

THE RECESSION AND THE OLDER WORKER

HEARING
BEFORE THE
SUBCOMMITTEE ON
EMPLOYMENT AND RETIREMENT INCOMES
OF THE
SPECIAL COMMITTEE ON AGING
UNITED STATES SENATE
NINETY-FOURTH CONGRESS
FIRST SESSION

CHICAGO, ILL.

AUGUST 14, 1975



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THURSDAY, AUGUST 14, 1975

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND
RETIREMENT INCOMES OF THE
SPECIAL COMMITTEE ON AGING,
Chicago, Ill.

The subcommittee met, pursuant to notice, at 10 a.m., in the council chambers, City Hall, Chicago, Ill., Hon. Jennings Randolph (chairman) presiding.

Present: Senator Randolph.

Also present: David A. Affeldt, chief counsel; John Guy Miller, minority staff director; and Kathryn Dann, assistant chief clerk.

OPENING STATEMENT BY SENATOR JENNINGS RANDOLPH, CHAIRMAN

Senator RANDOLPH. A pleasant good morning, ladies and gentlemen.

We like to use the terminology "your subcommittee." The Congress of the United States does not belong to a party. It does not belong to an administration. It belongs to no single member. It is a Congress elected by the American people, and so today this is your hearing. It is part of our American system of going to the people, listening to the people, and working with the people.

The Subcommittee on Employment and Retirement Incomes of the Senate Committee on Aging is now in the process of what we hope to be an in-depth study of the recession and the older worker.

This day has a special symbolism. It indicates the dimension of timeliness. It is the 40th anniversary of the signing of the Federal Social Security Act.

I hope it is not improper for me to say that it has a special personal significance for me. It was my privilege and responsibility 40 years ago to be a Member of the U.S. House of Representatives. The legislation had my active support and my vote when the original measure was before us.

Today, in the Congress of the United States, only four of us are left "hanging on the vine"—Representatives Wright Patman and George Mahon of Texas, Senator McClellan of Arkansas, and your chairman for today's hearing. I think if you would permit me especially to indicate to you that I believe that the law enacted then has, with modification and change, been the law that serves America well in 1975.

Of course, there were improvements made through the years. We still must make these improvements. They are needed. I think we have

to come to grips with the short-term and the long-term financing problems.

Why is financing, of course, important today, perhaps more than a few years ago? I do not need to discuss the high inflation. It has an impact on the elderly to a greater degree than, of course, other people.

High unemployment, projected decline in the birth rate; these are but a few of the problems, but we believe they are all soluble, at least in part.

This point has been made, I think, in a convincing way, a positive way, by the witnesses who have testified in hearings that we have had before the special committee.

We have had these witnesses come, as individuals, representing the business community, the labor movement, and we have tried to go across the board, as it were. We have a spectrum of participation which is not confined to any one particular group.

I know, as you know, that we have been reading, seeing, and hearing the accounts which are alarmist in nature. These have been surfacing on this subject, and from the very beginning.

SOCIAL SECURITY STILL SOUND AND WORKING

I think those who would have stated it, then, have been discredited to a substantial degree. Social security, ladies and gentlemen, is still sound, and social security works. And the retirees of today and tomorrow, I say to them only as one individual, but as a layman, and certainly as a student of this subject, that they need have no fear that the social security payments will stop, because Members of Congress will insist that social security continue to be rooted in sound policy, that the law be actuarially right, and that equity considerations be understood.

Social security, though, cannot be expected to correct all of the deficiencies in our American society.

What are those? Inadequate health care, an extraordinarily high unemployment rate, and many others that could be mentioned.

Now, this in part is one of the underlying reasons why the committee is in Chicago today. We want, as it were, to be in the front line, especially your front lines, so that we will understand the impact of the recession for middle-aged and older workers, persons who are 45 and above, because these are the people most heavily hit by the problems we have today that I mentioned, in part, and that is according to the U.S. Department of Labor definition.

The administration, in recent weeks, has proclaimed our Nation is bottoming out. Bottoming out of the worst economic slowdown, even the administration says, since the depression of the thirties.

I know what that depression was. Now, this may be so varied, I do not intend to argue the point at this hearing. But I do know it will be quite some time before any measurable improvement is accomplished in the joblessness picture.

The economists project that the unemployment rate will hover around the 8- to 9-percent range for another year. Middle-aged and older workers have been especially hard pressed by this recession. It is depression, actually in some cites, in some areas of the country.

1.6 MILLION OLDER WORKERS UNEMPLOYED

There are today 1.6 million present in the 45-plus age category unemployed. This is 83 percent above the level just 1 year ago. Once unemployed, the nature of the situation deepens for the older worker, because that mature person runs a substantially greater risk of being without a job, not for a short period, but for a long period of time.

The opportunity to return to similar work with comparable pay has been considerably diminished, and so our Nation lacks a clear-cut, effective, and comprehensive policy to maximize job opportunity for persons 45 and above.

Now, whatever the barometer that you would use, this age group that I mentioned is underrepresented in manpower programs in the country. Persons in the 45-plus age category now represent 21 percent of the total unemployment in the United States—21 percent.

Twenty-six percent of the long-term joblessness, and that is 15 weeks or longer. Yet they account for only 4 percent of all the enrollees in our Federal manpower program.

It is my understanding that in Chicago certain steps to provide greater training and employment opportunities for older workers are in process. We will hear about this today.

Other cities can—if we believe to be true what is happening here—follow Chicago's lead and develop manpower programs that are more responsive to the special needs of those 45 years and older.

Now, I think this is challenging, and it becomes all the more important, because to a degree poverty is increasing for older workers.

A NEW CLASS OF WORKING POOR?

During the past year, the number of impoverished persons from the 45- to 60-age category jumps by 200,000 persons, from 2.4 to 2.6 million. Unless effective steps are taken to reduce unemployment, we may be witnessing the making of a new class of working poor in America.

Who will compose this class? They are the labor force dropouts who have just given up after they have had prolonged and futile searches for jobs.

They are persons who receive actuarially reduced social security benefits at an earlier age because in many instances they seemed to have no other choice, and those individuals who have exhausted their unemployment compensation.

Our Subcommittee on Employment and Retirement Incomes will examine a wide range of issues during this period. We need your counseling very much. We want to hear the viewpoints that many of you will express.

There is not sufficient time, we regret, to have oral statements from everyone here today. But the subcommittee has provided a statement form that is available at the back of the room. It says if there had been time for everyone to speak at the hearing of the Subcommittee on Employment and Retirement Incomes on August 14, 1975, on the recession and the older worker, I would have said.*

*See appendix 3, p. 80.

Dave, what will be the period of time that we will receive the statements—not just today, of course, but could they be received at a later day, and incorporated in the record of this hearing?

Mr. AFFELDT. Up to 30 days after the closing of our hearing record. That will be, I believe, September 15, because I think September 14 falls on a Sunday.

Senator RANDOLPH. Will you tell them where to address them, or will the form indicate where the answers should go?

Mr. AFFELDT. The form is addressed to the U.S. Special Committee on Aging, and the address is included on it.

Let me repeat: You have 30 days to submit your statements, and the form includes the address of the Special Committee on Aging. Your statement will be included in the hearing record, and then you will be sent a copy of the hearing.

The committee reviews the statements in the same manner that we review the testimony of the witnesses who make oral presentations.

Senator RANDOLPH. I reemphasize that the printed record will contain your statement, just as though given today before the committee. Full statements will be included.

We have, before we present Mayor Daley, a very brief statement from Senator Charles Percy.

Senator Charles Percy is a member of this subcommittee, and a member of the Senate Special Committee on Aging. I will ask, Dave, that you read into the record the statement of my colleague.

STATEMENT BY SENATOR CHARLES H. PERCY

Mr. AFFELDT [reading]: "I want to welcome Senator Jennings Randolph and the Subcommittee on Employment and Retirement Income of the Senate Special Committee on Aging to Chicago. I am glad the subcommittee has come to our city to pursue its study of the impact of the current recession on the older worker.

"I wish I could be with you in person today to welcome and to learn from the many fine witnesses from Chicago and elsewhere who will be testifying. On August 14, however, I will be nearing the end of a 2-week visit with other Members of Congress to the People's Republic of China. When I return to Washington, I intend to review the transcript of this hearing with some care.

"This hearing is extremely important because income security was and is the number one problem facing older Americans. Not only must we assure retired workers an adequate income and the opportunity to supplement meager benefits with part-time employment, but we must also take steps to be sure that the burden of recession-induced unemployment does not fall disproportionately on the older worker.

"The witness list is an impressive one. The subcommittee will benefit greatly from the expert testimony and first-hand accounts of experiences it will hear. I look forward to working with the chairman and the other members of the subcommittee in translating the testimony into effective action in the best interest of the older worker."

