is a difference, I know, but the principle is much the same. Why would anyone feel that there is any difference between some health consideration—paying as they go, starting in when they are young—and the social security?

Dr. ANDREWS. Well, let me turn that right around, Senator.

Senator LONG. Yes.

Dr. ANDREWS. The children can pay that same amount of money to cover their families in any kind of insurance—maybe not quite as cheaply as social security. I would like to get one thing straight. Social security is not an insurance in the sense of the word insurance, is it?

Senator LONG. It's a form of it. It's a great departure, of course—

Dr. ANDREWS. But Congress each session has to appropriate money for it, isn't that right?

Senator LONG. Not in the sense of an appropriation for it. I can't give you the statistical picture. I don't know whether Senator Morse can or not.

Senator MORSE. It is transferred from trust funds—

Dr. ANDREWS. Well, not to get into any technicalities but I think it can be done on an individual basis, too, with one's family rather than impose it on the whole Nation.

Senator MORSE. The answer to that, Doctor, is that everyone won't do that. Millions of them won't do that—

Dr. ANDREWS. They insure their homes, they insure their cars; why not insure their health? They insure everything else.

Senator MORSE. Millions don't. Millions just don't. In this field they create a great social problem, and it becomes a question of whether or not the general welfare of the country dictates that there ought to be a general coverage in regard to their health coverage with the guarantee to the doctors that they will serve on a private practitioner basis. That is their great conflict.

Whether or not you can do this on an individual basis or whether it would have to be done by way of the social security system—and the answer is they don't do it on an individual basis. If there has ever been an educational program for it, we have certainly been bombarded with it for years. But you're going to have millions of them that will never do it on the so-called private insurance basis. And so we, as politicians, are confronted with the social problem and how best to pay for it. Is it best to pay for it by way of welfare funds? Is it best to pay for it by a great increase in social costs that we all know flow from the disgruntled, dissatisfied, suffering segment of the population? Those are the answers we have to solve. Honest men can disagree about it, but here, again, I think our job as representatives of a free people is to make certain before action is taken that we bespeak the will of the majority. Once we become satisfied with that, then we have to act.

Furthermore, they've got the check on us. Any time they don't like the action we take, they can retire us to private life—and they do,

in many instances. But that, again, is the very essence of this whole constitutional system of ours.

Senator LONG. Doctor, we thank you. It has been a very interesting discussion.

Dr. ANDREWS. Thank you very much.

Senator LONG. Mrs. Pak Wong, representing the Chinese Society, has to leave right away. Mrs. Wong, we are going to call on you at this time.

STATEMENT OF MRS. PAK WONG, REPRESENTING THE CHINESE SOCIETY

Mrs. WONG. Senator Long, Senator Morse, I was asked to come up to this meeting and I was asked just to represent the Chinese, and I told Mr. Shinn that there are only four more Chinese at the Wailuku Society House and four more at the Lahaina Society House. What they need is a comfortable home. They are well provided in the line of food.

In 1940 our Chinese Ladies Aid started a home for the aged Chinese only, and they have already expired and just one survived. So the plantation took over the house and as they took the house down—just one more room left, and that man said, "I will not go to Hale Makua. I will stay and die in this home." So I convinced him to go to the society house, and he said, "Would you go to the society house? If you will go, I will go."

So this is all I have to say. They are very—financially, as I said—they are well taken care of, but they do need a better home.

Senator LONG. I hope you get better housing, Mrs. Wong.

Mrs. WONG. That is what I am hoping, but I think it is going to be very, very difficult to influence them to go into anything. They prefer to die in their homes where they are.

Senator LONG. Well, thank you for your statement.

Mrs. WONG. It's just a brief report. I'm sorry that I'm not prepared.

Senator LONG. That's all right. You told your story.

The chairman of the board of trustees of Hale Makua is Dr. James F. Fleming. Doctor, we are glad to have you with us this morning.

STATEMENT OF DR. JAMES F. FLEMING, CHAIRMAN, BOARD OF TRUSTEES, HALE MAKUA

Dr. FLEMING. Senator Long, Senator Morse, and visting friends, I'll give you a little history of Hale Makua and not take too much of your time.

Hale Makua was started, probably, by Mrs. Wong; at least she was one of the big instigators of Hale Makua—and also by the Buddhists of Maui along about the early part of the war, when they started taking care of about 15 people in a home. These were aged people who had retired and needed care, had no families to take care of them. Toward the end of the war or soon afterward the Salvation Army took over when the volunteer help of the Buddhists and Mrs. Wong and a few other citizens could not carry on.

About 1948, if I recall rightly, possibly 1950—no, it must have been after 1952 because in 1952 the Central Maui Memorial Hospital moved

to its new building; so it would have been 1952 or 1953 that these people, who were housed in this home up Iao Valley, were moved down to the old Central Maui Memorial location which was known at that time as Manulani Hospital. This Manulani Hospital was owned by the county and the county still owns the buildings and the grounds.

At that time the home's name was changed to Hale Makua and it was run by a board of trustees. This board of trustees is entirely independent from the county of Maui. So now, the Hale Makua buildings and grounds are owned by the county of Maui.

The institution is run as a nonprofit institution. All people, all residents of Hale Makua pay for their keep in Hale Makua and approximately half of them are taken care of by welfare funds. The other half pay their own way. The cost of taking care of people in Hale Makua averages a little over \$5 per day per individual. Those that need more nursing care are much more expensive to take care of than those who are ambulatory.

Earlier in this meeting you people heard of Kula Sanatorium going into the business of taking care of elderly people. There were five groups mentioned—elderly people, ambulatory; those needing nursing care; tuberculosis; and—something else. I have forgotten what it was. And it seems that because the facilities were available in Kula, which is about 45 miles from here, it was deemed prudent to use the bed facilities of the building; and also, at the same time, it was decided that Hale Makua was a fire hazard—which it is.

So the Hale Makua board of trustees recently decided that they could send to Kula about one-third of its residents; that is, the third who are bedridden and who would be unable to take care of themselves in case of a fire. That will leave in Hale Makua approximately 45 to 50 residents after the beginning of the year if we get our residents moved to Kula.

The Hale Makua board of trustees wants to acquire land and build a new building for their aged people. It seems that, for one reason or another, this has been extremely slow in coming about. However, I'm sure that in the relatively near future we must get a new building before the termites pull down the old one, and I'm sure that it will materialize within the next year or so.

We have discussed financing from the Hill-Burton funds; we have discussed financing on our own; we have discussed the acquisition of land from various sources; and I believe that, as I said, in the very near future we will be having a new Hale Makua.

Are there any questions?

Senator LONG. Thank you, Doctor, for a very interesting report. How many people did you say you are serving there now?

Dr. FLEMING. We now have approximately 90. We have about 40 employees. So much for Hale Makua. May I make a couple more statements?

Senator LONG. You may.

Dr. FLEMING. I would like to reiterate what—I think it was Dr. Tompkins said about practically every needy person on Maui can get medical care from a physician if he wants it. And maybe the physician doesn't get paid, but the care is there.

Then to go back to what Mr. Uyenoyama said—he said that the welfare—I think he said patients, but I believe that he meant welfare patients—that the welfare patients are required to get medical care

from the Government physicians. In a way that is true and in a way that is not true. It is not true in this respect: That any patient of Maui can go to any doctor he wants. He does not have to go to a Government physician. It is true in this respect, however, that the physician to whom this patient may go may not be paid by Government funds, but he is at liberty to go to any physician that he wants.

I am a Government physician and I have many people who come to me from other districts who say that they have been told to go to their own district, and I say that as far as I know they can go wherever they want. Some come to me; some return. And I believe the same would be true of other doctors in this community.

Thank you very much.

Senator LONG. Thank you very much, Doctor.

Now we have arrived at the point where we have to make a decision. When we began this, we had a break at about this point—there are two more names for the morning session—with the thought that we might have a luncheon break and then come back this afternoon. We have only four more; then, of course, our senior citizens. I have a feeling that perhaps since we are here that we should continue. If we do that, I will ask the others who are to be called upon to be brief, as brief as you reasonably can be. We had that experience, particularly, in one of the other two meetings and the people responded splendidly by curtailing their remarks somewhat.

It is our judgment, then, that we should continue.

The next witness will be Rev. A. O. Bass of the Assembly of God Church.

STATEMENT OF REV. A. O. BASS, PASTOR, ASSEMBLY OF GOD CHURCH

Reverend BASS. Senator Long, Senator Morse, members of the Special Committee for the Care of the Aged, and interested citizens, I was asked by Mr. Sodehani, or I was advised that there would be such a meeting, and, of course, I saw it advertised in the papers. I wasn't given any purpose for my being on the agenda. In fact, I was a little surprised. He said that if I wanted to testify, I could.

My remarks will be brief. I represent a group of people who are interested in providing physical facilities to house and a program to care for the needy aged in our community. And this interest grew out of a need. Horton Homes, Inc., is a program, should I say, headed by Mr. Horton, who has a group of homes on the mainland—I should say that he did have. There are six in the group. This is not a church-sponsored program; nor is it even church related. I am speaking here because I am a local resident of Maui and I am speaking in the interest of this program strictly from the standpoint of a citizen who feels an obligation to care for our aged and also recognizes a need.

