

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 5.—Eugene, Oreg.

NOVEMBER 8, 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 2—Trenton, N.J.	Part 9—Honolulu, Hawaii.
Part 3—Los Angeles, Calif.	Part 10—Lihue, Hawaii.
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

WEDNESDAY, NOVEMBER 8, 1961

U.S. SENATE
SUBCOMMITTEE ON FEDERAL AND STATE ACTIVITIES,
SPECIAL COMMITTEE ON AGING,
Eugene, Oreg.

The subcommittee met at 10 a.m., pursuant to notice, in Harris Hall, Lane County Courthouse, Senator Wayne Morse, chairman, presiding.

Present: Senator Morse.

Also present: Congressman Edwin Durno, Oregon.

Committee staff members present: William G. Reidy, staff director and specialist on health and medical care; Miss Dorothy McCamman, expert on social security; John Guy Miller, counsel for the minority. Senator MORSE (presiding). The hearing will come to order.

It gives me special pleasure to participate in a hearing conducted in my hometown.

This is an official hearing of a subcommittee of the U.S. Senate's Special Committee on Aging. It is one of a series of hearings being held by similar subcommittees in over 30 cities throughout the United States within these next 2 months. Everything that is said here will be recorded, printed, and distributed to all Member of the Congress and to thousands of State legislators and scholars concerned with the problems that confront our older people in the United States.

This hearing and the one which I held on Monday in Portland are important to all of us here in Oregon. This is our opportunity to get our views on the record; our opportunity to let all the people who help write our Federal laws know just what the people of Oregon believe to be the problems that confront people growing old in our part of the country. This is an opportunity to say for the record what you think can be done about the problems besetting our older people and their children now, and what can be done to see to it that these same problems do not confront the youngest person in this audience when he reaches the Biblical age of threescore and ten.

When we speak of the aging, we speak for ourselves and of ourselves. What we may do to, or for, or with those of our fellow citizens who are already aged we do, not for them, but also for ourselves. What problems we solve for them, we also resolve for ourselves. That which we leave undone for them, may well be left undone for us when we reach the same age.

This hearing is your chance to participate in the lawmaking process of our Government. The facts presented here, the ideas and opinions expressed here will be carefully studied and weighed against those voiced in other parts of the country. All will be carefully

analyzed and those which seem of national import will be translated into legislation and sent to the appropriate Senate committees for action.

That is why I insisted that hearings be held here in Eugene and in Portland, in my own State. I want the voice of Oregon to be heard in the Halls of Congress, and I want Congress to know what we are already doing in our State for the aged.

That is what these hearings are for, and this is how we are going to proceed with them here today.

As chairman of the Subcommittee on Federal-State Activities in the field of aging, I wish to point out that this morning's session will be devoted to the testimony of expert witnesses, representing the State of Oregon and others active in the field of the aging. I am particularly interested in bringing out today just what our State and local efforts are on behalf of the aging.

Our elderly citizens now constitute 17 percent of the total Oregon adult population; that is, those over the age of 21. In 1950, persons 65 years and older made up only 13 percent of the adult population. That was 1950. This is a vital statistic, and I want to repeat it. In 1950, persons 65 years and older made up only 13 percent of the adult population of the State. The increase of the aged population between 1950 and 1960 was an increase of over 50,000 persons in only 10 years. Percentage-wise this is a growth of 38 percent. Not only are there more people reaching the aged status, there are more people living beyond the age of 85. The increase in Oregon's population aged 85 and over was 55 percent between 1950 and 1960.

Finally, may I say that this afternoon we will hold what we call a townhall meeting of senior citizens where I hope that the real experts, our older people themselves, will speak for themselves as to what their problems are, and what can be done about them. I hope, too, that out of their experience and wisdom they will tell us what we, as a people and as a nation, should be doing in their opinion to make sure that these same problems do not exist 20 years hence.

I want to say that my colleague, Senator Neuberger, is a member of our full Committee on Aging, and I express in her behalf this morning her sincere regrets that she could not join me in these hearings. A long-standing commitment takes her out of the State and she was not able, therefore, to be with me this morning. I do want to introduce to this audience my very able staff colleagues on the committee here with us today. To my right is Mr. William G. Reidy, our committee staff director and specialist on health and medical care. He can close his ears for just a moment, because he is a very modest man, but I want to make a report to you about him. I have worked with Mr. Reidy for a good many years in the Senate. He has been one of our professional staff members and an expert in the whole field of health and medical care, and I want to say that, as your Senator, I am greatly indebted to him for the dedicated service of his over the years. I also want to say that the people of Oregon are indebted to him. They owe him a debt of gratitude because Mr. Reidy is a very able expert in this field and has been a great, great help to me over the years.

On my left is Miss Dorothy McCamman, our expert on social security. I think I should digress to say that I am sure my mail does not differ from that of any other Senator in this respect, and I receive

each year more mail on social security problems than on any other single issue, and I am greatly indebted to Miss McCamman for the assistance that she gives to me because, after all, remember, a Senator doesn't know the answers to very many things. A Senator, after all, only sits there as your legislative counsel. His obligation, as your counsel, is to find the facts and then do what he can, first, to apply existing Federal policy to those facts, and, second, when it's necessary, to try to get a change in Federal policy in order to meet the needs shown by the facts. So, when I get a social security problem, it is to such experts as Miss McCamman that I go for assistance and for research, and for the help in the Social Security Administration that I need.

I am also pleased to introduce Mr. John Guy Miller, who is the counsel for the Republican minority, but let me add that on this committee there is no partisanship. On this committee, as far as the work of the committee is concerned, there are no Republicans and no Democrats, and I give you my word that is true. On this committee, we recognize that this problem of care of the aged and meeting the problems of the aging is a national problem, and not a problem that is partisan, and I want to thank Mr. Miller and his Republican bosses on the committee because he is the minority counsel and, therefore, he represents, under our committee setup in the Senate, the Republican side of the table, but nonpartisanly, and I want to thank Mr. Miller and the Republican Senators who serve on the committee for their unflinching, nonpartisan approach to these matters. This does not mean that we don't have differences of points of view over policy sometimes, but I often think that the differences on policies sometimes are even greater on the Democratic side than on the Republican side of the aisle and that is the way it should be, because what we seek to do is to find out what the facts are and then follow where the facts lead.

I am glad to have these staff members with us, and I want to say that the gentleman that sits in front of me down at the table is not a man from Mars, but is Mr. Montgomery, our official court reporter, who is using for the first time within my experience a new technique and technology in transcribing hearings. Every word that is spoken in this room is repeated by Mr. Montgomery into his transcribing equipment that he has here. I don't know what would ever happen if he suffered from laryngitis, but I can tell you that, while he is in good voice, the reporting is most accurate, and I want to thank Mr. Montgomery for the assistance that he is giving us. He is traveling with the committee wherever we go in the Pacific Northwest.

We also have assigned to us other staff members from the local Social Security Administration here in the city. I want to thank them for their assistance and cooperation.

We now will turn to our first witness. Our first witness will be Dr. Wesley G. Nicholson, chairman of the State council on aging. May I say that Wesley Nicholson is my minister, but don't blame him for my mistakes. Give him credit if I do anything good because, as my spiritual adviser, he is a man who is very dear to my heart, and with whom I have worked for many years on problems of community interest. I want to publicly say that I think we are all indebted to him for the wonderful public service that he has rendered as chair-

man of the State council on aging, and I am delighted to have him open the hearing this morning.

He will bring to the witness table with him his associates, who are, I understand, Dr. Ennis Keizer, Dr. Robert Heilman, Mr. Ray A. Ziegler, and Mr. T. C. James. If you gentlemen will take the witness table and proceed in your own way.

I would like to say this, and the witnesses can close their ears because of modesty, but it is necessary for me, as chairman, to make the record so that it will be available to my colleagues on the committee when they read the record, and, therefore, I make a point of making a brief statement of qualifications of each witness for the record before they start.

Dr. Wesley Nicholson is a native of Detroit, Mich.; a graduate of Olivet College, Michigan; a student of theology, Harvard Theological School; minister of churches in Los Angeles and Pasadena; came to Eugene in 1943 as minister of the First Congregational Church; secretary of the board of trustees of Pacific University and on the Oregon Congregational Conference Board; chairman of the State council on aging since its inception in 1957; Governor's designee to the White House Conference on Aging and delegate to the White House conference where he served as chairman of the housing group of the community organization section.

Needless to say, Dr. Nicholson, I am particularly proud to have you as the first witness at this hearing, and you may proceed in your own way.

**STATEMENT OF DR. WESLEY G. NICHOLSON, CHAIRMAN OF PANEL,
ALSO CHAIRMAN OF STATE COUNCIL ON AGING**

Dr. NICHOLSON. Thank you very much, Senator Morse. May I say briefly that we are very glad that the Senate is so interested in the problems of the aging. I will not take time to testify myself.

I am the chairman of the State Council on Aging, which was set up in 1957 under legislative act, and we are officially charged by the Governor to investigate the problems of the aging people in our State; provide consulting services to local communities, cooperate with and encourage and assist local agencies, cooperate with officers and agencies of the Federal Government, encourage all private agencies, and then we make a report to the Governor every second year. Because we have this official responsibility, we are particularly glad to have you and your committee so very much interested in our problems.

Now, I am going to introduce the various members of this panel, who will give the testimony from a variety of viewpoints. First, I would like to introduce Dr. R. M. Heilman, who is at the present time the director of chronic disease and licensing of care facilities in the State of Oregon, which, being interpreted, means that he is the supervisor of the inspection of the nursing homes in our State. He will not limit his remarks to this area.

Dr. Heilman is a native of Nebraska. He received his M.D. degree from the University of Nebraska in 1938. He interned at St. Luke's Hospital in Denver, Colo.; had his residency in internal medicine at Topeka, Kans.; he is a graduate of the University of California. He was certified in 1950 by examination to the American Board of Pre-

ventive Medicine and Public Health. He was in general practice in Nebraska from 1939 to 1942, and during the war he was assigned by the U.S. Public Health Service to the Kansas State Board of Health; and later was a director of hospital licensing and construction program for that State. At the present time, he is serving with the Oregon State Board of Health and has been since 1951.

I am glad to introduce Dr. R. M. Heilman, who will give his testimony at this time.

Senator MORSE. We are delighted to have you, Doctor. Dr. Heilman was with us on another subject matter in Portland on which we welcomed his testimony. We are glad to welcome you again.

STATEMENT OF DR. ROBERT M. HEILMAN, DIRECTOR OF THE CHRONIC DISEASE AND LICENSING OF CARE FACILITIES SECTION OF THE STATE BOARD OF HEALTH

Dr. HEILMAN. Senator Morse and members of the committee, Dr. Nicholson, ladies and gentlemen, this morning I wish to report briefly on two activities which we feel to be of major importance in our role in public health in Oregon.

I think the first thing is to express the fact that we are authorized by law in Oregon and empowered to license and inspect nursing homes and homes for the aged. We have 171 nursing homes in Oregon with approximately 6,000 patients, and 110 homes for the aged with 3,700 people, and, of course, there are many, many other aged citizens living in motels, hotels, in boarding and rooming houses, in their own homes, with friends, and relatives.

Perhaps of all the activities related to the aged persons that have been most rewarding, I think, has been the one directed toward rehabilitation of stroke cases. About 3 years ago, representatives of the Oregon State Medical Society, the Multnomah County Medical Society, the city bureau of health in Portland, the Multnomah County Health Department, the Multnomah County Welfare Department, the State public welfare commission, the University of Oregon hospital system, Multnomah County Hospital, Multnomah County Convalescent Hospital, the Rehabilitation Institute of Oregon, the Visiting Nurse Association of Portland, and, of course, the State health department, all sat down around the table and combined their thinking and desired to participate in what we commonly referred to at that time as the "strike back at stroke program."

To this end, we obtained a grant from the Public Health Service to conduct a project, in which persons on welfare or those medically indigent in Multnomah County, suffering from a fresh stroke, were eligible to participate in this stroke rehabilitation project. Now, this involved the services of physicians, of physical therapists, occupational therapists, public health nurses, medical social workers, and many other folks who were pooling their resources and combining their talents and skills to see what could be done in the way of rehabilitation in those cases.

Out of 80 carefully screened and selected stroke cases that were brought to the project over a period of 3 years, approximately 80 percent of these stroke cases were returned to full activities of daily living. Now, by that, I mean that these elderly people, who had suffered strokes, were able to take care of their own daily needs.

It demonstrated two things to all of us. It demonstrated the fact that something could be done on carefully screened and selected stroke cases. Now, just anyone suffering a stroke couldn't automatically have these benefits. They must fit a certain criterion related to other conditions in their health, and things of that nature. So, these carefully screened people, suffering these strokes, did receive the benefits of all the services that were brought to them.

Another thing it demonstrated was that the length of stay in the institution was greatly reduced, to the extent that, instead of the stroke case having to spend more time in the hospital, we found that, on the average, 5 weeks was all that was required for the patient to be restored to a state where they could be transferred to their homes.

The public health nurses and the social workers fitted into the program by preparing the family members for the return of the stroke victim, who had now been returned to full activities of daily living, and a great emphasis was placed on the fact that the family members should not try to do too much for dad or mother, but, rather, to make them do more things for themselves, to maintain mobility of joints and to keep their morale and spirits high.

This, we feel, is a very good program, and it demonstrated the worth of providing physical therapy, occupational therapy services, and the services of others involved in this program.

As a result, the Multnomah County commissioners in Multnomah County established two budgetary provisions in the operational budget of Multnomah County Convalescent Hospital, and today they have employed two physical therapists who are now working on all types of chronically ill and disabled patients that are now in the convalescent hospital, providing them with physical therapy and occupational therapy services. We feel that this has been a most rewarding and dramatic type of program.

Now, another type of program that we have in Clackamas County, involving the chronically ill, aged person, is our home nursing program, emanating from the Clackamas County Health Department. In this program, elderly patients suffering from chronic illnesses, ill in their own homes, are referred by their family physician to the health department, and the health department provides nursing services to the patient in the home, thus preventing or making unnecessary, patients having to go to a hospital or a nursing home. This has provided many services and many out-of-hospital services.

I think those two programs and our licensing activities and our activities on the State council on aging have all reflected that we have a recognized need here, and that we have recognized this need and are attempting to do something about it.

I would just like to mention in closing that I should like to draw your attention to our community services bill. I think some time ago we referred to it as House bill 4998, which was enacted in the closing days of the Congress, this last Congress. Now, this community services bill is in three parts, basically. It provides an increased amount of money for the construction of nursing homes under the Hill-Burton program. It provides matching funds for projects, demonstrations, and studies related to the chronically ill persons, and there is a dollar-for-dollar matching feature to it. The third phase is that it provides grants to any number of groups and individuals,

nonprofit, official, nonofficial agencies, voluntary health groups, and the like, through which they can obtain grants to demonstrate out-hospital services for the aged persons, and these would include such things as homemaker services, visiting nurse services, the development of senior citizen centers, day care centers, recreational centers, and information centers. All of these are attempts to develop and explore the providing of out-of-hospital services and features involved in the care of the aged. Thank you, sir.

Senator MORSE. Dr. Heilman, thank you very much. I find your testimony very helpful. I want to say to my staff members that, if Congressman Durno comes in, will you see that he is brought to the presiding table? He did not know whether it would be possible for him to come or not. I haven't seen him come into the room. So, if the staff should see him, will they see that he is brought to the head table?

Dr. NICHOLSON. Senator Morse, there is an unusual number, I think, at this hearing this morning, and that shows a good bit of interest in this problem from our locality. I understand there is a little difficulty in the speaking system, and I think the people in the back could help us. If you don't hear, please raise your hand and we will try to rectify the situation. If all those who speak into these microphones would speak directly into them, I think we can all hear.

Senator MORSE. That will be helpful to the chairman. I understand that the engineer is working on the speaking system, and it may be now that it reaches all parts of the room. Thank you.

Dr. NICHOLSON. Thank you very much. Now, Dr. Keizer has just come into the room, Dr. Ennis Keizer, who has been calling on patients on his way to this meeting. That is the reason that he came in a moment late.

Dr. Ennis Keizer not only is an M.D., but he represents a locality in our State because he was born in Keizer, Oreg. I don't know how large that place is. He is a graduate of the University of Oregon and the University of Oregon Medical School. He interned at Anker Hospital, St. Paul, Minn. He entered general practice in our State at North Bend in 1934, where he was associated with his father for 3 years, and thereafter he has divided his time between general practice and general surgery in North Bend. He was a Governor's appointee to the legislative interim committee of our State on welfare in July 1959. He was made a member of the State public welfare commission in July of this year, and in September of this year was elected chairman of the State public welfare commission, and I am very happy that he is here to make a statement for the committee.

Senator MORSE. Proceed in your own way, Dr. Keizer.

STATEMENT OF DR. ENNIS KEIZER, CHAIRMAN, OREGON STATE PUBLIC WELFARE COMMISSION

Dr. KEIZER. I am very sorry that I am late this morning. It was purely through no fault of mine. My car stopped running at Winchester Bay, and it wasn't just exactly proximate to a service station. A man, who is an old friend of mine and a patient, reluctantly helped us.

I would also like, in sort of an apologetic way, to make a remark about my tenure of office. It has only been for about 3 or 4 months. So, I felt that maybe I couldn't answer all the questions that you might direct to me that I took the liberty of bringing the medical director of our welfare commission, as well as the senior member of the commission, to back me up in case I couldn't follow you on some of the questions. I have a prepared statement here and we have approximately 50 copies that could be passed to those who are interested, if there are some who would like to have it.

We will start with the statement, and those of you, who have copies, can follow along with me.

The provisions of Oregon's old-age assistance law tend toward liberal construction wherever permitted under the Social Security Act. The exception is the requirement for eligibility with respect to residence, which is identical with the maximum permitted under the Federal law. The administrative rules, the policies, and the procedures adopted by the State commission for Oregon have tended toward the development of a program as liberal as could be provided within the funds available. There are some legal provisions, however, which go beyond the Federal requirements in the direction of safeguarding the program. One of these is the Relatives' Support Act, which makes certain relatives liable for the support of a needy person. Another is the provision within the old-age assistance law whereby the amount of old-age assistance granted is a claim against the property belonging to the estate of a deceased recipient. A third is a rule recently adopted by the State commission which limits to 1 year the length of time an old-age assistance grant can be paid outside of the State of Oregon. Oregon's old-age assistance law was amended by the 1957 legislature so that the provision of services to promote self-care for old-age assistance recipients, as passed by Congress, could become a requirement of the program in July 1957. Manual instructions encourage and guide staff to consider with each old-age assistance recipient his potential for attaining a content of living which is for him the most satisfying and for developing his ability to meet the demands of everyday life without consistent help from others.

The amounts adopted for old-age assistance payments are generally higher than for other recipients of public assistance; for example, the monthly allowance for food, clothing, and personal incidentals for an old-age assistance recipient is \$44.75, and for a second adult in his household, \$40; amounts which are not reduced, as they are in all other programs, if there are other persons in the household.

In Oregon, there is no maximum on the amount which can be provided to meet the needs of old-age recipients. Further, if he has dependents in his home who are not eligible for assistance under another social security program, their needs can also be provided in his old-age assistance payment. Under some conditions, care can be provided in his own home for the old-age assistance recipient, whose care could be purchased at less cost in a nursing home. Board and room payment or special amounts for restaurant meals can also be provided for recipients who do not have housekeeping arrangements. The recipient is permitted to retain not only his home and his automobile, if he needs it for transportation, but also \$250 in cash savings and \$500 in burial insurance.

In September 1961, Oregon paid \$1,340,389 to 15,884 old-age assistance recipients, an average of \$84.39 each. This amount included medical care. Oregon ranked as 10th from the highest in June 1961, when all States were listed according to size of old-age assistance payments. Oregon's low rate of old-age assistance recipients per thousand persons over 65 in the State's population is accounted for, in part, by the high rate of old-age survivor's and disability insurance coverage for Oregon. In December 1960, Oregon's rate for old-age assistance was 9 per thousand persons in the total population; for OASDI, it was 91 per thousand.

From its inception, the Oregon old-age assistance program has provided comprehensive medical care for all old-age assistance recipients. For 20 years prior to 1955, when Federal funds for medical care first became available in the States, Oregon provided such care from State and county funds as a supplement to the old-age assistance money payment. To the 1955 medical care plan has been added the program of medical assistance for the aged, recently enacted by Congress and adopted by Oregon, which will assure medical care to an additional segment of Oregon's aging population.

The State Council on Aging, established by the 1957 legislature, has one member appointed by the Governor to represent the public welfare department, and this representative has been a very active member, devoting a large amount of time to the work of the council. The staff of the county public welfare departments are similarly serving on local councils.

Senior Craftsmen of Oregon is a voluntary agency which has done outstanding work in developing the potential in the profitable use of spare time by older persons. Several members of the staff of the State agency have contributed time, work, and skill in the activities of this organization.

The Oregon old-age assistance law and the policy of the State commission have always included the burial of old-age assistance recipients as a public welfare responsibility. During the fiscal year ended June 30, 1961, 546 burials were provided for old-age assistance recipients at a cost of \$121,744, an average of \$223 per case. This amount was paid from State and county funds for general assistance, since no Federal financial participation has ever been available for this purpose.

Senator MORSE. Dr. Keizer, thank you very much for this testimony. I want to make this comment now about the general procedure that I shall follow today. We have a great many witnesses, and our time is necessarily limited, and although I would be delighted to engage in beneficial colloquy with witnesses, I shall do very little questioning. I have adopted this procedure in these hearings. However, this record will be kept open for 30 days. During that 30-day period, those who testify are privileged to supplement their testimony with additional statements. Those who may not be able to testify because of the limitation of time will be given an opportunity to file statements, and I want to assure all at this hearing that you can be certain that any statement filed in this record is going to be thoroughly studied by your chairman and the staff, and I can give you assurance that it will be read, for the most part, by the other members of the committee, but each member of the committee will receive a carefully

prepared digest and synopsis of these hearings, and the statements will be made available to them too for reference.

So rather than take valuable time at the hearings by members of the committee questioning, what we propose to do, Doctor—and this applies to all of the witnesses—if we, in going over this record in the next few days, feel that we need further information from you, or would like to have some questions answered by you, you will receive from the staff in my name written questions and at your pleasure—it is entirely voluntary—you may submit to us, on the basis of those questions, further information, because, after all, what we are interested in is the record, and I want to give the maximum time here today to people to testify and not take up a lot of time myself with questioning when it can be done just as well in written communication between us.

I want to thank you very much for your statement.

Dr. NICHOLSON. Senator, our next witness is Ray A. Ziegler, who is director of the senior worker division of the Oregon Bureau of Labor. Mr. Ziegler is a graduate of Lewis and Clark College, Portland; has engaged in graduate studies in the field of education and psychology; holds an LL.B. degree from the Blackstone School of Law in Chicago. His background includes more than 20 years of experience in the field of personnel management, organizational methods and manpower control, including teaching in these fields.

He entered the military service at an early age, retired from the U.S. Army in 1957 after more than 20 years of active service, including World War II and the Korean conflict. He rose from the enlisted ranks to the grade of lieutenant colonel. Mr. Ziegler joined the Oregon Bureau of Labor in December of 1959, and he will now testify as the director of the senior worker division of the Oregon Bureau of Labor.

Senator MORSE. Mr. Ziegler, we are very pleased to have you testify. You may proceed in your own way.

STATEMENT OF RAY A. ZIEGLER, DIRECTOR OF THE SENIOR WORKER DIVISION, OREGON BUREAU OF LABOR

Mr. ZIEGLER. Senator Morse, members of the committee, ladies and gentlemen, I administer the Oregon laws that prohibit age discrimination in employment. We like to say that our task is to make taxpayers out of tax consumers by providing them with equal opportunity for finding jobs, and to eliminate age discrimination.

For the past 23 months the staff of the senior worker division of the Oregon Bureau of Labor has been actively engaged in the administration of a statewide program aimed at eliminating age discrimination from employment practices in Oregon. The senior worker division was authorized by the 1959 Oregon Legislature to administer the senior worker acts. Early in the implementation of our program we saw that age discrimination in employment was but one facet of the total age versus employability problem; therefore, we set three goals for our agency, namely:

- (1) To persuade employers that age discrimination is not profitable;
- (2) To determine the cause for age versus employability problems;
- (3) To determine corrective methods by which the causes for age versus employability problems might be remedied.

Our approach to the total problem has been one of education and research, conference, conciliation and persuasion. In my short statement today, I shall endeavor to present the facts, as we see them, goal-by-goal.

In our attempts to persuade the employers that age discrimination is not profitable we confirmed the fact that age discrimination is prevalent. It is estimated that 3 out of 10 employers practice some form of age discrimination in their hiring and personnel policies. However, we also established the fact that most employers will listen to facts, especially facts relating to availability of qualified manpower. I refer to the severe drop in the number of 20- to 35-year-old men and women from our population since 1950, such being the result of the low birth rates of the 1930's. And, I also refer to the increase in the number of new business establishments in Oregon over the same period. For example: The 1960 U.S. census reveals that the State of Oregon suffered a loss of 11,353 men (-19.6 percent) and a loss of 10,707 women (-17.9 percent) in age group 25 to 29 years of age, since 1950. When we can also show the employer that the National Association of Manufacturers reports that the increase in new business establishments since 1950, he tends to take notice to change any discriminatory hiring practices. He suddenly realizes why it has been so hard to find that 26-year-old secretary or 29-year-old salesman.

In our investigation and research into the cause of age versus employability problems we uncovered some very interesting facts. We discovered that the average unemployed senior worker also requires some education on up-to-date manpower facts; sometimes he needs to upgrade his skills in order to remain employable; and in a majority of cases he needs counseling and advice about how and where to look for a job. Oddly enough, the more faithful and dependable an individual has been and the longer he was last employed, the less he knows about how or where to look for work, or how to present his qualifications when he has the opportunity to compete for a job. When staff members of the senior worker division discovered this latter statement to be fact, we began to experiment by counseling those individuals who came to us—we followed the procedures recommended in publications of the U.S. Department of Labor and the public employment service in Colorado and California.

Of course, the proof of a pudding is in its taste. Our counseling experiments have included more than 500 persons who ranged in age from the teens to the age 65-plus senior citizen, with those over age 40 years of age representing the majority. Our counselees were representatives of almost all levels of employment for a janitor to a graduate engineer; the sex ratio was 3 men to 2 women; and 4 out of 5 of our counselees found suitable work within a period of 3 days to 3 weeks, with the average going to work by the eighth day of search. We did not find the jobs for them, they found their own jobs. Our findings and conclusions can best be expressed by quoting the following statement extracted from the Philadelphia older worker pilot project:

Generally, any individual can be placed regardless of age. Placement depends on what the applicant has in terms of personal qualifications, experience, physical capacities, and how much he is motivated. It also depends upon the time and effort devoted by the employment service to the individual older worker.

I might add that group counseling will work as a positive motivating force on the unemployed senior worker.

I have now arrived at the point where certain remedial recommendations are in order. On the matter of age discrimination in employment I can only recommend increased employer education on up-to-date manpower facts and individual differences. On the matter of aiding the unemployed senior worker to adjust to the labor market, and become more readily employed or employable, I recommend a great increase in the counseling service made available to him by local public employment offices. In our State, I consider the counseling service in our public employment offices to be inadequate to the needs of the unemployed senior workers. For example: There appears to be no full-time older worker specialist in any of our local public employment offices—not even in the Portland office which provides employment services for approximately 300,000 of our labor force. Of more than 24,000 unemployed, nonphysically handicapped job applicants who were age 45 and above during one 11-month period last year—only 557 or approximately 2.3 percent were granted the initial counseling interview, which is the necessary predecessor to subsequent counseling. The ratio for the under age 20 group of applicants was 24 percent or 6,960 out of 29,000, and for the 45-plus physically handicapped applicants it was 20 percent or 458 out of 2,254, for the same period. This matter of what should be done to alleviate the situation of the unemployed senior worker has been talked about at the White House Conference on Aging; has been studied in the seven areas study of 1956 and the Philadelphia older worker pilot project of 1957-58; and has been studied by our division at the grassroots level in Oregon—the findings and conclusions are all similar—increased counseling services are necessary.

The usual answer we get from managers and counselors in the public employment service is that further extension of counseling service is precluded because of budgetary limitations. But we believe in an old Confucius saying:

“Give the hungry man a fish, and tomorrow he will return for more.
“Teach the hungry man to fish, and he feeds himself forevermore.”

And, we know that our experiments in teaching unemployed senior workers how to evaluate their experience and how to properly look for jobs has paid off in the form of employed citizens who have the purchasing power to support themselves, our economy, and our government. We also know that the citizenry apparently desire job counseling because our experimental counseling workload increases daily—we now refer many of them to the local State employment office and tell them to specifically ask for counseling service. Yet, many report back to us that it takes from 1 to 3 weeks to get such counseling—there is no provision for group counseling. Group counseling costs less in counselor time and money. And that will conclude my statement.

Senator MORSE. It is a very good one and has been very helpful to us. You gave us some facts on which I was completely ignorant. I would like to ask you this, Mr. Ziegler: Has the State of Oregon eliminated age requirements in applying for State jobs?