Senator RANDOLPH. It is not inappropriate for me to indicate that the chairman is a longtime friend of the first witness. He is very happy that he can state publicly that fact.

We are delighted, Mayor Richard Daley, that you are the leadoff witness, as it were, at the hearings today. We hope we will have the

opportunity for colloquy, so that we may learn of some of the programs that you are carrying forward and some of the convictions that you desire to state.

If you will now give your prepared statement for the benefit of our guests who are attending the hearing, and for the subcommittee, itself, we would greatly appreciate it.

STATEMENT OF HON. RICHARD J. DALEY, MAYOR, CITY OF CHICAGO

MAYOR DALEY. Well, Senator, may I first welcome you to Chicago on behalf of all the people of our city, and thank you very, very much for holding the hearing in our city, because we realize that there is one man in this country that has devoted all of his time in public office, who is the greatest resource of the senior citizen, the man that heads this subcommittee, Jennings Randolph.

Many people do not know this, but 40 years ago Jennings Randolph was speaking out on behalf of the senior citizens of America, and he worked with a great President, Franklin Delano Roosevelt.

The first legislation that took cognizance of what a great obligation we as Americans should have to our senior citizens, was the work of Senator Randolph, and I salute him today in this city of Chicago, and we the people of Chicago are very grateful and thankful to him for his many, many years of dedication and devotion to the cause of the senior citizens of America. As a close friend, and one I have watched all my years in politics, I would hope and pray that we would have more men in Washington today in the Senate and in the Congress with the same views, the same attitude, the same dedication, the same devotion, and the same courage as Senator Jennings Randolph. I am thankful for the opportunity of appearing before his subcommittee. [Applause.]

I hope that what is said here today at this public hearing will be conveyed to the employers in this country. I believe that it is very important that the country should have a national policy of encouragement and support of older workers.

MANDATORY RETIREMENT: A MISTAKE

Unfortunately, we have established an informal national policy of mandatory retirement based on age, and we know that age is relative. Experience, however, has shown that such a policy is a mistake, a serious mistake in economic terms, and much more importantly, in human terms. Experience has shown that mandatory retirement should never be based on chronological age alone. It should be determined by the ability to do a job.

We have, as a society, shunted people aside during the period of life when they have much to contribute.

What a great thing it would be in this bicentennial year to end this practice, and to reaffirm the right of each of our citizens to be judged as an individual on the basis of his or her own performance. Congress should ban the practice of mandatory retirement when it is based on chronological age alone. There is no place for age discrimination in our country today.

In Chicago we have seen first hand how senior citizens can and do contribute so much in every field. An example is the work of the elder

artisans of the mayor's office for senior citizens. These 175 talented seniors have made the finest kinds of clothing and toys which are highly in demand for sale by the best department stores in this country. These women have shown a skill which has been improved, not lessened, with age.

In another type of work, the mayor's office has arranged with the painters union to employ retired journeymen painters to teach and supervise youths in the summer program of painting fire hydrants and curbing throughout the city, as well as painting all of the railroad elevations in our great city. The skills of these senior citizen painters are being utilized to help the young and to serve the public.

The Federal Government refers to men and women who have passed their 45th birthdays as being "older workers." We refer to them as kids. Apparently, this is done because that is the way such men and women are generally viewed by employers across the country. We, as a people, have to change any attitudes that these older workers are unemployable in any way.

We all know that the average college graduate is about 22 years old upon graduation. And some have a little more time than that to spend in school. Postgraduate studies mean that a young man or woman is even older, frequently more than 25, before he or she begins a work career. And we know that it often takes quite a bit of time before an employee has mastered the skills and knowledge required for a job. With this in mind, does it make any sense to view workers 45 years old and older—who are actually just beginning the prime of their lives—as being in anyway unemployable? It doesn't make sense.

We should be placing great value on the abilities and talents of men and women in their fifties and sixties and beyond. Medical science has helped to greatly lengthen life expectancy. As a nation, it is time we took advantage of this for the betterment of our country and for the betterment of each individual.

VOLUNTARY WORK BY OLDER PERSONS

And while we are talking about the need for encouraging and supporting employment for older workers, we should also keep in mind the voluntary work contribution which can be made by so many senior citizens.

In Chicago, more than 3,000 senior citizens provide voluntary services in the model cities program, helping with day care for children, day camps, and home visits to shut-ins.

Our schools and our young people also would benefit so much from the wisdom of these older men and women. I have been trying to convince the school system for some time, and I am still trying, that the greatest thing we could do in high schools is to bring men and women who have lived a full life, and have performed well in the business world, in the academic world, in the religious world, and above all in the family world, mothers who have raised a family, to tell the children in high school and the young men and women, what they have faced in life, what they have gone through, and what an experience it is to be a great mother, and to be a great father, or to be a successful businessman.

Should not that all be valuable?

We read books of successful men and women. Why should not the schools, the colleges, and the high schools utilize the great resource of the senior citizen of our country in order that they will know exactly what is the picture as far as life is concerned.

I hope that all of us would start a program of communication, and the communication that we started in Chicago is on a day-to-day basis. The young people in a community should be encouraged to contact the senior citizens, and we have done that in the stockyard area in which I have lived for many, many years, to send them Christmas cards, for example.

What a great thing it is for a senior citizen living alone to receive a Christmas card, or a St. Patrick's Day card, or any other card. It does something for which we cannot tell how much value there is for a person living alone, either a man or woman, to receive a card from someone. Then I am hopeful that we follow up with a visit by the high school students to the people that are in their senior years. This is all or part of, I think, being interested in our fellow man and interested in our fellow woman.

I believe it would be very worthwhile for senior citizens to be invited to come into the classrooms—worth while for these men and women to tell the children about their work experiences—for grandfathers and grandmothers to tell young men and young women and boys and girls about the joys and experience of raising a family. There is much wisdom to be tapped. How foolish it is to let it go to waste!

It would be a great experience to learn the history of our grandmothers and grandfathers, to have them tell it to you in person. What a great thing for young people to listen to the immigrants who have come to this country from all over the world, and settled in our city, and learn what they went through, and what eventually happened, and how they raised their families, and how their families have gone on and taken positions of importance in the field of public office, in the sciences, the academics, and in the religious world.

DISTINGUISHED OLDER LEADERS

This is part of America. This is the part I think we should be telling again and again to the children in our schools, this part of America.

We have seen in our own lifetimes, not only what workers in their sixties have achieved, but also men and women in their seventies and older. We know that Konrad Adenauer, who opposed Nazi oppression, became Chancellor of West Germany at the age of 73 and served until he was 87. Mrs. Rose Kennedy, a great and noble lady, is active on behalf of many charities at the age of 85.

Will we ever forget that a remarkable man became Pope John XXIII when he was 77 years old? They said he would be an interim Pope because he was 77 when he was elected. He did more in the few years he was Pope than any man that preceded him, and his great contribution is still going on.

Justice Oliver Wendell Holmes served on the Supreme Court until he was 91. They tell the story of when he was 80. He said when a young girl went by, "Oh, just to be 70 again."

DeValera was president of Ireland when he was 84. George Meany is 80. So is Arthur Fiedler who brings joy to millions of people with the Boston Pops Orchestra. Colonel Sanders is 84, and look what he did by giving us the greatest chicken which you can eat anyplace in

the country. And our mutual close friend, former Speaker John McCormack, is 84. There was no greater speaker in the Congress than John McCormack.

I could go on and on. And for every well-known person, there are thousands and thousands of other fine men and women whose day-to-day contributions are essential to the life of our country. Much too much of this talent is being denied us, not only by mandatory retirement at an early age, but also because of a mistaken attitude by too many employers.

Senator Randolph, there are many ways that Congress can help the older workers during this time of great unemployment—ways in which Congress can not only benefit our older workers, but also, at the same time, meet our national responsibilities to our senior citizens.

MORE SENIOR CITIZEN HOUSING NEEDED

There is a tremendous need for more senior citizen housing throughout the country. The program of housing for the elderly was one of the most successful Federal programs of the past two decades. Additional thousands of senior citizens could benefit from decent, low-cost residential units, providing them with independence in a congenial environment.

We, in Chicago, plan new housing for seniors as part of the community development program. But there is a need for the construction of even more. And all construction workers—including those over 45, to use the Federal reference to “older workers”—would benefit from employment in the construction of this new housing.

NUTRITION PROGRAM SHOULD BE EXPANDED

Another of the most successful Federal programs in recent years has been the nutritional program for senior citizens. In Chicago, the mayor's office for senior citizens operates 72 centers where low-cost nutritional meals have been provided for 22,000 senior citizens. You have only to visit a few of these centers to learn that their importance far exceeds the nutritional program itself. There is no way to measure the social value of offering elderly men and women places where they can meet with their friends in pleasant environments to enjoy not only good meals together but also a wide range of social and cultural programs.