Mr. Horton came to Hawaii several years ago and, since this was his field of interest and he had had considerable experience, he contacted State officials and, through a process of time, purchased 3 acres on Oahu because of the tremendous need there and was in the process of building a home. And he began to look to the outer islands, finding the need from the office in Honolulu of social services, and there was one official approach to the officials of the county of Maui—I think

in the month of July—relative to his coming to Maui to meet a specific need. However, in the last of August, as I recall, just a short time ago, Mr. Horton and three of his leading men in the organization had the misfortune of being killed in a private plane crash in the city of Seattle. And, incidentally, he was on his way from one of his homes in Idaho to meet the island representative of Horton Homes in Seattle when this tragedy occurred. That has slowed down the program in Hawaii. In the meantime, that organization has been advised to some extent and they are going ahead with their program on Oahu.

Now, we heard testimony in this meeting that as far back as 1953 and 1957 the present facilities of Hale Makua were condemned by fire marshals and those involved; therefore, the need is apparent for physical features and new buildings, and so on. And it was because of this need, and seemingly the need was not worked out, that this approach was made—not necessarily from a competitive standpoint, but to meet a need.

Now, we have heard the testimony of the chairman of the present board of Hale Makua, Dr. Fleming, and they have plans; and if the interest of the Horton Homes has spurred this group on to a decision and action, it will have served a purpose. Maui is too small, we feel, for a competitive program in this area and we are not in this thing for exploit purposes. However, if there were no plans afoot and if there were no efforts positively put forth in this area of meeting this need, this Horton Homes program could be used and there are those interested to further them.

Thank you.

Senator LONG. Thank you very much, Mr. Bass.

The administrator of the Memorial Hospital will be the next witness.

He is not in the room, apparently, at this time; so we will move on to the next witness.

UNIDENTIFIED SPECTATOR. He understood that he would file a statement if the committee would like to have one.

Senator LONG. Yes. We will request that the statement be filed, if it hasn't been—or he may yet appear, himself.

(The prepared statement of Mr. Romson follows:)

PREPARED STATEMENT OF TOMIC T. ROMSON

PERSONAL EXPRESSION ON PROBLEMS OF AGING

I want to thank the committee for permitting me to express my opinion as a private citizen on the problem of the aging. I still have 25 more years to reach that magical or dreadful age when I will be considered "an old man."

As I see it, the problem of the aged is divided into three major categories: first, food and shelter; second, medical and hospital care; and third, rehabilitation. We might add a fourth category—final rites. I believe one is as important as the others. However, being connected with the hospital and medical field most of my life, I will discuss this point.

Here in Hawaii, as well as the rest of the Nation and in some foreign countries that I have lived, I have seen time and again that the aged people have been brought and left in hospitals or nursing homes by their families and have become "forgotten people." Physicians have donated their services; hospitals have carried the burden of the cost of their care. How? By raising hospital rates, by soliciting donations, or by going into debt. This problem is universal and its solution difficult, but not impossible.

There are two major areas that immediate action should be taken.

First, an intensive educational program should be embarked upon to make everyone aware of the problem and its magnitude. Young people as well as the old should be informed, roused, and interested in this problem. Some steps

in this direction have already been taken. President Kennedy's Conference on the Aging was an excellent step in the right direction but it should be continued and magnified. Information, such as cost and statistics and above all what facilities are available and how adequate or inadequate they are, should be made public. It should be a continuous program.

Second step: A nationwide prepayment plan should be put into effect and be administered either through some nonprofit organization or the State and local government.

A universal coverage for the aged is not advisable. Such a program will increase the cost of operation or reduce the benefits. The recipients should be persons that need help and the families that are able should take the responsibility for the care of their elders. The recipients of the aid should have freedom of choice of physician and hospital or nursing home.

I believe such a program will be effective and workable and in line with our American heritage, helping the needy but still making it possible for them to maintain their individual dignity.

Senator LONG. Mr. Amador del Castillo, representing the ILWU Membership Service Division, will be our next witness.

STATEMENT OF AMADOR DEL CASTILLO, DIRECTOR, ILWU MEMBERSHIP SERVICES DIVISION

Mr. DEL CASTILLO. My name is Amador del Castillo.

I am the membership service director of ILWU Local 142 for the island of Maui.

Since our Local office in Honolulu has made a definitive report on problems concerning the aged in this State, I shall not offer any testimony at this point. However, I wish to thank this committee for inviting me and I wish to inform it that we have brought some of our pensioned members to listen to the testimony which will be given today.

I trust that this will allow other witnesses more time to discuss their problems before this committee.

Thank you very much for giving me an opportunity to speak, Senator Long and Senator Morse.

Senator LONG. Thank you for appearing, sir.

The chairman of the Maui County Conference on Aging, Mrs. Walter Soulé.

STATEMENT OF MRS. WALTER SOULÉ, CHAIRMAN, MAUI COUNTY CONFERENCE ON AGING

Mrs. SOULÉ. Honorable Senators Mr. Long and Mr. Morse, friends of Maui's senior citizens at home and abroad, it is with a sense of deep aloha that I present to you the report of the Maui County Conference of the Aged, which was held on Maui on Saturday, May 13, 1961. This conference was made possible through the efforts of the Maui County Committee on Aging, the board of supervisors, and Mrs. Alexander Faye, executive secretary of the Interim Commission on Aging, State of Hawaii, office of Hon. William F. Quinn, Governor of Hawaii.

I'm sure you are well aware of the fact that a 5-minute allotted time will not give me a fair chance to say all I'd like to say on this very important subject. I can only give you the highlights of our conference and trust that you, Mr. Morse, and you, Mr. Long, when time will permit, will both have a chance to read this report.

And now to the highlights:

First, this was an exploratory conference. As such, we found that Maui's problems of the aging are about the same as those on the national level, with one exception: the discussion group all stated that the senior citizens of Maui are, on the whole, a very talented group. They are willing to serve their community. I hope I'm backing you up, Dr. Andrews. Maui should utilize their talents.

Second, two resolutions were adopted: First, that the Commission on Aging be made permanent by an act of the legislature. Incidentally, gentlemen, I hold before me House bill 492 and Senate bill 18—and I think those gentlemen across the way can say what happened to them. They died. Second, we on Maui would like to move ahead with this tremendous project; so we asked that a workshop be held on Maui during the month of August 1961, this workshop to be conducted by a team set up by the State office. The workshop has since flown by.

Both of these resolutions were presented to Hon. Eddie Tam and members of the board of supervisors. Copies were also sent to Hon. William F. Quinn, Governor of Hawaii. I hold the original in my hand.

Third, the invitation committee worked through an organization list of over 200 groups. Representation embraced industry, service, business, community units, churches, government agencies, medical, educational—and I would like to put in a plug for our wonderful retired teachers—and high schools. (This is for you, Mr. Long, in particular.) This list was too large; so we revamped the list and came up with an excellent cross section of Maui with 50 organizations. Now, time will not permit me, and, being a school teacher I am naturally longwinded; so I've got to cut it short—but we have a long list here.

Finally, and this, I believe, is the most unique feature of our conference, the county of Maui is indeed fortunate in having a youth population which is so alert about the happiness of our country. Close to 50 students, representing Maui, Lahainaluna, Baldwin, and St. Anthony High Schools were active participants at this conference. I am very sure if you search your records you will not find another conference on aging in the Nation at which one-third of the participants represented the youth of that city, county, or State. And because I believe we should back up what we say, I have a picture here of these young people and Mr. Alo was so thrilled he was their song-leader during the community songfest.

Maui's youth feel and believe that the problems of aging do not come with our 60th birthday. They begin the day we are born. Because this statement is true, the youth of Maui say this: "Enlighten us as to our share of this task. We are willing to work, shoulder to shoulder, with our senior citizens to build toward a more useful and joyful future."

I have here also the recommended new list, but time will not permit me to read it. I would like to abide by your wishes.

Thank you so much for letting me come here. I have a class waiting for me, Mr. Long.

Senator LONG. Thank you so much. Thank you for the honorable mention. I would like to visit your classroom. I congratulate your children. I am sure they are going to be enthusiastic citizens.

Mrs. SOULÉ. Thank you, Mr. Long. It's so nice to meet you after 30 years across another desk.

Senator MORSE. I'm sure all that material will be made a part of the record.

Senator LONG. Yes.

Mrs. SOULÉ. May I leave now?

Senator LONG. Yes, and thank you for coming.

(The material referred to previously follows:)

KAHULUI, MAUI, May 23, 1961.

Hon. Chairman and Members of the Board of Supervisors, County of Maui, Wailuku, Maui, Hawaii.

GENTLEMEN: The Maui County Conference Committee on Aging, humbly submit its report on the very successful conference which was held on May 13, 1961, at the new Kahului school cafetorium.

Many Mauians have expressed deep regret that they did not attend the conference. We are grateful for the kind words of those who did attend, for how else could the rest of Maui have found out about our lovely conference?

May we commend Mr. Richard Kibe, administrative assistant, for the splendid cooperation he gave us all during the trying days we faced in attempting to pick up the frayed ends of the work previously started. Without his excellent liaison work between you good gentlemen and our committee, much of the work could not have been done.