Mr. ZIEGLER. Yes, sir; except in the area of police enforcement and firemen.

Senator MORSE. That is the Federal policy, too. They have eliminated any age requirement except for jobs requiring a great amount of physical activity, such as the FBI, and similar Federal jobs. Do we permit in Oregon advertisements for help wanted that advertise age restrictions or limitations?

Mr. ZIEGLER. No, sir. The newspapers have been very helpful on this. Today, I noticed two discriminating ads in a brand new local newspaper, the first time that I saw this newspaper. We are going to see them after this meeting. They always cooperate on this fully. I would like to say that in one newspaper in Portland there were 9,637 advertisements for help wanted last month—none of them had an age limitation in them.

Senator MORSE. No State law on the subject though?

Mr. ZIEGLER. The newspapers went along with this because their subscribers and people who place ads with them, if they do this, are violating the law. Yes, we do have a law on this.

Senator MORSE. I am going to ask the staff to obtain from you, without taking more time, the citation of the State law so that we can incorporate it in the record.

Mr. ZIEGLER. All right, sir. Can I give it to you later?

Senator MORSE. Yes. Later on, we will get it from you. Thank you very much.

(Law and cumulative report on senior worker employment problems as they relate to Oregon, appear on pp. 689, 690 in appendix.)

Senator MORSE. Thank you very much. Proceed, Dr. Nicholson.

Dr. NICHOLSON. May I say, Senator, that in 1959 there were two laws passed by our State legislature, one having to do with preventing discrimination in private employment, and the other preventing it in public employment. The State council on aging sponsored the one on public employment, and the other was sponsored by a State senator, and they both passed in the legislature. So, we have laws in both areas.

Senator MORSE. Very fine.

Dr. NICHOLSON. Our next witness, Senator, is Mr. T. C. James. Mr. James is chief of field services, division of vocational rehabilitation for our State. He has been with this department for 7 years and was elevated to the directorship just recently, during this year. He now is responsible for the field operations and supervising the total program. I am very happy to introduce Mr. James.

Senator MORSE. We are glad to have you, Mr. James. You may proceed.

STATEMENT OF T. C. JAMES, CHIEF OF FIELD SERVICES, DIVISION OF VOCATIONAL REHABILITATION, SALEM, OREG.

Mr. JAMES. Senator Morse and members of the committee, today I am speaking on behalf of the State director of vocational rehabilitation in Salem, Oreg.

The Oregon Division of Vocational Rehabilitation serves disabled adults, other than the blind. In Oregon, a separate commission serves those who are blind, or legally blind. Today, I would like to talk about the problems of the disabled in Oregon. Studies made by the Oregon State Board of Census indicate that 31.6 percent of

Oregon's 1960 population, or roughly 558,000 citizens, are over 45 years of age. Also, studies made by the National Health Education Committee, Inc., 1961, show that there are from 10 to 14 people per thousand who are disabled. This ratio has been verified in a 5-year study made in Kansas City. Applying this ratio to Oregon's over-45 population of 558,000, there are at least 5,500 disabled older citizens in Oregon. Of this group, the same committee estimates one-third or 1,800 can profit from rehabilitation services, leading to employment; the balance, or 3,700, with rehabilitation services, which may not lead to employment.

Presently in Oregon, we are rehabilitating for employment approximately 225 people per year, age 45 years and over. This represents about 12 percent of the potential of older citizens who need vocational rehabilitation services. At the present time, there are relatively no services in the State of Oregon that provide coordinated rehabilitation services toward self-care for the 3,700 people who need it and could benefit from such services. In summary, there are an additional 3,700 who need rehabilitation services for self-care or independent living in order to be able to function at their optimum level, for whom there are few services available.

At the present time, there are the following types of facilities in Oregon: (1) A rehabilitation facility, which is medically oriented, located in Portland. This voluntary rehabilitation workshop provides work evaluation and work adjustment in Portland. (2) A voluntary rehabilitation facility which provides speech and hearing assessment and the treatment of speech and hearing problems. (3) In Portland, there is a medically oriented vocational rehabilitation facility which provides services only to the industrially injured workmen covered by the workmen's compensation law in Oregon. (4) Oregon's one medical school is in the process of developing a program of training senior medical students in rehabilitation techniques through an intramural rehabilitation facility. (5) One general hospital in Portland is constructing a rehabilitation unit to provide comprehensive rehabilitation services in medical, social, psychological, and vocational areas.

The needs in Oregon are great. It is clearly evident from the facilities which I have just recited that the present facilities simply are not able to begin to meet even a fraction of the needs of the 3,700 disabled people, age 45 and over, who need and can benefit from rehabilitation services. It is our recommendation that, to even begin to meet the needs for facilities in Oregon, we would need to have at least the following:

Three vocational rehabilitation facilities for evaluation and treatment where necessary. In such facilities, there would be need for opportunities for permanent employment in a sheltered work setting for some people who are unable to work in homebound projects, or competitive employment, but could work under sheltered conditions.

There is need for three additional rehabilitation facilities which are a part of the general hospitals. These would provide rehabilitation services as soon as possible after acute stages of chronic disease have been overcome in the general hospital. There is a great need for training of professional personnel, not only to increase the number of trained people in the field of rehabilitation, but also to develop special-

ized skills to increase the effectiveness of the existing personnel and staff.

The State needs leadership and resources to encourage research and demonstration to increase the effectiveness of all rehabilitation services in the State. There is great need for the Federal Government's leadership in promoting and encouraging the States to participate in and organize broad base vocational rehabilitation programs for the disabled, who are aged. Substantial funds are needed to increase the number of rehabilitation counselors and provide for their training to serve the disabled who are age 45, not now employable, but who could be made self-sufficient or reduce their dependency.

Because the goals of rehabilitation for employment and the goals for self-care are different, there is an immediate need to train a corps of rehabilitation counselors and staff with a specific philosophy so as to refine their skills to meet the needs of Oregon's 3,700 disabled adults not being served now.

Senator MORSE. Mr. James, I thank you very much for this testimony. The point that you made in regard to rehabilitation work being carried out in connection with the hospitals causes me to very quickly call your attention to a program, with which you are probably already familiar, and that is the program of the National Orthopedic and Rehabilitation Hospital at Arlington, Va., under the direction of Dr. Engh. I have worked for some years with the problems of that hospital because it comes under the jurisdiction of our committee. We recommended some years ago a Federal appropriation for assistance to that hospital if it would set up a pilot plant program for assisting in the rehabilitation of injured Federal employees, and that hospital takes injured Federal employees from various parts of the country, but particularly in the eastern area. It not only treats them in the hospital, but, connected with the hospital; they call it the under-one-roof program, in the hospital itself, it has training centers, it teaches new skills, and some of the outpatients come back for rehabilitation work. It has caused a considerable amount of favorable comment in that part of the country, and I shall be very glad, if you are interested, in seeing to it that you get whatever information that is available in printed form in regard to that program.

Mr. JAMES. We will appreciate it.

Senator MORSE. It is one of the approaches that we are making, and, of course, the great Dr. Howard Rusk of New York City is also working in the same field, but with a little different emphasis and a little different approach, but I was particularly interested when you mentioned the hospital approach because I have sort of lived with that problem as the man who runs interference on the appropriations for that hospital now for some 10 years or more. Thank you very much, gentlemen. You have been very helpful to us. I think Dr. Nicholson may wish to make a summary statement.

Dr. NICHOLSON. Just in a brief moment, Senator. I thank these four gentlemen for being here. I should like to say, as far as the State council on aging is concerned, that we have filed with you our statement, and we are not taking time to read it. We have also filed with the committee a copy of our 10-year projection plan for the State, and we would appreciate your looking at that.

I want to make this summary statement. We have three recommendations as the State council that we would like to put before the committee. One is, we would like to go on record that, after as careful a study as we could make, we would recommend that a Federal Department on Aging, Senator, properly belongs in the Department of Health, Education, and Welfare. This is an issue before the Federal Government, and we would like to make that statement.

Secondly, we would like to request that arrangements be made to permit the U.S. Bureau of the Census to make available, without charge, census figures broken down as requested to State agencies concerning the aging. It would be very helpful in planning programs for the State if the State agencies could get broken down from the U.S. Bureau of Census all figures that would be of aid to them. This, I think, is very important.

The third recommendation we would like to make—

Senator MORSE. May I interrupt, doctor, to tell you that I am pleased to report to you that Congress has just appropriated \$125,000, as a starter, to do just that.

Dr. NICHOLSON. We are very glad to hear that.

Senator MORSE. Sometimes I can bring good news.

Dr. NICHOLSON. Thank you. The third recommendation is that we would like to say that it is very difficult, as we have found from experience, to get copies of bills that are before the Federal Government, and we would like very much to have some procedure established whereby the State council on aging in Oregon, and such similar groups all over the country, could get immediately bills from the Federal Government. We have a legislative committee that makes a study of these matters, which keeps us intelligent about our work, but, as yet, we have not been able to get bills from the Federal Government when we want them.

Now, the last thing I would like to say is that I think you have noticed that there has been a minimum of emotionalism in these presentations. We are attempting to get down to earth, factual, and we, too, in this State, work without partisanship and above selfish politics. We have only one goal: what is the best for the maximum number of people.

We appreciate very much the time you have given us.

Senator MORSE. Dr. Nicholson, I want to thank you on behalf of the committee for this excellent presentation. In regard to the matter of obtaining bills, it is simply a matter of procedure, and I will work it out with you. I can assure you that you will get the bills. You pay taxes for that service, and I will clarify the procedure and I will see that you get the bills. Thank you very much, gentlemen. You have been very helpful.

(The material referred to previously follows:)

PREPARED STATEMENT OF DR. WESLEY G. NICHOLSON

I, chairman of the State council on aging, respectfully submit the following statement:

The Oregon State Council on Aging, established by the 1957 legislature, is a permanent, nonpolitical agency of the State government. Council members are appointed by the Governor for terms of 4 years. Paid employees are an executive secretary and an office secretary. The council office is located on the University of Oregon campus.

Purpose of the council is to—

- (1) Investigate the problems of the aging people of this State.
- (2) Provide consulting service to local communities, including information on effective programs elsewhere in the State or Nation for meeting the needs of the aging population.
- (3) Cooperate with, encourage, and assist local agencies, both public and private, which are concerned with the problems of the aging people of this State.
- (4) Cooperate with officers and agencies of the United States and of this State in all matters affecting the problems of the aging people of this State.
- (5) Encourage the cooperation of private agencies in dealing with problems of the aging and offer assistance to private groups such as churches, unions, and fraternal organizations in the fulfillment of their responsibility for the aging.
- (6) Make a report to the Governor biennially concerning the work of the council for the preceding biennium and dealing with the present and future needs of the aging people of this State.
- (7) Make recommendations for legislation dealing with the problems of the aging people of this State.
- (8) Recommend qualified citizens to the Governor for appointment to the council.

The work of the council has been divided into six areas of interest with committees on community organization and services, education, employment and income, health, housing, and legislation.

The council program is based on our convictions that :

- (1) There is a great need to develop public awareness of the problems that face Oregon as the result of our rapidly increasing older population.
- (2) Many of the problems related to aging can be met most effectively by programs developed at the local community level; if certain State or Federal programs are required they should permit flexibility to meet community needs, interests, and action.
- (3) As the need for additional services is indicated, they should be effected through existing agencies wherever possible.

The council provides speakers for interested groups, and consultation with interested groups and individuals. Our office issues general news releases to all newspapers, television, and radio stations in the State. A quarterly newsletter covering developments in Oregon and other States goes to a mailing list of more than 2,000. Three monthly radio programs are broadcast over the State educational radio system; a 1-hour monthly educational television program is planned. Council staff and members participate frequently in commercial radio and television programs concerned with aging. We encourage the organization of local councils on aging and give assistance to such groups. Through conferences and consultation we attempt to maintain a close relationship with public and private agencies concerned with aging.

Designated as the official State agency to prepare for the White House Conference on Aging, our council prepared the required reports for the Conference and sponsored four regional conferences on aging in 1959-60, with a total attendance over 1,000, and a State conference with an attendance over 700.

We have just completed a plan of work for the coming 10-year period. With this statement we are submitting a copy of our 10-year plan which covers major goals; needed studies, research, and pilot projects; and some recommendations for changes and additions in existing programs of agencies concerned with aging.

We assume that other State agencies represented here will cover in detail the situations with which they are concerned. We shall make several specific recommendations and also list for your consideration the general areas where we believe special emphasis is needed at the State and Federal level. We shall be pleased to answer questions or provide further details at your request.

RECOMMENDATIONS

(1) At its last quarterly meeting, the State council on aging voted in favor of a recommendation that a Federal department on aging properly belongs in the Department of Health, Education, and Welfare.

(2) The executive committee of the council requests that arrangements be made to permit the U.S. Bureau of the Census to make available without charge census figures, broken down as requested, to State agencies concerned with aging.

(3) Our executive committee also recommends that a plan be developed for providing to State councils and commissions on aging copies of all congressional bills related to aging, along with reports on hearings, analyses, etc.

AREAS WHERE SPECIAL EMPHASIS IS NEEDED

Our plan of work for the coming 10 years lists the areas of special concern to our State council. Many of these needs and problems exist throughout the Nation. We recognize that the problems of all States are not exactly alike and solutions must be worked out individually. However, we believe that the Federal Government could provide general assistance in certain areas.

Our experience indicates a need for thorough, impartial research to determine needs and trends, along with pilot programs and projects to determine the best means of meeting needs in the field of aging. In areas of concern to all States it would seem practical to avoid duplication of effort and expense by conducting such studies and projects at the national level, making the results available for adaptation by the individual States.

We believe that encouragement and assistance at the Federal level would be useful in the following:

(1) Discovery of techniques for developing attitudes appropriate to a society where more people are living longer.

Youth is glorified today more than ever before. The solutions to many of the problems in the field of aging depend on a change in general attitude. We believe that the primary responsibility for developing an appropriate attitude lies with public education. Research is necessary to determine what changes and additions are needed in the curriculum at the elementary and secondary levels.

We believe also that radio and television programs, professionally planned at the national level, could be valuable in influencing current attitudes.

(2) Expansion of employment opportunities for workers over age 40.

This would be facilitated by the change in attitude mentioned above. In Oregon we hope to develop a program of expanded employer-education. A similar national program should be of assistance to all States.

Special attention should be given to the retraining of workers displaced by automation.

We have recommended that the staff of the State division of vocational rehabilitation be expanded to provide counseling and rehabilitation of workers over 40 who could benefit from this service.

We urge the authorization and development of new DVR programs of (1) self-care education and independent living for the physically handicapped, and (2) job-skill training for occupationally handicapped older persons.

(3) Changes in employment policies and pension plans to permit flexible retirement age.

We realize that the establishment of an arbitrary fixed retirement age grew out of the need of the actuary for a definite starting point in pricing out a retirement program. Under a majority of pension plans, retirement age is fixed at 65. In Oregon today the life expectancy of a 65-year-old woman is slightly more than 18 years; a 65-year-old man can expect to live a little more than 15 years. As the life span lengthens, it will become increasingly impractical to force all workers to withdraw from full-time employment at age 65—or any fixed age. Studies are needed to show comparative cost and/or savings to the (1) employer, (2) retiree, and (3) public funds of retirement under a fixed-age plan and a flexible-age plan.

We recognize that some workers are not able, for physical or mental reasons, to remain on the job to age 65. Consideration should be given to the development of plans that would encourage the retention of able-bodied workers as long as they are capable of productive performance on the job, at the same time providing for the early retirement of the person grown old early through accident, disease, or physical or mental deterioration.

(4) Cost of medical care.

Your committee already is seeking the best means for meeting the high cost of medical care. This is one of the greatest problems facing us today. Looking ahead, we believe that equal emphasis should be placed on the best methods of cutting the future cost of medical care.

We recommend studies to determine what programs and services can be established to decrease the length of time a patient must spend in a hospital or nursing home.

We advocate the development of a broad publicity program to inform the public of the value and the importance of preventive medicine, rehabilitation methods and home services.

(5) Housing.

Our observations indicate that too little attention has been given to the needs and desires of older persons in regard to living arrangements.

On the basis of income tax returns filed by Oregonians over 65 in 1958, the Oregon State Tax Commission has estimated the total annual cash income of persons in this age group as follows:

<i>Percent of population over 65</i>	<i>Total annual cash income</i>
50 percent (30 percent couples; 70 percent singles)-----	Under \$2, 000
20 percent (55 percent couples; 45 percent singles)-----	\$2, 000 to \$3, 000
15 percent (65 percent couples; 35 percent singles)-----	\$3, 000 to \$4, 000
15 percent-----	Over \$4, 000

These figures lead us to believe that there is a great need in our State for elderly housing at a cost much lower than now is available. What is the best means of meeting this need?

Almost all of the newly built and proposed retirement homes in Oregon require payment of a founders' fee ranging upward from \$3,000 plus a monthly rental from \$100. Obviously a large majority of our older citizens are not financially able to enter these homes.

We hope that the Federal Government will encourage study of the types of living arrangements most needed by our older population.

We further suggest studies of present and proposed homes built under the FHA loan program to determine (1) if residents' investments in these homes are positively safeguarded, and (2) if the FHA loans are being used according to the original intent of the law.

(6) Public education and recreational activities for adults.

Our council believes that all community planning should include facilities for adult education and recreation. Local planners could benefit from studies and information at the national level in regard to the best means of developing public education for adults and expanding facilities for recreation and leisure time activities suitable for adults.

We appreciate this opportunity to present our suggestions to the Senate Special Committee on Aging.

STATE COUNCIL ON AGING

REPORT OF 10-YEAR PLAN

In attempting to outline a 10-year plan of work we have been reminded once again that to some extent we are working in the dark. The rapid growth in the aging population has resulted in situations that have not been met before. Our plans and recommendations are based on available facts, the experience of other agencies concerned with aging and our own observations. Future experience and additional research likely will lead to changes in our proposed plan.

Plans of council committees for the next 2 years were submitted with our report of operations for June 1961. Many of these are long-range plans and will continue through the next decade. They have been included in this report, although some details of implementation have been omitted.

Broad goals for the next 10 years are:

1. *Cooperation with all State agencies, city and county governments, private agencies, business and industry, labor, voluntary organizations and individuals concerned with problems of aging*

Communication between these groups is essential, so that programs may be coordinated effectively and duplication of efforts and services may be avoided.

State agencies directly concerned with the plans and recommendations set forth in this report and/or the attached list of suggested studies and research projects are:

- Department for services for the blind
- Board of census
- Board of control
- Department of education (including division of vocational rehabilitation)
- Department of employment

Finance and administration
 Board of health
 Higher education (including general extension division, medical school,
 and dental school)
 Department of recreation
 Insurance department
 Bureau of labor
 State library
 Department of motor vehicles, traffic safety division
 Public welfare commission
 Public employees retirement board
 Tax commission

2. *Development of public awareness of the problems and needs that face us as the result of the proportionate increase in the aging population*

Everyone is involved, in one way or another, in one or more of the situations related to aging. Many people really haven't thought in these areas. The development of effective solutions will depend on wide knowledge and acceptance of these situations.

(a) The council will continue its program for informing the public through (1) general news releases to all newspapers, radio, and television stations in the State; (2) the quarterly Newsletter (current mailing list about 2,000); (3) a series of three monthly radio broadcasts on station KOAC, with plans for a 1-hour monthly presentation on KOAC-TV. The executive secretary and council members will continue to accept invitations to speak before interested groups.

(b) We shall encourage and assist with planned and periodically recurring regional institutes on aging, covering all parts of the State and dealing with all problems of aging, including education. The Federal Cooperative Extension Service of Oregon State University will be asked to consider undertaking the sponsoring and carrying out of the proposed institutes.

(c) We strongly recommend that the newly authorized school of social work include strong emphasis on the field of gerontology.

3. *Encouragement, consultation, and assistance to local communities in the development of programs to determine needs and establish services to meet these needs*

(a) The council will continue to stress the importance of meeting needs at the local level wherever possible.

(b) We shall work toward the eventual formation in every community of a local council on aging, with goals and concerns similar to those of the State council: a nonpolitical advisory group, possibly appointed by a city or county official, with broad representative membership, to investigate problems and recommend action in the areas of (1) community services (referral and information service, home services such as meals on wheels, homemaker, housekeeper, friendly visiting, etc.), (2) education, (3) employment and income, (4) health, (5) housing, and (6) other local needs, such as city planning, as indicated.

(c) It has been proposed that there be added to the council staff an adequate number of professional fieldworkers to provide regional services in all areas of the State. The executive committee recommends the employment of three individuals as program planners, to go into communities and remain there long enough to consult and assist in organizing local programs.

4. *Devising new techniques for developing attitudes appropriate to a society in which people are living longer*

Youth is glorified today more than ever before. Most references to aging (except for professionally written articles) imply that aging is unpleasant, to be dreaded, avoided, or joked about. We suspect that this is partially the result of the Madison Avenue approach.

(a) We shall urge the inclusion in the public school curriculum, elementary and secondary, of content and activities relating to knowledge of the aging process, understanding of the problems of aging people, and respect for older persons.

(b) The practice of arbitrarily segregating people into age groups bears study.

5. *Expansion of employment opportunities for workers over age 40 and retaining of those displaced by automation*

This is largely dependent on the effectiveness of plans Nos. 1 through 4. Reports indicate that there is less age discrimination as a result of Oregon's older worker laws. Continued effort and education are required.

(a) The council has approved a proposal by our employment and income committee that a thorough impartial survey be made of financial resources, including employment needs and opportunities of Oregon's older population. The chairman of the employment and income committee has been authorized to go ahead with such steps as are needed to implement the survey, and it is hoped that the project can be completed within 2 years.

(b) Currently the limited personnel of the division of vocational rehabilitation does not permit the rehabilitation of many applicants over age 40. We recommend that the DVR staff be expanded to provide counseling and rehabilitation of workers over 40 who could benefit from this service.

(c) We urge the authorization and development of new DVR programs of (1) self-care education and independent living for physically handicapped; and (2) job-skill training for occupationally handicapped older persons.

(d) We shall encourage studies to determine the effects of automation on Oregon's workers in all age groups (see attached list of suggested studies and research projects (item No. 5 under "Employment," of "Suggested Studies")).

(e) Serious study also should be given to the provision of education for readiness for changing of occupations, to be built into the educational program of the public schools and higher educational agencies.

(f) Because reports indicate that older persons lack knowledge of techniques necessary for applying for employment, plans include the development of a training course to teach older person how to obtain a job.

(g) We propose education programs for job reorientation, work-skill redevelopment, and vocational skill development as listed under Plan No. 8: Development of Public Education for Adults.

6. *Development of pension plans that will permit flexible retirement age*

Under a majority of pension plans, workers are retired at a fixed age, generally 65. In Oregon today a 65-year-old man can expect to live a little more than 15 years; a 65-year-old woman's life expectancy is slightly over 18 years.

In view of the increasing lifespan, it is not realistic arbitrarily to force a worker out of employment solely on the basis of chronological age. On the other hand, some workers are not capable, for mental or physical reasons, of continuing employment to age 65. We recognize that the working out of a policy that permits a flexible retirement age is extremely complicated, but we believe that it can and should be achieved.

(a) We shall encourage studies to show comparative results of experience with pension plans requiring a fixed age and flexible age—advantages and disadvantages, cost and savings—to employer, worker, the State.

(b) We shall watch carefully the effects of the 1961 amendment to the Social Security Act, permitting men to receive social security payments at age 62. We sincerely hope this new law will not lead to the lowering of the retirement age fixed by existing pension plans.

7. *Development of programs for preparation for retirement*

Courses and programs developed to assist individuals to meet changes and responsibilities at various stages through middle age (childhood, adolescence, parenthood, etc.) are generally accepted and helpful. But on the whole, retirees have been left to flounder without advance preparation. Probably this is due, to some extent, to their unwillingness to think about aging as it may affect them personally.

Proper preparation might eliminate at least some of the unhappiness and dissatisfaction experienced by many retirees.

(a) The discussion series, "Living Today and Tomorrow," initiated by the Eugene Water & Electric Board in 1960 and planned cooperatively with our council and the general extension division as a pilot project, can be adapted to the needs of specific employee groups and will be made available to any interested group.

(b) Also included under this heading are plans for continuous study, in cooperation with the State insurance department, of all prepaid insurance plans for all types of retirement care and, where necessary, recommendations for stiffer laws regulating such insurance.

8. *Development of public education for adults and expansion of recreational and leisure time activities suitable for adults*

(a) The council will encourage and facilitate the provision, at little or no cost to the student, of increasingly available education programs for all cultural levels and all needs of the aging population, especially the following:

(1) Free or inexpensive public education, provided by local school districts, which is adapted especially to the needs of the aging for job reorientation, work-skill redevelopment, hobby, recreational, and cultural interests.

(2) Community college programs for needs of the aging, particularly job reorientation, technical and vocational skill development or improvement, and general education and cultural courses adapted to the interests of the aging and retired population.

(3) Increased courses designed especially for the aging and/or retired population by the general extension division with abandoning or lessening of fees in order to make them more available to this group. This will involve a change of philosophy in the general extension division's support program which now requires that the classes be 90 percent self-supporting.

(4) Extended services by the Federal Cooperative Extension Service through entrance of the county agricultural agents and the home extension agents into provision of services for aging populations, especially in the suburban areas.

(5) Development of an extensive program of personal counseling to meet all the needs of the aging and retired population. This may be developed through the general extension division or other public or private agencies and may be expressed through a combination of both group and individual counseling.

Plans also include encouragement of—

(b) Improvement and extension of public library services for the aging through revision of library rules, making it easier for older readers to obtain and return materials and through special efforts of the libraries to acquire more and better adapted materials for older readers, including not only books but newspapers, magazines, and other publications relating to their needs and interests.

(c) Increased use of the mass media of communication to provide for the needs and interests of the aging population, including the State educational television network and the State radio station, commercial television and radio stations, and films. These media must be encouraged to provide more and better programs adapted to the interests and needs of the aging population, and particularly programs of general cultural development and education for citizenship responsibilities in the extended later years of life.

(d) The development and maintenance of accurate, current inventories of the local education opportunities and facilities for older people which are provided by both public and private organizations and agencies, and continuing provisions for making such information known (1) in each community to the older groups for whom they are designed, and (2) statewide to the workers in this field.

(e) Use of the human education resources to be found among the aging and retired population for aid in provision of educational services to the aging.

(f) Provision of (1) healthful and satisfying opportunities for participation in recreational activities for older citizens, (2) choices for voluntary services to one's community, and (3) full participation in citizenship at all levels of government. It is understood that in as far as practicable, older persons themselves will be included both in the planning and the execution of plans in such programs.

9. *Emphasis on the importance and value of preventive medicine and rehabilitation*

In the past few years there has been widespread publicity in regard to the high cost of medical care for the elderly. This problem demands attention. Some individuals have spent their entire savings on medical bills. The State public welfare commission reports that currently it is paying \$11,300,000 a biennium to keep patients in nursing homes. Every year medical care costs increase.

There is general public awareness of the immediate need for developing the best possible plan for meeting the high cost of medical care. On the other hand, there is relatively little public knowledge of the results of preventive medicine and rehabilitation programs.

The latest figures we have show that the average length of stay of an older patient in a nursing home in Oregon is 38 months (some patients admittedly remain in the nursing home because they have no place else to go). Yet, under

the stroke rehabilitation projects in Multnomah and Lane Counties, the average total length of stay of a stroke patient—including hospital and nursing home—is 4 to 6 weeks. At the end of this period the patient can be released to his own home, having attained a reasonably high degree of self-sufficiency. Followup in his own home or on an outpatient basis in the nursing home generally is continued for a period of time. It should be pointed out that all patients are screened before admission and the most hopeless cases are not accepted.

The Multnomah and Lane County projects were undertaken as pilot demonstrations. Both have announced that they expect to expand their programs to include patients with other chronic diseases, in addition to stroke cases.

The State board of health soon will complete a study of the comparative cost of care of a patient (1) under a rehabilitation program, and (2) receiving routine care in a nursing home. It would seem that the results certainly will indicate that the total cost is lower under the rehabilitation program, pointing to desirable savings for the State and the individual. More important, from a humane point of view, is the hope that the new rehabilitation methods provide to patients and their families, as well as the personal satisfaction that comes to the patient as he regains self-sufficiency, a condition obviously preferable to a vegetative existence.

(a) Our health committee will work with other State and private agencies in an attempt to inform the public of the importance—both physical and financial—of preventive medicine and rehabilitation.

(b) We recommend the development of the curriculum content of the Oregon Medical School, Dental School, and School of Nursing to include special attention to the medical needs of the aging (geriatric medicine).

10. Provision of adequate housing for older persons

(a) Studies are needed to learn what types of housing meet the needs and desires of older persons. In this connection we must have more exact information on total income of persons over 65. We feel safe in estimating that a large majority of the retired people in Oregon have incomes under \$3,000 a year. If this is true, emphasis should be placed on the need for moderate priced housing and some public housing.

(b) The present trend in Oregon is toward the luxury-type retirement home. If all such homes that have been proposed in the past year actually are built, the number of currently available retirement home units would be more than tripled, bringing us close to the saturation point in this type of facility. The council plans a continuous study of these homes and others—methods of financing, safeguarding investments of residents, etc.