Let me give you a personal experience. In visiting one of the housing projects some years ago, and I shared it with Bob Ahrens, the director of the mayor's office for senior citizens, I visited in Rockwell and talked to an older woman, a black lady. I said, “What are the things you miss more than anything else?” She said, “Communication.” I said, “Anyone talk to you in the project?” She said, “Well, not unless something happens.”

So I said to her, “Well, what do you do with your meals, what do you eat?” She said, “Well, I get a piece of bread and cheese or sausage.” I said, “Well, do you ever have a hot meal?” And she said, “Well, no. You live alone, and you do not think of getting a hot meal.”

I came back and shared it with Mr. Ahrens, and I am happy today that we do have more nutrition available. We have it available in more

neighborhoods and communities than we ever had, so that some of these poor unfortunates living alone would get a chance.

They get more than just a chance of a hot meal. When you go through these places, what do you see? You see a lot of people together, and they are not used to it, because their husbands have died, or their wives have died, and they live alone. But at those nutritional meals that are being served in this city and all over the country, Senator—I know you have attended them—I get the greatest experience because you can look at all of their faces and see the attitude and the cheer and the gladness in there, because they are talking to someone. And in addition to that, they are getting what they should have and that which the poor unfortunate did not have, a warm meal now and then. And I think we should do all we can to the Federal Government to expand this program, because I do not only think it is only a nutritional program. It is a great social and cultural program, because it provides for an exchange of conversation by people at these meetings.

Moreover, this low-cost hot meal program provides employment, and that is important—employment for over 150 senior citizens, and it will provide employment for a lot more.

Senator, I urge the subcommittee and the Special Committee on Aging to do everything possible to greatly expand this nutritional program.

Later in this hearing you will hear more on these subjects from Sam Bernstein, director of the Mayor's Office on Manpower, and Robert Ahrens, director of the Mayor's Office for Senior Citizens.

Later in this hearing you will hear from Bob Ahrens, and I would like to say no city in my opinion has a more dedicated and devoted man. He has a great love for what he is doing. And you will also hear from Sam Bernstein, who is one of the outstanding men in this field.

NATIONAL OBLIGATION TO OLDER WORKERS

We, as a Nation and as a people, have a great obligation to our older workers and our senior citizens. All worthwhile societies throughout history have respected their elders. The men and women who are now senior citizens have contributed so much to our country and our community and have benefited all of us. Surely we have an obligation to help them.

I assure you that the city of Chicago is appreciative of the concern which you, Senator Randolph, have shown and the concern shown by the entire committee. And we will do everything possible to work with you in this area.

Thanks for the opportunity of being present with you and my fellow colleagues and senior citizens.

[Applause.]

Senator RANDOLPH. Mayor Daley, this is very moving and helpful testimony which you have given to us.

It is not time to set forth what we have done in the Congress, and the entire political subdivisions, but it is time to rededicate ourselves.

We must think anew, we must act anew, and disenthral ourselves of some of the programs we have brought into being and change them.

Thomas Jefferson believed in change, and he tried to bring it about.

I was thinking as you talked about the senior citizens and their need for communication the day before yesterday, Mayor. I was in Morgantown, W. Va., and I met with the senior citizens in the center there.

There are 40 of them, and I watched them singing before they ate together. One lady was just a little late coming in from one of the rooms, Edithe Brown is her name. She did not tell me, but someone told me, that she is a pool shark, and she beats everyone.

She is 85 years old. She bounced into that room from just having had a good game of pool, 85 years of age.

I can tell hundreds of stories like this, but I will tell another, because I think the communication part, the living with people is important.

I planned a birthday party for a charming young lady of 100 years of age at Harpers Ferry, W. Va. It was a celebration, and she received a gift that day of a fishing rod and a can of worms.

And I said to her, "How come you have received this kind of gift?" She said, "I fish two or three times a week in the Shenandoah and the Potomac Rivers." And I said, "You do?" She said, "I am very active. That gift was given to me by the rural mail carrier, and we are good friends, good friends."

But then she went on to say, "I am very active. I am now chairing a committee of 10 people to raise funds for the county hospital," she told me.

Well, what you are saying about the ability and dedication of people, you know, it does not stop at a cutoff point. It goes on and on and on.

EMPLOYMENT LEGISLATION FOR OLDER WORKERS

Now, not all can be in that category, of course. Yet by the very act of rubbing shoulders together, talking together, singing together life can be enriched. I saw a wonderful chorus of 60 older citizens the other day singing—happy people singing. Opportunity for work is also essential for the elderly. In our Comprehensive Employment and Training Act, it was my responsibility in the 1974 amendments to include a program which I felt was worthwhile.

It is in being. It authorizes part-time public service jobs for the elderly and handicapped persons. These are the persons not able to work full-time, but they should be given and they are given the opportunity to work part-time with their disability or perhaps advanced age.

I think, also—as you will—of the senior service corps. This gives the opportunity through legislation now in being for people to work together. In the Older American Community Service Employment Act we tried to achieve this objective.

And then in 1970 for the first time, we passed the "National Employ the Older Worker Week." That is not the answer in itself, but it calls attention to the fact that older people are here, and they can be employed. That was 1970. And again in 1973, of course, we stressed that so-called attention that I mentioned for the older workers. I do not want to detain you, because I know your schedule is heavy, but I emphasize there are many older workers and older Americans who believe that because they are of advanced age, that people generally are setting them apart from activity that has good purpose.

I know that you have lived an active life. You mentioned many here who have lived active and productive lives, and these are the people we are talking about today. They have lived active lives.

They want this period of transition to take place in order to make their contribution when they are older as well as younger.

Now, what steps do you think, I know you have spoken of some of them, Mayor Daley, that we could take to give greater opportunities to these older Americans, not only in the holding of jobs, but in the participation in community affairs, like the city of Chicago?

Are you trying to have them come in and be a part of the program in the city?

STRIKE "RETIREMENT" FROM VOCABULARY

MAYOR DALEY. I think, No. 1, as I have suggested, I would like to see the word "retirement" stricken from the vocabulary. I do not think it is a proper word.

I said before, I repeat, I do not believe we should have the word "retirement" in our vocabulary, because when you talk about retirement, it means a lot of things mentally and psychologically to a lot of people.

We should talk about some other expression. Surely the corporation and the government, itself, should do the same. They start to describe old age at 45.

We should try to change that. The city of Chicago has made many, many moves to help people. Many of them go unnoticed, and we never talk about them, but about 8 years ago a woman wrote me a letter. She lived on the North Side. She said, "I am looking at a man, 66, 67 years of age," and she said, "I am worried about him." She said, "We traveled, we played golf, we fished. He was the head of an important national organization, but," she said, "in the name of God, don't ever tell him I wrote you."

So I sent for him and in came a very fine man. I said "I understand you are a great salesman." He said, "Well, I was." I said, "Well, I have a job for you."

He said, "I have all the money I need, and I will do it for nothing." I said, "No, if you do it, we will do it together."

We called Johnson, the commissioner of streets and sanitation, and the project was the new Skyway. We were trying to encourage the trucks to use it.

And I said, after some time, "We will give you \$1,000 a month to promote the Skyway to the truckers."

Later, my wife and I were going by 63d and State, about 2 o'clock, and there was a Cadillac sitting on the corner with a man and his wife in it.

He was taking the numbers of the trucks down that were bypassing the Skyway, and we put him to work, Senator Randolph.

In 6 months he increased the truck travel on the Skyway 33 $\frac{1}{3}$ percent.

Senator RANDOLPH. How old was he?

Mayor DALEY. Sixty-seven. He died some years ago, and I went to the wake, and his wife said, "You extended the life of my husband 7 or 8 years."

I think you can multiply that hundreds of thousands of times in our city, in every city in the United States.

There are people who have the finest experience that I have seen. To send for a retired man or a woman and to tell him you have a job for him to do, they just love that. They bloom up immediately. They change.

Something happens to them because they no longer write themselves off, and I think, today; there is too much writing off of the senior citizens in our entire country and in our community, and not enough appreciation that they have a great contribution to make to our society and to our people.

I think that the Congress can lead the way in helping us do that.

SENIOR CITIZENS: "MOST VALUABLE AND PRODUCTIVE EMPLOYEES"

I want to assure you I will put as many senior citizens to work as I can, because I find them to be the most valuable and productive employees. You never have to worry about senior citizens being on time or being unwilling to stay over a little.

This is something that they have been trained all their lives to do.

Senator RANDOLPH. We have those people who do not believe in flexibility of retirement. They think that it is necessary to have mandatory retirement age so that the younger people will have an opportunity for work.