At its last regular meeting on May 16, 1961, this committee unanimously adopted the following resolution:

It is recommended that a Maui County Citizens Committee on Aging be established (as indicated on the attached chart) as soon as practicable for the purpose of conducting studies concerning problems of the aged on Maui; such as, health, finance, education, recreation, and housing; and that in addition, the said committee establish a steering committee for the purpose of conducting a workshop in August as recommended in Resolution No. 2 adopted at the conference.

We would like to call your attention to a very important service rendered this committee by Miss Y. Amy Nako. Due to the fact that secretarial help could not be given to this committee because of your own setbacks, Miss Nako served out of Aloha as secretary to the chairman of the conference. The many, many hours she spent in assisting the chairman on matters of the conference deserves at least a vote of thanks from your august body.

Our financial report is being submitted with this report; we trust you will accept it. The items are so designated that you may see the exact expenditure of funds and who handled the negotiations. Other pertinent information concerning the conference is also attached to this report.

In closing may we express our personal thanks to all of you. As chairman of the Maui County Conference on Aging, may I say, "this has been a very challenging experience for me."

Very truly yours,

CECILLA E. SOULÉ,

*Chairman, Maui County Conference on Aging
(Citizens' Committee on Aging, Maui County).*

Financial report on Maui County Conference on Aging, Saturday, May 13, 1961, New Kahului School Cafetorium, 8:30 a.m. to 2:30 p.m.

Firm	Purchase	Cost
Maui Lithograph, Ltd.	4,090, 4-page brochures	\$75.00
Maui Book Store		8.38
Mrs. Y. Sugino	1 coll, 4-cent stamps	4.00
Maui Publishing Co	1,500 handbills	15.00
Roy's Photo & Music Center	Pictures, publicity	5.18
Nashiwa Bakery	Coffee hour	4.80
Hoda Market, Ltd	do	6.16
Star Ice & Soda	do	9.58
Harold's Inn		20.00
Dr. Stevenson (speaker)	Plane fare, Honolulu to Maui	25.10
Mr. Goro Hokama	Plane fare, Lanai to Maui	16.36
Mrs. Caroline Rodrigues	Plane fare, Molokai to Maui	16.72
Mr. Masa Okumura (Kahului School)	Custodial service	5.00
Total expended		211.28

¹Sugino.

THE MAUI COUNTY CONFERENCE ON AGING

Saturday, May 13, 1961, New Kahului School Cafetorium, Lono Avenue

"ABILITY IS AGELESS"

This program is for you young and old. Presiding officer of the day, Mrs. Cecilia E. Soulé, chairman.

DISCUSSION GROUPS

Problem to be examined at the conference has two sections:

- (a) Consideration of a provision for the needs of those already 65 or over.
- (b) Broad approach to the planning for senior citizen status starting very early in life.

The conference can further consider these two broad standpoints in relation to four fields: Health, recreation, housing, security.

Health

Identification of health needs:

Facilities for care of chronically ill.

Preventive services: Health clinics for older people, nutrition classes.

Restorative services: Physical and mental. (Many illnesses begin in sheer boredom.)

Health care costs: Solution of financial problems depends as much on reducing the costs of services as it does on the ways to pay these costs.

Possible ways of reducing costs:

- (a) Homemaker services to enable a person to remain at home rather than be institutionalized.
- (b) Organized homecare program to permit long-term patients to leave hospital or nursing home and receive care at home.

What community effort would be necessary to bring these about? (Need for overall plan, involving cooperation of public health services, social services, medical society, voluntary health agencies.)

Recreation

Activity—both physical and mental—a must for maintenance of good health.

1. Activity centers.
2. Senior citizens clubs.
3. Volunteer opportunities.
4. Library services.
5. Educational opportunities: Adult Education classes, university or college classes.
6. Services to those in institutions and those who are homebound.

Housing

1. Independent, or with relatives.

2. Foster homes.

3. Study of population trends, zoning laws.

Is there now or will there be a housing problem of pensioners on plantations?

Security

Early planning for retirement. Public assistance—"means" test. Social security—a base for planning. Part-time employment opportunities.

The health section is presented in more detail than the other three to indicate the reasons behind the suggested topics. Similar reasons can be developed by the group leaders to support the other topics.

The decision as to which topics to discuss and how much time to be allowed to each one (or even whether to discuss only one item) should be the decision of the leaders, depending upon the interests of the particular groups. It is unlikely that all four areas can be discussed within just 1 hour, although all are interrelated, and it is difficult to separate them.

COMMUNITY COMMITTEES

Establishing priorities for action

Organizations, like individuals, have limits to their resources, and therefore face the problem of selecting a relatively few activities upon which to concen-

trate their efforts. How does a group make this selection? The problem is a particularly difficult one for the committee on aging. The committee is given to understand that older people have many needs, and that there are complex inter-relationships between these needs. Thus the solution to a health problem, for example, may require action in such other areas as finance, housing, and the use of leisure time. To complicate the problem of choice still further, the interests and orientations of the committee members must be taken into consideration, as well as the relative "appeal" of different projects to the community at large, and, of course, to the aged themselves.

Under these conditions, a committee may find itself with no real standards for assigning priority to problems and projects. It may attempt to do everything at once, it may decide to do those things which appear to be the easiest to accomplish, it may follow the wishes of the most vocal members, or proceed in some unsystematic fashion to do what it can.

As an aid in decision making, a committee might prepare a statement on the most critical needs of older people and the order of priority among these needs. Such a statement could be directed at the following questions:

1. What are the most critical needs of the older people of our community as shown by data currently available, by the best existing research, and by the experiences of people now working with older people in our community? On the basis of these findings what actions would be of greatest benefit to older people here?
2. What problems are of most concern to older people themselves? What kind of help do they want with these problems (if any), and from whom do they feel the help should come? To what extent are older people aware of existing community resources? Under what conditions would they use new types of services and facilities?
3. Practically, how can we get underway? What existing programs can be extended, or expanded, or made more attractive? What new program(s) or activity(s) can be started?

Need for a positive approach

Attitudes toward the aged are a critically important factor in determining the nature and magnitude of the task facing gerontological organizations. If the community regards elderly people as basically incapable of solving their own problems, they will tend to respond by becoming in fact less capable and more dependent.

Given a negative orientation toward the aged, it is clear that the community must expect to provide a vast amount of aid and assistance. If on the other hand it is recognized that the great majority of those over 65 are capable of taking care of their own needs, and that many of the most creative, productive and powerful persons in any community are themselves "older people," then the problem of aging for a community is reduced to a more manageable level. The magnitude of the problem is still further reduced by encouraging older people to utilize their abilities to the maximum degree possible. But it is only when society learns to accept a more positive view of the potentialities of older (and indeed all) individuals, that such individuals will be free to develop to the fullest extent.

Treating the aged as dependent and helpless may satisfy the psychological needs of a few persons in the aging field, but it does violence to the facts and obscures the very real contributions which old people can and do make.

Unexpressed needs among the aged

One factor which may affect the ability of a local committee to gain support for services to the aged is the lack of expressed demand for services by older people themselves. In part this is because the elderly do not know what is—or could be—available to them. More important perhaps is the fact that older people typically place high value upon independence and individual responsibility, and hence do not conduct "educational" campaigns for bringing their needs to the attention of the public.

The great majority of older people do not join organizations that lobby for the aged. However, it would be erroneous to conclude from this that they do not have serious, unmet needs. Committees on aging could perform a valuable service by giving older people suitable opportunities to express themselves. This is particularly important because one of the most common complaints of the older person is that "no one listens to me or cares what I think."

Involving older people

Many, if not most, elderly people are unfamiliar with the work of committees on aging and other organizations which have been created to serve the aged. Relatively few occupy leadership positions in the field of gerontology, and it appears that much more could be done to seek out and develop interest in committee activities on the part of the older population.

The participation of the aged is important for at least two reasons. First, gerontology is a new and rapidly expanding field which could prove intriguing to some older persons, either as a hobby or as an occupation. Second, involvement of elderly people helps to insure that the wishes of this group are given maximum consideration. Such participation gives meaning to the statement that the aged are capable and responsible citizens willing and able to contribute to community life.

Use of surveys

Surveys are becoming increasingly popular with committees on aging. Most of Michigan's committees have either completed a survey or have one in the planning stages. Usually interviews are obtained from a sample of noninstitutionalized older persons who are asked questions listed on a prepared form.

 KMVI RADIO SCRIPT

April 28, 1961

Mrs. Cecilia E. Soulé, chairman of the Maui County Citizens Committee on Aging, announced today that the theme of the May 13 conference on aging at the New Kahului School Cafetorium will be, "Ability Is Ageless."

Mrs. Soulé stated, "The citizens committee was established by Resolution No. 14 on February 3, 1961 for the purpose of holding a conference on aging so that all interested persons in the county of Maui can get together to discuss the problems of the aged in Maui County.

"I sincerely hope that every citizen on Maui will attend the conference," Mrs. Soulé continued, "because in order to gain the fullest advantage of the conference, we will need the ideas and the support of everyone. We will discuss such problems as health needs, recreation, housing and finances.

"The best ideas concerning how to deal with these problems will be put into resolution form and adopted so that further action can be taken with respect to them.

"As of yet, our conference program is not firm. However, we do expect to have a number of speakers from Honolulu to discuss problems of the aged with us. Certainly it will not be a waste of any citizen's time to take part in the conference.

"We hope this, our very first conference, will lead to further discussions and conferences on the problems of the aged, and ultimately to concrete action to help solve some of the problems of the senior citizens on Maui."