(c) The council's housing committee expects to prepare and maintain an up-to-date list of retirement homes in Oregon, with accurate information on cost, payment plans, facilities, etc. This list would be available, on request, to all interested persons.

11. Thorough, impartial research at the National, State and local level to determine needs and trends

Attached to this report is an outline of the (1) information we have, (2) conclusions we have reached on the basis of observations, experience, and estimates and (3) the information we should like to have.

12. Pilot programs and projects, at the local and State level, to determine the best means of meeting the needs in the field of aging

13. Development of a complete library of reference material on aging

Our executive committee recommends that this material be acquired and maintained by the State library. If this is not possible, it can be handled in the State council office.

14. Adequate office space, funds, and personnel for the State council

It is apparent that if our proposed plans are put into operation office space must be expanded and increased funds will be needed for additional personnel. The council will continue to study staff and operational needs and will file an amended report at a later date.

There appears to be agreement among council members that the State council on aging should continue as an advisory body. Strongly convinced that the present organization of the council is the most effective, we believe that the council should continue to function as a nonpolitical separate unit of the State government, with an identifiable budget, and with a broad, representative membership.

As the interests and work of the council are related to those of other State agencies, as well as private agencies, business, and labor, we expect to develop a closer working relationship with these groups. We shall continue to recommend that new programs in the field of aging be undertaken by existing agencies rather than the creation of new agencies to provide a new service.

In the body of this report there are references to some areas where research is needed. In addition, there is attached a list of information we have and information we should like to have as a basis for future planning.

STATE COUNCIL ON AGING, OCTOBER 1961

SUGGESTED STUDIES AND RESEARCH PROJECTS TO ACCOMPANY REPORT OF 10-YEAR PLAN

As mentioned in the report of 10-year plan, our plans and recommendations are based on available facts, the experience of other agencies and our own observations. More factual information is needed. In this outline we present (1) the information we have, (2) some conclusions based on available information, and (3) information needed for future planning of all agencies concerned with aging. Some of our questions could be answered by gathering information already available, but not compiled, in various agencies. We hope to encourage institutions of higher learning, public and private agencies, business and industry, labor and voluntary organizations to undertake studies and research projects that are needed.

POPULATION FIGURES

We know

According to the 1960 census figures, there are 17 States with more than 10 percent of their population age 65 and over. Among these, Oregon ranks 13th and is the only Western State in the list of 17.

	United States (percent)	Oregon (percent)
Population age 65 and over.....	9.2	10.4
Increase in population 65 and over, 1950-60.....	34.7	38.1
Increase in total population, 1950-60.....	19.0	16.3
Population over age 21 (voting population, 1960).....	15.4	17.1
Population over age 21, 1950.....	12.6	13.3

Estimated population projections made by the Department of Health, Education, and Welfare indicate that by the year 2000, the aged population in the United States will more than double in number. This projection does not take into account the effects of modern research in the chronic diseases characterizing the aging population.

We should like to know

In planning for the next 10 years, it would be tremendously helpful to the State, city, and county governments, business and industry to have projections, as accurate as possible, for the 10-year period, on—

1. The expected increase in Oregon's population over 65.
2. The anticipated rate of in- and out-State migration in the aged group.
3. The life expectancy of Oregonians reaching age 65. (Current figures show a longer life expectancy in Oregon than in the Nation as a whole.)
4. The direct effect on the State of the growth in the aging population in (1) taxation, (2) welfare program and costs, (3) population of State institutions, and (4) other State services.

INCOME

We know

1. Unofficial 1960 census figures:

Annual income of age group 65 and over, 1959 (not broken down for couples and single persons):

	Percent (unofficial)
Less than \$1,000.....	56.0
\$1,000 to \$2,000.....	22.6
\$2,000 to \$3,000.....	8.1
\$3,000 or more.....	13.5

2. A 1958 study by the State tax commission of tax returns filed by persons over 65 showed the total cash income of Oregonians over 65 as follows:

<i>Total annual cash income</i>	<i>Percent of population over 65</i>
Under \$2,000.....	50 (30 percent couples; 70 percent singles)
\$2,000 to \$3,000.....	20 (55 percent couples; 45 percent singles)
\$3,000 to \$4,000.....	15 (65 percent couples; 35 percent singles)
Over \$4,000.....	15

3. We have been able to find only one study of the marketing habits of persons over 65 (research conducted in Portland by Robert E. Dodge in preparation for a doctoral degree at Columbia University). It shows that in spite of low income, older shoppers are willing to pay for quality goods, like to shop alone, aren't easily swayed by advertising, but do respond to appeals that stress service; they prefer to shop in central shopping districts and in department stores.

We guess

Figures in the income surveys probably do not include income from all sources or home ownership, noncash income, and so forth. Also, wives dependent on husbands for income would be listed as having little or no income.

We should like to know

1. What is the total income of Oregonians over 65 from social security earnings, public and private retirement, veterans' payments, railroad retirement, savings and investments, insurance, assistance from sons or daughters? What assets (property, and so forth) can they fall back on?
2. What is the minimum cost of living for a retired couple and a single person in a rural, urban, and metropolitan area in Oregon?
3. What will be the estimated effect of inflation on the living situation of persons with fixed incomes? How will this affect State expenditures?
4. What is the best plan for meeting the expenses of medical care for those with low income?
5. What tax relief could or should be provided for the older person on fixed income? What would be the effect of possible tax exemptions on the younger taxpayer and the community?
6. What can be considered adequate insurance coverage for retired persons? What is the cost? How many persons have insurance coverage? To what degree?
7. What health and medical insurance plans are available to retirees in Oregon? (This now is being studied by the council's employment and income committee.)
8. What changes will be required in pension plans to meet the longer life span?
9. Should future changes be anticipated in the public employees retirement system?
10. Will the increase in the number of older persons affect the selling market in Oregon? Should marketing plans include the older buyer?

EDUCATION

We should like to know

1. What additions and changes are needed in the public school curriculum at the elementary and secondary level to develop (1) living habits that lead to improved health, and (2) attitudes appropriate to a society in which people are living longer?
2. What new means can be devised to utilize (with or without pay) the skills, knowledge and experience of older persons?

EMPLOYMENT

We should like to know

1. What are the practices and policies of Oregon employers in regard to forced retirement at a fixed age?
2. How many workers age 65 in Oregon want to, and are able to, continue working? How many of these, when forced to retire, become dependent on public funds?
3. How many workers will retire in Oregon in the next 10 years? What will be the effect on State services and other services?

4. What would be the cost and/or saving to the (1) employer, (2) retiree, (3) State, if able workers were permitted to continue on the job as long as they were employable and wished to remain?

5. What will be the effects of automation on the employment situation in Oregon? Will displaced workers be retrained for other jobs within the same company? If not, (1) how many will be thrown into the job market? (2) will they be skilled or unskilled? (3) what jobs and how many will be available? (4) what retraining will be needed to fit displaced workers into available jobs? (5) who should provide the retraining?

6. What is the estimated ratio between available workers and jobs in Oregon in the next 10 years? How many workers in each age group? What will be the job requirements?

HOUSING

We should like to know

1. Is there a need in Oregon for foster home care for older persons?
2. Are FHA loans for retirement homes being used in Oregon according to the original intent of the law?
3. What methods are being used to finance new retirement homes in Oregon? Are these homes financially stable? How can residents' investments in these homes be positively safeguarded?
4. What would be the effect of (a) homestead exemption, and (b) deferral legislation on (1) local communities? (2) younger taxpayers?
5. What types (and in what price ranges) of housing are needed to meet adequately the requirements of our older population? (See No. 10, Report of 10-Year Plan.)

HEALTH AND SAFETY

We know

1. Research by our subcommittee on accident hazards shows that the largest number of Oregon pedestrian fatalities occur among persons age 70 or older.

We should like to know

1. What kind of educational program can be devised for older pedestrians?
2. Comparative cost of care in Oregon of a patient (1) under a rehabilitation program, and (2) receiving routine care in a nursing home.

Senator MORSE. Our next two witnesses will be Dr. Ralph P. Christenson and Dr. R. K. Hoover. Dr. Christenson represents the Lane County Medical Society; is a physician in private general practice in Eugene; is a member of the Lane County Medical Society's Committee on Aging. He earned his B.S. degree at Utah State in 1934; an M.D. degree at the medical school in Chicago in 1938; interned in New Orleans Marine Hospital; spent 1½ years as a resident at the U.S. Naval Hospital in Cleveland, Ohio; 1½ years with Standard Oil Co.'s medical department in the West Indies; 4 years in the U.S. Army, 2 of which were spent in Europe; has practiced in Eugene since 1946, and I am delighted to welcome him to the stand, not only in his professional capacity, but also as a personal friend whom I cherish very much.

Dr. R. K. Hoover, the second witness in this group, is engaged in the practice of internal medicine in Eugene. He is a member of the Committee on Aging of the Lane County Medical Society; a graduate of the University of Oregon Medical School; internship at the University of Oregon Medical School and 3 years in internal medicine at the same institution: spent 2 years as a medical officer in the Armed Forces in the Army at Fort Lawson at Seattle; is identified with the American Board of Internal Medicine and a member of the American College of Physicians. I am delighted also to welcome Dr. Hoover to the stand.

If you two gentlemen will come forward, you may proceed in your own way.

**STATEMENT OF DR. RALPH P. CHRISTENSON, LANE COUNTY
MEDICAL SOCIETY**

Dr. CHRISTENSON. Senator Morse, members of the committee, ladies and gentlemen: I want to thank you first, Senator Morse, for the privilege of appearing here. I have a prepared statement, which I will read, and I would preface it with a comment or two to the effect that what I read and what I have to say, we feel, represents the general feeling of the members of the Lane County Medical Society. The text of my statement is a community effort, and I do not take the credit necessarily for the composition. The sentiments are mine, however. After I have read the statement, I think Dr. Hoover wants to make a comment or two.

As was noted in the biographical comment, I am a practicing physician in Lane County, and I am a member of Lane County's Committee on Aging, and coordinator of the stroke rehabilitation program, which is sponsored by the Lane County Medical Society and the State public health department. Dr. Hoover, who is with me, is likewise a member of the council's committee on aging and is also on the evaluation committee of the stroke rehabilitation problem program.

The Lane County Medical Society was founded in 1893 and is now composed of 175 physicians, including specialists in practically all of the fields of medicine. During these 68 years, our society and its members have been dedicated to offering medical service, which is highest in quality and adequate in quantity to the citizens of the upper Willamette Valley. In addition to its concern about the quality and the number of the medical practitioners in this area, members of this society have been active in assuring the availability of fine hospital facilities. Due in large measure to the leadership and support of our members, the citizens of Lane County now enjoy the services of five modern hospitals strategically located. All are accredited by the Joint Commission on Accreditation of Hospitals.

In addition to assuring the availability of adequate medical and hospital services, this society and its members play an active role in the training of physicians and the increasingly important paramedical personnel. At the Sacred Heart Hospital here in Eugene, training programs are conducted for doctors of medicine at the internship level, for registered nurses, and for medical-laboratory technicians. Through the adult and vocational education departments of our public schools, we also have a training program for practical nurses. The members of this society participate actively in these training programs, either as instructors or in supervisory capacities. Three members of our society are on the volunteer faculty of our medical school at Portland.

Of special importance is the support which the Lane County physicians give to voluntary prepaid hospital and medical care insurance as a means of protection against the cost of illness. Objective evidence of this support is the physician sponsorship of voluntary health insurance plans organized and operated especially for the benefit of the citizens of Lane County. Our sponsorship of these plans has been continuous for nearly three decades. Another of the important society activities undertaken for the benefit of our citizens is the sponsorship of a local blood bank which serves the entire county. In addition to

these, the Lane County Medical Society supports and participates in many other activities for the continued improvement of the individual and community health of this area of our State. We mention these contributions of the physicians to demonstrate that the Lane County Medical Society is a responsible organization and is always striving to fulfill the obligations which individual physicians and the medical profession generally have traditionally accepted. Our concern is for the health of our citizens during all periods of their lives, which naturally includes the period of aging.

With respect to providing health services for the aged, I believe that the principle of helping those who need help, as reflected in the Kerr-Mills Act and commonly referred to as medical assistance for the aged, is the most logical type of approach and will make it possible to provide better health services for our needy aged than a program based upon the social security system approach. The Kerr-Mills program calls for local administration and local control with a minimum of regulation from the Federal Government level. The program can be tailored specifically to the needs of Oregon and even of our own community here in Lane County. The plan, we feel, is flexible and can be expanded if the need proves to be greater than it appears to be at the present time.

We believe that it would be unwise to embark upon new Federal legislation based on the social security approach until our present methods have been given a fair chance to prove that they can accomplish the objective. Furthermore, we believe that the enactment of a law to provide health services for the aged through the social security approach would forever discourage the expansion of voluntary health insurance plans into this field.

Voluntary health insurance is a relatively new form of insurance protection and only within the last decade has accurate actuarial data become available to determine the extent to which this form of insurance could be extended to persons in the older age group. Since 1952, the number of persons over 65, who carry voluntary health insurance, has increased more than 100 percent, whereas the number with this protection under 65 years has increased only 16 percent. This phenomenal increase in the availability and the purchase of voluntary health insurance by the over 65 in recent years leads us to believe that in the years ahead most individuals in that age group will have this type of protection. It seems unwise to us, therefore, to embark upon a governmental program which would discourage this development and also discourage independence and self-reliance among our citizens.

Here in Oregon, our old-age assistance program, administered by the public welfare commission, is one of the most comprehensive, if not the most comprehensive, in the United States. The same applies for the Kerr-Mills program in this State, which is being developed in accordance with the enabling act passed thereon by the 1961 State legislature.

Now, returning to some of the specific problems related to the health care of the aged. I have been especially interested and active in the stroke rehabilitation program being conducted under the sponsorship of the Lane County Medical Society and the State public health department. In this program, we seek through the use of special techniques to preserve the function of the unaffected parts

of a stroke victim and to restore as much as possible the function of those parts which were affected. This is a long process and frequently requires institutional care. Such patients usually require only a short period of hospitalization during the acute stage and then could be transferred to a specially equipped and staffed nursing home, or a "self help" hospital facility. At the latter type of institutions, the cost would be substantially less than that in a general hospital and, furthermore, if this type of service were available generally in connection with a general hospital, the benefits of a voluntary health insurance policy would in many cases be available. There are also a number of other disorders which could be adequately treated in such low-cost nursing home or hospital facility and their construction should be encouraged.

In this statement, we have stressed our belief that in Oregon and more specifically in Lane County, we are better able to provide proper health care for all our citizens through the existing voluntary health insurance plans, the statewide Kerr-Mills implementation and continuing community efforts. We believe that these programs for meeting the health care costs of our aged citizens should be allowed to develop to their fullest capacity. We believe, further, that it would be unwise, premature and unreasonably expensive to duplicate or replace our present plans and programs with a Federal system administered under the direction of the social security system; and, finally, in this statement, we have also made some recommendations for actions and programs which, we feel, would be more beneficial to the health and welfare of our senior citizens.

Senator MORSE. Doctor, thank you very much. I think I will hear from Dr. Hoover now. Then if I have some questions, I will ask them.

STATEMENT OF DR. R. K. HOOVER, MEMBER, COMMITTEE ON AGING, LANE COUNTY MEDICAL SOCIETY

Dr. HOOVER. Thank you, Senator Morse. Ladies and gentlemen, there are several things that I want to mention this morning that are important to care of all citizens.

The problem of the aged is a particularly large health problem. Forced retirement at 65 is very unfair. In the last 10 years, the statistics show that individuals that reach the age of 65 can expect to live another 14 years, on the average. Many of these individuals are healthy, want to work, do not want to rely on others for either financial support as far as food and shelter, or their medical care. I think we should encourage the changing of forced retirement at 65.

The major problem, as far as physicians are concerned, is that of catastrophic illness. The Kerr-Mills bill is some help. I feel it must be implemented to include catastrophic illness. It is limited now to reasonably acute or semiacute illness lasting a shorter period than say 1 month. Catastrophic illness can bankrupt any of us. We all need some type of protection, whether it be private insurance, which we would certainly like to encourage. We all have a certain type of catastrophic insurance as far as our automobiles are concerned, and we should learn something from this type of insurance program and implement it into our health care insurance.

The major cost in medical care, as we all know, is the cost of hospitalization. There are three fundamental types of hospital or nursing home care. We have always thought of the general hospital as a place we go when we are ill. The general hospital is an expensive institution. In cost accounting, the average well equipped, technically advanced general hospital will run \$35 to \$40 per diem, or per day, cost per patient. Now, this is an average figure. Many of the individuals who are hospitalized at this very expensive, well equipped institution, could get by with less expensive facilities for their particular care. I would encourage development of convalescent hospital units, where we may take care of patients at a rate of \$12 to \$15 a day. This would free general hospitals for acute serious illness.

There has been an example of this convalescent hospital care in Cottage Grove, Oreg., where they have added, I believe, approximately 20 beds to their existing hospital facilities. They used Hill-Burton funds, and are able to take care of patients in this facility for \$200 a month.

Many people require a hospital bed while recuperating from a fracture or some prolonged illness, but could use this type of facility. Thank you, Senator.

Senator MORSE. I want to thank both of you doctors for the help you have given to this committee. I am going to direct Mr. Reidy to submit to the Lane County Medical Society through you a series of questions for facts and information, not for controversy at all. I seek only to get from the medical groups, as we go about the country, whatever facts and information they want to make available to this committee. As you gentlemen well know, we are discussing here in this hearing now one of the most controversial subject matters pending before the Congress. We have the Kerr-Mills bill, we have the Anderson bill. All of you are familiar with the position that your Senator has taken. I happen to be the coauthor of the Forand-Morse bill in the Senate, which goes even further than the Anderson bill. It is pegged to the social security system. I also happen to be one who tries to follow where the facts lead, and I say here, as I said at a large hospital meeting at the University of Minnesota a few nights ago, we have to hammer out, in my judgment, on the anvil of conscionable compromise a program that will meet the needs of the aged and not do any injustice to the medical profession. I think that can be done, and I think it will be done.

We have already put in this record the testimony of Dr. Goodman of Portland, including the speech that he made before the civic club on September 11, I think it was, in which he presented a point of view in support of the social security approach to this problem. Here again, as I think in every controversy, my obligation, as a public official, is to study what the facts are and reach through them the judgment and conclusion that I think in the public interest ought to be put into legislation. I assure you that it is in that spirit that I am going to approach this problem, and when we send you, through this committee, a list of questions for factual answers, I want you to know that we seek not to engage in a controversy at all, but to get the facts from your point of view.

I also, as your Senator, want to assure you that, when hearings are held on this controversial subject matter before the Congress, I give you my assurance that I am at your service in seeing to it that, if anyone from this State in the medical profession wants to come as a witness, I shall personally request an opportunity that you be heard, and I shall also make a part of the record in any hearings in Washington any information that you want to make available to us. I think the record ought to show, however, as chairman of this committee, what my policy position is at least to date on this controversial subject matter, and I want to thank you very much for this helpful testimony.

I have been informed by Mr. Reidy that Dr. Donald Watson, assistant director of the Bureau of Business Research, University of Oregon, is appearing for Dean Lindholm. Dr. Watson, we are very glad to have you testify, and will you take the stand and proceed in your own way. We are glad to have you, Dr. Watson.

STATEMENT OF DR. DONALD WATSON, ASSISTANT DIRECTOR, BUREAU OF BUSINESS RESEARCH, UNIVERSITY OF OREGON

Dr. WATSON. Thank you, Senator Morse. I am appearing on behalf of Dean Lindholm, and he wishes me to express to you and the members of your committee his sincere regrets that he was called to Portland on other business this morning and could not be here.

Copies of his statement have been in the hands of the committee for a period of time, and I do not propose to take the committee's time, therefore, to repeat what is in that statement. It is rather lengthy and I think time will be better served by my not repeating it as it has been presented to you.

I would simply say for the benefit of the audience and as a refresher to the committee at this moment that the problem which we raise here is a research problem. We don't know that this is an acute situation. The problem, which we would like to investigate though, or which we would like the committee to consider, for someone to investigate, is whether or not the aged, including particularly those beyond 65, of course, and the farther up the age bracket they are, the more likely this would be—if these people are unable to help themselves to a certain extent because of their inability to obtain credit. They obviously are continuing consumers, and yet they have a reduced income, and it is our feeling that this may very well be an everyday, rather mundane, but very real, problem to many of these people who are unable to buy the commodities and services to maintain some semblance of their previous standard of living simply because of their age. An important aspect of this is the possible reduction in their creditability with financial institutions in their community.

As I say, this is a problem which we have raised. I do not know how acute it is. I know that no real research has been done on the problem, and we feel that this is something that ought to be looked into. I'm sure that it is, but I don't know what you would find.

Senator MORSE. Then, Dr. Watson, it would be most helpful if some research institute find that material for us. I put into the record in Portland the other day—I will not repeat it here it is already a part of the record—I put in the record some statistical information

on the economic status of the aged in the State, also some statistics in regard to the dramatic increase in the aged in the State in the last 10 years. You can't look at those statistics without recognizing that we have a basic economic problem here affecting the aged.

Dr. WATSON. All the information that we have been able to accumulate in the bureau of business research at the university on problems relating to the State of Oregon, generally economic problems, certainly bear out some of the statements which were made here previously this morning and which certainly strike a responsive note in me that there is a problem definitely.

Senator MORSE. From a legislative standpoint, and it is so easy to overlook this phase of the legislator's job, when we are dealing with legislation that affects any group, such as our medical care legislation does, we cannot run away from the hard, cold economic facts pertaining to the group, and, therefore, this kind of research that you are suggesting would be very helpful to us, and I think we ought to get it if we possibly can.

Dr. WATSON. I think you may find that in your operations here this afternoon some of the people, who will be here to participate in your town forum or your city forum here, can probably give considerably more evidence than I can from an experience standpoint on this particular problem.

Senator MORSE. Thank you very much. We will put the dean's statement in the record in full at this point.

(The prepared statement of Dr. Lindholm follows:)

PREPARED STATEMENT OF RICHARD W. LINDHOLM, DEAN, SCHOOL OF BUSINESS
ADMINISTRATION, UNIVERSITY OF OREGON

Our society is characterized by extensive dependence upon credit for the conduct of its economic functions. The various parts of our economic structure are bound together by financial sinews and each of these parts can operate only because of the existence of financing arrangements and financial institutions. It is unnecessary, surely, to emphasize the importance of the financing function of our economy or the fact that financing is almost entirely a matter of credit.

The important aspects of a credit transaction are that it involves a promise of payment in the future for goods, services, or money which was obtained today, and that both the debtor and creditor voluntarily enter upon this contractual arrangement. True credit transactions cannot occur without both of these characteristics being present. Credit in the abstract sense, as differentiated from a credit transaction, is the ability of an individual, business firm, or governmental body to acquire goods, services, or money now on a promise to pay later.

The credit problem related to the aging is the effect of increasing age upon an individual's ability to acquire durable consumer goods, producer goods, or money now upon his promise to pay for them later. The economic problem is that persons over 60 can be excellent managers of small business enterprise and that they make up a growing portion of our consumer market.

The reasons why this problem is important to society are the same as for so many other problems related to the aging. They are an increasingly large proportion of our population; the growth of urban living by older people has meant that cash or credit is required for the necessities of life, and any inability either to command cash or to have their credit accepted creates a real and immediate emergency which would not occur if they were partly self-sufficient in the provision of necessities, e.g., transportation. The immediate preceding point will become increasingly important in the next few years because a disproportionate number of the nonurban population is in the higher age brackets, and as they die the share of the urbanized elderly will increase sharply. The increasing length of life expectancy among the aging is also a factor making any of their problems more significant socially.

The consensus appears to be that increasing age, after some point, is a factor which decreases the credit of an individual. This is because the present and future earnings of an individual are a basic factor in his credit, and earnings usually decline with increasing age. This tendency is more pronounced with individuals making their living from work in which physical activity is important, and where their employer is a relatively large organization because such organizations have more inflexible retirement policies.

Individuals use credit for consumption purposes and also for business reasons. Business credit is important, even for the elderly, who often maintain a reasonable standard of living only because they actively manage their own business firms. Also elderly persons formerly employed by large corporations are very good human raw material for small business management. Therefore, business credit for the elderly is an important aspect of the problem of credit for the aging. This relationship also affects the general viability of small business undertakings.

As far as consumer credit for persons over 60 is concerned, it is possible that an individual's needs decline with a reduction of his income following retirement so that a diminution of his credit would be unimportant, but this is not a necessary accompaniment of increasing age based on either empirical or a priori grounds.

The broad problem consists of whether or not advancing age causes an individual to experience progressively increasing difficulty in having his credit accepted by sellers of goods and services and lenders of money. If there is such a relationship, presumably it is caused by present and potential decline in earning power and difficulties in collecting from an estate or the failure of social security legislation to provide sufficient death benefits to cover average levels of personal installment credit.

A RESEARCH AREA

To the best of my knowledge, directly relevant research work has not been completed in this field. There are many budget studies of people in various financial and age situations that indicate the desirability of examining all legislation related to this problem. The creditor side of the problem must also be considered for new approaches will only be helpful if they fully recognize the marketing and financing institutional complex of our society.

The initiation at this time of a pilot study conducted in a limited geographical area, the results of which will be used to decide whether or not its scope should be enlarged to include the entire country, is a necessary first step in developing a proper and useful approach to the use of credit by the aging. I strongly urge that the Bureau of Business Research of the University of Oregon be utilized to carry out a study of a major metropolitan center (Portland), a small metropolitan community (Eugene), and a small town in an agricultural area (La Grande).

The necessary data would come from both of two basic sources: (1) the debtors and (2) the creditors involved in credit transactions in which the debtor is over 60. The debtors must be interviewed because a working hypothesis of this proposal is that passing the age of 60 tends to have an adverse affect upon the credit standing of the individual involved. It is assumed (and has been confirmed by small and unscientific testing) that this hypothesis is accepted by people over 60.

The sample of debtors need not be very large in relation to the total population. Probably a total of 500 would be sufficient to include most important classes distinguished by cultural, ethnic, income, educational, and job characteristics. The 500 interviews would be divided among the 3 communities in accordance with their population. Original contact with the interviewees would be made by telephone; the Pacific Northwest Bell Telephone has estimates of the percentage of people at the lower end of the income distribution not having telephones so that allowance can be made for the fact that an otherwise substantial portion of the population might be given inadequate representation in the sample. The persons 60 years of age or older would then be called on by an interviewer. The interview schedule will be carefully prepared, and it will attempt to elicit information about the respondent's background, present economic activity, and attempts to use his credit for various purposes including carrying forward a normal business operation.

The design for the collection of data from creditors would involve carefully prepared interviews with appropriate representation of credit bureaus, retailers, consumer loan companies, credit unions, savings and loan associations, commercial banks, and similar financial institutions. Preliminary investigation already undertaken indicates that retail credit in small amounts is not likely to be adversely affected by age or retirement, provided that previous paying habits were good; the problem arises with larger indebtedness. Although the interview schedules for creditors should be drawn up and tried out very early in the course of the project, the actual interviews with creditors would not be undertaken until after the completion of the debtor interviews because attitudes among debtors may indicate changes that should be made in creditor interview schedules.

The creditor interviews would attempt to obtain rules and practices rather than opinions. To the extent possible, this should include actual data covering the percent of debtors over 60, the percent of persons rejected who were former debtors now 60 or over whose applications were reduced before acceptance and the reasons why.

It is difficult at this point to identify the exact nature of statistical analysis appropriate to the collected data. However, it is anticipated that all interviews will be transcribed to cards and run on data-processing equipment so that relationships exposed for analysis will be treated appropriately.

BIOGRAPHICAL FACTS

Richard W. Lindholm, dean, School of Business Administration, University of Oregon, formerly professor of economics, Michigan State University, 1948-58. Economist with the Federal Reserve Board, Washington, D.C., 1950-51.

Senator MORSE. The next witness will be Mr. Robert G. Campbell, executive director, Housing Authority and Urban Renewal Agency of Lane County, Springfield. He has been the director for 12 years; prior to that, he was with the Federal Government's housing program as a civil engineer. Mr. Campbell, we are very glad to have you. Mr. Campbell is an old friend, may I say, and I am very glad to welcome him here on a personal basis. You may proceed in your own way.

STATEMENT OF ROBERT G. CAMPBELL, EXECUTIVE DIRECTOR, HOUSING AUTHORITY AND URBAN RENEWAL AGENCY OF LANE COUNTY, SPRINGFIELD

Mr. CAMPBELL. Thank you, Senator. Ladies and gentlemen, I too have a prepared statement and, with your permission, I would like to read it. My name is Robert G. Campbell. I am the executive director of the Housing Authority and Urban Renewal Agency of Lane County.

My remarks relative to the elderly will be limited to the field which I know best, their housing needs and the housing resources necessary to provide the decent, safe, and sanitary housing to which the senior citizens have the right to expect within their economic ability to pay. I will not dwell on numbers as I am sure that there will be other witnesses who will be able to provide much more accurate figures than are available to me.