Now, What do you think about that?

Mayor DALEY. I think of the story Danny Thomas tells. When he was 16 or 17 someone died, and they said, "How old was he, 45? What does he want to do, live forever?"

The people who are young today will be senior citizens tomorrow, and the people must recognize that it is not just the age that you are in that will determine that policy.

We have made a mistake. Retirement was fixed when expectation of your life and my life was about 45. Now it is 70 or 72, and the same rules and the same regulations should not exist, and that is why I say to you, the Federal Government has to take the lead, and I hope they will.

Senator RANDOLPH. Mayor, you know I authored the constitutional amendment for the 18-year-old voting, so I believe in young people.

Mayor DALEY. We all do.

Senator RANDOLPH. I believe we start them earlier than we used to in the voting process. By the same thinking, we must include the older people longer, those who have the desire.

Mayor DALEY. Senator, the great productivity of America, which has been standing still in the last 10 years should take its place again.

We are the greatest businessmen. We can provide enough employment for all of the people, young and old, in our society, if we get a change in the attitude of the people. Instead of talking about inventory and high profit, we should be talking about something of the human values of life and what we should be doing for people, and I am hopeful someday that we will have that kind of policy.

Senator RANDOLPH. Thank you, mayor.

[Applause.]

Senator RANDOLPH. We are honored with the presence of Neil F. Hartigan, the Lieutenant Governor of the State of Illinois.

Lieutenant Governor, we hope to have you talk at 11 a.m. and we think we will be able to do that.

We have problems of scheduling, and I am prone to talk when I should not, but we will try to keep you as close as possible in time.

Thank you for coming.

**STATEMENT OF NEIL F. HARTIGAN, LIEUTENANT GOVERNOR,
STATE OF ILLINOIS**

Lieutenant Governor HARTIGAN. Thank you, Senator, for the opportunity to speak this morning.

I have submitted a prepared text, but in the interest of time, I will summarize my statement.

On behalf of the people of Illinois, we are very grateful to you for coming to our State to highlight some of the needs for assistance in Illinois and across the country.

We have the very distinguished chairman of the Illinois Council on Aging here, and the secretary as well. It is a privilege for me to participate with you and the mayor and with men who have done so much in meeting the needs of the senior citizens of our country over the last 40 years. As the mayor pointed out, here in Chicago the first urban senior citizen division, the Mayor's Office of Senior Citizens, was founded over 20 years ago.

In Illinois we have been attempting to move forward. We created a cabinet-level department on aging to try to advance the priorities of the elderly within the State, to give the subject more visibility.

We have succeeded in providing income supplements in the form of tax relief for the senior citizens and the handicapped in the State.

NOT MOVING FAST ENOUGH IN EMPLOYMENT

However, in the field of employment, we have not moved fast enough or far enough.

We find a situation where, as you pointed out, and the mayor pointed out, many of the countries of the world, the corporations, the unions, are led by people that we are characterizing as senior citizens and, therefore, ineligible to participate in society.

That simply is not common sense. It is one of the things that is robbing us of our ability to meet the problems. How can we have 100 percent of the social problems and take 10 or 15 percent of our most talented population and put them on a shelf, because somebody ripped a page off the calendar. That just does not work.

One of the things I might suggest is that there has to be an overview from the Federal level of the programs for employment. The people do not see this Federal program or that Federal program, they see the end results: Does it benefit the human being, or does it not. And in terms of cost effectiveness and in terms of productivity, many of the programs in existence simply are not working.

Traditional programs for employment through the Department of Labor, for instance, have created 88 senior job specialists in 88 separate offices throughout the State. But, Senator, out of 1,200,000 eligibles in the State, those 88 offices expending millions of dollars produced about 1,200 jobs last year. So for that entire senior population, there were only 1,200 jobs.

The dilemma is that the senior job specialists also become youth specialists, and specialists in a variety of other areas, so I think another look at this program might be in order.

The Division of Vocational Rehabilitation, the same thing is true there. We have Federal funding in the Department of Labor, Federal funding in the Department of Vocational Rehabilitation, yet only 4 percent of those served by that agency are older Americans. Only 1 percent are over the age of 65.

But, there are programs which you have developed, Senator, and they should be expanded, expanded substantially.

We have an RSVP program in the State employing about 3,500 people. We have a senior aide program, but the funds are too limited in that area, and too limited in too many other areas, as well. We have the foster grandparents program, but only 618 people are served in that program. Yet if we have the commonsense to let the elderly work on their own programs, let the senior citizens meet their own needs in community action, they have the capacity to perform.

I have found this to be true in my own office. Under a grant from HEW, we have been given the opportunity to form two senior action centers in Illinois, and they are run by senior citizens. They worked with 10,000 human beings last year, one at a time, and that effort was the basis for our legislative program that provided tax relief.

One of our fundamental problems is that we have in our State, at the present time, programs that simply are not working and millions of dollars that are being lost because the people that those benefits are intended for are not receiving those benefits.

Senator, the State of Illinois has a program that provides annual cash grants of up to \$500 that is only able to reach 107,000 senior citizens.

To end the isolation of the elderly, we announced yesterday, Senator, a program that will take the senior action coalition, 120,000 senior citizens that got together last year as senior advocates, and put the labor unions, the Kiwanis, and others together to go out and find employment for the aged and make them aware of Government programs.

COMMUNITY SERVICE EMPLOYMENT SHOULD BE EXPANDED

Senator, I want to suggest that the community service employment concept be expanded, and be expanded dramatically. We have 546 libraries in this State. Why cannot there be a senior desk at each one of them occupied by a senior citizen who could explain to other elderly persons what the benefits are?

The senior action centers that we have, manned by seniors, do this now. I believe that they can do the job where Government has failed, for we have not lived the problems and if you have not taken a walk, you cannot really talk.

I would like to ask you, therefore, to increase the community service employment programs, perhaps using some of the money spent on Federal programs that do not work well. The traditional programs of the Department of Labor, the Division of Vocational Rehabilitation, these are all lovely things, but they are tokens. Take the same dollars and put them in the things that you have sponsored; those work, and would be of tremendous benefit if there are dollars there.

NOTICE ABOUT CASH BENEFITS

And I would like to ask one other thing of you, Senator, it is a pretty simple idea. But perhaps it could help us. It is the isolation of the elderly which is robbing senior citizens of millions of dollars each year in our State.

This is a Social Security envelope. About 900,000 go out every month in our State.

If we simply put a slip of paper into that envelope, listing the full cash benefits that are available from the State of Illinois, then instead of 100,000 people getting the benefits of our program, maybe the 900,000, just by a simple act of intergovernmental cooperation, will be aware of the benefits that will be available.

There would not be any name on this thing. All it would state is that inquiries be directed back to the Illinois Department on Aging, so that the people would get a direct response on how we can help them.

And, Senator, the best people to administer that outreach are the senior citizens themselves.

As the mayor pointed out, their effectiveness, their empathy, their understanding, their expertise and experience in the problems that we are confronted with are the best hope we have got for bringing about a day of dignity for the elderly in this State and in this country.

Frankly, maybe this is too simple an idea.

Senator RANDOLPH. May I interrupt at the point where you are discussing the insertion of the material. As you know, Governor, we are doing that in connection with the food stamp program, because we can do that at the Federal level.

When we come to the State situations, it may form a problem, but I think that the problem ought to be attacked, as you have indicated.

I commend you for what you are thinking and what you are doing, and I will give it special emphasis in seeing what we can do.

Lieutenant Governor HARTIGAN. You are the best senior-citizen-problem-solver in this country. If anybody can do it, you can.

I think that we can use the data bank in Baltimore.

The State itself, Illinois, or Michigan, could simply reproduce this sheet and send it to the Social Security Administration. Maybe a couple of thousand dollars is involved, a simple printing.

As far as the Federal Government is concerned, the appropriate envelopes could be selected by ZIP code, so what you are talking about is a stuffing operation, essentially, as far as administrative costs from the Federal Government's point of view. And yet for that small administrative cost for stuffing and the small printing cost that would be borne by the State we could have a very effective outreach system.

When seniors receive this form in the Social Security envelope and return it to the department on aging, they are going to have a good shot at all sorts of benefits. And at the same time once and for all, we can get a decent data base so we can identify the elderly where they are, get the social programs, the nutrition and the rest of the programs, out to them.

Senator RANDOLPH. Governor, we are used to rather huge overruns in the cost of let us say military equipment. You know about that, don't you?

It would not hurt to have a little priority in connection with this program, and it is a modest program, really.

Lieutenant Governor HARTIGAN. That is correct.

Senator RANDOLPH. We are going to follow through on what you have said. You have given us, not only an idea here, but certainly I think something that is workable. We will come back to you and ask you to work with us in reference to this matter.