 NEWS RELEASE TO MAUI NEWS ON MAY 3, 1961

Mrs. Cecilia E. Soulé, chairman of the Citizens Committee on Aging for the County of Maui has announced that four Honolulu experts on problems of the aging will speak at the Maui County Conference on Aging on May 13 at the New Kahului School. They are:

Dr. George Stevenson, past president of the American Psychiatric Association; past chief of the bureau of community services; and who is currently serving as Chief of Convalescent Center, Division of Mental Health, State of Hawaii.

Mrs. Ethel Mori, past delegate to the White House Conference on Aging; assistant superintendent of the recreation department of the parks and recreation, city and county of Honolulu for 13 years; and who is now superintendent of that department.

The Reverend Harry S. Komuro, D.D., a delegate to the White House Conference on Aging in January 1961; past chairman of the Interim Commission on Aging for the State of Hawaii; superintendent of the Hawaii Mission of the Methodist Church; presiding officer of the State conference on aging, May 1960; and who is currently president of Hawaii Pacific Homes, an organization planning to establish a home for retired people in Kaneohe.

Mrs. Alexander Faye, executive secretary of the Interim Commission on Aging, appointed in November 1959; executive director of the Volunteer Service Bureau in Honolulu from 1954 through 1959; 1st vice president of the board of directors of the Honolulu Council of Social Agencies 1960-61.

We are indeed fortunate to have experts such as these to speak at our conference, Mrs. Soulé said, "and I would again like to encourage everyone on the island to attend. Certainly we owe it to ourselves to know as much about the problems of aging as possible. In this way we can both eliminate problems of the aged and lay the foundation for a pleasant, prosperous, and happy retirement for ourselves when the time comes."

[From the Maui News of May 10, 1961]

EXPERTS TO SPEAK AT AGING MEET

Four Honolulu experts on problems of the aging will speak at the Maui County Conference on Aging at the New Kahului School on May 13, it was announced Monday by Mrs. Cecilia E. Soulé, chairman for the county citizens committee on aging. They are:

Dr. George Stevenson, chief of the Convalescent Center, Division of Mental Health, State of Hawaii. He is past president of the American Psychiatric Association and past chief of the bureau of community services.

Mrs. Ethel Mori, superintendent of recreation, city and county parks and recreation department. She was a Hawaii delegate to the White House Conference on Aging in January 1961.

The Reverend Harry S. Komuro, D.D., superintendent of the Hawaii Mission of the Methodist Church, and president of Hawaii Pacific Homes, an organization planning to establish a home for retired people in Kaneohe. The past chairman of the State interim commission on aging, he was presiding officer of the 1960 State Conference on Aging.

Mrs. Alexander Faye, executive secretary of the interim commission on aging. Mrs. Faye, who was appointed to her present position in 1959, was director of the Volunteer Service Bureau in Honolulu, 1954-59, and first vice president of the board of directors of the Honolulu Council of Social Agencies, 1960-61.

"We are indeed fortunate to have experts such as these to speak at our conference on aging," Mrs. Soulé said, "I would like to encourage everyone on the island to attend. Certainly, we owe it to ourselves to know as much as possible about the problems of aging.

"Only by knowing the problems can we hope to eliminate them. If we are able to eliminate any of the problems of aging, our community will benefit and we will personally benefit because we have then laid the foundation for a pleasant and prosperous retirement for ourselves when the time comes."

KMVI NEWS RELEASE

The Maui County Conference on Aging will be held at the New Kahului School on Saturday, May 13, beginning at 8:30 a.m.

Mrs. Cecilia Soulé, the conference chairman, has announced that a program has been developed which will be of interest to every community-minded citizen of Maui, whether young or old.

Included in the program will be a display by the developers of Pohai Nani, a retirement home for the aged on Oahu.

There will be talks by a number of experts from Honolulu on problems of the aged; there will be community discussions on problems of the aged such as finances, recreation, health, and housing.

Mrs. Soulé continued by saying, "I hope every Mauian will make an effort to attend the conference on Saturday. We have done everything possible to make it attractive and convenient. For example, if you would prefer to eat lunch at the school rather than go home or to a restaurant, you can. All you need to do is call Mr. Richard Kibe at 335-165 and reserve a lunch for \$1."

KMVI RADIO HOURLY NEWSCAST, MAY 12, 1961

County Chairman Eddie Tam issued the following statement to KMVI Radio this morning. The statement reads:

"The Maui County Conference on Aging will be held at the New Kahului School cafetorium beginning at 8:30 a.m. Saturday.

"As your county chairman, I would like to encourage every citizen on Maui to attend this important conference. I will be there; and I know that other members of the board of supervisors will be there. As a group, we will hear experts talk on problems of the aged. All of us will participate in discussions of problems of the aged on Maui. Through these discussions we hope to move ahead to positive action to try and eliminate some of these problems.

"However, a conference such as the one tomorrow can only succeed if a sufficient number of the citizens of the community participate. Therefore, as your county chairman, I urge every citizen on Maui to make an effort to attend the Conference on Aging at the new Kahului School beginning at 8:30 a.m. Saturday morning.

"This conference is of vital importance to the county of Maui."

[From the Maui News of May 13, 1961]

CONFERENCE ON AGING SET TODAY

The Maui County Conference on Aging will be held today (Saturday) in the New Kahului School cafetorium, with Mrs. Cecilia Soulé as chairman.

"The conference is open to the public," she said in announcing the following program:

8:30 a.m.—Aloha to friends, Mrs. Louise Boyum, chairman, hostess committee; musical selections of old, Cathy Hafter (flute), George Paresa (piano), and Merle Arnold (piano).

9 a.m.—Flag pledge and "America the Beautiful," Eloise Nagamine; invocation. Father Joseph Priestly, chaplain, St. Anthony Boys High School.

9:15 a.m.—Greetings, County Chairman Eddie F. Tam.

9:20 a.m.—"Dignity in Years," Dr. George H. Stevenson, Honolulu, past president, American Psychiatric Association.

9:40 a.m.—"Peace in Aging," Rev. S. Kan, Wailuku Hongwanji Mission.

10 a.m.—Coffee break, Mrs. Woon Enn Foo Sum, chairman, assisted by Girl Scouts of Troops 26 and 12; songs, favorites of old, students from the four high schools of Maui.

10:30 a.m.—"Maximum Use of Abilities," Mrs. Ethel Mori, superintendent of recreation, Department of Parks and Recreation, City and County of Honolulu.

11 a.m.—Discussion period, Mrs. Mary Jo Kinnison and Mr. Franklyn Skinner, cochairmen.

12 noon—Lunch.

1 p.m.—Report on discussions. Comments by Mrs. Alexander Faye, executive secretary, State interim commission on aging; speakers of the day; Miss Ah Kewn Hew, department of social services; Dr. Theodore M. Behrmann, and adult leaders of the discussion session.

2 p.m.—Summary of conference and benediction, Rev. Harry S. Komuro, chairman, State interim commission on aging.

County Chairman Eddie Tam is urging citizens of Maui to attend the conference, stating: "Through these discussions (of the problems of the aged on Maui) we hope to move ahead to positive action to try to eliminate some of these problems."

RESOLUTION No. 1

Whereas in our American society, the problems confronting the aging in our community require the complete cooperation of all segments of our way of life; and

Whereas the cooperation of the government in the county, State, and Federal level to bring out the best minds among the citizenry to set in motion the plan outlined in the conference on aging held on Saturday, May 13, 1961, at the Kahului School; and

Whereas it is the unanimous opinion of all who participated in this conference that the State legislature enact a law to establish a permanent commission on aging in the State of Hawaii and its several counties: Now, therefore, be it

Resolved, That the Maui County Commission on Aging and all participants at this first conference on aging unanimously endorse the enactment of a

law in the next State legislature to bring about a permanent commission on aging.

Respectfully submitted.

CECILIA E. SOULÉ, *Chairman.*

Adopted this 13th day of May 1961, at Kahului, Maui, Hawaii.

RESOLUTION No. 2

Whereas the consideration of a provision for the needs of those who have already attained the age of 65 or over in our own community and elsewhere in our State of Hawaii has been, is now, and shall always be the concern of every red-blooded citizen; and

Whereas the need of a broad approach to the planning for senior-citizen status early in life by every young individual is imperative if one is to enjoy a full life in his senior citizenship status; and

Whereas in order to put into action now the challenging disclosures submitted to the conference on aging held at Kahului, Maui, this 13th day of May 1961, wherein our senior citizens will be able to contribute in all fields, particularly in the fields of health, recreation, housing, and security to the betterment of every individual citizen in our State: Now, therefore, be it

Resolved, That a workshop be held in the month of August 1961, to put into action the overall program which this conference on aging has brought to light; and be it further

Resolved, That a copy of this be forwarded to the Honorable William F. Quinn, Governor of the State of Hawaii, with an appeal for his wholehearted support to our aims.

Respectfully submitted.

CECILIA E. SOULÉ, *Chairman.*

Adopted this 13th day of May 1961, at Kahului, Maui, Hawaii.

Senator LONG. We come now to a part of the agenda that I have looked forward to and I hope that Maui won't let me down—Maui No Ka Oi! In Honolulu and on Kauai, there were a number of senior citizens who appeared as witnesses and who made some very challenging statements. We just want your statements. We don't have any list but we invite you to appear over here and make statements.