Basically, the housing needs of elderly is classified into two economics. One has sufficient income to maintain the home provided during the years of higher earning capacity or provide an estate sufficient to pay for the monthly charges of a retirement home provided by private capital or nonprofit investors backed by Federal housing insurance. The other group is the elderly persons of lowered income, possibly social security, public welfare, and other small

dividends, who are unable to maintain their home, or pay the rental charges based on the inflation, which most of us have felt to some degree, hence having to resort to substandard housing accommodations which are within their economic means or doubled up with children or other family members. Here in Lane County, retirement homes have been constructed, are being constructed, and will be constructed in the future with the aids provided by the FHA. These have very fine accommodations, but are restricted to the small number of elderly with sufficient retirement income to pay the rental charges necessary to amortize the investment. However, this plan of retirement housing is prohibited to most of the people.

Also, here in the United States, with Oregon and Lane County being no exception, we find the problem of housing our elderly people is not just a temporary problem, but a permanent one, and will continue to be with us as retirement age lowers and people must live on inadequate income during inflationary times. With Social Security Administration reducing the retirement ages from 65 to 62, industry will eventually follow this pattern, and with modern medical technology increasing man's lifespan, these people will look forward to more years of living with limited incomes and many hardships if adverse conditions occur.

Since private housing development cannot properly fill the need for these elderly people of limited means, we feel that there is a definite need for a public assistance program for this purpose, and this should extend far enough to assist the elderly in the small towns which are overlooked by the public administration, confining their activities to the larger urban areas, whereas population studies show that the density of elderly is much higher in the small towns and communities of Oregon than in the larger cities in proportion to population. Very few people realize that, in our outlying little towns of 400 to 1,000 population, there are thousands of elderly people of low income living in dilapidated houses and apartments simply because they can exist more inexpensively than in large urban areas. This often creates problems for the small towns. An example is the elderly family or widow who continues to live in the home with insufficient income to keep the house in good repair. The house itself continues into dilapidation. The small town administration wants to pave the street or construct a sewer, but becomes hesitant to do so, realizing the hardship it imposes on the limited-income occupant by overtaxing them. As a result, many of our small towns are at a stalemate with inadequate street and sanitary facilities.

Lane County, through the Lane County Housing and Urban Renewal Agency, has been a pioneer in attempting to alleviate this problem through the construction of McKenzie Village, a 150-unit, garden-type, low-rent housing project, primarily for elderly people, which is being received very favorably.

To summarize, it is my opinion that, as small communities and towns do not have the planning staff to prepare a workable program, a present requirement for Federal aid, that Congress should amend present laws to enable local housing authorities to provide low rental housing in the small towns and communities for use of elderly persons where it is desired.

Senator MORSE. I want to thank you, Mr. Campbell. I am sure that Mr. Reidy and the other members of the staff will undoubtedly want to work with you for an expansion of this statement in regard to answers to certain specific questions, which I think we ought to get out of you with respect to housing conditions in this particular part of the State.

The other day in Portland, I introduced the results of the housing survey for the elderly that was recently published. It was not very encouraging. It is in the record, and, in essence, it shows a very large percentage of our elderly people are living in the Portland area in what is termed substandard housing. Of course, that becomes a matter of definition. We have to look for our definitive terms, but, under the standards of the survey, substandard from the standpoint of convenience for the elderly, which includes great hardships of living conditions themselves, substandard from the standpoint of fire hazard, substandard from the standpoint of sanitation, substandard also from the standpoint of what we, as free men and women, ought to insist on for our elderly. How to do it, of course, is the \$64 question, but it is only such facts as you present here, and the additional ones that I am sure you can present in answer to informational questions, which Mr. Reidy will submit to you, that will be most helpful to this committee.

As you know, we have had quite a controversy from time to time in the Senate in regard to what ought to be included in the housing bill for the elderly. Some of us have taken the position that there should be assistance available under the public housing bill to the rural areas, and some of us have fought for that, and we have made no progress. It is a question of public policy as to how much more progress we should make, and I happen to share the point of view that we have only started. I know the argument that is made against me each time, but I only want to say most respectfully, as far as this Senator is concerned, I think we have to fear a failure on our part to carry out our obligations in social conscience and in social justice much more than we have to fear taxation, because I think that a republic such as this can so organize itself and its economy so that we never can be guilty of having it said truthfully that we are not carrying out the obligations of a self-governing people to the elderly of this country. It is with that purpose that I move in regard to these legislative programs, constantly trying to direct legislation in accordance with such facts as you bring out and have brought out in the Portland survey and as has been brought out in these other economic studies that have been made available to this committee, and I want to thank you very much.

The next witness will be Mr. J. D. McDonald, president of the Oregon AFL-CIO, and I want to say that I invite this witness to the stand, not only in his official capacity, but to say, with a compliment on my lips, that I consider him one of the labor statesmen of our State for a good many years. I also invite him to the witness stand as a personal friend.

STATEMENT OF J. D. McDONALD, PRESIDENT, OREGON AFL-CIO

Mr. McDONALD. Thank you, Senator Morse. Members of the committee, and ladies and gentlemen, I want the record to show this morning that Mr. Lyle Swetland, the executive secretary of the Lane

County Labor Council, was to have been a witness here today, and he will be unable to attend, but he had his organization subscribe wholeheartedly to the testimony which I am about to present. My organization is grateful for this opportunity to appear before this committee on the subject of Federal and State activities in relation to the problems of the aging.

Our office is a clearinghouse of information and assistance to not only union members, but citizens generally. Among the many visits, day in and day out, to our office by members of unions, or those who are not members, the plight of those who are retired from the labor market and who are subsisting on social security or private funds, the need in the area of medical and hospital costs is paramount. For that reason, I will confine my remarks to the critical area of health needs.

The pressing problems of health care for the aged, and, yes, for the majority of all of our citizens, for that matter, is an issue that has been aired thoroughly and yet which has not been met forthrightly. The present Federal-State medicare program is woefully deficient. The Oregon program just getting under way provides such benefits as these: 14 days of hospitalization a year for the patient over 65, with the patient assuming \$7.50 a day for the first 10 days in the hospital. This deductibility applies also to outpatient service if the patient has not already assumed the \$75 for hospitalization. Nursing-home care may be substituted for hospitalization on the basis of 4 days for 1, on doctor's recommendation, and if the 14 days in the hospital has not been consumed.

I have confined my remarks concerning the Oregon medicare program to such matters as hospital and nursing home benefits and have made no reference to some doctor care items provided because we, as well as the national AFL-CIO and many other groups, including those representing trained social workers, support S. 909 and H.R. 4222, the Anderson-King bill, which is confined to hospital and directly related care. We know from our experience obtained through visits to our office of numerous retired persons that medicare is woefully deficient, but, just as important to a free people, is the unfortunate fact that it applies a means test. The Anderson-King bill to provide health care for all persons aged 65 and over, who are eligible for benefits under old-age and survivors insurance or the railroad retirement system, is the first essential step that must be taken if we are at all to meet our obligations to our retired citizens.

This measure, to be supported financially by three-fifths of 1 percent of covered payroll in the long run, would increase social security contribution rates by one-fourth of 1 percent on employers and employees, and three-eighths of 1 percent on the self-employed beginning in 1963. In addition, the taxable earnings base would be increased from \$4,800 to \$5,000 a year beginning in 1962. This would slightly improve monthly cash benefits. It would also provide additional income so that the new program would be fully financed and actuarially sound. It would provide full hospital services, other than doctor services, in one spell for up to 90 days, after a deductible amount of \$10 a day for up to 9 days, with a minimum of \$20.

Skilled nursing-home services follow hospitalization for up to 180 days. Provide outpatient hospital diagnostic services, including X-ray and laboratory services, after a deductible amount of \$20.

Provide home health services for up to 240 visits a year, including nursing care, therapy, and part-time homemaker services.

Under the Anderson-King bill, patients are permitted to choose their own doctors and hospitals. Doctors continue to have full responsibility for decisions on patient care, including the need for hospitalization. No institution would be required to participate in the program. It prohibits the Federal agency from interfering with hospital administration or supervise or control the practice of medicine.

S. 909 and H.R. 4222, combined with other programs now in existence, would make health benefits available to almost all of the 169,000 persons in Oregon who are over 65 years of age. With the average hospital charge for bed and board of \$21 a day in a semiprivate room, and \$19, if six or more adults are in one room, in the interests of the thousands of persons over 65 in the State of Oregon, we have no other recourse than to support S. 909 and H.R. 4222. The many who are excluded under the present medicare program, its high cost to the individual, should he be able to use it, are serious deterrents to the all-important point that persons in need of medical assistance seek it early.

Upon the basis of comparison between medicare, as we know it in Oregon, and the Anderson-King bill, S. 909 and H.R. 4222, we urge your committee to support S. 909 and H.R. 4222.

Senator MORSE. Thank you very much, Mr. McDonald. We are glad to have your statement made a part of this record.

Our next witness will be the Honorable Robert W. Straub, State Senator, Lane County, a farmer near Eugene. Mr. Straub served 4 years on the Lane County Public Welfare Commission and has been on the Lane County Board of Commissioners.

Senator STRAUB, we are very glad to welcome you to the witness stand. You may proceed in your own way.

STATEMENT OF HON. ROBERT W. STRAUB, STATE SENATOR, LANE COUNTY, OREG.

Senator STRAUB. Thank you, Senator Morse. I want to thank you for the courtesy you are showing Eugene in holding this hearing on problems of the aged in the Eugene area. We do pride ourselves in this area in attempting to find answers to social problems, and the testimony in the hearing that has been presented here this morning I have found very helpful. I know that it makes us all realize that the problem is not only complex, but very broad. I won't attempt to read word-for-word what I am submitting, but I would like to paraphrase it and highlight what I have said.

Senator MORSE. Your full statement, as submitted to the committee, will be printed in the record.

(The prepared statement of Mr. Staub follows:)

PREPARED STATEMENT OF HON. ROBERT W. STRAUB

My name is Robert W. Straub, State senator from Lane County. Prior to election to the Oregon Legislature in 1959, I served as Lane County commissioner. As part of my duties on the Lane County Board of Commissioners, I was a member of the Lane County Public Welfare Commission from 1955 to 1959. In all three of these capacities, I have acquired a strong interest and, I think, a general knowledge of the problems faced by our older people. I believe that there is an urgent need for increased effort to bring more adequate and quicker solutions to the vast area of unmet needs faced by our older citizens.

The phase of the problem with which I wish to concern myself today is that of medical care for the aged. I wish to make some remarks about the manner and the adequacy in which the Kerr-Mills medical aid bill is being implemented in Oregon. This program commenced in Oregon on November 1 of this year; therefore, it is too early to evaluate results. The belief exists in the minds of some that the Kerr-Mills bill solves the problem of medical care for the aged in a satisfactory manner. I wish to oppose this notion and to say that, in my judgment, the Kerr-Mills bill is a most inadequate, a very wasteful and a very improper approach to meet this serious, widespread and increasing problem of medical care.

There are three primary reasons why I feel the Kerr-Mills bill is the wrong way to attack the problem: The first is that it is very wasteful administratively. A tremendous, complex, and costly job, involving redtape and bureaucracy, is created through the approach required under the Kerr-Mills bill to provide medical care. The basis of the program rests on charity. Application of a complex means test is required to determine those eligible to receive this charity. Let me explain by pointing out that in Oregon three areas of resources must be examined and determined by the welfare office administering this program. This must be done for each individual applicant. There are an estimated 55,000 eligible applicants in Oregon.

1. The person's current income cannot exceed \$1,500 for one or \$2,000 for a married couple. His liquid assets cannot exceed \$1,500 for one or \$2,000 for a married couple. Then we next have to examine his fixed assets and determine that he does not have value in this area exceeding \$5,000 fair market value, not including his own home. The approximate administrative cost for this program in Oregon lies at 8 percent. Some \$920,000 is budgeted in Oregon to administer this program for a year and a half. Let me call to your attention that medical care, provided by means of social security, would involve administrative costs of one-fourth of this amount, or an estimated 2 percent.

2. The Kerr-Mills bill intrudes into the private affairs of older people and brings governmental involvement and supervision into the whole process of extending medical care to the aged. Administration of a means test to determine eligibility is degrading and involves welfare caseworkers unnecessarily in the private affairs of the recipient. It also involves terms of relative responsibility and liens to apply on the recipient's estate. Also there is nothing in the Kerr-Mills bill to prevent recipients of help from being sent to county hospitals, where these hospitals are available, for their medical care. Thus, the Kerr-Mills bill fails to guarantee to the recipient freedom of choice as to who his doctor shall be.

3. The Kerr-Mills bill is a very limited and inadequate answer to the costly needs of medical care faced by older people. In the first place, many older people pride themselves in their independence and self-reliance and would not submit to the indignity of voluntarily placing themselves on the welfare rolls. Those who do apply for this care find that there are many restrictions and limitations that severely curb the benefits. One is a deductible item of \$7.50, which the recipient must pay for each of 10 days that he is in the hospital or a total of \$75 the recipient must pay. He finds that his total eligibility for hospital care is limited to 14 days per year. Drugs and medicines are the patient's responsibility. For needed physicians' services, the recipient must pay the initial \$50 each year. The medical assistance to which he is then entitled includes \$150 per year maximum for medical care and \$100 per year maximum for X-ray and laboratory fees.

The most one can say for this kind of program is that it is better than nothing. However, I would like to point out that it is worse than nothing if the public forestalls or delays action on a needed, broad-scale, adequate approach to medical care for the aged based on an insurance principle in the belief that the Kerr-Mills bill has solved the problem. The problem is not by any means solved. In fact, it will get larger and more severe year by year. One reason for this is that the number of older people is increasing at a very rapid rate. In 1930 there were 6 million people over 65; in 1961 there are 16 million; by 1970 there will be 20 million. In addition to the number increasing, the cost of bringing medical skills and new discoveries in the field of medical knowledge to these people will come at an increased cost.

There should be no question as to the genuineness of the problem faced by older people trying to provide for themselves adequate medical care. In a book written by Herman Somers, titled "Doctors, Patients, and Health Insurance," he presents in a very thorough and reliable way some incontrovertible figures

dealing with the increased cost of medical care. Between 1950 and 1959, medical prices have advanced twice as fast as have all other prices. According to the Consumer Price Index, prepared by the Bureau of Labor Statistics, medical care has increased 42 percent while all other prices of consumer items only 21 percent. From June 1958 to June 1960 medical prices rose $3\frac{1}{2}$ times as fast as did other costs. Excluding our analysis solely to the field of services, which represents the largest cost factor in medical care, and not including commodities included in the Consumer Price Index, medical care is increasing at a faster rate than are other services. From 1955 to 1959, medical service prices advanced 19 percent. All other personal services advanced 13 percent.

These increasing costs of medical care are falling most heavily on the older people who are least able to pay. In 1958, this book reports, average medical care expenditure for persons over 65 was \$177. For all persons the cost was \$94. The average charge for all persons during a 5-year period between 1953 and 1958 rose 42 percent, while that of the aged rose 74 percent or a yearly increase in medical costs of nearly 15 percent. In my judgment, there is no better approach to providing this medical care for people during their retirement years than to accept the insurance principle, including medical care as part of social security coverage and permit working people to pay the premiums during their productive years. Then after retirement, they can enjoy benefits of their medical insurance program in better health, better dignity, and at less cost to the State.

Senator STRAUB. Thank you. I want to say "amen" to what Mr. McDonald has said before me. I too want to confine my remarks to the medical aspect of the problems of the aged. I was not aware that he was doing the research that he did, and I am very pleased that the conclusions that I have come to and the information that I have collected force me to the same conclusion that he has arrived at.

I want to make some remarks about the implementation on the adequacy of the Kerr-Mills bill, as it is being implemented here in Oregon. This program, as you know, commenced in Oregon only on November 1 of this year, and, therefore, it is too early to evaluate any results. The belief does exist in the minds of some that the Kerr-Mills bill now solves the problem of medical care for the aged in a satisfactory manner. I wish to oppose this notion and to say that in my judgment the Kerr-Mills bill is a most inadequate, a very wasteful, and a very improper approach to meet this serious, widespread, and increasing problem of medical care for the aged. There are three primary reasons why I feel the Kerr-Mills bill is the wrong way to attack the problem.

The first is that it is very wasteful administratively. A tremendous, complex, and costly job, involving redtape and bureaucracy, is created through the approach required under the Kerr-Mills bill to provide medical care. The basis of this care rests on charity. The application of a complex means test is required to determine those eligible to receive this charity.

Now, let me explain by pointing out that in Oregon three areas of resources must be examined and determined by the welfare office administering this program. This must be done for each individual applicant, and there are an estimated 55,000 eligible applicants in Oregon for this aid. The person's current income must be examined, his liquid assets then must be examined, and then, in addition to that, his fixed assets have to be examined. I think the record will show that the administrative cost in Oregon of administering medical aid under this Kerr-Mills bill approaches 8 percent of the value of the aid provided.

I want to point out that the alternate method that is recommended by many of us, which would provide a broader base of medical care under social security, has administrative costs of only one-fourth of this amount, or 2 percent of the value of the aid offered.

The second reason that I oppose the Kerr-Mills bill is in answer to the problem of medical care for the aged and is that it intrudes unnecessarily into the private affairs of older people, and it does bring governmental involvement and supervision into the whole process of extending medical care to the aged. The administration of a means test to determine eligibility is degrading and involves welfare case-workers unnecessarily in the private affairs of the recipient. It also involves terms of relative responsibility and liens to apply on the recipient's estate. Further, there is nothing in the Kerr-Mills bill to prevent recipients of help from being sent to county hospitals where these hospitals are available. Thus, the Kerr-Mills bill fails to guarantee to the recipient freedom of choice as to who his doctor shall be.

The third reason that I oppose the Kerr-Mills bill as an answer to this problem is that the Kerr-Mills bill is very limited and inadequate in providing the level and the amount of medical care that is needed. In the first place, many older people pride themselves in their independence and in their self-reliance, and they are not willing to submit themselves to the indignity of voluntarily placing themselves on the welfare roles, which they must do as a condition of receiving aid under the Kerr-Mills bill. Those who do apply for this care find that there are many limitations that severely curb the benefits.

The most that one can say for this kind of medical aid is that it is better than nothing. However, I would like to point out that it is worse than nothing if the public forestalls or delays action on a needed broad scale, adequate medical care for the aged, based on the insurance principle, in the belief that the Kerr-Mills bill has solved the problem. The problem is not by any means solved. In fact, as we all know, it will increase and become larger and more severe year by year. One reason is that the number of older people, as we all know, is increasing rapidly, and another is that the cost of bringing in new medical skills and new discoveries in the field of medical knowledge for these older people will come as an increasing cost. There should be no question in anybody's mind as to the genuineness of the problem faced by older people trying to provide for themselves adequate medical care.

Nationally, between 1950 and 1959, medical prices have advanced twice as fast as have all other prices in the Consumer Price Index. Medical care has increased during these 9 years 42 percent, while all of the other items listed in the index have increased only 21 percent. From June 1958 to June 1960, medical prices rose 3½ times as fast as did other costs in the index. These increasing costs of medical care are falling most heavily on the older people who are least able to pay. In 1958, the average medical care expenditures for persons or individuals over 65 nationally—this is nationally, not in Oregon—was \$177. For all other persons in our society, the cost was only \$94. So, the cost of medical care for older people, nationally, was almost twice that for the rest of the population. The average charge for all persons during the 5-year period between 1953 and 1958 rose 42 percent, while that of the aged rose 74 percent. So, in my judgment, there is no better approach to providing this medical care in an ade-

quate manner for these people during their retirement years than to base it on the insurance concept as envisioned under the social security law, including this medical care as a part of their coverage, and to allow working people to pay the premiums for later medical care during their productive years. Then, after retirement, they can enjoy the benefits of their medical insurance in better health and better dignity and at less cost to the State. Thank you very much.

Senator MORSE. Thank you very much, Senator Straub. We are very glad to have your very clear and forceful statement, giving us your position on this very controversial issue. In fact, you made me feel very much at home. I thought we were conducting a hearing back in the Senate or, for that matter, just a Senate debate. Thank you very much, Senator.

Senator Straub is our last witness for the morning session. I have only two announcements to make. I have been handed a letter from Mr. Kenneth B. Horton, who sets forth some of the problems that he is having in finding a job as an aged person. Luckily, we have Mr. Ziegler of the Oregon Bureau of Labor as a witness, who has already testified, and I would urge Mr. Reidy to see if he can get Mr. Horton and Mr. Ziegler together before the day is over to see what can be worked out.

This afternoon, we will reconvene at 2 p.m. We have three more witnesses before we start our so-called town hall for senior citizens. I want to say this before we adjourn in regard to the town hall meeting. Our program will be, after we have finished with our scheduled witnesses, to permit anyone in the audience to come to the microphone, state his or her name, and present their point of view for 4 or 5 minutes. It is going to be necessary for the chairman to limit the time, but the same ruling of the Chair applies to the participants in the senior citizens town hall meeting. You will be allowed 30 days to file with the committee any supplement to your statement, or, if you do not testify at all, you will be allowed 30 days to file a written statement with this committee. I shall assure you that it will be made a part of the official record, and the only reservation will be that we will have a policy of going over the printed statements to make certain that no objectionable material is included in any written statement, and when I refer to objectionable material, that does not refer at all to opinions in regard to the subject matter, but only to make certain that any matter of libel or any other objectionable statements of that nature do not get into official Government documents.

With that announcement, we shall recess until 2 p.m.

(Whereupon, at 11:55 a.m., the subcommittee recessed until 2 p.m., of the same day.)

AFTERNOON SESSION

Senator MORSE (presiding). The hearing will come to order.

Our first witness this afternoon will be Dr. Guy Benton Johnson, Jr. Dr. Johnson is a native of North Carolina. He graduated from the University of North Carolina in 1947; took the M.A. degree from Harvard University in 1953, and the Ph. D. from Harvard in 1954; enlisted in the U.S. Army from November 4, 1953, until August 22, 1955, serving as social work specialist, neuropsychiatric service, U.S. Army Hospital, Fort Benning, Ga. Dr. Johnson is assistant profes-

sor of sociology, University of Oregon, and he has been at the University of Oregon since 1957. He has been a member of the Oregon Conference on Social Welfare since 1957; was a member of the State program planning committee, 1958; elected vice president of the west-central district, 1959; elected president of the west-central district, 1960; member of the State executive board since 1960.

Dr. Johnson, I am very happy to invite you to the witness stand. I invite you, may I say, with rather fond memories of my association on the University of Oregon faculty. So, I will call you colleague. You may proceed in your own way.

STATEMENT OF GUY BENTON JOHNSON, JR., PRESIDENT, WEST-CENTRAL DISTRICT, OREGON CONFERENCE ON SOCIAL WELFARE, EUGENE

Dr. JOHNSON. Thank you, Senator Morse. I won't take very much time because I know everybody is waiting to hear the senior citizens testify in their own behalf.

I am speaking on behalf of the West-Central District of the Oregon State Conference on Social Welfare. This is an organization made up of lay and professional people interested in welfare in Oregon. It has been in existence under one name or other for over 40 years. The west-central district includes Lane County and all counties to the south and west of here, but, because of the great distances in Oregon, this statement represents the views of a committee that was gotten together from Eugene and Springfield citizens.

Now, we have made no attempt to be exhaustive or thorough. The committee of the west-central executive board, as organized, represents and is made up of people who have specific interests and specific competences in the area of welfare, and they simply brought together their ideas and their experiences in a few areas that they think are of great importance. We have a number of recommendations to make.

The statement, which we have already filed, goes into more detail than I will. We think that the problem of aging should be seen in the proper perspective. We have always had a problem of the aging, but, owing to rapid social changes in the last 50 years, this problem has grown more acute. Today, the problem of aging is one facet of a whole host of social problems that we see emerging: problems of juvenile delinquency, problems of crime, and this sort of thing, are all part and parcel of the general trend toward urbanization and specialization, and the upgrading of science and technology that we have seen in our last generation or two.

We would also generally recommend that the needs of people, whether they be old or young, be seen as human needs, that individuals be seen as people, rather than as categories, or depersonalized objects with specific ailments. A human being is a whole person. Sometimes it seems that social policy and legislation loses sight of this, if not in spirit, at least in consequence, by the so-called magic age categories of eligibility for assistance. So, in general, we recommend that people be seen as people with needs.

We also have a number of more specific recommendations to make. First, there seems to be some need for bringing together the vast amount of information which is being collected by private and public

agencies with regard to the aging. This morning, it was Dr. Nicholson, I believe, who recommended that certain census material be made available. Senator Morse said that steps are being taken to make available census information that is ordinarily not published with regard to the aged, and I suppose with regard to other problems, too. We need more information. We need to know, for example, just how extensive the medical problem is of the aged. In this and other cases, there are people or organizations with specific axes to grind, who would like us to believe that the situation is one way or the other. Responsible people, I think, want to know what the facts really are. They want to be able to have access to reliable information. This kind of information can best be provided by people who are objective, impartial, and neutral.

Second, there seems to be some need for a kind of old people's equivalent to the children's bureau. For years, the children's bureau has had publications and study services available. It has had traveling counselors, field representatives, who have gone into local communities and offered information and services in local programs. For years, I think, we have recognized that children, being the promise of our Nation, should be cared for with special solicitude. Perhaps we should regard old people, having faithfully served the community, as equally worthy of such solicitous treatment.

Third, we have been concerned about the frequent inability of an incompetent person, who might qualify for assistance, to meet the eligibility requirements simply because there is no guardian available. The law specifies that some responsible person is needed to make application. Oftentimes, if the individual is defined, for one reason or other, as irresponsible, he simply goes without aid because no guardian is available. The stumbling block is often the necessary legal fee necessary for this. Some States have worked out in one way or another the problem of these legal fees for guardians.

We recommend that some means of making guardians more easily available to the incompetent be adopted. One way to accomplish this would be to authorize the expenditure of Federal funds for the guardian fees.

Next, a very specific matter concerns the problem of residence requirements for assistance. Now, there are certain Federal policies regarding the maximum number of years that States may require that a person reside within its borders before being eligible to receive public help. Now, some few States have no residence requirements at all, but most States do, and, in general, there has been the tendency for the States to tighten up, rather than to relax the requirements. This presents some very real problems. Quite well meaning people, who might offer their labor services, for example, in another part of the country, would be deterred from doing so, because, owing to present residence requirements for assistance, they would be afraid they would be ineligible in a new State for assistance until they had lived there, for, say 5 years. This is a very important problem. People are deterred from visiting their children or friends, or other loved ones, simply because, if they leave the jurisdiction in which they legally reside and fall ill, they may be in a very hard way indeed.

Fifth, we need more low-cost public housing. Now, some real attempts have been made to make a dent in this problem of low-cost

housing. It has been estimated that approximately a fourth of Lane County's elderly families have incomes that would qualify them for this type of housing. There has been some low-cost building in this area. The McKenzie Village, for example, has been built, I believe, in Springfield, but I understand that there are far more applications that have been filed for the new units that are contemplated than there are units which will be available. In other words, we have only scratched the surface of the housing problem.

The problem of housing for the more affluent elderly citizen is not very serious. As we know from reading the newspaper, there is a new semiluxury housing development planned for the elderly. This is the kind of development which many people cannot take advantage of.

We also recommend that low-cost housing for the elderly be placed near shopping and medical facilities, and that the houses be equipped with safety devices. Sometimes this is overlooked. To do so is a matter of false economy.

We think that there is still need for more nursing homes. There are 472 licensed beds in Lane County now, but there apparently is need for more.

While on this subject, I shall report that we feel very strongly that we need to get away from the concept of the nursing home as a place where people go for terminal care, or where people are sent simply because they are a source of embarrassment to the younger members of the family. The nursing home could also serve as a type of mid-way house function, a convalescent home between the hospital stay and the return to more independent living conditions. Furthermore, we believe that the nursing home should stress not custodial care alone, but should stress rehabilitation.

Finally, we think there should be more homes for the aged, in general. There are 3 licensed homes in Lane County, as of now, with 59 beds. Homes for the aged should, again, include a comprehensive program for rehabilitation, recreation, and stimulation for the old people, rather than a place for people to sit on the front porch and wait for the end to come.

Senator Morse, this is the sum total of our testimony.

Senator MORSE. It is very helpful to me, and I think I will take a little greater liberty with you than I would with any witness, and I am going to assign you, as I say, as a student in my seminar, a little term paper for some additional information that your statement today causes me to want. I think you are in a fine position to give us some supplementary material, and I shall ask for it.

Dr. JOHNSON. I shall be glad to give it to you.

(The prepared statement of Dr. Johnson follows:)

PREPARED STATEMENT OF GUY BENTON JOHNSON

WHO WE ARE

I am testifying as the president of the West-Central District of the Oregon Conference on Social Welfare. The Oregon conference is a group made up of individuals representing themselves or organizations banded together by an interest in the need for social services in Oregon. This organization has been active in the State during most of the years of this century. It has chapters in Portland, Salem, and Eugene, and membership spread over the entire State. In this testimony I speak for the Eugene chapter only.