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM

Now, you know that Congress, Governor, has approved legislation to increase funding under title IX, the Senior Community Service Employment Program.

Now, if we had sufficient moneys, could we provide jobs for all aged persons 55 years and older, who wanted employment in such a program?

I do not know whether we can. How many would there be in Illinois, would you say?

Lieutenant Governor HARTIGAN. I think the figure for Illinois is somewhere in the area of a quarter of a million. I think the basic underlying premise is, yes, we could provide employment. There is no doubt about it.

When you see the foster grandparent program and the few hundred people involved in it, there is a terrific opportunity there. The senior outreach, Senator, that could be an important program.

The dollars are there, clearly, Senator. If I could suggest one last thing in that respect, you have the checkbook. The Federal Government puts the money into the Department of Labor for these 88 senior job specialists throughout the State. But there is no accountability in terms of priorities, and that is exactly the right word.

Of course, the State should also have a role.

Our nutrition program right now is funded at \$600,000 out of a \$10 billion a year state budget. The rest of it is Federal money, and the States are saying, "Well, if there is a matching formula from the Federal Government, we will only match up to that point."

The State should contribute more, Senator, if there is any lack of Federal funds available in the area that you have just suggested, I think there are additional State funds there that should be spent to meet senior employment needs.

It is not a matter of replacing the younger worker. It is taking a different kind of approach to take advantage of the unique experience of the aged to meet the new human needs.

Senator RANDOLPH. The younger worker would not be working in those jobs. It is supplementary?

Lieutenant Governor HARTIGAN. Exactly. It is meeting a gap in service. The only people in the country that really have the talent to do it are the senior citizens, themselves.

Senator RANDOLPH. Governor, you are an articulate advocate.

Just one question, and then we can close.

CATEGORICAL VERSUS GENERAL PROGRAMS

In our general programs of employment for the elderly, there are those two contending points of view, the special emphasis program, or the general program. Some say special emphasis would draw away from the overall effort, with the other side saying the special emphasis

must be given if we are to do this job. It is the categories against the general area.

Do you want to talk a moment about it?

Lieutenant Governor HARTIGAN. Again, referring to your suggestion on priority, you are absolutely right.

If its a general program the senior citizen is at the bottom of the priority pile.

Senator Randolph, it has to be specialized. The Division of Vocational Rehabilitation is a great example of what you are talking about. One percent of their client population is over 65, 4 percent over 55.

The whole idea behind the Illinois Department on Aging, Senator, was to create an advocate for the needs of the elderly, and a means of meeting the needs of society by taking advantage of the elderly. It is run by senior citizens for senior citizens, and as an example of what we can do in our society, if we have the common sense to take the blinders off and let the elderly meet their own needs throughout the country with their own talents. You are the person to put the programs together.

Senator RANDOLPH. I think some people might say we need him in Washington, rather than Illinois.

Thank you very much.

Lieutenant Governor HARTIGAN. Thank you.

[The prepared statement of Lt. Gov. Neil F. Hartigan follows:]

PREPARED STATEMENT OF NEIL F. HARTIGAN, LIEUTENANT GOVERNOR, STATE OF ILLINOIS

I am grateful for this opportunity to appear before this distinguished group which has provided national leadership on behalf of older Americans.

All of us in government who deal with the problems of the aging are constantly running smack into the reality that the needs of seniors far outdistance our ability to meet them. Nowhere is this truer than in the area of employment opportunities.

By some strange logic, the desire to work is supposed to fade away at age 65—if not sooner. Of course, it doesn't. As many as 80 percent of the senior population would work, given the chance. As far as the elderly are concerned, the chance to work may not be so much a matter of economic survival as it is a way to preserve personal independence and pride, and to ward off the isolation and loneliness that shadow their old age.

In both national and State government, employment programs for older workers have never enjoyed a particularly high priority. In fact, many of them are the kind of programs that are pursued by a cloud of doubt, never entirely sure of their existence from one year to the next. Planning under those conditions becomes almost impossible, and many workers who are brought into such programs are as quickly dropped from them. Enthusiasm is replaced by disappointment.

PROGRAM ISN'T WORKING IN ILLINOIS

In Illinois an older workers program is run through the 88 local offices of the State employment service. This activity is supported entirely by Federal funds, and includes counseling, testing, job development and placement. Frankly, this program isn't working. Approximately 31,000 persons aged 55 and older seek work through this channel every year, and only 3,500—slightly more than 10 percent—are actually placed in jobs. In theory, each of the 88 employment offices has an older worker specialist, but the same person may also be the younger worker specialist and the minority worker specialist.

A similar situation prevails in Illinois' Division of Vocational Rehabilitation, whose budget is about 85 percent Federal funds. Only 4 percent of the division's caseload is over 55, and less than 1 percent is over 65. When quoting this figure we are regularly referred to Federal law which relates eligibility for vocational

rehabilitation to "reasonably long work futures". Much of the work is directed at target groups such as disabled public aid recipients and disabled public offenders, but the particular needs of the older disabled worker have not been similarly targeted.

A recession is not a good time to be old. It is a time of unexpected early retirement for which there is little or no preparation. Those who are already retired are assumed to be out of the labor force for good. But if we realize that most of these people do not want someone else's job as much as they want a chance to be productive, we can harness a tremendous load of talent and energy to the making of a better world.

I am speaking now of community service employment and volunteer opportunities for older citizens, such as those funded through title IX of the Older Americans Act, Operation Maintenance, and the Federal ACTION program. These programs are very popular in Illinois. The Retired Senior Volunteer Program (RSVP) is now active in 19 cities and involves 3,500 volunteers. There are 9 foster grandparents programs in operation employing 618 older persons. The senior aides can be found in several locations throughout the State. One of the area agencies on aging, covering nine counties in southeastern Illinois, has entered into a contract to hire 50 senior aides to staff social services and nutrition projects.

This concept—of seniors employed to serve other seniors—is one with unlimited possibilities, and it deserves further attention. My office operates the senior action centers, with the help of a grant from HEW. It is a senior ombudsman service, the first of its kind in the Nation, with a statewide toll-free telephone line. The staff, which handles specific problems and complaints, is made up almost entirely of RSVP volunteers and senior aides supervised by a handful of professionals. The success of this effort can be traced directly to the instant empathy the senior advocates have for fellow seniors in trouble. You can't put a price tag on it.

OLDER WORKERS NEED TO BE RECRUITED

Older workers can be recruited for the task of finding seniors who are eligible for a variety of local, State and Federal programs; of explaining these programs and services to those eligible; and of assisting them in making application and cutting through the red tape. There are 330 park districts and 549 tax-supported libraries in Illinois. Think of the outreach that could be achieved by the simple step of establishing a senior desk at each location.

For this to happen to any degree, federally-funded public service employment programs for seniors must be freed from the uncertainty that now plagues them. They must be given enough breathing room to broaden their base and reach their potential. Illinois' Green Thumb program, specifically geared to older rural workers, has been cut from 236 job slots to 140 in the current year. Title I of CETA reached fewer than 700 seniors in the fiscal year just past; title II provided jobs to only 40 persons over the age of 55—and there is no guarantee within CETA that older workers will get their fair share of the dollars committed to creating jobs.

I'm sure that every member of this committee would agree that providing 12,000 to 15,000 jobs on a national basis through Operation Mainstream and title IX of the Older Americans Act is not enough. You have already recognized the need by approving greatly increased levels of funding in the extension of the Older Americans Act through FY 79. I salute that active show of concern and am greatly encouraged by it, and I hope that older worker programs are permanently incorporated in the Nation's plan for the aging. These programs, whether providing paid work on volunteer positions, have proved successful in their limited application, and they deserve your continued and expanded support.

There is great potential for cooperation between the State and Federal governments in the provision of services to the aging. To be honest, we at the State level have in many respects fallen short of your performance in terms of reaching people who need help. The Social Security Administration is now providing benefits to more than 900,000 retired and disabled workers in Illinois. We have a tax relief program for elderly and disabled residents which has been reaching fewer than one-third of those eligible, and millions of dollars in benefits are lost every year. Recently, by tying this program to a new program of sales tax relief, we have experienced a dramatic increase in the participation rate.

The participation rate in that program, and in several others, would be enhanced even further if State and National officials could agree on a simple procedure: inserting a basic checklist of five or six senior services in the monthly social security checks. The checklist would be a slip of paper naming the programs of which every senior and disabled person in Illinois should be aware—tax relief, income supplements, nutrition programs, recreational discounts, and others. By writing to the Illinois Department on Aging, the social security recipient would then be able to find out about other services available. Despite years of effort, there are still thousands of persons who do not know that these programs—and Supplemental Security Income is one of them—exist.