Mr. MIDDLETON. Mr. Chairman, I hardly qualify as a senior citizen—

Senator LONG. Well, we'll give you time.

Mr. MIDDLETON (continuing). But I would like to make a statement.

Senator LONG. Yes—good.

STATEMENT OF JOHN MIDDLETON, CITIZEN OF MAUI COUNTY

Mr. MIDDLETON. I assure you this will take only about two moments. John Middleton is my name.

As a citizen of this community, I am pleased that we have an opportunity to discuss the problems of aging with members of the Senate committee. Our problems here are probably very similar to those all across the Nation; namely, housing, health care, finances, and recreation.

A citizens' committee on aging was established in Maui County for the purpose of holding a conference to disseminate information gained at the White House Conference. Enthusiasm was very high. Citizens who attended the conference went away with a desire to do something about the problem of aging on Maui.

To take advantage of this enthusiasm, the committee did recommend that a study be made locally, similar to the one you gentlemen are now conducting nationally, with our top local civic, community, and labor union leaders spearheading it. At this point, there was a complete breakdown on the part of the government locally, and a committee was never appointed to further it.

The most serious problem of the aging on Maui seems to be, from the information that we were able to gather at the conference, that of housing. The problems of health, finances, and recreation were not as great when adequate housing seemed to be available for them.

Here in our own front yard we have an opportunity to examine the difference between a "government operated" nursing home and a privately operated home. I am referring to the Hawaii County Nursing Home, which is government operated, and the Hale Makua, locally, which is privately operated.

The cost to the taxpayers in Hawaii County is approximately \$175,000 a year under government operation.

The cost to the taxpayers on Maui was \$9,335.70 for essentially the same services during 1960. These costs on Maui were strictly for electricity, water, and building maintenance.

I feel that the problems of the aged are the responsibility, first, of the individual; second, the family; third, the local community—the State government; and last, the Federal Government.

I would not like to see any transfer of these responsibilities. Therefore, I would not like to see the Federal Government provide any moneys for the purpose of establishing any type of Government-owned nursing homes or centers, because we have not yet explored the possibility of handling our own problems on the local level, which I believe to be much more desirable.

I would like to suggest that as a maximum at this time that your subcommittee consider recommending that Federal funds be made available on a loan basis or a guaranteed loans basis to qualified and responsible existing private nursing homes and to other qualified persons for the expansion of existing facilities or the construction of new facilities to meet the minimum needs of the aged for housing.

Under the pressure of trying to fulfill the basic human need for security, let us not lay the cornerstone for building individual irresponsibility across the Nation. I believe that an individual is responsible for first preparing himself and his affairs for his retirement during his old age. If a few people fail to do so, then we have a community problem. But, if by subsidy of any type we make it attractive for them to fail to do so, then I think we will have a great national problem of great import.

I do not believe that the answer to the problems of the aging is for a welfare state to be created for them. Rather, it seems the answer is to educate the following generation to prepare themselves and their affairs in a manner that will materially lessen the problem.

As individuals and as pressure groups, we continuously try to transfer these responsibilities to the Federal Government. So long as the Government continues to accept these responsibilities, we will continue to propel ourselves on the way to becoming a welfare state.

I have three very brief comments which I would like to make concerning two other problems of the aged—health care and finances.

No. 1. I am opposed to any increases in social security payments to the Government on the basis of the health care program. I am also opposed to any additional payments by the Government to beneficiaries. I believe that benefits are adequate. I am not opposed to the scope of social security being expanded to bring every man, woman, and child across the country.

No. 2. I think that all discriminatory laws and discriminatory regulations that prohibit or hamper the aged in seeking employment should be abolished.

No. 3. I think that no program should be undertaken by the Government to provide any kind of free health care to any segment of the population, beyond those plans now existing. I refer to the military and that type of thing. To provide health care to the aged would ultimately result in expanded coverage, lower age limits, higher benefits, and it would continue to propel us on the way to becoming a welfare state. I think that the problems that we have can be taken care of locally provided that some means of leadership is provided.

Thank you for your kindness.

Senator LONG. Thank you for your statement.

Senator MORSE. I have a question to ask. That is a very helpful statement and, as chairman of the subcommittee of the Committee on Nursing Homes, I want to assure you that I share your views that there shouldn't be established Federal homes for people who go to nursing homes. But let me ask you this question: What about the welfare cases in those areas where experience has shown that there haven't been the funds to take care of them? Do you object to any Federal assistance to the State or to the locality in partial payment of those welfare cases?

Mr. MIDDLETON. In the most part I do object on this basis: that locally there are funds available that take care of all the minimum needs of the person of this category. Now, down to the point of—

Senator MORSE (interrupting). You mean here?

Mr. MIDDLETON. Yes, here.

Senator MORSE. You don't argue that that is true across the Nation?

Mr. MIDDLETON. No, I say that if it can be done here in Hawaii that the same program could be adopted in other States to be taken care of at the State level.

Senator MORSE. Well, I think that's rather non sequiter as your argument developed. The results just don't show it. From the point of view of the committee, you realize you've got to think of those millions of people that aren't being taken care of. It's very easy to use the pass-the-buck argument by saying, "If we can do it here, it can be done everywhere." But our responsibility is to deal with facts, and the fact is that it isn't being done and there is no hope of its being done in many areas of the country. I think it is wonderful that you do it here, but the whole Kerr-Mills idea is based upon some assistance in those areas that will give assurance that it is going to be done. And this situation has raised a great conflict, you see, and I don't know how we are going to resolve it.

Mr. MIDDLETON. Senator, I do not believe that the problem will be resolved by adding to it. I think that if we should provide Federal funds on a national basis to take care of or to subsidize people with problems of that nature that rather than solving the problem we are

merely subsidizing it. I think the problem will, as an end result, increase.

I think that the responsibility for a person's own individual welfare first lies with himself, and then progressively upward to the point where it gets to be something of national import. There is no question that this is of national import, but I believe that it is because communities and individuals have not yet tried to solve the problem. And until that first step is taken, I would highly recommend against the Federal Government making any arrangement.

Senator MORSE. I understand your point of view. The Nation is simply faced with the reality that there are millions that will never be benefited from that point of view. I, for one, have no intention of sitting there and seeing them continuing suffering while the community is engaged in a philosophical debate. My job as a public servant is to see to it that help is brought to the individual. I happen to be one of these strange birds in politics, I guess, who believes that government shares a responsibility in translating moral principles and values into legislation. It's basic to my philosophy. I happen to think that it is basic to the philosophy of many, and I do not think that we can sit in our pews on Sunday and pretend to worship that we are our brother's keeper when there happen to be millions of people in our country not getting the humanitarian assistance that the ugly realities dictate is never going to be given in many parts of your country on a community basis. I think it is wonderful that you do it here. I would hope that it were done elsewhere. But you are not going to get it done, in my judgment, unless you get some joint action on the part of the population as a whole. It spreads the cost, in my judgment, most economically if you've got local administration of it. That's the catch. I certainly am an opponent of the Federal Government dipping in and running local affairs. But I am saying that you have got a national problem here on a humanitarian basis; and all of us all over the country ought to contribute to help the local people, to solve the problem.

Call it subsidy. Call it anything you want to call it. I simply say it is living up to a responsibility of carrying out the general welfare obligation of your government. And I'm not concerned about the argument—you saw it here—that you collect taxes locally and you send the money to Washington and Washington spends it. Don't forget that the Federal taxes that are collected are collected because you are a citizen of the United States—not a citizen of the State of Hawaii. You have joint tax responsibilities. You have tax responsibilities as a State citizen and you have tax responsibilities as a Federal citizen. You have to decide as a matter of national policy what has to be done to promote the welfare of the people of this country. That is the premise of this great debate.

I want you to know I have the greatest of respect for your honest difference of opinion with me, but this is going to have to be thrashed out, in my judgment, in the next decade. Predictions in politics are dangerous, but my prediction is that you will look back 10 years from now to our discussion this morning and say, "How did it happen?"—just as you can look back to 1938—and many of the same arguments you make were used against the social security system. Go back and read those debates. They are remarkable. Why, you can't get 1 out

of 10 businessmen in America now to vote for an abolition of the social security system. The same with unemployment insurance. You ought to have seen the beating some of us took when we favored unemployment insurance. You go into the business communities of America and see how many chambers of commerce would vote to abolish unemployment insurance. They know it has become the great stabilizer of their cash registers on the main streets of America.

The Congress must wait until the people are ready for these reforms and then proceed, but some of us have to be willing to stand up and be shot at, so to speak. I am full of bullet holes, but I've got an asbestos hide, I guess. I don't burn very easily.

And I want to help you, in the point of view that you have made, in trying to find how we can maintain this local community responsibility, but, at the same time, see to it that you are not put in a discriminatory position where you are doing something that somebody else is going to get assistance on. I think you ought to have a uniform program.

Senator Long. I want to make one comment in reference to the "welfare state." Of course, the Constitution does place upon us the obligation to be concerned about promoting the general welfare.

I read a little book some time ago on the roads, the highways of the United States. In the year—I'm not certain of this date—in the year 1830, there wasn't a tax-supported highway in America. They were all toll bridges and toll roads. Socialism came along; that is, some called it "creeping socialism"—and we took over that, and it certainly promoted the general welfare, the economic life of the Nation. It was good.