Active membership in the West-Central District of the Oregon Conference, in addition to lay members, includes the professional staff of most of the major social agencies both public and private in Lane County, plus several in Douglas County. This testimony is the result of the pooled experiences of several members whose primary personal concern or whose professional work is with the aged. These people constituted the special committee which the west-central district established to prepare this statement. My testimony will be based primarily on the experience of these people rather than on my own professional experience, which has been in other fields.

SOME GENERAL CONSIDERATIONS

To begin with, I think it is fair and honest to state that we do not know the full extent or nature of the problems of the aging, or how to solve them—and we doubt that anyone else does. We see bold statements on the subject. We come across bits and pieces of information about attempts to define these problems and to deal with them elsewhere. We have our own local experiences and views to guide us. But we badly feel the need of an effective clearinghouse to bring combined experiences of the country together in forms more effective than any we have yet seen.

Our State has taken what we feel to be a very forward-looking move in establishing a State council on aging. This was done well before the recent White House Conference on Aging was authorized by Congress. We know that the State of Iowa is working vigorously to define and deal with its problems, as are groups in other States. The efforts of the special staff on aging of the Department of Health, Education, and Welfare have been gratifying.

We feel, however, that a more formal centering agency, nationally, would be desirable. Our members are familiar with the study and publication service of the children's bureau. In this county we have made good use of traveling children's bureau counselors. We believe that a Federal activity similar to this on a continuing basis would be a very desirable thing to develop.

It seems to us that the problems faced by the elderly, insofar as they are different from those faced by old people throughout the course of history, spring from the same source as do the problems of modern youth. The source of our peculiarly modern problems in our urban, industrial, scientifically and technologically advanced society. Yet many people still attempt to deal with these problems by applying techniques and attitudes appropriate to a rural society that has long since vanished.

Perhaps the time has come when we should pause and take a look at the total picture of welfare needs from birth to death, in the light of our recent and continuing urban-industrial-scientific revolution. We feel that all too often an individual with problems is treated as an assembly of independent parts as he passes from age category to age category or from one eligibility status to another. We think that a general review of law should be made to determine the wisdom of "magic age" categories as they are now used to determine the rights of individuals. Too often we find the members of our organization who work with public welfare and public health laws frustrated in their efforts by an artificial barrier set up in State or Federal law which allows or disallows service when an anniversary has been attained, not before or after. We recommend, therefore, that Congress give attention to the individual as a whole person with problems, and that eligibility to receive aid be placed more firmly on a need basis.

We have, in addition, a number of more specific recommendations to make.

THE PROBLEM OF GUARDIANSHIP

Financial assistance provided by the Federal Government for its needy citizens can be denied in cases where there is no "responsible" person to apply for this assistance. The Federal law requires that a guardian or conservator be appointed to make application if the recipient is unable to do so. Necessary legal fees are often the stumbling block to fulfilling this requirement. Consequently, the opportunity to use available aid may be completely lost. In order that the incompetent adult may have social, medical, legal, and financial protection, establishment of guardianship for the increasing numbers of such people must be made less costly and less cumbersome. We specifically recommend that some means be adopted whereby guardians can be made easily available to any incompetent adult who is eligible for assistance. One way of achieving this goal would be to permit the use of State and Federal funds to pay legal fees where no other resources are available.

RESIDENCE REQUIREMENTS

The residence requirements imposed by States deprive many people of assistance which should be available to all Americans in need. Such laws are hangovers from Elizabethan England and are a source of difficulty and misery in our mobile society. Although a handful of States have no residence requirements for assistance, most do have. Moreover, for several years there has been a trend toward tightening rather than relaxing such requirements.

A few examples will illustrate the social and personal harm which these laws do. An elderly person receiving assistance from one State may wish to visit his family in another State. If he becomes ill while visiting he may find that his own State will not pay his medical costs out of State, nor will the State in which he is visiting pay medical care for someone who receives assistance in another State. Again, because of family ties it may be advisable for an elderly person to change residence. This may be relatively easy if the State from which he is moving will continue his grant until he establishes residence in the new State. On the other hand, his own State may be able to continue assistance for only 1 year whereas it will take 5 years to establish residence in the new State. Similarly, moves for good and sound medical reasons may be denied elderly persons. It may also happen that an aging person will prefer to remain in one State in relative idleness rather than move to an area of job opportunities simply because he does not want to run the risk of ineligibility for assistance should misfortune befall him in the new State.

We strongly recommend that residence requirements be discontinued on both State and Federal levels.

PROBLEMS OF HOUSING

We believe that all aging people, regardless of race, creed, or national origin, should be adequately housed in a suitable neighborhood of their choice and supplied with community services and facilities at rents they can afford. We further believe that the aging have special needs as to their housing; accessibility to transportation, friends, relatives, and neighborhood stores; nearness to medical care. It is vital to meet these needs if we are to help older persons remain in the mainstream of life. Safety factors in the home itself are a prime consideration in living arrangements for the elderly.

We feel that there is a great need in the Eugene-Springfield area for low-cost public housing. About one-fourth of Lane County's elderly families have incomes which qualify them for this type of housing. The recently opened McKenzie Village project in Springfield is an excellent beginning, but it has filled only a small part of the need in this area. Although 120 apartments in this project are available for those over 65, 183 persons over 65 have already applied for the 22 additional units being planned for the project.

In Lane County, just as all over the United States, many older persons cannot live alone or with their spouses in independent housing units. They are widowed, beset with chronic illness, or just too feeble to meet their daily living needs or to care for themselves. For some, nursing care is a necessity. We have 472 licensed nursing home beds, and 1 new 77-bed home is under construction at this time. At present, most of our nursing home beds are full, and several have long waiting lists. We are quite aware of the currently prevailing concept that nursing homes provide terminal care, or are handy places for the aged parent whose presence in the family home troubles or embarrasses the younger members of the family. However, we believe that nursing homes can be rehabilitative and creative homes—midway houses between the hospital and the private home. We heartily recommend that nursing homes be offered every encouragement and assistance in order to provide rehabilitation to the fullest extent possible for each individual patient. A very real need in Lane County is for homes for the aged. We have 3 licensed homes providing beds for 59 persons. As our population ages, more and more of us will seek some kind of group care situation, one not confined to illness, but still one which provides care, security, and protection, helping to alleviate the loneliness which will come to many.

Living arrangements for all persons must take into account individual differences and individual preferences. Each local community ought to be able to provide housing to meet the changing needs of its citizens as they mature and as they grow old. Our communities should be able to accommodate the full

cycle of life—from the young single person living alone and making a living for the first time, to the married couple with young children, to the elderly couple with the special needs of retirement, to the single surviving spouse and the nursing home patient. Those most in need of adequate housing are often the least able to secure it. Help at all levels of government is needed to supplement the efforts of local groups and to increase public awareness of the need.

Senator MORSE. We are very happy to have Congressman Durno with us now. He is working in this field on the House side. I am always delighted, as we go about the country, especially in Senate hearings, to have the House join us, and I want you to feel perfectly free, Congressman Durno, to make any contribution this afternoon in our discussion that you care to.

Our next witness will be Dr. Evans. Dr. Evans is engaged in private practice of clinical psychology in Portland; is president of the Oregon chapter of the National Rehabilitation Association. Dr. Evans, you have favored this committee by coming, and we are very glad to have you.

STATEMENT OF DR. IDELLA M. EVANS, PRESIDENT, OREGON CHAPTER, NATIONAL REHABILITATION ASSOCIATION, PORTLAND

Dr. EVANS. Senator Morse, members of the committee, and ladies and gentlemen, I am a clinical psychologist at Portland and here represent the Oregon chapter of the National Rehabilitation Association.

The National Rehabilitation Association is a voluntary nonprofit association of some 17,000 members. The Oregon chapter has approximately 150 members, individual and organizational members, most of whom have a professional interest in rehabilitation, including physicians, counselors, psychologists, nurses, social workers, therapists, and educators. I sincerely appreciate the opportunity to present here the views of the Oregon chapter of the National Rehabilitation Association.

The interest of our association is in the rehabilitation of all physically or mentally impaired persons, without regard to age or category of disability. Our attention has been drawn to the fact that, with the increasing life span, we are rapidly enlarging that proportion of our population in the 45- to 65-year-age group, and we cannot ignore the implications of this situation in a world so rapidly advancing in terms of technological developments and automation. On the basis of population trends, it is predicted that our present total of approximately 13 million disabled senior citizens will be at least doubled within the next 25 years.

It is unfortunate that our acceptance of aging has not kept pace with the advance of our society. After several decades of White House Conferences on Children and Youth, which have proven their effectiveness in dealing with the problems of children and youth, we have finally held the first White House Conference on Aging in the history of our country in January of this year. It is significant that the section on rehabilitation at the White House Conference on Aging emphasized the concept of a cooperative responsibility of community, State and Nation. A Federal grant-in-aid program is considered essential to provide rehabilitation services that would lead to independent living. The benefits from these services would extend not only to the disabled persons alone, but to their families and to society as a whole.

Under existing laws, we have established rehabilitation services for the disabled with eligibility for these services determined by the professional prediction for those persons that they will result in remunerative employment. We are now seeking to extend rehabilitation services to persons who may not be expected to become employable, but who can reasonably expect to achieve such ability as independent living, so as to eliminate or substantially reduce the burden of their care. Rehabilitation services for independent living means counseling, psychological and related services, physical restoration and related services, including corrective surgery, therapeutic treatment, hospitalization, needed prosthetic appliances, mobility, and other devices, personal adjustment services, and followup services. These services are not new, but are limited to people who are potentially capable of financial independence as a result of vocational rehabilitation. This limitation causes many people to be disqualified as unfeasible under the present law.

I would like to give some examples of what independent living rehabilitation services may mean. For a blind person, independent living services might mean teaching the individual to read and write braille, or to travel in public without a guide. To a mentally retarded person, it might mean teaching him to dress himself, eat properly at the table, and perform some of the functions that would make him more acceptable to society. For the paraplegic, it may mean bowel- and bladder-control training; for the stroke victim, it may mean teaching him to speak again. For many senior citizens, it could mean individual and group therapy aimed toward helping them adjust psychologically and socially to their disabilities and infirmities, and giving them increased ability to live independently and with greater dignity.

One of the most interesting and surprising findings in the State of Washington, where the program of independent living rehabilitation has been in operation about 4 years, is that the economic gains to the community are quite substantial. They have found that many people in institutions, where their care costs from \$10 to \$30 a day, were able to be released and cared for in communities at much lower cost. They have also found it possible to reduce the home-care cost by developing independence, and thus releasing attendants, who were hired to care for them. One of the most significant findings has been that many of the people, who were rejected as not feasible for vocational rehabilitation services, but who were accepted into independent living rehabilitation programs, progressed to vocational training programs and were subsequently employed.

Many States and private agencies throughout the country have tried independent living rehabilitation programs. The results of such studies, both experimental and established, have proven their worth. It has been demonstrated in numerous pilot projects that service which will substantially reduce the extent of long-term dependency of disabled persons is not an expense but an economy.

We, in the Oregon chapter of the National Rehabilitation Association, wish to express our concern and lend our support to legislation which will provide independent living rehabilitation services to disabled adults of all ages. We urge your committee to take favorable action on House Resolution 3756, which provides the framework for a

complete program of rehabilitation services for handicapped adults. Thank you.

Senator MORSE. Dr. Evans, I am very glad to have your testimony. I am pleased and rather proud to be able to report to you that we have in the Senate a companion bill to H.R. 3756, which is the Hill-Morse bill. Senator Hill of Alabama and I introduced that bill in the Senate to accomplish the very laudatory objectives that you testified in support of here this afternoon. We will have hearings on that bill early in this next session of Congress. In describing our bill, and at the time that we introduced our bill—I think I can give it to you in a thumbnail sketch—we pointed out that independent living, about which you testified, means being able to stay in your own home with your own friends and family and your own things, which is so psychologically important in so many cases with people who need to be rehabilitated as you have testified here, instead of being put into a strange institution that very often to an individual brings along a lot of psychological disturbances and problems.

Of course, this goes to the point that I mentioned this morning. It goes to a matter of governmental and social philosophy as to how far in a self-governing society you and I and all the rest of the 180 million of us really have a responsibility of carrying out what I like to refer to as a social conscience in putting into practice these moral ideals and obligations that we claim to worship on Sundays. Here it seems to me we are seeking through the Hill-Morse bill in the Senate and the House bill that you referred to to translate into legislative action the great moral obligation that you heard me refer to so many times when I say that, after all, we do have a duty in our democracy to be our brother's keeper. In this system of self-government of ours, if it isn't based upon these great concepts of social justice, carrying out this obligation of being our brother's keeper, I think we have lost sight of the real meaning of democracy, and I want to say that I welcome this testimony, which is in support of this bill. I don't mean to say that this bill is not going to be confronted with a certain amount of opposition. However, I am always inclined to be optimistic, plus the fact that I don't know what the word "quit" means, and I think that we have a good chance at passing the House bill or the Senate bill, or a compromise bill, out of Congress in this next session, and I want to thank you very much for your testimony.

Our next witness will be Mrs. Irene M. Trippett, president of Emerald Empire Council for the Aging, of Eugene, who has been with the council for 3 years and has held several positions as a member of the council's board of directors. I want to say that during the noon recess Mrs. Trippett took me over to the bazaar that the aged of this community are putting on. I sincerely hope that we are going to be able to recess, and it looks as though with our list of witnesses that we will be able to recess, in time for some in this room to get over to that bazaar. I did a substantial amount of my Christmas shopping over there this morning, and you can't go to that bazaar and see what those elderly people have done in their workshop here without coming away from it a better person than when you went into it, and I want to publicly thank Mrs. Trippett for the opportunity she gave me to be there with her this noon. You may proceed in your own way.

**STATEMENT OF MRS. IRENE M. TRIPPETT, PRESIDENT, EMERALD
EMPIRE COUNCIL FOR AGING, EUGENE**

Mrs. TRIPPETT. It was a pleasure, indeed. Senator Morse, members of the committee, ladies and gentlemen, I come to you as the president of the Emerald Empire Council for the Aging, a group composed of representatives from civic and fraternal groups, retired groups, and interested individuals, banded together in central Lane County to study what has become known as the problems of the aging.

Our organization was incorporated under the laws of the State of Oregon in April 1958. It grew out of the concerns of a group of women who started a project of friendly visiting in local nursing homes. They were recognized as a force by a social worker who suggested that they study the problems of the elderly more deeply. From this nucleus grew a study group which, after many months, created the council as a vehicle for examining the problems of aging in the broadest sense, and to develop local programs to deal with them.

After more than 4 years of organized concern with the problems of aging, we find more and more some of our first thoughts on the subjects of recreation, health, education, and employment, and housing, to be reinforced and enlarged. We realize the need to reorient and make rational our attitudes toward the process of aging. We see too much thinking based on chronological age. Formerly, in a predominantly rural agricultural economy, older people fitted in with relative ease, but now, in an urban and increasingly industrialized Nation, it is harder for them to keep or to find an acceptable and suitable place in the family and community.

The Emerald Empire Council for the Aging is a nonprofit, non-partisan group, not affiliated with any other State or national organization. We work closely with the Oregon State Council on Aging and appreciate their help and encouragement. We have also profited from field contacts and materials prepared by the Special Staff on Aging, Department of Health, Education, and Welfare of the United States. We feel strongly that retirement should be a change, not a cessation of activity. Too often, we see apparently healthy, able-bodied persons at retirement shunted aside into an isolation, which is wasteful of their interests and abilities and corrosive of their health and personalities. If we are to grow old to greater ages and in greater numbers and still remain healthy as a nation, we must learn to offer our elderly people a more useful and meaningful place in our communities than is available to many today.

In recreation, one of our proudest accomplishments to this date is the sponsorship of the senior activity center, of which Senator Morse spoke. In October 1958, the center was organized under the direction and supervision of the Emerald Empire Council. Before we organized, several excellent golden age clubs had come into being in this area. We saw that their field of interest was primarily social. There was, however, a very apparent need for an activity center. The council's purpose in setting up the center was to provide a place where older people could learn new skills, develop new fields of interest, practice crafts and hobbies, and participate in community services for needy persons. Crafts presently available are copper tooling, weaving, woodworking, mosaics, sewing, and quilting. We are especially proud of the 11 people who have won recognition at the

Lane County Fairs for their artistry in skills developed at the center. Center members have provided quilts, layettes, clothing, and food for needy welfare recipients and, since January 1961, they have contributed more than 850 hours of volunteer community services in the various health drives, toys for tots, rabies clinic, repairs and additions to the Monroe Recreation Center and other projects. There are approximately 150 members of the senior activity center. The attendance at the twice weekly sessions varies from 65 to 90.

Although the senior activity center is sponsored by the Emerald Empire Council for the Aging, it is a self-governing body. The center members elect a board of nine directors. The president of this board is automatically a member of the Board of Directors of the Emerald Empire Council for the Aging. Two representatives from the council serve as advisers to the center board. The center is supported by donations, and by the sale of articles made at the center in the various crafts. An occasional cooked food sale and an annual bazaar also help maintain the center's supplies of craft materials and articles contributed to needy persons.

We feel that our center has provided a satisfying outlet for self-expression and activity, and we note that for many persons physical and mental health has improved and the individual capacity for self-care has increased.

In health, the homemakers study group was first organized in the fall of 1960. Our purpose was: (1) to study the many kinds of homemaker service agencies in the United States; (2) to determine if there was a need for this service in the Eugene area; and (3) to formulate a workable plan for a homemaker service in Eugene. Homemakers service would hasten convalescence of our aged, if, after a hospitalized illness, they could return to their own homes, instead of a nursing home. It would help to keep couples at home together instead of transplanting them to an institution. At the present time, our committee is taking this project to the community by accepting speaking engagements and seeking contributions for a local community homemakers service. A board of seven directors is now being selected to further organize and administer this project.

Our council has been cooperating with the stroke rehabilitation project sponsored jointly by the Lane County Medical Society and the State board of health. This is an area in which professional services are needed, and lay groups can participate only in endorsing and publicizing such projects or in direct friendly services to patients. For the institutionalized aged, the council for the aging, Lane County Nursing Home Association, and Community Volunteer Office, have formed a committee to develop and encourage small, carefully prepared groups, or individuals, to offer imaginative and appropriate entertainment for the residents of nursing homes. This committee is in the process of seeking funds with which to carry on research in this area.

We have another problem. The problem of the senile older person without family or friends is becoming increasingly important as the lifespan lengthens. In Lane County, we have many old loggers and exmigrant workers who have contributed greatly to the growth of our economy, but have never put down roots of any kind. When this footloose transitory type of person becomes senile or confused, dis-

oriented and perhaps dangerous to himself, we have little to offer in the way of protective service. He may even be incompetent to avail himself of the services and financial security offered by the public welfare commission, or to protect his income from the exploitations of others. Our State hospital is justifiably loath to provide custodial care for the elderly whose only problem is that of senility, because their expensive facilities and trained personnel can do little to delay or prevent further mental deterioration. On the other hand, our community resources for custodial or domiciliary care are extremely limited. Nursing homes, as they are presently constituted, are placing increased emphasis on the short-term care and rehabilitation of the ill person.

Our council sincerely hopes that rehabilitation services can be extended beyond their present limitations, and that valuable rehabilitation services can be provided to elderly persons to enable them to care for themselves and remain in their own homes. We feel that money spent for this purpose could be saved in postponement of nursing home or hospital costs. We also feel that there is a great need for preventive medical care for older persons. Here, too, early expenditures of money to prevent or lessen chronic illness or disability would result in later savings through decreased need for nursing home care and drug expenditures.

Another health-related activity was a course on "Fitness for the Future," which was given to both council and center members by the Lane County Chapter, American Red Cross. This course proved so popular that it was repeated.

For some senile older persons guardianship may provide the security and protection needed. We find, however, that there is a lack of provision for someone to act as guardian for individuals who do not have relatives or friends able and willing to act for them, and for those elderly persons whose assets are not large enough to pay a disinterested person, on a percentage basis, to do the work the law requires, and to do it with sensitivity and skill. In many cases guardianship necessitates personal protection and care as well as legal and financial protection.

In Lane County, as in other parts of the United States, we are finding more and more couples approaching retirement age and retirement income, burdened with the physical care and financial responsibility of an 80- or 90-year-old parent. These couples often do not have funds to finance private care, nor the physical energy needed to provide 24-hour custodial or nursing care in their own homes. This is the family which comes to the social agency with reluctance and embarrassment, and often with tears, saying, "We just can't keep Mama any longer. She keeps us up all night with her wandering around the house, tries to kindle a fire in the electric oven at 4 a.m.—the neighbors and police bring her back because she gets lost two houses down the street—we can't keep up with the washing because she wets herself and her bed—what can we do?"

As a lay group, the council feels that more professional help and a great deal of research is needed to find answers to the problem of the individuals and families just described. We have no real knowledge of the extent of the problem in our county. We don't really know how adequate our nursing homes might be to handle these people.

This is related to the senile group. We wonder about the feasibility of another type of local institution, where the confessed elderly would be cared for by trained staff, using the newest methods, perhaps providing some counseling and placement, recreation appropriate for the limited abilities of the patients, and providing opportunities for the patient to resume or maintain acquaintance with the community.

In the field of education, perhaps the most important function of our council has been to inform the public of the needs of elderly persons, and of the services which are available or should be available to meet those needs. We have had in our area excellent cooperation from all media, newspaper, TV, and radio. One method used to bring about public awareness this past summer was the declaration this year of a Senior Citizen Week. This was proclaimed by the mayors of Eugene, Springfield, Junction City, Oakridge, Harrisburg, and Coburg. The week was climaxed by a senior citizens' picnic, at which time a Mr. and Mrs. Senior Citizen was chosen from candidates representing the various senior groups in this area. The selection of the winners was based on their activities within their group, church, and community. The entire picnic program was planned by representatives from the senior groups, golden age, retired, and other. We had a total attendance at this picnic of 400 people. Well-planned public relations programs, including all media by professionals, would help all groups working with and for our senior citizens. I might add that they might work in closer cooperation with the local people, so that we can take this directly to our local papers, radio, and TV.

In employment, the employment of elderly persons has been, as we have heard here, a problem for which we have found no answer. In the Eugene area, men of 45 and over are finding it difficult to obtain employment, and the retired person who wishes to supplement his retirement income is rarely able to find work. On the other hand, if we could find enough older women to take housekeeping jobs, we would be able to help more older people remain in their homes longer, by supplementing their income with this type of employment. Here again, we find a need for rehabilitation through professional persons.

On housing, the council for the aging endorsed and supported the Lane County low-cost housing project, and three members of our group served on the advisory committee. At the present time, we are investigating the need for apartment-type retirement homes in which services, such as medical care, counseling, and leisure time activities would be available.

The council feels strongly that older people are healthiest and happiest when they are not pushed aside in retirement, but remain active participants in the life of the local community. We also feel that existing community resources must be utilized to their fullest extent, and new resources and services must be developed within each local community to meet varying needs. Thank you.

Senator MORSE. Mrs. Trippett, I want to thank you very much for this testimony. I would like to have the record show that also during the noon recess Mrs. Trippett took the chairman of this committee and Miss McCamman to the Stroke Rehabilitation Center at the Sunset Home here in Eugene, which is rather singular.

I think, as I indicated this morning when Dr. Christenson and Dr. Hoover testified, great credit is due the Lane County Medical Society

for the service that it is rendering this community in regard to the Stroke Rehabilitation Center. When we got out there this noon, we found that, once a week, at 7:30 in the morning, representatives of the Lane County Medical Society meet and do their evaluation in regard to this project, and I am very proud of it. I am glad that the record that I take back to Washington will contain an account of this project from my own hometown and my State.

We have had supplied to us some material on the Sunset Home, and I am going to ask Miss McCamman to digest out of that a synopsis of the program on the Stroke Rehabilitation Center and make that a part of the official record.

(The material requested by Senator Morse follows:)

THE FOLLOWING DESCRIPTION OF SUNSET HOME, WHERE THE PROJECT IS CARRIED ON, HAS BEEN EXCERPTED FROM BROCHURES ISSUED BY THE HOME

Sunset Home is a nonprofit institution, organized by the Lutheran Church and serving all Christian faiths. Many of the residents it serves pay only part charges.

Sunset Home is located a short distance south from the University of Oregon and close to the Amazone Park.

The rambling type construction is on sloping grounds surrounded on three sides by hills where new homes are being built daily. All the rooms are on the first floor. To get from one elevation to the next there are slow inclines or ramps, stairways, and an elevator. Any person walking or in a wheelchair can move about freely through nearly 1 mile of inside corridors or over open-air sidewalks.

The first unit—nursing care only—began operating September 1, 1955. The second unit—ambulatory—was occupied on April 3, 1957. The last million dollar structure just finished has added another 135 residents. Each single room, double room or two room apartment is fully equipped with complete bath, large closets and individual heat control, and is decorated in a different color scheme.

At the head of each of the seven wings is a sunroom with a small kitchenette including a stove and refrigerator for afternoon coffee snacks. Besides the main lobby there are two large lounges, with comfortable and attractive furniture. From the informal lounge, large windows give an unobstructed view to the flower gardens, shuffleboards, and the hills in the distance. Outside the formal lounge is a large court or patio with a shelter area for tables and chairs.

The infirmary has some of the latest hospital equipment. Registered nurses are on duty 24 hours a day together with licensed practical nurses and nurses aids. The infirmary is equipped to feed intravenously, administer blood transfusions, oxygen, and many other medical services. The rooms are large and sunny with two private sun parlors. Corridors and open-air sidewalks join the ambulatory department and the infirmary.

Before I turn to the senior citizens town hall meeting phase of this hearing, I want to make this comment, too, about what I feel was developed at the hearings in Portland, which were devoted to nursing homes for the most part. I think the people here and the people in the State should be pleased to know that, comparatively speaking, the nursing home situation in the State of Oregon is far, far superior to the nursing home situation that exists in many other States. I think there are several reasons for it. I think one is that we have done a better job in Oregon legislatively in connection with our legislative requirements concerning nursing homes. I think we have had splendid cooperation from the State government officials and from the legislature in regard to the nursing home problems.

I think credit is also due the Nursing Home Association proprietors themselves for the cooperation that they have extended. As to one phase of the program, that does not extend to too many States, namely

the accreditation program, in the testimony on Monday, there were some comments suggesting some improvements in the standards at some of our homes. I put into the record a survey of nursing home problems in Oregon, which was supplied by a research done by Federal agencies and the research members of the staff of this committee. It shows a need for some improvement. No one claims perfection, but I am taking back to Washington in this record a statement of standards as a record of evidence of nursing home standards in the State of Oregon that I am going to be proud of. I think, when all is said and done, one of the basic reasons for low standards in nursing homes is an economic one. In this State, we have recognized to a higher degree than in many States the financial responsibility and obligation that all of us owe to the elderly in connection with public support for the welfare patients that are sent to nursing homes. The allotment that is allowed in Oregon is above the average, and I think that is to our State's credit.

As we heard in the hearings in Portland, we still have improvements to make in the economic field, too, but I don't think that you can escape the conclusion, when you look at the favorable reports that our record made in Portland in regard to our nursing home situation in Oregon, and I don't think you can escape the fact that the one reason the report is as good as it is, is because we have gone further in this State than the people in many other States in recognizing our economic obligations to the elderly who need the kind of care and service that nursing homes make available to them.

I have only one other thing I want to say, and I want to say it as a matter of report to you, and also as a matter of great pride. As the staff will recall, I went through one of the old people's homes in Portland, and they were living in a hotel, and most of those patients in that hotel, or a large percentage of them are welfare patients. The State provides \$101 per month assistance to the care of those elderly people. I was very fortunate, I feel, to be able to go through that home because I came away, I want to say, very, very deeply moved by what I considered to be the great dedicated public service that the operators of that hotel are rendering, not only to the people who live in the hotel, but to each one of us, because, if we could only grasp the conception that this isn't the problem of the elderly, that it isn't the problem of the medical profession, that it isn't the problem of just the workers in this field, but it is the problem of all of us and the responsibility and obligation of all of us. I had pretty much the feeling, when I came out of that hotel with the elderly people in Portland, that, after all, we hear so much that is sad, that we are constantly confronted with problems and problems, and yet it is reassuring to see that, after all, there is a great social conscience that is the common denominator for all of us, and we do rise to great heights on more occasions than sometimes we, the people, are given credit for rising to.

I do not mean to say that there aren't heights still to climb in this field, but I think and I pray and hope that it is through such hearings as this, such public discussions as this, that we can get our people to recognize that there are even greater obligations for them to perform. It is in that spirit that I now turn to the so-called town hall meeting phase of this hearing.

As I say, we now come to that part of our hearing which we call the town meeting of senior citizens. This provides an opportunity for the Congress to learn from the older people themselves, those with a personal knowledge of the problems which aging brings, which of those problems they believe to be important. From them, too, we hope to get suggestions and proposals as to how we can best attempt to solve these problems as legislators and as your legislative counsel.

Our committee is going to be hearing from senior citizens in every part of the United States. This is Oregon's opportunity. This is a time when I hope that every one of our older people who believes he has a suggestion to make will make it so that when the Congress reconvenes and studies these hearings, the views of the people of our fine State will be given equal weight with those of other people elsewhere.