Part of the problem can be addressed by employing seniors to relate person-to-person with other seniors, and another part can be attacked by reaching people in their homes through the social security envelope. By working toward those two goals we can eliminate the artificial barriers that separate the older citizens of this country from the rest of the active world.

Senator RANDOLPH. Our next witness is from an older workers panel made up of Arthur J. Sorensen, Mamie Dunn, and Mrs. Daniel Navarro, all of Chicago, Ill.

I will ask—instead of questions to the three of you as individuals, I will ask one question and ask for a rather quick response from all of you to that question.

Before I do that, please proceed with your statements.

Mr. Sorensen, please proceed first.

PANEL ON OLDER WORKERS

STATEMENT OF ARTHUR J. SORENSEN, CHICAGO, ILL.

Mr. SORENSEN. Thank you, Senator.

I have been unemployed since April Fool's Day, and have over 20 years' experience in my field, which is rehabilitation. After 15 years in administrative and supervisory situations, my current status is very peculiar. Because of having passed the age of 45, I find myself in the category that I used to reject myself in interviewing people for jobs.

I want to clarify a few things about what you run into when facing an interviewer who sees that you are 10 or 20 years older than he is. The first thing is that you have ascended to the top of the pay scale.

It is much easier hiring somebody at the lower end of the scale, but he feels he has to offer you the higher end of the scale, so that puts you at a disadvantage.

Also, you have had more experience than he has had, which makes him very, very leery. You get some pretty bad vibes about having to be interviewed by somebody who is 20 years younger than you are.

Also, an excuse is made that I might not adjust to a situation that may be a new operation or in which everybody is under the age of 30.

All of these things enter very subtly and not directly at all, in terms of whether or not they will take you.

In my field, there are many new jobs, many new operations. In fact, it is at the new end of the rehabilitation field that most of the openings occur, which means that those who are talking to me have oftentimes been in their jobs for only a couple of years.

They have changed all the job titles to new ones, even though the jobs themselves may not have changed.

There are many new jobs that have come into existence. Employers do not know the nature of the jobs themselves, and they do not realize very often they need somebody with experience in the total field.

They have many trouble-shooting situations. They have many administrative problems. This is the type of thing I am acquainted with, and yet they will tend to reject me simply because they feel that I do not have the latest degree, or I do not have the latest job title. This creates a disadvantage for me. Then I start thinking in terms of retraining.

RETRAINING IN AN OVERCROWDED FIELD

The question is, In what way do you retrain in a field that is now overcrowded? I recall 5 or 10 years ago I was searching for people who could not be found at all in terms of specific education or experience.

Now, the universities are pouring them out like lemmings, and you can see them hunting around frantically for jobs.

The person who does not have the latest degree is at a disadvantage. However, you are uncertain whether you should get new degree or a new title. New training might still leave you at the end of the line. You will still be over the age of 40, and it just so happens that most of the people you are talking to are quite a bit younger than that, and cannot conceive of hiring anybody beyond the age of 40.

These are all situations which I have summarized very rapidly.

I wanted to mention my pension situation, since that will be an item being discussed by this subcommittee.

Because I worked mostly for local government organizations, each of whom had its own pension plan, I have had a very peculiar history in this regard.

In 1956, I left the city of Chicago's employ, and they had to pay me back what I had in the pension plan.

In 1960, I left Cook County, and because of their independent pension plan, they had to pay it all back to me.

In 1974, the sanitarium closed up. I was on the city of Chicago's pension plan, and because it would be about 9 years before the minimum retirement age, they had to simply give all that back to me, too.

In the past 25 years, I have probably only about 3 years of social security coverage.

In terms of unemployment compensation, at one time because I worked for local governments, there would be no way to get it. However, that has been changed. Under a special SUA program I am getting unemployment compensation.

I think that pretty much summarizes what my situation is, and I pass on to the next person.

Senator RANDOLPH. Thank you very much, Mr. Sorenson.

Mrs. Mamie Dunn.

STATEMENT OF MAMIE DUNN, CHICAGO, ILL.

Mrs. DUNN. My name is Mamie Dunn. I worked in a nursing home for 8 years. The home closed because it was changed to a sheltered-care facility. The administrator was losing money. My husband is a retired Pullman porter from the railroad. Because of my layoff, my husband and I had to sit down and budget his pension check and my unemployment compensation check the best way we could to meet our obligations.

I filled out applications at different institutions with no response for 7 months. I was interviewed for jobs, but my age was the factor for not being hired. I was turned down one place because I did not own a car. Another time, I was refused because the retirement age of the organization was 55 years—I am near that age.

If I had not been hired by the Comprehensive Employment Training Act program, I would still be looking for a job. I have always enjoyed working with the aged.

Senator RANDOLPH. Thank you very much, Mamie.

Now, we will hear from Mrs. Daniel Navarro.

STATEMENT OF MRS. DANIEL NAVARRO, CHICAGO, ILL.

Mrs. NAVARRO. I worked 20 years for the Supreme Products in Chicago, which was owned by Emerson Electric.

The jobs I had were low pay. As a woman, I could not qualify for the higher paying jobs held by the men. These were heavy labor jobs that paid \$2 or more per hour than I earned.

My starting pay was \$1.05 per hour. Through the years I received salary increases, and my salary peaked at \$3.68 per hour, and then there was a decline in work. I was demoted. And of course I was paid a lower wage of \$3.25 per hour.

Supreme Products started to lay off about 2 years before management announced that the factory would close in 6 months. The announcement was made in January 1973.

Everyone was very upset because we were not getting severance pay. After much discussion with our union, UAW, Supreme Products agreed to give the workers a lump-sum settlement based on age and seniority.

A coworker who was 61 years old with 27 years seniority received \$12,000. I received only \$2,680 for 20 years of work there. In 1974, the pension law was passed, but it was too late to help the Supreme Products employees.

At age 56 with a 13-year-old son and a husband on pension, my future was very dark. It felt like the end of my world after losing my job, and especially my long work for a pension. My old age security, because my husband had retired at the age of 57 in 1969 with 41 years service at United States Steel due to a severe case of arthritis, we did not qualify for social security.

FEW JOB OPENINGS FOR SPANISH-SPEAKING WOMEN

I looked for work for almost a year while collecting compensation. There are few jobs open to Spanish-speaking women, especially if you are over 45.

Other limitations are: lack of formal education.

I graduated from grammar school during the depression, and immediately went to work. Being the oldest, I had to help put food on the table. Physical inability to do the laboring jobs available to younger workers, both male or female.

We are considered to be too old to learn a new trade or skill. This, of course, has yet to be proved. Many of the jobs available to the Spanish-speaking people are low-paying jobs, due to the language and age barrier, the inability to understand instructions can be dangerous.

With a Spanish-speaking background, we are also required to prove our residency in the United States, with either a passport or citizenship papers.

Many older people face physical problems, especially things such as high blood pressure. If you develop high blood pressure while on the job, you are seldom fired if it is under control, but when you lose your job, and you are looking for another, then it becomes a handicap.

In my husband's case, when his arthritis was controlled, he applied for a much advertised job as a meter reader for the gas company. The major qualification was being bilingual.

Upon applying for the job, he was rejected because of his age. They told him that the age limitation was 45.

I keep in touch with people who worked with me at Supreme Products. There is one who speaks English poorly, and she was out of work for a year; she finally got a low-paying factory job.

Another one had high blood pressure, who speaks English well, has not found work.

The third one who speaks English poorly, was able to get a job washing dishes, again at low pay.

I was very depressed about not being able to find a job. Luckily, a friend, Mrs. Theresa Flores, who works with model cities, told me about a job with the nutrition program.

NUTRITION AIDES "THE MOST ENJOYABLE WORK"

I applied and was accepted. I like my job, as an elderly group aide. My job with the mayor's office for senior citizens nutrition program is a part time job. It is very interesting and educational. It is the most enjoyable work I have ever had.

I love to work with older people. They help me to realize that my problems are nothing.

Senator RANDOLPH. Thank you very much.

These, of course, are personal experiences which will help to give us a record and to add the knowledge from those who have those problems and who have a handicap of one type or another.

HANDICAPS

Just one question to all of you. There are different types of handicaps. We have heard them here today, but I wonder if there is discrimination, we will say, that is more or less general, or does it take different forms. One would be aging; one would be health; one would be inability, we will say in this instance, to speak the English language perhaps.

What are some of these handicaps that you feel, not only handicaps that you have experienced, but handicaps that have perhaps covered other people, as you talked with them, and worked with them.

Mrs. Navarro, would you answer first?

Mrs. NAVARRO. Yes. They do not understand the English well, and when they go there, they will not hire them.

When they see they have the language problem, they do not give them an application, they just say they are not hiring, and if they see they have an age barrier, everything combined, they have no chance.

Senator RANDOLPH. Mamie, would you respond?