Up until about 1840, the people of America were educated and perhaps educated pretty well by the then existing schools—and they were privately supported schools. Some of them were on a basis, largely, of employment for gain—private enterprise. The old professional schoolmaster sometimes was a wonderful schoolmaster; sometimes he wasn't. But it wasn't until the time of Horace Mann and his great influence in the late 1830's and the early 1840's when he quit Congress to devote himself to building a public school system—a tax-supported public school system—and people fought it. America couldn't have been America without it.

I have worked pretty hard in Congress for getting some appropriations for harbors here—and other parts of the country. There are some things that the Government can do better.

Senator Morse. Dealing with your education matter, I happen to be chairman of the subcommittee of the Senate on education, and, of course, all education legislation goes through my committee. I am referring, Senator Long, to your point about the early opposition to the public school. I think one of the most dramatic chapters in that great controversy was written in Pennsylvania.

You remember the great record of Thaddeus Stevens. He was really the father of the public school system in Pennsylvania. And he proposed in the Pennsylvania Legislature a bill that would provide for the establishment of publicly supported schools. It is unbelievable, the attacks that were made upon him. He, too, was called a Socialist, an anarchist, and what not; and yet he made a great statement that I never will forget. His reply to all this attack on him

was that he hoped that the people of Pennsylvania would fear ignorance more than taxation. And I think that is something we need to remember. If we become convinced that some service is necessary for the welfare of our country, freedom comes high but it is cheap at any price. And I might point out that we are going to preserve freedom for our grandchildren only if we do the things that we finally decide, after all the kind of debate that we have had this morning, that it is in the public interest.

Senator LONG. Thank you.

Senator MORSE. See what you do to stimulate me?

Mr. MIDDLETON. I would only like to add one comment, and do not take this one too seriously. And that is that rather than being here to form an opinion, I think that you two gentlemen are here to confirm the ones you already have.

Senator MORSE. Let me say you couldn't be more wrong. You know what my critics say? "The trouble with Morse is he changes his opinions."

Dr. LEEBRICK. Senator Long?

Senator LONG. Dr. Leebrick, of course, is known to all of you.

STATEMENT OF DR. CARL C. LEEBRICK, PRESIDENT OF MAUNAOLU COLLEGE

Dr. LEEBRICK. Senator Long, Senator Morse, rather than rake over old coals, I'd like to make just a brief statement, and then certain suggestions.

Sir, I don't know that you remember ever having seen me or met me before, but we have both studied law and we both have taught American constitutional history, and I know your record for many years—and perhaps you don't know mine because I haven't been that kind of public servant. And I am not going to argue with you here. I would love to argue with you elsewhere on some points regarding philosophy.

I was thrilled that you referred to Hamilton. I think that you will recognize with me that Hamilton was an individual. And my point of view is Hamiltonian in the sense that I believe everything should be done to preserve the dignity of an individual.

At Maunaolu, we are conducting a very interesting experiment here on Maui. Most of our faculty at the junior college are retired people. The eldest is 86 and he is teaching science and he comes from Wyoming. I am trying to administer the institution and I confess that I have passed my 76th birthday and I have retired four times from various kinds of government service. And I think I still have a few kicks left in me; so that I would like to pay some allusion to this question of retiring age because I think something can be done about that.

I think there are ways by which the Government can help various institutions, local governments, and so forth, to employ the aged usefully rather than to make it difficult for them to be employed. Some of the changes in social security have been helpful in that regard. For a very few minutes I would like to ask you to consider these points.

When it comes to the retirement that I have formerly paid for and earned under the Hawaii system of retirement, which I think is an

excellent one, and for a short time in Ohio—all of those retirements are worth about 40 cents on the dollar at the present time. I believe something can be done by tax legislation to bring those retirements up so that they represent the purchasing price of the dollar at the present time. That can be done by the States. It can be done also by the Federal Government—and it is being done, in part, by the Federal Government. You, sir, have been responsible for some of that and I am aware of that.

Also I think that something can be done so that one can relate these official retirement incomes that the aged have to the current cost of living. Now, that not only takes where the Government funds come in from social security, but it also relates to—when I took out insurance in order to protect my wife and family that I hoped would come, 47 years ago, sir—now, when that insurance comes due, how much is it worth today compared to what I thought it was going to be worth when I set up that program? I think the Federal Government can do things relating to taxation with the insurance companies to relate income of the aged to the actual cost of living at the present time.

If those things are done, you then assist the aged to continue to be useful, to continue to be participating members of the community, and to maintain their respect and their individuality without feeling that they have become dependent.

Now, sir, I recognize your point that you have stated here several times—that there are people who did not work for their education as I did and as Senator Long did and, I think, you, sir, did, to get to a place where we could handle ourselves that way. I recognize that the local community—the State and the Federal community, if they do not participate in the actual administration to too great an extent—and as a college president away from here, I have dealt with PWA and FWA and things of that kind, and it is pretty difficult, sir, as you know, in bureaucracy to keep somebody from setting down rules that “you have to do this if you are going to get government money.” And I have had very real experience with that, sir, and I know you have, too.

Senator MORSE. Mr. President, I only want to say this. I have become convinced at these hearings—it seems to me the testimony and the evidence that we have collected is just unanswerable—that there be some tax adjustment for the elderly—and I’m going to propose it. I don’t know what the final form will be but we have got to develop some legislation that will do equity to the elderly in taxes. It can be used with real property. I think it can be used in this matter of inflation law. I don’t know whether the McNamara bill, that Senator Pat McNamara of Michigan has introduced, is part of the answer or not, but it does seek to meet this problem. I am going into it further.

I believe that one of the most reasonable approaches Government can make in doing equity to the elderly people is the tax approach. Also, if we do, we’ve got to watch carefully for the gimmicks that will permit evasion—transfer of property to some elderly person for tax purposes, but that all can be covered, in my judgment, by adequate safeguards in legislation. When these hearings started, I was really too much uninformed about this approach. This testimony has been

very helpful to me and I intend to introduce legislation on this subject.

If I may take another half minute, Mr. Chairman, I was very much interested in your comment about making use of the elderly as teachers. As an old law school dean, if you were to ask me what the greatest law faculty is in the United States, I would not have named Harvard, Columbia, Yale, Michigan—my old alma mater, Minnesota—all fine law school faculties. I say Hastings of San Francisco. You know why? Here is an unaccredited law school—a late afternoon, evening law school—that has the greatest collection of law professors in America. Who are they? They are the great authorities on all the branches of law—Frazier on property, Eddie Morgan on evidence, McClintock on equity—all retired, many of them at 65, compulsorily; many of them at 70. They were either 65 or 70, as the schools varied, at the very time to make the richest contribution to their students. And where are they going? Many of them have gone to Hastings.

Well, they have a lot of fun with me. Three years ago I spoke at the Commonwealth Club in San Francisco. When I got there that afternoon, here down in front of the speaker's table was a whole bunch of old law school associates of mine, all beaming from ear to ear—come to heckle me a little bit and have a little fun with me. We had a great time, and in talking with them afterward about the job that was being done at Hastings, I have no hesitancy in saying that a whole lot of people make a mistake in not going to Hastings.

Dr. LEEBRICK. You make me very proud, and I am from the University of California—all three divisions.

Senator MORSE. Kidd has been there. Kidd on government law has been to Hastings—Kidd and McMurray.

Dr. LEEBRICK. Yes.

Senator MORSE. A great faculty.

Senator LONG. Dr. Leebrick, you will be interested to know that as a result of testimony similar to yours throughout the Nation, a bill has been introduced that will partially take care of that situation where retirement dollars lose their value. There is a nationwide desire to meet that situation. It has played havoc with the plans, not only of the Leebricks but of the Longs, and a good many other people.

Dr. LEEBRICK. I didn't know about that. Thank you very much. I feel this: that the Government has to be the representative of the aged, particularly in the professions, because we aren't organized so that we can increase wages. So I'm asking the Government to look after our interests from the top in making this, what Fisher of Yale, you know, called the "good dollar" a good many years ago, so that we don't lose—for instance, my retirement from the State of Ohio just about buys the inexpensive cigars that I smoke for a month.

Senator LONG. All right. Next?

STATEMENT OF NATHAN AMBROSE, SENIOR CITIZEN

Mr. AMBROSE. Senator Long and Senator Morse, I didn't come here to talk and I guess I shouldn't talk. I know that when I get home my wife will tell me that I shouldn't have talked.

I shouldn't criticize Senator Morse, but I do not agree with all of his paternalistic ideas for the population of the United States. Maybe I

would not eat quite as well as I do if the Government didn't subsidize me, but I do feel that the Government is subsidizing too much in many respects—not only the Federal, but the State governments. I find, just for example, in California—I have talked to many friends over there who say, "We're not going to save any money. If we do save it, they won't give us a pension; and so we are going to wait until we get to be 65 and let the State support us."

Now that is getting to be an idea all over the United States and I do feel that it is a terrible thing for our population. They don't want to save any more. And then the money that is being paid for orphans—I hope you read the Reader's Digest for December. It gives some real data there on what is being done to wreck lives by the Federal Government by paying orphans regardless of how they come. And so many of them are illegitimate. I saw one statement on one State that the orphans being supported were more than 25 percent illegitimate; and the more illegitimate children the women can have, the more money they can draw. And some of them are drawing between \$400 and \$600 a month for illegitimate children.