Our procedure for conducting this part of the hearing will be as follows: We will ask those who want to address the subcommittee to come up to the microphone which you see in the front of the auditorium and begin by giving his or her name to the reporter so that we can get it down for our official printed record of hearings. In fairness to all those who want to speak, we will ask each individual not to talk for more than 4 or 5 minutes, but with the understanding that you have 30 days in which to supplement your testimony by submitting to this committee a written statement. Please talk directly into the microphone when you come to it.

In case there should be more people wanting to be heard than time permits, or in case there are some people here who would like us to have their views, but who for one reason or another don't care to speak out in public, you will find on the tables at the side of the room as you leave letterheads addressed to me, saying, "If I had had an opportunity to speak, this is what I would have said." Please take one of these letter heads, fill it out and add pages to it if you wish to say more than you can get on one page. You will also find franked envelopes, which do not require any stamps. Take one of those envelopes and a sheet or sheets of paper and let us have the benefit of your thinking because, as I say, I don't know any better way for us to gather the evidence and the points of view of the senior citizens of this land than for the Congress to make available to you this opportunity to testify in person.

Therefore, I welcome you to the hearing. I open the floor now to the first witness, and I call on the gentleman whose hand is raised right in front of me.

STATEMENT OF GROVER SLAYTER, EUGENE, OREG.

Mr. SLAYTER. My names is Grover Slayter, city of Eugene. I am State chairman of the United Social Security Organizations, which is affiliated with the National League of Senior Citizens with about a million members, and I have a little statement that I would like to read, Mr. Chairman.

Senator MORSE. Go right ahead.

Mr. SLAYTER. Thank you for this opportunity of speaking first. I have a little store out here in Eugene, and I locked it up in order to come to this meeting. What I have to say is just a general statement, and I will be as brief as I can.

I presume it is a good thing to hold meetings relative to the problems of the aged. There's no question about it. Many such meetings have been held at various times and at various places over the country, but, Mr. Chairman, after all has been said, and after all has been done, we may still have the problem with the aged with us and will continue, in my opinion, to have it until such a time as Congress is willing to enact laws that will grant to these aged the rights that they so truly deserve and that belong to them. What rights are they, we ask. The right to live in free America as free Americans, and not subject to the whims and wishes of a welfare setup that in very, very few cases actually have this problem at heart; the right to pay their own way with their own money, instead of having to depend on some agency to tell them how to spend it.

These people we are talking about, Mr. Chairman, are American citizens and should be treated as such, and not as if they were wards of the county or the State. You may say, "How can this be solved so easily?" Well, it can't be solved easily, Mr. Chairman, but the answer is well known to our Congress, and, for the sake of the record, I would repeat what I have to say about it here. If these elderly Americans were able to draw social security checks each and every month in a sum large enough that they might be able to pay their own way, hold up their own heads like other American citizens more fortunate, then they would take care of themselves to a great extent, and they would not be the problem that we are considering here today.

Mr. Chairman, every commodity you can name has risen in price in the past few years. Every piece of property has also followed the same pattern. Every rental establishment has had its rent upped and upped. Taxes have been almost doubled, and I could go on and on with innumerable subjects. However, when we come to our aged, we find the vast majority are still drawing the same old social security check they got years ago. Yes, there was a slight raise for some receiving small benefits, but, in most of those cases, we find the welfare departments in the various counties have taken this from these people by simply withholding an equal amount from their next welfare check.

Now, at this point, we hear the same old hue and cry. I have heard it for the past 25 years. So, Mr. Chairman, I have been in this fight since the enactment of the social security law. Yet the old cry is, "Where is the money coming from?" and that is a vital question, too. Well, we will raise taxes, and so on, and so on. Mr. Chairman, this record has been played so long it's about time to either turn it over and play the other side, or get a new record.

If only Congress would get as much concerned with the squandering of billions of dollars in an inexcusable waste in Government, something might get accomplished. We give aid and comfort to the enemy continually, and everyone here knows what I'm talking about for the papers are full of the aid to Communist countries by one means or another until it runs into the very billions. The taxpayers seem to be a little bit more concerned about a one-fourth-of-1-percent raise in social security taxes so that an elderly person might have a decent living than the much larger percentage necessary to feed our foreign enemies. If the Congress ever reaches the place in its meditations where as much concern can be given to our home folks as it now does to

foreign neighbors—and let me say right here that we do have a lot of Congressmen that are interested in this, and Senator Morse is certainly one of them—the big question of what they will do, or what they will continue to do about these committee talks to be held all over this Nation, they will realize that the elderly do not want a dole and all these folks ask for is a fair and decent break. A small, a very small raise in social security taxes would enable the Government to increase the social security benefits to the place where these, our people, could be on their own.

This is what they want, and this is what they should have, Mr. Chairman. I ask you in all fairness: Who has paid more taxes in this country than the elderly? And they are still paying and paying on every item they use with no relief in sight. The younger people will not object to paying a small increase in their social security taxes if it is explained to them that they are laying away for the future. If any man or woman could know, and I mean actually know, not like it is now, that, when they reach the age of retirement, they would get a substantial social security benefit check, that would be sufficient to keep them the rest of their days in at least a decent living condition, is there any reason to believe they would object to such a plan?

We buy insurance for this very purpose and strain ourselves to meet the monthly insurance policy payments. Well, why not pay it into the Government social security fund, which in itself is an insurance for old age. There are many figures by private firms and the Government itself to show any person must have at least from \$40 to \$50 a week to just meet their everyday expenses under our present economy, and yet we ask our elderly of this Nation, who are its backbone, to live on this much each month.

Mr. Chairman, the time has long passed that something should be done about this matter, not just talk, and let me hesitate here to say this: Senator Morse has been a strong, stanch proponent of more security for the aged for a long time, and I remember when he advocated a 25-percent increase when all others were proposing a mere dribble. That is a fact. The mere dribble would be more of an insult than an aid.

Mr. Chairman, I made one of the first, if not the first, Townsend talks in the State of Washington. At that time, the Government was retiring its mules at \$30 a month, with all expenses paid, free bed, free feed, and so forth. I remember telling my Townsend friends that the sad part of the whole deal was that they were born people instead of mules, and that is all. Now, I will finish by saying that the social security program is a wonderful thing and even its enemies now confess it works. I am for it, and the people are for it a hundred percent, but here is the rub, it is not getting the job done today under our present extremely high cost of everything that our social security recipients have to put up with.

Let's get down to brass tacks and really do something about it. If we can raise billions for other people and other nations without a whimper, let's quit whimpering about the small amount it would take to take care of our own folks right here in America. Thank you very much, Mr. Chairman.

SENATOR MORSE. Thank you very much, Mr. Slayter. I am very glad to have you make your statement for this record, and I am very glad that you found it possible to be with us.

For our next witness, we will take the gentleman with his hand up.

STATEMENT OF KENNETH HORTON, EUGENE, OREG.

Mr. HORTON. My name is Kenneth Horton, 2696 Portland Street, Eugene, Oreg. For 2 years, I was hospital chairman for the local chapter of Disabled American Veterans. As such, I have come into very close contact with the needs of not only the aging, that is to say, not over 65, but the ones who are getting past 50, and the ones who have been hospitalized for a nervous disorder of any sort, also those disabled veterans who served in peacetime and were suffering discrimination due to a differential in the amount of compensation they get.

Now, there are hundreds and perhaps thousands of skilled and semi-skilled persons who have reached their 50th birthday and find their age a barrier to employment. The hardest hit are the ones without a college degree. We read in the press and hear over the radio a constant clamor about the shortage of skilled technical personnel, and yet there are hundreds of persons who have learned needed skills the hard way without the benefit of a formal education. If the alleged shortage really does exist, why have these people been put out to pasture? Why does age play such a large part in determining a person's eligibility for a job? Is it possible that the biggest offenders in this matter are the insurance companies?

My second point, this week has been declared Employ the Handicapped Week. The public interpretation of this campaign seems to be to employ the physically handicapped, but ignore and even force out of the picture entirely one who has had a nervous disorder. The State and Federal institutions for treatment of those suffering from nerves and emotional disturbances have a large number of patients, who are well enough to leave if they had a job and home to go to, but because of public apathy toward these people, it is better that they stay in the institutions. Wouldn't it be better to convert them from tax consumers to taxpayers?

In speaking of peacetime disabled veterans, the compensation rate for our disabilities is only 80 percent of that paid for a wartime disability, even if the circumstances that cause the disabilities are identical except for dates, and, furthermore, we are not eligible for any benefits, educational or otherwise, under the GI bill and the GI loans, and again there is a lack of coordination between Federal and State policies on such things as civil service and public employment office facilities due to a conflict on the question of dates of service. For instance, Federal civil service allows preference for peacetime veterans who served in a campaign or who have a compensable disability, while Oregon State civil service confines preference to war service. Why the difference? Thank you.

Senator MORSE. Thank you very much, Mr. Horton. I am glad to have your statement too. The next witness will be the lady right in front of me.

STATEMENT OF MRS. GLADYS SHARON, VENETA, OREG.

Mrs. SHARON. Senator Morse and Mr. Chairman, committee members, I am Mrs. Gladys Sharon of Veneta, Oreg. I represent the Oregon Social Security League who support the National League of Senior Citizens.

I have been organizing all over the State of Oregon, and I imagine I have talked to probably 10,000 people in their homes, and I have seen our senior citizens in their homes. I know what their problems are. They tell me their problems, and in some cases it is very, very bad.

As a social security league, we advocate the purpose of our organization. We are organized to impress Congress through our numerical strength that social security is inadequate and revisions are needed to keep pace with the rising costs of living, property tax, medical care, and drugs. I have talked with approximately, as I said before, 10,000 people between the ages of 50 to 75 years old for the past 2 years. Persons on social security are approximately 60 percent of the people over 65, and trying to exist on a thousand dollars a year and on down are in an economic squeeze as never before.

It is too bad when persons, who in these circumstances are forced to go to county welfare and be put to a means test beyond their desire or wish in order to exist. The Kerr-Mills bill or medical care for the aged just put in operation in Oregon on November 1 is inadequate, and people, whom I have talked with in my organizational work, say to me, "We don't have the first \$50 or the first \$75," and this is so little coverage. Why should we have to go to welfare?

As a little old schoolteacher in McMinnville, Oreg., said, when she went to see about MAA, and she was put to a test to see what she had, and when they told her that she would have to sign over her small teacher's insurance policy, she refused the MAA. In other words, we advocate passage of a medical bill, the King-Anderson bill, to the social security system. Thank you very much.

Senator MORSE. Mrs. Sharon, I am the one to extend the thanks. I thank you very much for your statement.

Mrs. SHARON. May I have one more word? When I go to Portland, I stay at the Carlton Hotel. Mrs. Whitney and I are very good friends, and she is back of the things that we advocate. I will say that, when I sit in the back of the Carlton dining room and see the sea of elderly people living in dignity and decency, it's too bad that we can't have more people like Mrs. Whitney.

Senator MORSE. I am sure she will appreciate that statement. May we have our next witness?

STATEMENT OF CLARK LANDAKER, EUGENE

Mr. LANDAKER. Mr. Chairman, I am Clark Landaker of Eugene, 1959 East 17th. I intend to submit later a brief on two points. So, all I can do is just outline them.

Senator MORSE. We will be glad to have the brief later.

Mr. LANDAKER. The first point is that an older or a younger person, who has income of less than \$1,000 a year, when he makes improvements on his home, which happens to be a standard dwelling, the provision should be that his property would not be raised in assessment for at least 3 or 4 years, to at least give him a chance to pay for it.

The second point is that consideration should be given to the possibility of having the State negotiate, either the welfare or insurance commission, negotiate with the insurance companies to keep their insurance, as much as they have had built up, that is, if they had a policy at least 10 years or more, that the company would reduce the payment

of the premium and the State would pay the other part, and when the individual died, that is, in the case of life insurance, the welfare commission or the agency who was taking care of it would take out of that insurance the amount that they charged to him for his care, and then the rest of the policy, if there was enough, could then return to the beneficiary to which it was issued. If we could have something of that kind, it also fits in with your income saving, because the individual would then be paid for what he had already built up, but he loses every bit of the insurance. He is allowed, I believe, \$500 out of a \$10,000 policy if he has a \$2,000 policy or even a \$1,000 policy, he has to give up \$500 of that, and also he is allowed to keep income of a certain amount. I think it's \$250. If he has, say, \$1,200 in liquid assets, and he knew that he would lose that income and those liquid assets in the beginning, that is, during the next 12 months, on account of taxes, groceries, insurance policies and so forth, he is not allowed a chance to have the assistance that he might need.

I presented that to the Council for the Aging, and I believe it was set before the White House Conference, and they took it up. I don't know whether it was ever considered or not.

So, those are the points that I am going to address the committee on in the next 30 days, and possibly some other ideas too that will go in there.

Senator MORSE. Mr. Landaker, thank you very much. I want you to supplement your views. You made one point in your discussion that caused this Irish lawyer of mine here to my right, who, as I said this morning, I had worked with a good many years, to make this not too facetious comment to me. He says, "Senator, you know the English ruined us Irishmen by increasing our taxes every time we put a window in our homes, or improved the roof over our heads." He said that maybe in America we should put a stop to that by seeing to it that the taxes aren't increased for the old people who improve their homes. I think your comment caused our good Irish friend here to give us this little reference to past history. There have been various discussions in the Congress in regard to what would be fair and right and also constitutional in regard to various forms of tax relief for certain assistance to the elderly. They have not reached the stage yet of any legislative proposal, but I will look forward to receiving your brief.

There was one comment made earlier I think by Mr. Slayter or maybe it was Mrs. Sharon—I guess it was Mr. Slayter—in regard to what we have found in some other States, that the slight increase in social security benefits, passed by the recent Congress, did in some States result in a corresponding reduction in State benefits. Well, it is pretty difficult to handle because both governments act within their sovereign right, the States and the Federal Governments, and yet I respectfully submit that we ought to try to work out some understanding with the States, that, if, as and when social security benefits are increased to meet the increased needs for the elderly of the country, there shouldn't be a form of State penalty imposed by a reduction in the State welfare allowances. I just don't think that's right, and yet there isn't anything that we at the Congress can do about it, because that falls within the prerogative, of course, of the States, but I do hope that maybe through our Federal-State conferences and our Governors'

conferences, and in our various relationships with the States, that we can work out some understanding so that that kind of criticism will not be made.

I am glad, of course, that it was brought out in this hearing this afternoon because it certainly is something that we need to take a look at. Our next witness?

STATEMENT OF FRANCIS COON, STATE PRESIDENT, SOCIAL SECURITY CLUBS, INC., PHILOMATH, OREG.

Mr. COON. I just got out of bed; having had a severe hemorrhage. I speak in behalf of the aged from personal experience, by contact. I am not going to say anything about generalities, taxes, and so on, because I think those things are well understood and well known by all of us.

When Senator Morse spoke of his Irish friend there, I would like to say to his Irish friend that I spent many months in Ireland, all pleasantly.

I am going to talk for a minute on a special case that I contacted not long ago. I was called upon to go to Salem with him to a hearing at Social Security, and I have these cases come to me as numerous as 12 a week, and I find great pleasure in working for and with these people, in trying to establish the benefits of social security, or place them in a position where they can gain the knowledge of the administration itself, which will benefit them in obtaining their rightful amount that they are entitled to.

Senator MORSE. Mr. Witness, do you mind if I interrupt you for just a moment? I think the audience would like to have you identified for the record, so they will know of the work in which you are engaging. Will you give your name?

Mr. COON. I am Francis Coon. My address is Box 115, Philomath, Oreg., and I am the State president of the Social Security Clubs of Oregon, Inc. I am interested in different veterans organizations. I work in welfare a great deal voluntarily, and that is my hobby as I am a disabled veteran, unable to follow a substantially gainful occupation, but I can make a general nuisance out of myself in many cases through this effort.

It is always a pleasure indeed to meet with Senator Morse and thank him for the many kind letters that I have received from him and the correspondence that I have had with him has always been pleasant in point indeed.

This case that I wish to refer to, and this is only one of many, I was called upon to go to Salem with them after they had been turned down on a disability after an examination by two doctors which pronounced the individual unable to follow a substantially gainful occupation. When I went in, I asked who it was who turned him down. We were informed that it was a doctor. I then said that, as long as they had doctors in the Social Security Administration, that I demanded that he be allowed to go before the doctor for a physical examination. Such was refused there that day, but they did appoint two doctors in Corvallis, Oreg., Dr. Baker being one of them, and I couldn't tell you now who the other doctor was, who, representing the Social Security Administration, wrote exactly the same type of

information that was given by the two previous doctors, his own family doctors.

A hearing was called for. I asked him to call for a hearing, and I went over to Salem to this hearing. The individual, who was at the hearing, was a lawyer and his secretary. The lawyer's purpose, of course, was to interpret the law, as to whether Social Security should be allowed or not, but he should not be allowed—and I make this statement so that there might be a correction—he should not be allowed to interpret those statements, the physical statements of a doctor. The man was then again turned down, and one of the statements that was incorporated in the report that went to Baltimore was that the man didn't have sideview mirrors on his car, when the record proved to the contrary and there was no such statement made in the hearing. The disability was in the five upper vertebrae, and the purpose of putting such a report into the statement was that he was able to turn his head and look back. The record shows that the car was bought with sideview mirrors, and the man to this day has not received that disability allowance, which he should have been entitled to upon a doctor's statement.

I could go on talking at length, but this individual case was only representative of the many cases that I have run into. There are not so many of them; in fact, they are in the minority greatly where such injustice is evident, but there are isolated cases of this type where there should be legislation which would stop the interpretation of a doctor's statement by an attorney alone. I don't believe that this should be allowed.

I speak too as an individual who has a brother that has factories in nine foreign countries. That is no credit to me. They are his. Their social problems in those countries are in some cases similar to our own, but where the benefits, particularly in Sweden, and when I asked him in his travels where in his opinion was the type of social program the best that he contacted, he immediately said Sweden. Now, that is something to think about in a country where the inhabitants are many times what ours is per square mile, yet the social problem is not as chronic there as it is here.

As a representative of the organization that I am speaking for and representing here today, it is our recommendation, Mr. Chairman, that a more adequate social security be paid, particularly to those in the low brackets of social security, and I run into many cases of \$60 a month, who are paying taxes, and they won't supplement it by welfare because, in so doing, they come under the relative responsibility law, and they don't want to leave their property with a mortgage. They want to leave it to help educate their grandchildren, and it is our recommendation that a more adequate medical care be given to the aged through social security, and a greater social security be paid to those particularly on the minimum that they might be brought to that of the maximum.

I think that we are perfectly able to pay it, and the circulation of the dollar would be far more of a stimulation if it was given to the aged here to be spent. It would be far more of a stimulation to our local economy than it would if it was given to a foreign country, where it is spent without any dollar profit being of any benefit to the local businessmen in our own communities. Thank you very much.

Senator MORSE. Thank you very much, Mr. Coon. I am very glad to have your testimony. I am going to ask you to confer after the hearing briefly with Miss McCamman because I would like to have you identify for her this particular social security case that you mentioned. Then I am going to ask her to run it down for me so that I will have a memorandum on it and find out what the point of view of the Social Security Administration is in regard to that particular case.

As I told the group this morning, I find that each year I receive more mail on social security problems than on any other subject that I receive mail on, and, of course, all of us in the delegation, Congressman Durno and every other member of the delegation, do the best we can, when you have social security complaints, to take those individual cases and find out from the Social Security Administration, both State and National, what the facts are, and what can be done to correct an injustice, if the facts show an injustice, in fact, has been committed.

I will now listen to our next witness. Who next would like to testify? Here is your chance to educate a couple of politicians. Anything more? Don't be hesitant. We have found, when we have conducted these seminars elsewhere, some of the most valuable information we get is from the senior citizens themselves in these townhall meetings. You may proceed, sir, in your own way after you identify yourself for the benefit of the record and the audience.

STATEMENT OF HUGH MILLER, LAKE OSWEGO, OREG.

Mr. MILLER. My name is Hugh Miller. I live in Lake Oswego, Oreg., and I came down here with my wife and two others because we are interested in whatever can be done for the benefit of the people who are aging. I don't like that word, but I don't know any other word that fits.

We hear a great deal about the needs of the aging, the health, social problems, and economic problems. We hear one way and another about those who one way or another have become dependent upon the rest. We hear frequently how those who retire immediately deteriorate and very frequently end their lives very shortly after retirement.

Now, we seldom hear how many people beyond 65 are in good health. I think it would be good if we did hear that. I think it would be good if we could hear more frequently of those past 65 who are able to make a new start in something else, perhaps something that has been a hobby, perhaps something that they were unable to do before they came to the end of their productive period, we'll say. I am sure we would find that some of those past 65 would be able to become even more successful than they were before 65. Ordinarily, we don't hear about them.

It is my firm conviction that, if there were more facilities for counseling those who come up to the retirement, that more people could make the transition more constructively. Personally, it has been almost 10 years since I began to receive my social security, and it is only recently that I began to get my back up and believe that this could be done. Now, how there can be more and better counseling, I don't

know, but I am dead sure there could be, and I am dead sure, if we got our interests more on those who want to make something more of themselves and on those who are in dire need, that it would help. I believe it would be possible in many cases to perhaps spend some money on retraining people for something they could do better. Now, I don't know how this is going to be brought about, but, when I come to a meeting like this, although this is the only meeting about this that I've come to, but we have read about it, and we get the feeling that everybody past 65 and up to my own age, everybody is in terrible need, physically and mentally and economically. I believe it could be better, and maybe counseling of some sort could make it better.

I believe that the security and health will contribute more to the well-being of the retired people than anything else, and I believe in the social security base of health insurance. I could tell of individual folks that I have talked to, but that would just take up time and not get us anywhere.

I say, let's have some way of counseling those who want to meet this transition of retirement, and I will say it is a real uncertainty for a great many people. I've talked with a good many of them, men who are coming up to retirement and say, "Well, Miller, you know that I know that I am going to get this social security check; I also know that I'm going to get this pension check, but, so far, all I know is that I'm going to get the last check from my employer, and until the other begins to come, it's very uncertain." Now, let's have more counseling of folks, and let's try to make the retirement something that is not what we retire from, but what we retire to, and let's make what we retire to better than what we've had. Thank you very much.

Senator MORSE. Thank you very much for your statement. Before I call on the next witness, I want to call on Congressman Durno, because he has to make a plane and go back to Medford. I want to say that it has been a great pleasure for me to have Congressman Durno join with me in these hearings today, and I welcome him now to the witness chair to make any statement that he cares to. Thank you very much for coming, Congressman.

STATEMENT OF HON. EDWIN DURNO, A U.S. CONGRESSMAN FROM OREGON

Congressman DURNO. Thank you, Senator Morse. I, first of all, want to thank you for the courtesy extended to me in permitting me to sit at the committee table. I want to express my appreciation, as a Congressman from this district, for the witnesses' statements that I have listened to and the very frank and interesting town hall meeting. You know, I am not so far removed myself from being a senior citizen, and I assure you that here, as a citizen and in the Congress, I am very much interested in this problem of the aging.

I have practiced medicine more than 30 years, and I have grown older with my patients, and most of my patients are now over the age of 65, and so they come to me, not only as a doctor, but as a confidant and an adviser, in many capacities beyond the medical field. I think that I probably spend, when I am practicing medicine, about twice as much time as the average doctor because we usually talk about everything that has happened in the past 30 years.

I first came in contact legislatively with the problem of the aging when I was a member of the State senate. I was on the ways and means committee of the State legislature, and I first met Dr. Nicholson, who was the chairman of the Governor's committee at that time, and the very first thing that I was struck with, when the delegation came to the ways and means committee, was the very small amount of money that they asked as a budget for that committee's activity and for the aging group. I remember very definitely that we commented very freely at that time how the aging would pool their automobiles and pool their resources and go up to Salem or go to their meetings which occurred at certain stated intervals. It was a remarkable fact that at that particular session of the legislature the aging citizens asked for less, percentagewise, than any other group that appeared before our section of the ways and means committee.

Now, I would say, as Senator Morse has said, I think I get more mail concerning social security recipients than almost any other phase of activity in Washington. Since coming home just 2 days ago, as a matter of fact, I called Baltimore up because social security payments to a mother and three children had been discontinued, and for no particular reason.

As the gentleman from Pilomath stated, I have attended a couple of meetings, and I think it was during Easter recess I attended a hearing with a patient of mine. I sat as a Congressman and as a listener to just see what transpired. She had four letters from M.D.'s, and she went before this attorney and his secretary. Her situation was quite similar to the situation expressed by that gentleman. She was also turned down, despite a positive report by four different doctors.

Now, I think probably the biggest vacuum in this whole problem, and I know that we are better than most States, but I still think probably the biggest vacuum in this problem is the problem of the nursing homes. I rose on the floor of the House and seriously and emphatically supported the House bill 4998, which provides for additional sums of money for Hill-Burton for nursing homes and for medical diagnostic clinics. As we go on in this field, it would seem that the appropriate way to pursue it would be to spend less money in assistance for the creation of the big, new, modern hospitals, and more money in the intermediate area between the new, modern hospitals, and the patient's home; namely, the convalescent hospitals or the nursing homes.

I know that in certain communities in the State, such as in my own area down at Medford, we are sadly lacking in nursing homes, and we do need one badly. There have been a thousand hospitals created in the United States in the past 10 years, and the total private bed capacity in these new hospitals has jumped from 470,000 to about 650,000. So, I would hope in the future that the Hill-Burton money could be delivered to areas of the State and that, associated with these large, modern, expensive hospitals, that there could be an associated nursing home which would fill that gap between the hospital and the home.

Now, I am going to have to excuse myself because, believe it or not, I am going to be the Emperor Franz Joseph this evening in the Follies in Medford, and I have to do a Viennese waltz. The Follies is a program that the Junior Service League puts on, and we have a very wonderful organization down there taking care of the deaf children.

I believe you know about that, Senator. I was in it 2 years ago, and when they caught me in an unguarded moment I promised that I would do this, and I had to drive up here because it was nice and clear in Medford and cloudy here. Now, I find it clear in both places. So, I am going to leave my car here and fly home to get back to that dance. Thank you very much, Senator.

Senator MORSE. Congressman, may I say I am very happy to have you here. I want to say, good naturedly, that I would like to be there to see if I could make you dance.

Congressman DURNO. I must say that I've got a big sash that I put across my middle.

Senator MORSE. Good luck to you. Who is our next witness?

STATEMENT OF MRS. PAUL TRIPPETT, EUGENE

Mrs. TRIPPETT. I am Mrs. Paul Trippett, 415 East 36th, Eugene, and my speech is about the first-class mail. During the week, I heard a talk on the radio discussing it, and I believe it was a Senator from out of the State, and one of the local newsmen said, "I don't care if airmail costs 10 cents or 15 cents; that don't mean anything to me." Well, it doesn't to that kind of people, but everyone who has dealt with older folks will know that mail means more to them than anything in the world. It lifts their morale and it means more in every way. Mail is probably all they get. Many of them with low incomes don't have money for magazines or even newspapers, but if they can write to their children or answer an ad in a magaizne, just for the fun of getting mail back, it means more to them, and I think that the increase should go to other classes of mail, rather than first-class mail. This should really help the old folks, I'm sure. Thank you.

Senator MORSE. I am very glad, Mrs. Trippett, that you talked on the postal rate problem from the standpoint of the interests of the elderly, who find it more difficult to pay the increased postal rates. I find your statement very tempting, but I am not going to say very much because it is some little bit removed from the subject, but let the record show this, that, when we have the hearings on the bills for postal rate increases, it will be my recommendation that some of those hearings be regional so that people throughout the country will get an opportunity to come in and testify in their own localities, or in their own States, so that they don't have to go back to Washington, where many of them can't afford to go in order to testify, because, if that kind of a hearing is held on the postal rate issue, let me say that the record will be quite different from the record that will be made from the hearings back in Washington.

I only want to say this, the fact is that first-class mail at the present time pays its own way. It pays its own way on the basis of the present postage stamps. What isn't paying its own way is second-, third-, and fourth-class mail, and in my judgment it is grossly unfair to impose a further increase on first-class mail. I have always opposed it, and I shall continue to oppose it, and, furthermore, I am not going to forget my history of the postal service. The postal service in this country was never set up to pay its way, any more than the fire department, or the street cleaning service, or any of the other great public services, and we will come to that in connection with another type of

legislation, but it does have the kind of bearing on this subject, as you have pointed out, as far as our elderly people are concerned, to whom, after all, first-class mail does mean a great deal, and an increase in the postal rates on first-class mail in my judgment would work an unnecessary hardship on them, and I have the same thing to say in regard to the relationship or the nonrelationship between postal rates and postal pay. They shouldn't be considered together at all. There is no reason why a public service, performed by the Government for the benefit of all the people, should have to be subsidized in any way by the postal workers, and that is what this amounts to, and I am not a party to that.

Who is our next witness?

STATEMENT OF MRS. BOBBIE HOOKER, FORMER STATE PRESIDENT OF SOCIAL SECURITY CLUBS OF AMERICA, INC., ALBANY, OREG.