Mrs. DUNN. I feel that age is the biggest factor in getting a job. Sometimes we can pass the physical, but if we are aged, they just do not want to hire us.

Senator RANDOLPH. Thank you, Mamie. And, Arthur, you are a young man. I can see that.

Mr. SORENSEN. I just passed 45. I am 46, and you would be amazed that when you pass over beyond the age of 45, it suddenly becomes a problem. I can see both sides of the coin, because all of the various types of discrimination, including age, at one time were employed by me when I was hiring people. In a sense, I am in a very ironic situation, because if I am over 45, it becomes a problem, even though it is not directly expressed. In a field in which there are a great many people with a college background, it means you are at a disadvantage because the new job title becomes more preferable. So that is a different type of situation, but it is analogous to what the ladies have talked about.

Senator RANDOLPH. Thank you very much, Arthur. I think all of us would like to express our appreciation for your case histories, as if we were, and to wish you continuing employment, if possible, and above all, to keep your faith. Do not lose that.

[Applause.]

Senator RANDOLPH. Our next group of witnesses is made up of a labor-management panel of Mr. Raymond E. Hartstein, corporate and industrial relations administrator, Brunswick Corp.; Mr. George A. Kanyok, assistant director of education, Amalgamated Meat Cutters and Butchers, AFL-CIO; and Mr. A. Rodger Green, Service Corps of Retired Executives, and he is a volunteer.

We will ask the witnesses to identify themselves by name and the organization with which they are affiliated.

PANEL ON LABOR-MANAGEMENT

STATEMENT OF RAYMOND E. HARTSTEIN, DIRECTOR, PERSONNEL AND INDUSTRIAL RELATIONS, BRUNSWICK CORP.

Mr. HARTSTEIN. I am Raymond E. Hartstein, director, personnel and industrial relations, Brunswick Corp.

I want to say that I want to thank you for being one of the youngsters invited to testify on behalf of the older folks.

Let me say there are a number of problems of the older worker, in addition to those that have been cited by the mayor, the Lieutenant Governor, and others.

Let me enumerate a few of the problems that have come to our attention by the retirees. I think they are important because we are constantly getting calls from these folks, and I would like to cite just a few of them.

NO HOSPITALIZATION FOR YOUNGER SPOUSES

One of the first ones has to do with not having a medicare or hospitalization program, for the spouse of the retiree.

So frequently we find that an employee works for a company for many years, has a wonderful hospitalization plan; all of a sudden the man retires with his wife who is usually his junior by 4 or 5 years;

they go out into the big, wide world, and there is no hospitalization for the spouse.

They find difficulty in securing other hospitalization. Even if the person is desirous of such coverage, there may be a long waiting period to get into a plan. Then, too, after securing such hospitalization on the outside, the costs are exorbitant. One retiree I know pays \$600 per year for hospitalization for his wife with a major insurance company.

I think it is essential to see that some type of hospitalization is available to them.

When the recession hit American companies, it became an economic necessity to close some of our facilities and lay off many workers, among which were some older workers. Now that the things are bottoming out, and I am not quite sure that that is quite true as yet, but nevertheless, we still, like many other employers, have had to freeze our hiring processes which makes less jobs available for the older worker who has a more difficult time than others even in normal times when he is knocking on the door seeking employment.

Another type of call I get from older workers is that they have a more difficult time because they are shocked into the reality of looking for a job for the first time in their life.

These people ask, "How do I go about looking for a job; I have not looked for a job for 20 years, how do I proceed?" Many are not aware of how to write a résumé or hunt for a job. When one of these older managers finds an opening, in many cases the position is of a lesser stature than the jobs they left. Some are reluctant to take such jobs of lower stature and below their capabilities, and those that do take a job of this type below their capacity are extremely disgruntled.

EARNINGS LIMITATIONS

Retirees also tell us the amount they can earn is too limiting. We find that several retirees want to work but find the \$210 a month or \$2,520 a year quite limiting since anything beyond this affects their social security; social security can be reduced or even eliminated if they earn too much money in retirement.

This seems to knock them between the eyes. They want to work and save face, but do not want to work for nothing. These elderly are quite capable and want to do something and be constructive and helpful, but when they have to limit their earnings to \$210 a month, it proves quite difficult. In addition, it discourages older people from working and from making their full contributions to society. It discriminates against those who want to be involved and denies the Nation the benefit of their abilities.

It is a well-known fact that the pressures of inflation have squeezed the retirees harder than most any other segment of the population. This makes it a "must" that many of them attempt to seek out employment "to stay above water."

Lastly, many retirees are bored and restless and can't afford not to work. Doctors we have talked to indicate that more energy is consumed and more tension is gathered by boredom and restlessness than by most jobs in our country. It is therefore necessary that many retirees work from a physical and emotional point of view.

I could go on with many other problems, but I think these are some of the problems that come to my attention.

RECOMMENDATIONS

Having noted a few problems, I might now offer a few suggestions:

One, I think there is a need for occupational advancement ladders. This is not anything new. It has been done with all kinds of manpower programs where we take a profession and break it into segments or into two or three skill levels. This would enable the older worker who has been displaced, where, if he were going into a new kind of occupation or a retraining process he could do this more easily. For example, this could be done in many of the health fields like veterinarian aide, veterinarian groomer, et cetera. The latter could wash, comb, and care for a dog. In other words we could tailor the jobs in such a manner to enable elderly to not only learn one phase at a time, but be quite productive in performing the skills first at one level and move to the next levels as they desire and as soon as they become proficient.

We should likewise attempt to get the schools and colleges to teach these programs in smaller units to correlate with these occupational ladders. I'm sure the idea of a class moving in lockstep through a rigid curriculum comprised of the conventional professional jobs is rapidly becoming outmoded and we should continually encourage it. This would enable the elderly to change vocation or become retrained in workable, understandable learning units.

Too frequently we overlook some of the best training and educational institutions in our environment. The educational institution that can have the greatest impact on the entire problem of the elderly is the community college. It is one of the fastest growing educational institutions in America. Here in the State of Illinois, we have 36 community colleges, and the reason I think we ought to use them for this particular process is that they are in the community, they can be tapped quickly, and they have the kinds of programs which we can use for the retiree and the older worker.

Senator RANDOLPH. I want to interrupt at this point, to say that not only can those community college youths work with those that are older, but we can bring the older people right to the campus.

This is a good influence. We are doing that at Salem College in West Virginia, and I have the younger people saying it is wonderful to have these people around. They help us.

Mr. HARTSTEIN. I think you are right, and very frankly, in addition to having them on campus, there are some other things the community colleges can do.

I would not advocate that the community college attempt to duplicate the varied social agencies in each of our communities but it can very well serve as a coordinating umbrella agency. Too frequently the elderly become familiar with only a small segment of services and training available to them and the community college could be the regional information center, establish a directory on all services and agencies already existing and make them known to the elderly to assist them in making the necessary contacts.

The community college is ideally suited to provide training for and by the elderly in a number of situations:

TRAINING

There is a need to train persons who can work with the elderly and the community colleges are ideal for the training of geriatric aides and others in this area.

You talk about bringing these older folks in on campus, but like women returning to campus above the age of 25 or 45, likewise a large number of the elderly are eager and anxious to take college courses but are extremely apprehensive about entering into classes with many youthful students. What is needed is a transition program or cushion to enable the elderly to gain self confidence with preentry break-in experiences. This would readily prove that they can hold their own in the college environment.

Senator RANDOLPH. Not all of them are in classes. We have on the Salem College campus the older folks just walking around on the campus, and you should see the younger people stopping and talking with them. This is true. I know the program and its value.

Mr. HARTSTEIN. In addition, there are other kinds of programs that I think we ought to include. Most senior citizens are sick of attempts to saddle them with basket weaving and courses as such, and want the "real stuff." Even though the colleges may need to revamp such programs by avoiding having them sit for a full 2-hour session, providing large type and speaking louder to meet the needs of the elderly, the programs should meet legitimate needs and not aim at catering to these senior citizens.

Courses in vocations such as business machine repair, et cetera, should be presented to enable the elderly to get the practice needed to sharpen old skills or master new ones. This type of education as well as regular academic college courses should be provided, so that they can bring some of genuine proven value to a prospective employer.

I know the community college in my district reaches over 200 such senior citizens for such courses as well as related lecture series and provides these programs at a reduced tuition. We should encourage all community colleges to make these kinds of services available.

If preparation-for-retirement programs are not already being provided by other agencies, the local community college should institute them. These programs can be taken to the senior citizen in a variety of locations and at the various social service agency facilities. If these programs are already in existence, the community colleges can help make this information available to all concerned.