Senator LONG. Thank you.

Senator MORSE. I am delighted to have your observations, but don't forget that when we are talking about a social security program we are talking about a program that they do contribute to—that they pay. They pay it over their working years. They are not getting a hand-out. It's something that they have earned and it becomes a part of the system.

And, of course, I only want to say about your problem of illegitimacy that Secretary Ribicoff has answered it pretty well in a speech in New York not so many days ago that such preliminary study as made fails to establish the cause of such relationship that some try to argue—that because we do the godly thing of trying to be of assistance to those most unfortunate children, they draw the conclusion that that assistance is the cause of their birth in the first place. I think you will find that there is no basis, in fact, for that deduction.

What are you going to do with those children? They become one of the most precious treasures we have. The fact that they are illegitimate doesn't cause them to cease to be God's children. And we still have a terrific responsibility for those little boys and girls to see to it that they grow up as law-abiding and healthful citizens. Certainly, we shouldn't retreat into the Dark Ages and say we are going to ignore them.

Now I happen to think that you have put your finger—and I respect our difference—but you have put your finger on the very basis of a philosophical difference here. I just take this as one of the great social responsibilities that all of us, as a society, formed into a government have for these unfortunate little boys and girls.

And, of course, I want to point out that, as Senator Long has just whispered in my ear, there have been great leaders in our country who were illegitimate, including Hamilton. You see, this is where I don't follow you. You make the argument that I shouldn't vote for aid for mothers of illegitimate children because the aid may cause them to live immoral lives. I want to say all of us have a job to do with those mothers. But here are the children, and, believe

me, I am going to vote to be of assistance to them. But I respect your difference of opinion.

Senator LONG. Thank you.

STATEMENT OF DR. J. ALFRED BURDEN, PRESIDENT OF THE HAWAII MEDICAL ASSOCIATION, AND PAST PRESIDENT OF THE MAUI COUNTY MEDICAL SOCIETY

Dr. BURDEN. I am Dr. Burden and past president of the Maui County Medical Society. I don't have a prepared statement, but I would like to make a few comments on some of these points to show the attitude of the society on them.

Senator MORSE. I'm glad you will do that. And I want to tell you for the benefit of your neighbors here that in my judgment you made a very constructive statement in Honolulu. I think it was a very helpful statement.

Dr. BURDEN. Thank you. As you have gathered by the evidence that has been presented, Maui is a very small place; and, as a result, everybody is well taken care of. We have a very good system where all of the public welfare cases are taken care of in many respects.

We do have another group, however, the so-called medical indigents that have had a little bit more difficulty, and the medical society has been concerned over this problem. We feel that the Kerr-Mills bill probably is the answer to this problem in that there will be additional funds available for this group, and the one thing that we would like to see done is an elimination of a great deal of the redtape which presently surrounds the availability of these funds. We feel that, being family physicians, we are well enough acquainted with our patients that we know at least where help is needed. And instead of the very rigid "means" test—which has been criticized by some sources and which, I think, criticized justly; and yet I do not feel that that is a reason for doing away with the present system—if the doctor's recommendation could be the basis for the obtaining of the aid without all this embarrassing redtape, I think it would be a great advance. It would be very helpful. I think that might not work in a larger community like Honolulu or some of the mainland cities, but here it would work very well; and I think it would help in the other communities to a certain extent, too.

In relation to the Government physicians, the society has officially on many occasions gone on record as opposing them. All of the Government physicians are private practitioners. They just happen to be Government physicians because they are practicing in a certain area. We have fought this setup and tried to get it changed—unsuccessfully. We hope that through the aid of the Kerr-Mills bill that we may be able to solve this problem at last, because we do feel that the patients should be entitled to go to their own private physicians if they want to.

One of the weakest points in the Government-physician setup is the lack of funds for medicine. I know. I was a Government physician myself once and got too disgusted with the system and quit, but I was allowed \$13.75 to buy medicines for my indigent patients; and you just can't do it. If you send them down to the county hospital, they can get their medicine free. Just give them a prescription and send them down to the county hospital, and they will get their medicine free.

It is a 20-mile drive, and a lot of them didn't have a car, and it just wasn't practical; so I underwrote the expense myself. That is an area that does need remedying.

After Dr. Leebrick's speech, I'm sure you can see why we as a society are enthusiastically endorsing the attitude of the utilization of the senior citizens to make their last days not just comfortable, but active and useful—and we have been very active along that line.

I would like to call attention to your remarks that the hope of the Federal Government is to solve problems where they exist, and I feel, and our society feels, that the Kerr-Mills bill in relation to medical care does this, because the Kerr-Mills bill provides funds for patients who need assistance. In contrast, the King-Anderson bill provides certain limited medical care to everyone regardless of whether the need exists or not and, as such, does not fulfill the requirements for providing for these needy people.

As you are well aware, there is a deductible item on the King-Anderson bill on the hospitalization where the patient has to pay \$10 a day for the first 9 days. Well, to a medically indigent, a bill of \$90 is a formidable amount; and so I feel that the King-Anderson bill does not answer in that area and that the Kerr-Mills bill does do a much better job on the local level providing the assistance and care is needed.

Thank you very much for the chance to make these remarks.

Senator LONG. Thank you, Doctor.

Senator MORSE. Thank you.

STATEMENT OF MISS ANNE WHITTEMORE, SENIOR CITIZEN

Miss WHITTEMORE. I am Anne Whittemore. I speak as an individual and as a businesswoman. I would like to ask you, Senators, if you worked as hard on reducing our taxes so that we could save more money for our retirement as you are working on this bill, wouldn't that help solve some of our problems?

Senator MORSE. I would be glad to have you submit that tax reduction proposal.

Miss WHITTEMORE. Now not all of us could take advantage of education and savings to support ourselves and there have always been indigents even before you get to be 65. I think there will always be indigents. But couldn't that be handled on an individual basis of location rather than on a nationwide program?

We are all aging—every day. I have a pretty good start on most of you, but my sympathies are with the young people who start in paying social security the day they get a job. You say this visit is not tied up with any one bill; however, if medical care is going to be added to the social security, they are going to be paying for that in addition to their own. It comes to the point that it is almost whether the egg comes before the chicken. They are going to be so tied down with debt that they are going to start asking the Government to take care of them if this continues.

Senator MORSE. I am very glad to have you raise the tax problem again because we must deal somehow with the tax problem. So many people, particularly in business, overlook a very ugly reality. In round numbers, you've got \$47 billion, out of a total national budget of around \$76 billion, going to national security and defense—non-productive. You don't plow fields with a tank; you plow them with

a tractor. You don't establish civilian airlines with jet fighters; you do it with civilian planes. And yet we've got no choice about that. We have to spend that to keep ourselves secure in the hope that in our time we can find some way to end this mad nuclear armament race. We are, almost, from the standpoint of our religious principles, just immoral; and yet we are doing it because we know we can't gamble with our national security.

But just look at what that \$47 billion in round numbers is doing to the economy of this country. You aren't living in a free economy at all. If business people think they are, just look at the reality. You are living in a defense economy.

Suppose you could just start the first year and take 7 billion of that and reduce it to four. You put three of it in wealth-creating projects and four of it in retirement of the national debt, which we have got to retire because we are in a position now, don't forget, where our national debt is greater than all of our allies, combined, and the national debt of all of the underdeveloped countries that we are giving foreign aid to. The reason for that is that we have paid off most of the national debt of our allies with the aid that we have given them and it's about time that some of our friends around the world assumed some of their responsibilities in the aid of the underdeveloped countries.

But I make this point only when you talk to me about the tax problem. That's why I said, "Give me this bill of particulars and where you are going to cut the taxes." You're not going to cut it on that \$47 billion item—and that's more than half of your Federal expenditures.

What we have got to work for as free men and women is to try to find a way some way and somehow to make peace secure and then start retiring on that \$47 billion where you could use a lot of that money for paying off the debt, which would have a terrific economic effect on your economy—to the good. That, itself, would automatically help expand your economy. But what we have got to do—and we haven't scratched the surface of the private enterprise system yet—what we have got to do is find how we can expand our economy. You can't expand your economy as long as over half of your costs are going in non-wealth-creating military expenses. That's one of the great headaches that Senator Long and all the rest of us in the Senate and the House have to live with. I wish I knew just one little answer to it. But I don't because I sit there and vote for these expenditures and will continue to vote for these expenditures for national security because you can't take a chance. You've got to make clear to Khrushchev 24 hours of the day and night that he's got everything to lose and nothing to gain by a nuclear war; yet we all know if we keep on that—keep up that nuclear armaments race—we are all going to destroy ourselves anyway. Beside this issue all these others pale into insignificance.

But don't think for a moment that we just spend because we want to spend. If you think we don't wrestle with some of these votes that we have to cast when we know what it is going to mean financially to our country, then you are mistaken. I wish I had some Houdini answer to this whole matter of reducing armaments, because if we cannot, we are going to continue to jeopardize our free economy—and I think it is in jeopardy. But I think it is in jeopardy not because

we want to do humanitarian things for the unfortunate, but it is in jeopardy because you can't continue to spend these huge sums for defense and keep a free economy.

Senator LONG. Have you any further statement?