Mrs. HOOKER. Thank you, Senator, and your committee, for this opportunity to speak to you. I am the former State president of the Social Security Clubs of America, Inc., for 3 years, and I represent that organization still in this State due to the fact that our State president is at the moment in the veterans' hospital. So, I am representing him here today.

We find that our people, who are the senior citizens, of course, and who are all in one form or another drawing social security, are very much perturbed because of the fact that they just can't get along on what they are drawing. They were very encouraged when, on this new bill, this increase came through. Then when the welfare cut the same amount from their monthly benefits by \$7, which they were increased, there was a tremendous effect psychologically on the people.

I am very sorry that we have to live under these conditions, but we are continuing to work to improve the social security legislation. Our main objective is for hospitalization for them because 95 percent of our membership does require medical care and medicine, as you know, running from \$10 to \$35 a month, and for 3 or 4 months out of the year, that just can't be met on \$40 a month social security. So, we are advocating and propose to this meeting the advocating of lower rent for them, also that this improvement in homes may not be taxed for them. They just don't have the money. If they can get their adequate social security to live on, which we are striving for, they can pretty well take care of themselves, but, under this situation, we have two administrations taking care of them, and in many places there are three.

One, they have to supplement with social security their welfare or their State relief. The other is the veterans relief. One man, Mr. Chairman, that you helped me to get his social security through, is just such a case. He and his wife, last winter, absolutely went to the garbage cans at the back of the restaurants there in Albany, Oreg., and secured fruit and vegetables that they felt they could possibly salvage for their sustenance through the winter. They came to me for social security help. The Social Security office had turned them down in Salem. The Veterans said they should go to Social Security, and Social Security said he was a veteran, that the Veterans would have to take care of him. As a result, the two of them were living on \$87 a month until they got this social security through. Now, that is one

of the cases, and they are so happy that they have received a letter from Baltimore that they now will get \$55 a month social security, and what the welfare will do, I don't know, but they were drawing \$7 each from the State, plus a little amount of veteran assistance they were getting.

So, that is one of the cases. The man is a mental case and it is attributed directly to service connection, but the Veterans wouldn't handle it, the State didn't want it, the Social Security wouldn't take it. What are you going to do in a case like that? We do have those people. They have their problems. We must do something to help them.

So, I am very happy to hear others here today say that we must find some solution to this nervous or mental condition of our people. His wife is all right, but the man is not, and it takes constantly watching him and looking after him, and it is his social security number. She has none. So, that is one of the problems that we do have, and I want to thank you, Senator, for your assistance in this case. If I were to mention the name, you would readily recall it, but you are directly responsible for helping to get them this \$55 a month. Really, it means a fortune to this couple.

So, we from this organization would advocate a little lower rent housing problem for our senior citizens, plus a little medical care, and an increase still in the lower income bracket of the social security population. Thank you very kindly for the privilege of speaking to you.

Senator MORSE. Thank you very much. Is there anyone else that wishes to testify? Before closing the hearing, I want the record to show that I have received a statement from Mr. A. F. Hartung, international president of the International Woodworkers of America. His statement represents, apparently, a well-reasoned statement of the views of our Oregon Woodworkers as to the need for a health insurance program for older people. The statement will be made a part of our official record.

(The prepared statement of Mr. Hartung follows:)

PREPARED STATEMENT BY A. F. HARTUNG, INTERNATIONAL PRESIDENT,
INTERNATIONAL WOODWORKERS OF AMERICA, AFL-CIO

Mr. Chairman and members of the committee, this statement is presented for the International Woodworkers of America, AFL-CIO, the principal union in the major industry of the Northwest.

We are highly concerned with the problems of the aged and the aging. Our most immediate concern is for the economic problems; that is, the sources of income and other means on which the aged must depend for their support.

INCOME

We heartily endorse the general principle of the social security system, in which pension payments are based upon rights which the individual has earned during his working life rather than being based on his need. Most private pension plans negotiated by labor and management are similarly based on earned right rather than on individual need.

Most unionized workers in the lumber and wood products industry in the Northwest are now covered by a union-negotiated pension plan. Ours was the last major industry to achieve this coverage. In fact, much of the industry in other parts of the country does not yet provide pension coverage. And many workers in the industry who retired before the pensions came into effect are not benefiting from the income which the pension provides.

The primary reason that private pension programs have become necessary is that the pension payments under the social security program are entirely too small.

We acknowledge the recent improvements in the social security program in the 1961 session of the Congress as a step in the right direction. However, the general levels of old-age benefits were not improved to the point that the payments are great enough to provide any kind of a standard of living—let alone an adequate, decent standard.

The International Woodworkers of America requests that the Congress in the 1962 session pass legislation to provide an immediate substantial raise in social security benefits to bring benefits up to the point that the payments will provide an adequate minimum decent standard of living for the average retired aged worker and his dependents. The beneficiary should not have to depend upon his own hard-earned savings, his relatives, or charity to provide the ordinary expenses of living. The benefits must be brought up immediately to an adequate level and must be raised automatically whenever the cost of living requires more for a minimum decent standard of living for the average retiree.

The International Woodworkers of America also favors the raising of the present form of employee-employer tax as much as is necessary to provide adequate social security benefit payments.

INSURANCE FOR MEDICAL CARE

One area of special importance in the whole range of problems of the aged is the subject of protection against the prohibitive costs of medical and hospital care. The social security system does not, at present, provide any protection against the dangers of medical expenses, except for a very inadequate public charity arrangement which was authorized by Congress in 1960 but has been accepted by only a few States.

The problem of paying for medical and hospital benefits is one of great importance for the elderly. There are now more than 16 million Americans over the age of 65, and this older group is growing proportionately much faster than is the rest of the population.

On the average, older persons need medical care much more often and for longer periods than do younger persons. In addition, the elderly are much more likely to have some kinds of chronic illnesses, which will require care over long periods of time and from which they are not likely ever to recover fully.

These problems of more frequent, longer, and more serious health problems which strike the aged are often disastrous, as they strike the individual at the time in his life when his income is at its lowest point.

Thus, medical and hospitalization costs hit the aged citizen the hardest when he is least able to pay for them. Social security and other public and private pensions do not take into account the tremendous costs of medical care, and do not make adequate provision for these costs.

Private insurance companies have shown that they are unwilling and unable to handle this overwhelming problem. This is not surprising, as there certainly is no profit to be made by insuring the health of the aged. Profit-making companies cannot be expected to handle cases which are impossible from a profit point of view.

PRESENT SYSTEM FOR FINANCING CARE

At present, the American economy does not have a well-organized, comprehensive system for financing medical and hospitalization care for the aged. There is no public program, except for a very limited one for those individuals who are so desperate as to apply for public charity.

When a sudden heavy illness or an illness of long duration hits an older individual, he must pay for it from his own meager pension income or from whatever savings he has managed to accumulate during his working years. If those sources are inadequate, he must call upon charity. Perhaps his relatives will be called upon to pay, or the doctor or hospital will take the loss if the patient is unable to pay. Otherwise, the individual must turn to public welfare or whatever other charity program is available, if any.

It is not right that the savings (if any) for which an individual has worked all his life should be taken from him suddenly when he is struck by illness after he has retired. It is not right that the American people have not provided a program to help the elderly to take care of the costs of their medical care needs.

Many elderly persons must live in fear of an illness which would take all of their pension income, wipe out their savings, and place them at the mercy of charity. This is not right. One of the freedoms in which most Americans profess to believe is freedom from fear. We must set up a program which will permit the older person freedom from fear of being overwhelmed by medical and hospital costs.

Every other advanced nation in the world has some sort of general program for helping the public meet the cost of medical care. We do not even have such a system for the elderly alone. An advanced civilization such as ours must not tolerate the continuation of a disorganized jungle to deal with the costs of medical care for the elderly. A citizen of our civilization should be entitled to have the costs of medical care which he needs taken care of in a civilized manner, without having to suffer either illness or bankruptcy simply because he does not have enough money to pay and his income is curtailed because he has retired.

MINIMUM REQUIREMENTS OF A PROGRAM

A public program must be set up to enable the retired person to pay for the costs of medical and hospital care. Such a program should have the following characteristics as a minimum:

Coverage: All persons receiving payments under the old age and survivors programs of social security should be covered. Ultimately all other elderly persons should be included.

Benefits: The necessary medical and surgical care should be provided, without out-of-pocket cost to the individual. Care in hospitals and nursing homes should also be paid for in full by the program.

Administration: Administration of the program should be as decentralized as is practicable. Costs and paperwork should be kept to a minimum consistent with efficient and effective operation of the program. Administrative procedures and budgetary matters should not be used to deny benefits to eligible beneficiaries. There should not be any kind of a "means" test.

Financing: This program should be paid for by the same social insurance approach as is the old age and survivors benefits program of social security: A paid-up insurance account for each worker upon his retirement (or death), paid for by withholding taxes during the years of his working life. The social security taxes on payrolls should be increased as much as is necessary to pay for this program.

CONCLUSION

There is a great abundance of information available to demonstrate that the problems of meeting the cost of health care for the elderly are not being taken care of. The situation is scandalous.

Clearly, the only way to solve this problem fully is through a public program. The best way is through a social insurance program. The social security system has proved to be a highly effective social insurance program. The national health insurance system in England has proved that a public health insurance program can succeed splendidly.

Despite the loud opposition of certain short-sighted interest groups and their allies, the addition to the social security system of a program of comprehensive health insurance coverage for the elderly is desirable as well as necessary. The International Woodworkers of America supports such an addition, consistent with the minimum standards as outlined above.

The International Woodworkers of America requests the Congress to pass legislation in the 1962 session to raise existing social security benefits to levels which will enable benefit recipients to maintain an adequate minimum decent standard of living and to create a program of comprehensive health insurance for the elderly.

Senator MORSE. I am also advised that Mrs. Myrtle R. Clark, 55 West Hillcrest Drive, Eugene, is at the hearing. She is the president of Unit No. 7, Eugene and Lane County, of the State organization of retired teachers. She doesn't ask to speak, but I am sure she will file a statement to go along with this record at a later date, and I want to say to Mrs. Clark we will welcome that statement.

Once more, is there any other witness?

If not, I want, in closing this hearing, to express, on behalf of the whole committee of the Senate Special Committee on Aging, to my constituents my very sincere thanks and also my feeling of pride over this hearing today. I had the same feeling with regard to the hearing in Portland the other day. When we recess here this afternoon, we will take up again on Friday in Walla Walla, Wash., which will be our next stand in conducting these hearings.

In closing these hearings, I only want to say, because you are entitled to know what my general attitude is, that I think these hearings are going to be very helpful in assisting the Senate and the House too, because they will be available to the House, in reaching their judgment as to how their vote should be rendered in regard to the type of medical aid program we should have. I have great hopes we will come to a vote on this in the next session of the Congress. It is well known here, and I want to make perfectly certain that my constituents know my position, because I shall be glad to hear from those who agree and from those who disagree. It is my position, which I have held for some years in the Senate, that medical care for the elderly should be handled through an extension of the social security system. The Forand-Morse bill goes much further than the Anderson-King bill; it goes further than the Forand bill in the House. For under my bill, I propose to cover also the elderly that are not eligible for social security, but we make them eligible for the medical care program. I have discussed this at great length over the years in the Senate. I first introduced it, you remember, in 1958, and I offered it then as an amendment to a pending bill, but I wasn't even successful in getting a rollcall vote on that occasion, but I did get a substantial number of votes on a voice vote.

Times have changed. May I say good naturedly that you have to see the lighter side of this job sometimes, and may I say that during the 1960 campaign all the Democratic candidates for the nomination, you remember, prior to the convention went out to Detroit to a meeting that was held on this matter of medical care for the elderly under a proposal for social security benefits, and they all endorsed it, although I didn't get support from a single one of them in 1958.

Well, I had to have a little fun with them. The next day, when they returned, and so you will find in the Congressional Record, I made a speech of welcome to them, and I said, "I am glad to have these recruits. I am glad you have all come over to my side finally," and we are all good friends, and so, individually, Symington and Humphrey and Kennedy and Kefauver and all the rest said, "Of course, you would do that to us, wouldn't you, but we're glad to be on your side."

I make no prediction as to what the final outcome will be. As I indicated this morning, I think we've got to hammer out on the anvil of conscionable compromise a program that meets the objectives that we are after, namely to see to it that justice is done to these elderly people, and that they do get the medical care, to which I think, as a matter of social justice, they are entitled.

I engaged in a forum debate a couple of weeks ago at the University of Minnesota before an exceedingly large audience of several thousand. It was an audience, however, comprised, for the most part, of rep-

representatives of hospitals and the medical profession. There were some people from the general public. We presented there the respective points of view in connection with the various proposals for medical care to the aged, but they enjoyed one bit of evidence that I introduced because I was sort of a devil's advocate at that meeting, because most of the people I was speaking to were, as I say, from the medical profession or allied crafts, and they were certainly not favorable to the position that I had taken, at least not in the majority. They put me up at the University of Minnesota in the Men's Union in a room that was usually occupied by a 'great medical' research fellow who is spending the year in research at the University of Minnesota Medical School, but he was away for a couple of days. They put me in this room, and I always marvel at the operation of the law of coincidence because turned over on his desk was a brand new book that I hadn't had the opportunity to take note of before. It was entitled "It's Cheaper To Die," and in that book, a book that is written by a very able correspondent who conducted some investigations for the attorney general of the State of New York that led to a considerable amount of legislative reform in connection with the whole matter of medical care in the State of New York, that book set forth some very interesting data, and so I said to that audience, "I want to give you an opportunity to rebut it," and so my speech, for the most part, consisted of giving them the up-to-the-moment, most recent publication, as far as I know, on the subject of medical care, and I want to say, to their everlasting credit, they had a lot of fun with me because doctor after doctor came up afterward and said, "You would do that to us."

They too hadn't seen the evidence, but they are going to be given an opportunity to answer it before our Senate committee as we take up some of these health care matters. I mention these things to you because, let us not forget, as we close this hearing, that we are fortunate to be free men and women, living in a democratic form of government, of self-government, and, after all, the final legislative decisions should not be made by those of us that represent you, but made by you through us. I shall do my very best in the months ahead to try to find out what the facts are, present them to you as I see them, and carry out my responsibility working in the Senate by following where the facts lead, and I am sure that, working together, we can accomplish a legislative program, sorely needed in this country, that will remove from the housetops of thousands upon thousands of homes of old people that gnawing fear that hovers there, that a serious illness that breaks out underneath that housetop will wipe out the life savings, not only of that elderly person, but wipe out the savings of a son or a daughter, or another close relative who will come to the assistance of that elderly person, but, in coming to that assistance, of course, will suffer serious economic consequences. So we have the question before us in this republic: Do we have a social responsibility that we owe, as a people, to our elderly, and do we, in carrying out that social responsibility, become a socialist state? I deny that we do, and I shall, so long as it is my trust to represent the people of my State in the Senate, do the best I can to see to it that we live up to what I call the challenge to the social conscience of the American people.

Thank you, and we stand in recess until Friday.

(Whereupon, at 3:55 p.m., the subcommittee recessed.)

APPENDIX

OREGON

REGULAR SESSION

SENATE BILL NO. 17

Approved May 25, 1959

AN ACT Relating to discrimination in employment because of age; creating new provisions; and amending ORS 659.010 and 659.100

Be it enacted by the People of the State of Oregon:

SECTION 1. Section 2 to 6 of this Act are added to and made a part of ORS 659.010 to 659.110.

Sec. 2. It is declared to be public policy of Oregon that available manpower should be utilized to the fullest extent possible. To this end the abilities of an individual, and not any arbitrary standards which discriminate against an individual solely because of his age, should be the measure of the individual's fitness and qualification for employment.

Sec. 3. (1) It is an unlawful employment practice for an employer to refuse to hire or employ or to bar, discharge, dismiss, reduce, suspend or demote any individual because of his age if the individual is 25 years of age or older and under 65 years of age; but the selection of employes on the basis of relevant educational or experience requirements or relevant physical requirements, including but not limited to, strength, dexterity, agility and endurance, is not an unlawful employment practice.

(2) "Employer," as used in this section, means any person who has six or more persons in his employ, but does not include the state, counties, cities, districts, authorities, public corporations and entities and their instrumentalities.

SEC. 4. The labor commissioner may establish a separate division in the bureau to enforce the prohibition of the unfair employment practice described in subsection (1) of section 3 of this Act.

SEC. 5. ORS 659.010 is amended to read as follows:

659.010. As used in ORS 659.010 to 659.110, unless the context requires otherwise:

(1) "Bureau" means the Bureau of Labor.

(2) "Commissioner" means the Commissioner of the Bureau of Labor.

(3) "Employee" does not include any individual employed by his parents, spouse or child or in the domestic service of any person.

(4) "Employer" does not include a club exclusively social, or a fraternal, charitable, educational, or religious association or corporation, if such a club, association or corporation is not organized for private profit, nor does it include any employer with less than six persons in his employ.

(5) "Employment agency" includes any person undertaking to procure employes or opportunities to work.

(6) "Labor organization" includes any organization which is constituted for the purpose, in whole or in part, of collective bargaining or in dealing with employers concerning grievances, terms or conditions of employment or of other mutual aid or protection in connection with employes.

(7) "National origin" includes ancestry.

(8) "Person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy or receivers.

(9) "Unlawful employment practice" includes only those unlawful employment practices specified in ORS 659.030 and subsection (1) of section 3 of this 1959 Act.

(10) "Unlawful practice" means any unlawful employment practice or any distinction, discrimination or restriction on account of race, religion, color, or

national origin made by any place of public accommodation, resort or amusement as defined in ORS 30.675 or by any person acting on behalf of any such place, or any violation of ORS 345.240, 659.033 or 659.037.

Sec. 6. ORS 659.100 is amended to read as follows:

659.100. (1) The Bureau of Labor may eliminate and prevent discrimination in employment because of race, religion, color or national origin or by employers, employees, labor organizations, employment agencies or other persons and take other actions against discrimination because of race, religion, color or national origin as provided in ORS 659.010 to 659.110. The Bureau of Labor hereby is given general jurisdiction and power for such purposes.

(2) The Bureau of Labor is given jurisdiction and power over instances of discrimination in employment because of age, as prohibited by section 3 of this 1959 Act.

Chapter 689, laws of 1959, approved May 28, 1959, amended this section to read:

Except for discrimination against employees who are described in subsection (2) of section 3 of this 1959 Act, the Bureau of Labor is given jurisdiction and power over instances of discrimination in employment because of age, as prohibited by section 3 of this 1959 Act.

(3) The Bureau of Labor may eliminate and prevent violations of ORS 659.033 and may eliminate and prevent discrimination or restrictions because of race, religion, color, or national origin by vocational, professional, and trade schools licensed under any law of the State of Oregon, or by any place of public accommodations, resort or amusement as defined in ORS 30.675 or by any person acting on behalf of such place. The Bureau of Labor hereby is given general jurisdiction and power for such purposes.

(4) The Commissioner shall employ a deputy commissioner and such other personnel as may be necessary to carry into effect the powers and duties conferred upon the Bureau of Labor and the commissioner under ORS 659.010 to 659.110 and may prescribe the duties and responsibilities of such employees. The Commissioner of the Bureau of Labor may delegate any of his powers under ORS 659.010 to 659.110 to the deputy commissioner employed under this subsection.

STATE OF OREGON BUREAU OF LABOR

A CUMULATIVE REPORT ON SENIOR WORKER EMPLOYMENT PROBLEMS AS THEY RELATE TO OREGON, JULY 1, 1961

NORMAN O. NILSEN, COMMISSIONER OF LABOR

(By Ray A. Ziegler, director, Senior Worker Division, Oregon Bureau of Labor)

INTRODUCTION

The greatest unused economic resource in the State of Oregon may well be the dormant skills, or potential, of its unemployed senior workers. Today, when there is a great demand for trained manpower, many of our citizens remain unemployed because they are denied employment opportunities because of their age; because they possess skills that are obsolete; and some have not been given a training opportunity commensurate with their potential for productive work. It is essential that we utilize existing skills and/or upgrade those who possess the potential for productive labor, not only because the individual needs the opportunity, but also because Oregon's economy needs the productivity of all experienced and willing workers.

This is a task for government, labor, business, and voluntary community action. Each should make his unique contribution to the effort and all should work together. In this light, the Oregon Legislature enacted the Senior Worker Acts in 1959, which announced the following to be the public policy of the State of Oregon:

"It is declared to be the public policy of Oregon that available manpower should be utilized to the fullest extent possible. To this end the abilities of an individual, and not any arbitrary standards which discriminate against an individual solely because of his age, should be the measure of the individual's fitness and qualification for work. (ORS 659.015)"

The Senior Worker Acts established the Senior Worker Division of the Oregon Bureau of Labor for the purpose of administering a statewide program aimed at the elimination of senior worker employment problems in Oregon. The senior

worker division has, for the past 18 months, been actively engaged in the implementation of the above-quoted public policy of Oregon, through an approach of education and research, conference, conciliation, and persuasion—with a goal of—

- (1) Persuading employers that age discrimination is not profitable.
- (2) Determining the causes for age versus employability problems.
- (3) Determining corrective methods for removal of the causes for age versus employability problems.

This report is one part of the senior worker information and education program. It is designed to present a summary of the progress made in the administration of the Senior Worker Acts and areas requiring increased emphasis. It contains both favorable and adverse factors; there is no holding back of information pertinent to the problem of age versus employability. The report is organized in the following manner:

Part I: What other States and the Federal Government and Canada have accomplished in studies, experiments, and practice in relationship to alleviating age versus employability problems.

Part II: Primary causal factors for age versus employability problems in Oregon.

Part III: Positive results that have been realized, thus far, in eliminating age versus employability problems in Oregon.

Part IV: Adverse factors relating to age versus employability problems in Oregon.

Part V: Conclusion.

PART I

FINDINGS OF THE FEDERAL GOVERNMENT, OTHER STATES AND CANADA IN RESEARCH, EXPERIMENTS, AND PRACTICES DESIGNED TO ELIMINATE AGE VERSUS EMPLOYABILITY PROBLEMS

1. The seven area study of 1956: In 1956, the Bureau of Employment Security of the U.S. Department of Labor with the State employment security agencies, conducted a study in Detroit, Los Angeles, Miami, Minneapolis-Saint Paul, Philadelphia, Seattle, and Worcester (Mass.), for the purpose of finding the what, where, why, when, how and who factors relating to age discrimination in employment, and what corrective factors might be necessary. This particular study included several thousand older worker participants (age 45 plus). The most significant factors listed in the conclusions of this study were:

- (1) "Apparently, if the employment problem of the older worker is to be solved, more realistic attitudes and practices must be adopted by all who directly, or indirectly influence his return to a self-supporting way of life."
- (2) "The worker himself needs to understand his qualifications, his limitations, the job requirements that he can best meet and the best methods of presenting his qualifications to the prospective employer."
- (3) "More realistic attitudes and practices on the part of employment service staff and others called on to assist the older worker in finding suitable employment are required, so that they thoroughly explore and accurately classify his actual job qualifications, give him full consideration for job vacancies listed with the office, and employ selling techniques to that end."
- (4) "Finally, adequate training and other facilities must be provided to enable the older worker to prepare himself more fully for job opportunities that exist or are expected to exist."
- (5) "Intensive employment service counseling also played a significant role in developing improved employment opportunities" and "Group guidance sessions in which homogeneous groups of older workers with special problems of job choice or adjustment were encouraged to discuss these problems and were assisted through the group method in their solution, were utilized to good advantage."

Older workers accorded special employment services were much more successful in finding and holding jobs.

2. The Philadelphia older worker pilot project, 1957-58: During the 1957-58 business recession, the public employment service of Philadelphia conducted a project to increase the placements of older workers in general. This project was conducted between November 1, 1957, and June 30, 1958. Some important and significant conclusions were derived from this project, namely:

"Although age is a definite factor adversely affecting an individual's chances of finding employment, it is still possible to find jobs for hard-to-place older

workers. Of the 2,092 older workers who received services under this project, 866 (or about 2 out of 5) were placed in satisfactory jobs. In addition, counselors helped others to return to former jobs or to find jobs for themselves."

"Patience and understanding as well as counseling and interviewing skill are needed in dealing with older workers, whose prime handicap is lack of confidence."

The Philadelphia project recorded results for two groups of older workers, one group of 7,609 (Mainstream) age 45-plus job applicants were given the normal and routine employment service processing; the other group of 2,092 (special service) age 45-plus job applicants were given special and intensive counseling services which on the average required twice the counseling time normally allocated the average counselee under normal employment service processing. The results of this project were:

	Routine or "Mainstream group"		"Special Service" group	
	Number	Percent	Number	Percent
Number selected for project.....	7,609		2,092	
Number placed in jobs.....	50	0.65	866	41
Number of handicapped included in group.....	747		263	
Number of handicapped placed in jobs.....	6	.8	131	50

3. Special Counseling in Canada—Mr. H. L. Douse in an article "Discrimination against Older Workers" published in the April 1961, issue of the International Labor Review indicates that a counseling experiment conducted in 1947 in Toronto, Canada, proved to be especially conducive to furthering the employability of older workers. Excerpt:

"In 1947 a special counseling service for older applicants for employment was established on an experimental basis in Toronto, Canada, by the Unemployment Insurance Commission. The counseling unit did not make placements; its function was solely counseling. After an applicant had been interviewed on one or more occasions, he or she was sent back to the local employment office for referral to employment."

"One successful feature of the counseling was that many applicants, encouraged by the interviews, had their self-confidence restored and with a new and realistic self-appraisal of their abilities were enabled to go out and get jobs for themselves. Previously they had tried repeatedly to obtain employment and in time had become discouraged. A check was made on these cases a year and a half later and it was found that 90 percent of them were still employed."

4. "Self-help" organizations sponsored by State Employment Local Offices: The public employment service in California and in Colorado actively assist older workers in the formation of self-help organizations by providing them with a place to meet; telephone and staff assistance. An example is: "Experience Unlimited" in Berkeley, Calif., which is aided by the Berkeley Public Employment Service. Mr. Ralph Moore, the older worker specialist, reports that:

"The first group of a dozen or so upper-income bracket men who were unemployed and having difficulty finding employment because of their age met as a group almost 2 years ago. Since then, the entire membership has changed some 12 or 15 times as individuals obtained jobs or moved away."

"The getting of the job, of course, is what elates us. Often the job did not come directly through the employment service but through connections made by members of "Experience Unlimited."

The public employment service of Denver, Colo., also has a similar organization with the same results. Older executives are getting jobs commensurate with their qualifications.

5. In a report on "Investing in Education," William J. Platt, Director of the Management Sciences Division, Stanford Research Institute, reported:

"A dramatic illustration of the profitability both to society and to the individual is found in the vocational rehabilitation program of the U.S. Department of Health, Education, and Welfare. Before rehabilitation training, 56,000 handicapped persons earned \$15 million per year; after rehabilitation, they earned \$102 million per year. The additional Federal income taxes paid by the group in 1 year alone were more than the \$8 million cost of the training program."

Training needs are determined only after extensive counseling of potential rehabilitation trainees.

PART II

WHAT ARE THE PRIMARY CAUSAL FACTORS IN THE AGE VERSUS EMPLOYABILITY PROBLEMS EXISTING IN OREGON?

1. Arbitrary age limits in hiring, and other personnel actions, are set by an estimated 3 out of 10 employers in Oregon; These policies are based upon manpower facts as they existed 30 to 50 years ago. Such employers are not cognizant of the effects brought about by the advance of industrial inventions, medical research, and the low birth rates of the depression years of the 1930's. For example:

(a) The demands of work-a-day life are much less than they were 50 years ago. The average 40-year-old man of 1910 had a work history of heavy manual labor beginning early in life—embracing the 6-day workweek, the 10- and 12-hour workday, and he would have worked an estimated 100,000 hours or more before attaining age 40. The average 40-year-old of today has been required to work less than half as many hours, and has had the benefit of many laborsaving devices that were nonexistent in 1910.

(b) The marvel of medical science has increased average life expectancy from 46 years of age in 1910 to more than 70 years of age today. The 40-year-old man in 1910 had only about 6 doubtful years of productivity remaining prior to attainment of the average age for life expectancy; the 40-year-old man of 1961, has more than 32 years of "quality" and "productive" life facing him before he attains the average age of life expectancy, plus the fact that medical science projects an average life span of 80 or more years when the breakthrough on heart disease and cancer is brought about. The target for this breakthrough is 1970.

(c) The low birth rates of the depression years (1930's) are now taking their toll from the adult population in Oregon. There are 40,000 fewer (10.3 percent) men and women between the ages of 20 to 35 in Oregon today than there were in 1950. The answer to the question "Why?" is simply "They were not born!" The loss in age group 25 to 29 was 11,353 men (19.6 percent) and 10,707 women (17.9 percent) alone. There has been a corresponding increase in the population above age 40. Concurrent with the change in the age structure of Oregon's population there has been an increase of 93,000 (19.6 percent) in the number of households demanding goods and services, with an accompanying increase of 8,600-plus (17.7 percent) new Oregon business establishments demanding qualified workers.

Our experience bears out the fact that the average employer will review and study his hiring and personnel policies when presented with the above information. Check back reveals that in the majority of cases age barriers are removed, even when the employer is not subject to the senior worker laws.