Miss WHITTEMORE. No.

Senator LONG. Thank you very much.

Now, we have time for one or two more.

STATEMENT OF DR. JAMES F. FLEMING, CITIZEN OF MAUI

Dr. FLEMING. May I ask a question to either Senator Long or Senator Morse, please? In these talks, are we speaking about the aging or are we speaking about the indigent or the medically indigent or—what I want to know is are we speaking about everybody or just a segment of society?

Senator MORSE. The whole cross section. We are interested in the whole cross section problem of the aged—their medical help, their housing, their recreation, their jobs—

Dr. FLEMING. Somebody spoke about the Kerr-Mills bill as having a means test to it. Now, a means test means you knock out a certain segment of society. Is it for everybody or just one certain segment?

Senator LONG. That is a bill for the medically indigent, as I understand it, yes.

Now, let me say this: if there is anyone here who has a good thought and for some reason doesn't feel free to come up here, we would like very much to have you write it out and send it in to us. There are letterheads right over here [indicating] with a proper introductory statement—a beginning statement. There are envelopes and for this purpose, you don't need stamps. So if you would in the next 10 or 20 days prepare your statement and send it to us, that statement will appear, just as you have written it, in the written report to the Congress, and ultimately, of course, to the Nation since they are public documents.

I will ask again whether there is anyone who would like to come up here. We have 5 minutes yet.

Mr. WONG. I would like to use up that 5 minutes, if I may.

Senator LONG. Well, you use 2 minutes of it.

STATEMENT OF GEORGE WONG, BUSINESS MANAGER, MAUI DIVISION OF THE UNITED PUBLIC WORKERS

Mr. WONG. My name is George Wong and I am the business manager for the Maui division of the United Public Workers.

As a wise philosopher once said, "There are more people growing old today who were never old before." And I feel that since we all are becoming aged in a certain respect that whatever the problems of the aged are should also be our problems at this present moment although we are not yet 75, 80, or 90.

I have heard a lot of conflicting testimony given before this group here, testimony mostly in favor of a home rule group, who administer to their own aged problems—problems, say, for instance, like in the county of Maui—and also some statements that maybe some of these problems should be individual problems taken up by the individual himself.

But we have heard the Senators here, Senators Long and Morse, and they say that the problems are actually a problem which concerns the whole Nation, not just the individual and his family or his immediate local level of county or State administration. This is something which concerns everybody.

And there has been some part of testimony given here that problems are at a minimum, let's say, for instance, in the county of Maui. But we have heard conflicting testimony, otherwise. We have heard that—say, for instance, in the employment office here, they have a situation where people because they are uneducated, people because they are past age limits, because of lack of job opportunities—these older people are not able to find work. And because they are not able to find work, some of these other people say that that is their own individual problem—that they haven't prepared; they haven't bought insurance plans before; they are not making full utilization of their retirement pensions. But it has been pointed out that the pension plans which were figured out way back about, say, 1930 or something—or 1940—those plans, compared to the rising cost of living today, are inadequate. A man has to go out and find a new income to supplement his tiny pension or retirement benefits to manage to maintain some kind of a standard of living; otherwise, he would probably have to go sleep in one of these caves or live on grass, or something like that, in order to subsist and to keep his family.

And then we have also heard testimony that as far as the medical care aspects of the aged are concerned, there are no problems on Maui. There are problems. And there are problems even for those who are sent to homes for the aged like Hale Makua. It has been said that part of the patients sent there are on the medical indigent program where the State provides for them every month; but the others who are sent there are a burden on their immediate family. Some of them have sons and daughters, maybe one or two in the family who are working, and these are compelled through restrictions or—I don't know what it is, but certain parts of the Social Security Administration or the Social Services Administration which says that if an aged person has any immediate family who are able to pay toward the cost of his confinement in the aged home, then his family should pay. Then there are many cases where people who are making a salary of \$300 or \$400 a month are forced by these restrictions to contribute toward the support of these aged people who are confined, say, for instance, in a home like Hale Makua. And this imposes a hardship on the immediate family—say, for instance, the son who makes about \$400. Out of that, maybe he has to contribute \$100 or \$200 toward the support of his father or mother confined in the aged home. And this, in turn, makes this family become a problem to the community itself because this person—because he has to contribute the major part or any part of his earnings toward the support of his parent, it cuts down his buying ability; it cuts down his ability to pay for those things he has already bought; he becomes a credit problem to the community as a whole—to the business community.

And we know, through the testimony presented here, that we have an unemployment situation here which is complicated by the fact that Maui as a whole lacks job opportunities, especially for the oldsters—and even for the youngsters.

And in another part—I think the administrator for the social services department here on Maui has stated that because they have certain restrictions, they are not allowed to give so much to a family who is in need. Then, because they are not able to give to the particular person—maybe because he does not meet the minimum requirements before he becomes eligible for welfare payments, therefore they cannot give to the particular person; so that person—he has no alternative, no other source of income whereby he could either manage to keep himself or his family living. This part has been brought up and there has been a request made to Senator Morse that somehow those restrictions should be revised or maybe payments be boosted toward support of these people, who would then become eligible for welfare support and care.

And, speaking not only as an individual but also as a representative of a labor organization, I feel that since every man within the county of Maui is also a part of the Federal Government, a citizen of the United States of America, that—and also because our tax dollars goes toward subsidizing the Federal Government in some respect, that in return we should not try to minimize our troubles and not be realistic about it and say, for instance, “I am drawing a \$700 salary; I figure I can take care of my own retirement problems and the problems of those who are less fortunate should not become my problem.”

That is all I have to say.

Senator LONG. Thank you.

Is there one final statement?

Mr. PARKER. I would like to make one statement.

Senator LONG. All right—if you will, please. And this will be the last one.

STATEMENT OF HAROLD PARKER, SENIOR CITIZEN

Mr. PARKER. It's an estate of my own that I am concerned with. I am retired from the Federal Government. When I come back to work again, I am going to get some social security.

Well, if I hadn't come back to work, my salary—or, I should say, my annuity would have been insufficient for me to continue to live. I think that the Government has forgotten old faithful Federal employees. I think it should be tied in with the cost of living, to some extent.

Now, the other thing is that I have some property and I would like to build a home. I go to the bank. At my age, I am not a good risk any more. Now, the doctors are talking about me living to be 70 or 80 or 90 years of age. Well, I want to build a home on Maui. Why can't the banks have some sort of a Federal deposit insurance that would cover a case—a general case throughout the country—so that the insurance premium paid for that would be at a minimum rate so that I could borrow money and go ahead and build that home like I want to?

I have taken up your time and I want to thank you.

Senator MORSE. No, this is very, very helpful. I am glad to hear that.

Senator LONG. Have you tried the FHA?

Mr. PARKER. Well, unless there are some recent changes in the FHA law—I haven't tried recently; but some time ago—I lived out at Kihei and I think where I have my property, I don't think we are even a good risk to borrow loan money out there. Now, maybe there have been some changes.

Mr. REIDY. The law has been changed recently just because of this sort of situation where the banks figure a man might not live long enough to pay it off. If you have a family, younger children can assume that obligation and FHA will insure the loan. It will not insure it, of course, if the land is not proper.

Mr. PARKER. Thank you.

Senator MORSE. Thank you. You have been very helpful.

Senator LONG. Thank you.

I want again to thank you people for coming and for your cooperation. You are an articulate group. You don't hesitate to express your opinions and to back them up. I am certain we welcome that. We do have differences of opinions. It is going to be a pretty drab world when we don't. So long as we have the privilege of getting together and differing, we are still America and we still have our freedom.

We have made tremendous progress. I don't know of any other field where there is a greater change in relation to those things that warm your heart than the change that has taken place in relation to the way we feel about our elders. You don't have to go back too far in history to the time when they exposed them—got rid of them. That is a long step to the consideration that they get today from America.

And I am happy to hear the discussion that has taken place here. I appreciate the differences. Above all, I appreciate the very splendid spirit that has prevailed. And, again, I thank all of you for coming.

At this point I will insert in the record the following communication:

KAHULUI, HAWAII, *November 30, 1961.*

DEAR SENATOR LONG: I wish to state my views on the proposed Government health insurance for persons on social security.

I am a registered nurse, trained in a county hospital, have done district nursing, etc., and now on social security myself. So I feel that I can speak from experience. I object to socialized medicine for anyone but particularly for the aged. There won't be that "personal touch" between the doctor and patient. Not all doctors will be in the plan; as a matter of fact, the best qualified doctors will not, so there won't be much choice. Old people are sensitive; they don't want anything that smacks of charity or segregation. I realize that something has to be done to ease the burden of high cost of medical care.

I would suggest that the Government contribute substantially to a prepaid medical plan (group) in one of the present health and accident insurance companies. The Government pay so much, and the individual on social security so much, the amount deducted from his monthly check. Then he can really choose his doctor and hospital.

You may be aware of the fact that presently the Hawaii State and county government is offering their employees and pensioners a very good health insurance plan. The benefits are good even for the aged.

Thank you for allowing me to express my views, and hope that you, Senator Morse and others, will give the proposed plan serious consideration. The American people do not want socialized medicine.

Mrs. ANN GILLIN.

(The hearing was concluded at 1:05 p.m. on Thursday, November 30, 1961, at Wailuku, Maui, State of Hawaii.)