2. Some senior workers are "unqualified" for the current labor market: These persons must retrain to acquire up-to-date skills; some must be motivated to improve their general level of education before they are qualified for retraining. Example: The elevator operator with a grade 4 education who has been displaced by a "push button" elevator, or the machine tender in the textile mill that closed down last month; both of these men would require extensive preparation in the field of mathematics if they were to be retrained for jobs in the electronics field.

3. Some senior workers have never carefully analyzed or evaluated their skills in the light of the current labor demand, but may actually possess a valuable skill, or a family of skills acquired during earlier years of their work life, upon which they place little value. They are from the generations for whom there was no "counseling service in the public education system; therefore, they have never been counseled or taught how to make a realistic analysis of their experience background with a view toward systematically selling their services on the labor mart. This group of senior workers, or nearly any group of workers for that matter, could benefit by concentrated group and/or individual counseling on the subject of self-evaluation and job search information.

4. Some senior workers make unrealistic demands upon the labor market; i.e., they make wage and salary demands based upon the last job, or upon personal needs, rather than their potential for productive output. Such individuals require some form of direction and/or educational counseling from a counselor who has the courage to give the worker a realistic analysis of his situation. Calling

a spade a spade requires backing for the counselor from his agency and his superiors.

5. Many workers are not "future" oriented: There appears to be a general lack of willingness for planning and for expenditure of effort to upgrade one's skills. This is not peculiar to the senior worker, but seems to fit most of the population as a whole. These are dynamic times and thousands of jobs become obsolete daily. The individual who is unwilling to upgrade himself can soon become unemployable regardless of his age.

6. Many senior workers do not know how or where to search for employment: In our daily contact with individuals who report problems in employment because of their age, we noted a general pattern of "lack of experience" in job hunting. This prompted us to conduct a survey on the subject. We asked 1,500 individuals (1,000 men and 500 women) the following question:

If unemployed: "Where have you looked for work?"

If employed: "Where would you look for work if you were to become unemployed?"

After the initial response, we asked both groups:

"Are there any other places where you have looked or would look for work?"

Eighty percent (80 percent) of those interviewed were employed.

Twenty percent (20 percent) were unemployed.

Those interviewed fell into the following categories:

Professional and managerial	Skilled workers
Clerical and sales workers	Semiskilled workers
Service workers	Unskilled workers ¹

¹ Homemakers were considered to be unskilled.

Half of the interviewees were under age 40 and half were over age 40, but under 65. The youngest was a high school student, age 14; and the oldest was a welder, age 63. The following sources for employment were considered:

- | | |
|--|------------------------------------|
| (1) State employment service | (7) Contacting union agents |
| (2) Private employment agencies | (8) Civil service offices |
| (3) Newspaper "help wanted" ads | (9) Federal agencies |
| (4) "Situations wanted" ads | (10) State agencies |
| (5) Telling friends and neighbors of need for a job | (11) County and city agencies |
| (6) Conducting an employer-to-employer canvass for a job | (12) Go to where hiring is rumored |

We found that the average individual used or expressed knowledge of only two of the above sources for employment. Average response ran from a high of 2.34 from the male professional and managerial interviewee, to a low of 1.1 from the homemaker interviewee. Paradoxically, while the average job seeker does not appear to exhaust every possible source for employment, a parallel survey of more than 200 Oregon employers indicates that the majority of the employers included in the survey do, at some time in their search for employees, utilize most of the above mentioned sources for qualified personnel. The primary hiring sources as indicated by the employers included in this survey were: "walk ins", and "those referred by friends and neighbors" already working for the employer.

PART III

WHAT POSITIVE RESULTS HAVE BEEN REALIZED, THUS FAR IN OREGON?

Direct statistical measurements of significant effects of the Senior Worker Acts and the administration of those acts are not yet possible inasmuch as the senior worker division has been fully staffed and operational for less than 18 months. However, there is some positive evidence that the acts are becoming effective; for example:

(1) Newspaper advertising for "help wanted": In January 1960, major Oregon newspapers ceased to accept "help wanted" advertisements that discriminate on the basis of age. Prior to January 1960, approximately 60 percent of the "help wanted" advertisements were discriminatory in nature. The Oregon press is to be commended for its fine cooperation and self policing in this matter.

(2) Employer cooperation: Members of the senior worker division have contacted more than 6,000 Oregon employers on the matter of age versus employability. Of all the employers contacted, only one indicated continued noncompliance with the Senior Worker Acts, and in that instance the employer was

exempt from the acts. The employers contacted included those operating on a multistate and/or national basis as well as employers operating only within the State of Oregon.

(3) Public relations and speaking engagements: Knowledge of the laws, and the benefits to be derived by compliance, has become widespread. Business, professional, and civic groups regularly call upon members of the senior worker division to present informational talks on the subject of age versus employability. Staff members of the senior worker division have delivered more than 352 talks on the problems of age versus employability to such organizations.

In addition to the above, to date, we have produced, circulated, and/or participated in eight radio programs and nine television programs, all on the subject of age versus employability. Four of the radio programs and two of the television programs were circulated to radio and TV stations throughout the State, and have been loaned to other States and Canada for use in their age-versus-employability programs.

(4) Disposition of complaints alleging age discrimination: All complaints alleging age discrimination in employment have been expeditiously resolved via education, persuasion, conference, and conciliation; 86 complaints have been investigated to date; 36 verified or formal investigations, and 50 informal investigations. Complainants ranged in age from a college graduate, age 28, who was refused consideration for a manager trainee position because "he was 2 years over the hiring age," to a 63-year-old woman who claimed age discrimination upon making application for a clerical position. The most recent case was a 57-year-old man who was refused consideration for a job in a plywood mill "because he was too old"—conference and conciliation resulted in the hiring of this qualified man. All investigations have been conducted in an impartial manner with results as follows: Half of the complaints were confirmed and corrected and half were found to be without cause for complaint. These complaints were sifted from the allegations of more than 450 individuals who wrote to or visited the office of the senior worker division alleging that they could not find work because of their age.

(5) Public acceptance of the Senior Worker Acts: Faced with maximum need for publicity, with minimum expenditure of public funds, we initiated a saturation program by conducting a series of hearings or public conferences on the Senior Worker Acts. These hearings were the sounding board for our proposed policies for the administration of the senior worker laws, and have at this date totaled 23 since February 17, 1960. The State's major population centers were blanketed. The policies for administration were accepted as proposed without contest. We feel that this occurred because the hearings were highly informational in nature and explained the critical problem for everyone of the changing manpower structure in Oregon and the Nation. The policy statement for administration of the Senior Worker Acts was also a product of numerous conferences with business, labor, governmental, professional, and civic groups and other individuals in an effort to develop a fair and impartial approach to the problem at hand.

(6) Private employment agencies: Recent voluntary statements by owners and operators of private employment agencies indicate that it is becoming easier to place applicants without regard to their age—examples:

"We are finding an increased demand for older and more mature workers."

"There is much less pressure on us to furnish only younger persons."

"Please furnish us with some more of your educational pamphlets. They seem to educate our employer contacts to more readily accept the mature applicant."

(7) Increase in the ratio of senior worker placements by the Oregon Employment Service: For a short period during the first quarter of 1960, the Oregon State Employment Service operated with an all-prohibitive policy which precluded action on any job order containing discriminatory age stipulations. Even during this brief period a definite upswing in the placement ratio of the 45-plus workers was noted compared to the same period for 1959. A comparison

of the placement ratio, per 100 placements of age 45-plus applications is indicated below:

Placements of 45-plus applicants per 100 placements

Month	1959 (percent)	1960 (percent)	Increase per 100
January.....	18	21	3.3
February.....	18	22	4.0
March.....	20	22	2.0

It is estimated that during this period more than 350 additional senior workers were placed in suitable work situations, than would have been placed without the all-prohibitive policy. Examples quoted by the Oregon State Employment Service follow:

"(1) A retired telephone operator, age 67, was placed on a job as a telephone operator with another firm.

"(2) A dishwasher, age 61, was placed as an office messenger for a medical association.

"(3) A saleswoman, age 50, no longer able to remain standing for any length of time, was placed as a cashier.

"(4) A secretary, age 58, placed on a job as a clerk, general office, at \$375 per month."

These findings correlate closely with similar findings by the State of New York. The State with the highest placement ratio for older workers in the Nation—New York—has an average placement ratio for the older worker of more than 29 per 100 placements. It is believed that a contributing factor is that all job order takers in the employment service become salesmen for the true values of the senior or older worker. To substantiate this last opinion, a quotation from a letter received from the manager of the largest local office of the Oregon State Employment Service, on March 11, 1960, is quoted below:

"We have had some pleasant and rewarding experiences in placing older workers since the artificial age barriers on orders have been removed and our people are quite enthusiastic about the good results accomplished by this law."

Unfortunately, on March 29, 1960, this "all-prohibitive" job policy was amended by the Oregon State Employment Service to provide for a "dual policy" on acceptance of the job orders. The "all-prohibitive" policy had been based on the right of the State employment service to stipulate reasonable rules for providing services to employers, plus the stated public policy in the foreword to the Senior Worker Acts. Nonetheless the laws are enforceable for employers of six or more employees and are not enforceable for employers of five or fewer employees. The Oregon State Employment Service policy of not accepting discriminatory job orders was amended to apply only to employers of six or more employees. The awkwardness of this letter-of-the-law policy was pointed out in terms of what the State employment agency would be telling the job-seeker in effect:

"We treat you in two ways. If we refer you to an employer with six or more employees, we will protect your rights for individual consideration. However, if we refer you to an employer of less than six employees, we will aid in discriminating against you because of your age."

Estimates place the ratio of Oregon employers who employ less than 6 persons as 6 out of 10. There remain 4 out of every 10 employers subject to the senior worker laws. With the change to the "dual policy" the initial and promising gain in placement ratio of 45-plus applicants diminished.

(8) Other indicators of positive progress: A higher proportion of "help wanted" advertisements carry comments such as:

"Wanted—Secretary, medical, mature."

"Wanted—Clerk, typist, mature."

"Wanted—Salesman, outside, mature."

"Wanted—Guard, mature."

It is also necessary, at times, to explain to some employers that advertisements for "help wanted" which place a limitation, such as over 45, is discriminatory in nature to applicants under that age.

(9) Experience in individual counseling: Concurrent with the where-would-you-look-for-work survey, we experimented by counseling the individuals coming to us. They have been, or thought they had been, discriminated against because of their age.

We taught in this counseling experimentation, in substance, that the job-seeker is a self-salesman who must carry the product to the particular employer who has a need for the service offered. Specific instructions included such items as:

(a) That many successful job search campaigns require the submission of as many as 40 applications, or more.

(b) That all available sources for employment should be utilized in the job search. One should not rely solely upon others to find the job for him.

(c) That the jobseeker must know what he can do for the employer; consequently he should inventory his accumulation of skills and relate them to employers in the current labor market.

(d) That a well-prepared résumé of experience will shorten the time required to file an application, consequently, more applications may be filed in any given day.

(e) That it is helpful to be specific as to the job desired, flexible as to the starting wage, and specific about qualifications for the job.

(f) That the applicant is offering the employer a service, instead of just asking for a job.

(g) That it is important to study how to act during the interview, and how to dress.

(h) That the job search is an 8-hour-a-day, 5 or 6 days a week, task.

(i) That a normal attrition rate for labor turnover exists; consequently, the persistent, early bird gets the job, if he contacts the employer himself.

In addition to the above, the counselees were constantly motivated to help themselves rather than to rely upon others, and were consistently encouraged during their search for employment. Approximately four out of five found suitable employment within 3 weeks. Some of those successful in their job search were above age 65. Among those who were unsuccessful were many who could be termed unemployable for reasons other than age.

(10) Group counseling experiments: Three experiments in group counseling were conducted by the senior worker division.

(a) Group instruction in how to find a job through a regular classroom approach—lecture/conference method.—This method permitted the introduction of the personal experience of class members and permitted an after-class exchange of information of job potentials for which some members of the class might have been unqualified, but others might be qualified. It also provided more latitude in reaching some counselees who were somewhat unrealistic in their views toward the job mart by calling upon other members in the class to comment. At times the comments of a contemporary will carry more weight than those of an instructor. This method proved highly successful. Participants were all above age 40.

(b) *Group dynamics*.—"Experience Unlimited of Oregon" patterned after the "Forty Plus Club of New York, Inc." and "Experience Unlimited" of Berkeley, Calif., was organized by a group of displaced business executives, professional and semi-professional men, with the aid of the senior worker division. Starting with 5 members on December 27, 1960, this organization has enabled 40 or more qualified men to find suitable employment and 4 others to open two new business establishments; one, an import and export firm, and the other, a manufacturing firm. The senior worker division devoted approximately 50 hours of after normal office hours' time to this project. It was felt to be a cheap price to pay for 40 or more employed persons who now produce tax moneys rather than consume them.

(c) *The seminar approach*.—During April and May, 1961, an experimental "How to pick your job and land it!" seminar was conducted in a local church—1½ hours per night, 1 night per week, for a 6 week period. In this experiment, a group of college sophomores were provided with information on imaginative approaches to a successful job search and led into discussion of the problem—all were in search of summertime work. As a result of this program, all members participating have suitable employment to go to for the summer, or have had offers of permanent employment. Through the success of this program, it is hoped that other church groups will take note and establish similar courses for their older members who are in need of work.

(d) *The training of trainers.*—Rapid expansion of any such approaches is possible by training selected individuals to conduct seminars or organize groups upon any chosen model or in any chosen type of group or organization. This step will be taken as soon as possible.

(11) There is positive evidence that the community is doing more about the problem of age versus employability, for example:

An "Earnings Opportunity Forum for Mature Women" was held as recently as October 10, 1960; business, professional and civic womens' groups of Portland and business, labor, governmental and civic leaders participated in this important program. Another such program is projected for the future.

There are a number of examples of past accomplishments and others planned for the future by community groups, which is indicative of the fact that the community is doing something about the problem.

PART IV

WHAT ARE SOME OF THE ADVERSE FACTORS RELATING TO AGE VERSUS EMPLOYABILITY PROBLEMS IN OREGON?

1. It is difficult to awaken total public attention to age versus employability problems, especially in the matter of age discrimination in employment. The average person lives within his own social and employment world. He does not generally become interested in age versus employability problems until he, or a close family member, cannot find a job because of age, obsolescent skills, or lack of knowledge about how to find a job.

2. There is some evidence indicating that the Oregon State Employment Service has considerable opportunity to alleviate the age versus employability problems of the senior worker. In this light, the following specific examples are quoted:

(a) An example of the effect of the aforementioned "dual job order policy" in force within the State employment system becomes apparent when one reads the following excerpt from the Local Labor Market Report released by the State's largest public employment office under a dateline of November 1960: " * * * orders for stenographers continue difficult to fill because employer age specifications preclude referral of otherwise qualified applicants."

(b) A review of "Services to Selected Age Groups" reports rendered by the Oregon State Employment Service, on a monthly basis, over the past 2 years indicates that the public employment service has an excellent counseling program in force for our youth and the physically handicapped. However, counseling services for the nonphysically handicapped senior worker could be expanded considerably, for example: During the period December 1, 1959, to November 30, 1960, (less July 1960) initial counseling interviews were granted to the selected age groups on the following basis:

	Applicants under age 20		Physically handicapped applicants, age 45-plus		*Nonphysically handicapped applicants, age 45-plus	
	Number	Percent interviewed	Number	Percent interviewed	Number	Percent interviewed
Number filing new applications for work.....	29,000	-----	2,254	-----	24,000	-----
Number granted initial counseling interviews.....	6,960	24	458	20	557	2

The initial counseling interview is the necessary predecessor to subsequent counseling. One of the problems cited is a lack of training for "older worker problems." In a report of one of the larger downstate public employment offices, the following comment was noted:

"Low figure on counseling of 'over-45' group in part accounted for, by lack of any training for this speciality for the counselor."

(c) Recent "Services to Selected Age Groups" reports (first 4 months of 1961) indicate that fewer of the age-45-plus group (nonphysically handicapped) have been accorded initial counseling interviews for the current year, than were accorded such during the same period for 1960, although there have been more new

applications for work filed this year than were filed during the same period last year by the same category of applicants.

(d) Although the public employment services of other States have engaged in some rather successful experiments and practices in "group counseling" and "group dynamics" in order to provide maximum counseling service with a limited number of counselors, there appears to be some reluctance on the part of the Oregon State Employment Service to adopt the group approach to the age-45-plus problem (although it has been stated that group techniques have been utilized with the under-age-20 counselees). The Oregon State Employment Service older worker specialist has indicated that: "Only individual, one-to-one, counseling procedures are employed because attempts at group counseling might elicit adverse comment and correspondence on the part of the individuals (counselees) included in the program."

3. In concluding this portion of the report, it is considered appropriate to quote the following statement from the "Philadelphia Older Worker Pilot Project"—

"Generally, any individual can be placed regardless of age. Placement depends on what the applicant has in terms of personal qualifications, experience, physical capacities, and how much he is motivated. It also depends upon the time and effort devoted by the employment service to the individual older worker."

By getting these placement factors over to our "experimental counselees" the senior worker division has experienced considerable success in motivating individuals to seek and find work on their own accord.

PART V

CONCLUSION

1. That age discrimination in employment can only be eliminated by a constant public education program on "individual differences" and "up-to-date manpower facts" as they affect the employer, the individual, and the community as a whole.

2. That such a task is the joint responsibility of business, labor, governmental, and civic groups.

3. That the senior worker division is prepared and willing to aid all of these groups.

4. That adequate job counseling is a "must" if age versus employability problems, other than age discrimination, are to be eliminated and that such counseling should at least approximate the percentage allocated to the under age 20 and physically handicapped groups.

5. That group counseling, as a means to returning an individual to the work force more expeditiously, is a relatively inexpensive method for eliminating age versus employability problems. (For example: All members of the "Experience Unlimited of Oregon" had been without employment for several weeks or more, but an investment of 50 hours of group counseling time (approximately \$175 in counselor's time) contributed to the early employment of 40 members who, during their first month of employment, are estimated to have paid in excess of \$2,000 in Federal, State, and local taxes, plus the fact that unemployment compensation funds were conserved).

6. That until all governmental agencies adopt a total nondiscriminatory policy in their own operation, and in all ways in which they can influence hiring policies, elimination of age discrimination in Oregon will be handicapped.

(The following are communications which Senator Morse received after the close of the hearings:)

EUGENE, OREG.

DEAR SENATOR MORSE: Here is what I would have said at the hearing of your subcommittee of the Special Committee on Aging if there had been time for everyone to speak:

(1) No raise in postage on first class mail because many aged love to write letters and the raise would be a hardship.

(2) Taxes for retirees be reduced or eliminated as is done for military personnel.

(3) An adequate social security be paid so each person might pay his own hospitalization, doctor, housing, and so forth.

(4) Social security be raised in comparison to rise in cost of living.

- (5) Present aid to aged not be classified as welfare.
- (6) Aged persons needing aid not have to turn property over to State to be eligible.
- (7) Relatives not be held financially responsible for parents care.
- (8) A better housing program.
- (9) A convalescing hospital, after aging persons were able to leave regular hospital, which would cost \$12 to \$15 a day until they were able to go into nursing home. That this nursing home program should consist of a recreation, crafts, and so forth program not just a place to end ones last days. Should be adequately staffed by doctors, registered nurses and other qualified personnel.
- (10) Discrimination in hiring retirees is not wise or profitable. That the candidate should be considered on ability and capability. The aging retirees often are not able to find a new job because of lack of training in other areas also he lacks knowledge of how to apply for a new job. Centers for this purpose should be established to aid the retiree who has years of productivity left.
- (11) That age of retirement not be compulsory at 65 but rather on capability and ability to perform.

Sincerely yours,

MYRTLE R. CLARK,
55 WEST HILLCREST DRIVE, EUGENE, OREG.,
*Representative of State Retired Teachers and President, Unit 7, of Lane
County.*

EUGENE, OREG., November 8, 1961.

DEAR SENATOR MORSE: Here is what I would have said at the hearing of your subcommittee of the Special Committee on Aging if there had been time for everyone to speak.

I had plenty of opportunity to speak but I am one of those persons who can't speak in public. The job you have is not an easy one as we have too many chiselers and bellyachers. There are too many looking for a handout without putting out any effort. So many people sit with their hands crossed waiting for someone to give them a handout.

My greatest fear is having a long sickness and hospitalization for either myself or wife. We built up a small estate as we went along and do not have to rely solely on social security. But a long sickness could wipe out all savings and estate. I know people who are getting along very nicely on social security, but they do not spend their time in taverns nor waste money on beer and cigarettes. In this country we have too many professional welfare seekers and they are raising children to be professional welfare seekers.

Here is my personal opinion; the income tax is doing more to destroy the moral fiber of our citizens than anything else. All people think of nowadays is how to beat the income tax. Now that I am 71 years I can sit back and grin but a few years ago it was very different.

My name is on your mailing list so do not add it again. Thank you.

Very truly yours,

J. B. SUTTON,
618 11th Avenue East, Eugene, Oreg.

PORTLAND, OREG., December 7, 1961.

Senator WAYNE MORSE,
*Senate Special Committee on Aging,
U.S. Senate, Washington, D.C.*

DEAR SENATOR MORSE: I had hoped to attend your meeting at Eugene earlier this fall. Circumstances at the last minute made this impossible, hence, this letter. Please bear with me if this letter takes the form of outline.

What is aging—a practical definition under present circumstances and law.

1. *Deterioration plus years.*

(a) Eating habits—bad and adulterated food, uninspected pork for trichina, I understand that U.S. meat inspecting does not include the item trichina.

(b) Drugs, tobacco, liquor.

(c) Side effects of medication.

2. *Accidents.*

(a) Individual caused, auto accidents.

(b) Employer caused.

3. *Conspiratory—Removing the opportunity to work.*

(a) By Government action, age limit, etc.

(b) By Government consent, arbitrary rules such as Atomic Energy Commission rules forced on contractors, and requiring age to be listed on job applications.

(c) By indirect legislation, such as the Civil Service Commission is allowed to make arbitrary rules, etc.

4. *By organized groups.*

(a) Outside the law.

(b) Within the law.

(c) Insurance carried by the employer, rate increases as age increases. Insurance should be carried by the union or individual, never the employer.

Insurance, gifts, fringe benefits, etc., tend to make slaves of the individual when they are contingent upon employment by the individual employer, often among the more skilled or valuable employees they substitute for wages the increased insurance rate that the employer has to pay on the older employees or because of older employees determines whether older people regardless of their ability are accepted for employment.

No group is entitled to all the work and the good things of life by effectively saying that the others are not to be provided with the means of buying their needs on the open market; in other words, become slaves and do the bidding of others.

In many instances one of a couple becomes ill and passes on and, having exhausted all the resources and savings of a lifetime, leaving the survivor a pauper.

So far as I know there is no health-accident and hospital insurance that will cover these items adequately. There are always limitations, cancellations, etc. No just legislation as in the case of life insurance. You are old enough to remember that fight.

Inflation, depression, unemployment, and tragedies of life (sickness, the passing of the aged, loved ones—those inevitable things that we cannot predict). We do not now have our roots in the soil as in past generations.

There should be some way to tie all old-age helps to the economy so that they would not have a decreasing value. The Government encourages purchase of Liberty bonds. Notice what has happened to the purchasing power of the money that went into them. Same is true of life insurance. Something has happened to a great many things that have affected the aged mightily. We have not had a just or honest measure (a medium of exchange) that Holy Writ suggests we have.

Inflation takes from one group and gives to another. The unemployed and the aged are right now competing in an oversupplied, unorganized market for the few remaining jobs that appear from time to time at a small fraction of that demanded by organized labor. Note the news report just yesterday of a local attempt to get local female skilled sales wages up to \$1 per hour. What is happening to those who are displaced from their skills, or the unskilled or the competent aged?

The public, the well to do, and so-called successful all too often equate the problems of the aged with those we find on lower Burnside Street, locally. That is not the true case or picture of the aged—liquor, dirt, debauchery—you and I are responsible for allowing these conditions to develop.

The above work against older people regardless of their ability or need for work, whether union or nonunion, open or closed shop, etc.

I have before me "Background Paper on Income Maintenance," White House Conference on Aging, January 9-12, 1961, and have read it with care. We, the aging and aged, are reduced to a statistic. Definitely we are not a statistic in any way. All we have to do is look at the House and Senate and its Members. We see calamity overtaking them in different ways. I am referring to two able and active Members of our Congress with a great difference in age, but their advanced age did not affect their abilities.

Or take our former Vice President, Mr. Garner, had he been a skilled mechanic and conditions forced him out of the use of his talents in his fifties, he would probably have had to seek public assistance and exist on what the public would consider a bare minimum, regardless of his desire and ability to be self-supporting and choose his own food and shelter.

In this "Background Paper on Income Maintenance" I see nothing so hopeless. No chance of getting just or remedial legislation; it would take all the time and effort of our House and Senate and still in no way offer any freedom to those who have spent their life following the conventions of society—paying taxes,

raising a family, buying Liberty bonds, going to war, doing productive work, and all the things that custom requires.

Now, let's take a look at medical care for the aged: Who built the hospitals and schools, educated the doctors and nurses? Only those who have lived and worked in the past. Those working and paying taxes now are doing the work for the future. All do not have children that are able to help. Besides, any help would be double taxation—taking care of their own and taxed to take care of others.

Now, taxation: No individual, corporation, or organization pays any taxes, if they are operating at a profit; all they do is collect taxes and pass them on to others. The same as cost of labor, goods, insurance, freight, rent, etc., and add it on to the cost of the goods, services, etc., that they render and sell to the public. Only those who are unable to pass on this item (taxes) to others, pay it. Those denied the right to use their talents pay taxes if they have resources; if not it is passed on to the relief rolls and the process goes on all over again. Inflation: What has it done? Many in their seventies have worked for \$1 a day and board; \$1 per hour was common during the forties. Now the same skills receive in the neighborhood of \$3 per hour.

The point I wish to make is that a dollar saved in the forties is competing with \$3 saved in the sixties. Would it be correct to say that someone got \$2 that did not belong to him or that he did not earn? For the most part the aged did not get in on the \$2, it was for the most part picked up by others. The aged are forced to pay taxes most everywhere on their home, while at the same time being denied, directly or indirectly, by government the right to use their abilities and talents.

Now, Senator, you see what I am driving at. The deck is stacked against us, probably because we are unable to inconvenience others, the most potent weapon of organized labor, or maintain an organization such as a labor union or a lobby in our State and National Legislatures, to fight for our rights, fringe benefits, rates, etc. When everything is considered, all expense of doing business, making a product, is passed on to those who cannot pass it on to others. This makes no difference whether it is wages that are not realistic, skilled and unskilled, fringe benefits and take-home pay, worker deduction or social security and employer payment on same; all come out of the same group—those groups who cannot pass it on to others.

We are becoming somewhat enlightened; we are discriminating less toward racial and religious groups, but are doing little toward giving them who have spent their lives in productive effort. We have progressed far toward making slaves of those who love and fought for freedom; placing someone over them, telling them how to spend their declining years. The question arises in my mind whether it would be possible to train and utilize the talents of all according to their ability. To me it looks wasteful and unjust. Suppose we should have to go to war to preserve the freedom of the rest of the world—the aged and elderly will be needed. Would it not be smart to keep them active and trained to step into positions made vacant by those removed by the draft?

We have a system of unemployment insurance whereby the unemployed are paid a sum while looking for work. How much better it would be if these unemployed were forced to go to school and improve their skills. Many become unemployed because they have become rusty in their trade or skill. The same is true of the aged, unemployed, recipients of social security and other pensions.

Now, Senator, if you will bear with me I will indulge in some things more or less personal.

Prior to your meeting in Eugene, which I intended to attend, I went up to one of the stores at 14th and Morrison, Portland. I spent about 2 hours observing the people getting 2 months' supplies of groceries, free. First, it would be impossible to get a balanced diet out of the material available. Those living on it would be endangering their health or shortening their lives. Second, the meat available: I noticed several pickup cans of meat and looked at them, replaced them on the shelf. I asked the lady who was OK'ing the right to get supplies what was in those cans. She said she did not know. I asked her where I could find out; she did not know. Next I asked her who was her boss; called him; he did not know. I asked him who would know. The next two I called said they did not know. There was a man working in one of the city councilmen's offices. He told me it was pork, pork heart, pork liver, beef, beef heart, beef liver, this ground up to make a hash. Can you imagine a mixtures like this to give people who are hungry? Could not those items been kept separate?

Some people do not eat pork, some do not eat heart and liver. There is, I believe, a biblical injunction against such things. Why should they be tucked down the neck of the aged, the children, and the hungry. It would be interesting if your committee would find out about the cleanness of this meat and the part of the carcass of the animal it represents. You no doubt recall the scandal of the Spanish-American War. I urge that you do this. Judging from your past, you take great delight in stirring up the animals. We would not give this meat to the natives of the Near and Far East, would we? Someone is choosing food for us that we would not eat ourselves.

Senator, you may think that I am bitter—well, I am. Any questions you or your committee may have to ask about the above I will be glad to attempt to answer.

Very truly yours,

W. H. Rock,
5806 SE. 46th Avenue.