In addition, at the community colleges, they can be trained by the elderly, as the Senator said. We should not overlook the fact that the elderly themselves can make tremendous contributions and should be enabled to utilize their know-how. Asking senior citizens to serve as resource persons in community college classes would prove to be a plus for both the students and the senior citizens sharing their knowledge. For example, a person who served as a union officer or another who was a personnel manager could both lecture in economics, history or other classes and make real contributions. Then, too, some elderly may find it a fruitful experience to assist in a day care center. If they had

the time and patience they could respond quite well to the needs of many of the children attended to in such centers.

JOB REDESIGN

In industry, there is a lot of redesigning going on. The behavioral scientists are great for redesigning jobs. In recent years they have been advocating a number of techniques to improve the work environment, aid productivity and reduce satisfaction. Some of the more common techniques are redesign or restructuring of job, job enrichment, et cetera.

There is a handful of companies that have done some experimentation in such work humanization—Texas Instruments, Pet Foods, et cetera—but none to my knowledge have concentrated such efforts on behalf of the elderly.

Much of the redesign we have done that has been induced by the recession, was to improve and sharpen the system rather than help an individual. We have not had to redesign jobs for the elderly for they have continued with the same energy, drive and ambition and have not needed to be pampered. We have thought of doing so for some of the younger employees entering the work force because of their constant cry for a part of the action, to be given more responsibility and become involved and be part of the decisionmaking process, but on the whole have done very little in job redesign. I was asked, "How do the older workers work in comparison with the younger?"

There are a few who have reached a plateau and have reached their potential—some "coasting out" and others have become deadwood. But these are in the minority. For the most part, we find the elderly putting forth all they have and are working as hard the last day as the first day. Those 175 to 185 pounds move around like a kid with lots of drive. In fact, we find that most have worked for the last 10 years with a maximum of 6 days of sickness in that period. It is most amazing, so I say these are the types of persons that we are pleased to have in our work force. They are easier to train, use better judgment, make fewer mistakes, are less likely to change jobs and generally represent a valuable resource which is often overlooked by some.

There have been many myths about older workers not holding their own, but such ideas are old-fashioned ones and should be dispelled. Remember, we are working shorter workweeks and shorter workdays in a better environment of air-conditioning and central heating, and at the same time the health of the population has improved enormously—so that the older worker and even the retiree worker, many with improved eyeglasses and hearing aids, are much more vigorous than was once the case. Then, too, most of our jobs do not involve physical strength but sophisticated skills and better judgments where many of our older folks excel.

We are happy to have them in our industry, and I think we can speak for many industries in our areas.

As far as Brunswick Corp. is concerned, I think we have a very fine program, in terms of the retirees.

For those in Brunswick, like many throughout America, retirement has been an important part of life. With our company having reached

its 130th birthday, our population is consisting of more and more people who are approaching retirement age.

PLANNING FOR RETIREMENT

We feel that a true understanding of the retirement process and informed planning can make these retirement years more productive and secure. We have, therefore, pursued the course of a well-planned program for the retirement period: preretirement, actual retirement, and post retirement.

There is a tendency for people to equate retirement with aging, but we at Brunswick deal with retirement more as an event in the stream of life—a change in status—rather than as an aspect of the process of getting old.

I do not think ours is much different from most major companies in America, but let me mention a few things we try to do in the post-retirement program.

The postretirement period is often a “letdown” for the retiree, for oftentimes the company and former colleagues break all ties with him or her. We had a chairman and chief executive officer and president who felt the retiree should be a part of the family, and we make a special effort to make the retiree feel that he is still a member of the family. To enable a retiree to maintain close relationships with his former colleagues and company and lessen the anxieties often associated with this change in environment, we have inaugurated a number of plans.

Earlier I talked about the problem of retirees needing a hospitalization program for their spouses when they retire. We have instituted a group major medical expense insurance for the retired employee who is less than 65 and another plan for the retired employee age 65 or over. This helps bridge the gap with the employee's company group insurance plan before retirement, provides hospitalization for the spouse who is younger than the retiree and who has difficulty in acquiring such hospitalization, and supplements coverage provided the retiree by medicare. It also enables the person to get it at a reduced rate from what it may cost on the outside.

To enable retirees to utilize their special skills, many are requested to return to work on a part-time basis, to work with younger people in various disciplines, and also serve as consultants. We have retirees who come back and talk to the preretiree to tell them of some of their experiences so that it is not just theory that they are talking about when they refer to a retiree program.

Service awards are issued to retirees based on service accumulated in retirement plus their actual worktime service. Last year, for example, 115 \$1,000 checks were given to retirees who accumulated 50 years service on this basis of calculating service. The retirees are invited to service award luncheons if they are within plant city locations, or we travel to areas such as Florida or Arizona to make presentations where there are a number of retirees.

FREE MAGAZINE SUBSCRIPTIONS

Company representatives visit retirees and have occasional letters sent to them from friends at the office. Free subscriptions for retire-

ment magazines are sent to retirees. Copies of company newspapers, annual reports, and magazines are sent to the retiree. Retirees are given lifetime membership in men's and women's clubs. Retirees are extended privilege of purchasing company products at discount prices. Retirees are invited to company events, parties, and outings.

Company facilities are made available to the retirees such as cafeteria, et cetera. Annual greetings are sent to retirees during the Christmas season.

The preretirement program is also quite a valuable program. To prepare the employee for the physical, psychological, and social adjustments that retirement and old age normally require, individuals age 55 and over and in some cases their spouses are exposed to some of the following: Training sessions are conducted, assistance is provided in broadening of interests and education and in the development of a second career, counseling is provided, literature is distributed, referrals are made to community agencies, and gradual retirement is provided in some instances.

Training and counseling is provided in a number of areas we feel are essential for the retiree, such as: Nature of retirement, company pension, social security, veteran's benefits, budget, taxes, investments and banking, insurance, legal, health, where to live, employment, and spare-time activities.

Typical literature includes such things as: "Preparation for Retirement Checklist"; personal record guides relative to real estate papers, tax records, wills, et cetera; "Bibliography on Preparation for Retirement"; "Planning Your Tomorrow"—a set of booklets which provides guidance on various aspects of retirement planning such as finance, health, et cetera; and factsheets on social security and medicare.

In the actual retirement program, it is our intent to provide the retiree with data clarifying his benefits and to provide a fitting, dignified, and orderly recognition of the conclusion of the employee's active service with the company.

Some of the following are included in the actual retirement program: The person is provided with a letter explaining his or her benefits; the retired person is oriented on what to expect after retirement from the company; retirement parties and receptions are held in his or her behalf; letter of recognition is presented from company president, division president, and/or department head, spelling out accomplishments of the person during his or her entire career; special gifts are presented to the individual; certificates and letters are presented to the retiree informing him or her of the special company privileges offered for the postretirement period relative to such items as participation in the employee purchase program, lifetime membership in the men's or women's club, et cetera; photos are taken at the luncheons and parties and are sent to the retiree; and newstories are often written on behalf of the retiree.

But one of the more important things is this. You can have the greatest programs in the world, but if industry does not train its own personnel people as to the problems of retirees, you better forget it. I heard one of the men talking earlier in his testimony about what happens at the employment office. What we try to do when we bring the personnel and industrial people together, we try to train them on

the worth of these people, and how to deal with them, at the employment office, as well as the everyday job.

That is important in setting up any kind of program.

Lastly, let me comment about the Government. The Government has a lot of programs, but I will just suggest a few things that have come to my mind as to what it can do.

PENSION REFORM ACT

This week, for example, we had the problem, most of you know about the new Pension Reform Act. And let me tell you, the law was instituted, I think, to protect the person who retires, or at least try to protect his pension.

We have been trying for 6 months to pay people who have been "let go" because we have had to curtail operations. The Pension Guarantee Corporation of the Government has restrained us from paying off pension funds to our employees. The money is available and we want to pay these people and can't. This new pension law was designed to protect the retiree and protect the pensioner, and here we are trying to pay funds to these people, and we are restricted from paying it out because of some redtape.

These are the kinds of things we have to clear up. I realize it is a new law, I know there are kinds of things that have to be improved, but these are the important matters, and I hope we get some of these things corrected in the Senate and in the House.

GOVERNMENT'S ROLE

In addition to this, I would hope the Government would set up a number of key programs.

The majority of efforts can be handled by industry, community colleges, and already established institutions, but the Government may find it helpful to develop materials and establish programs to: Train older workers and retirees on how to apply for a job, that is, writing of résumé, where to look, strategies, et cetera; train industry and organizations on the value of the older worker; train individual retirees on their self worth to avoid such utterances as "No one would hire me; I'm over the hill;" train Government agencies responsible for equal employment compliance on how to apply the basic concepts on age to the "over 65 age group;" train the preretiree to plan for careers during retirement years similar to the planning done well in advance by students in college planning for a career.

In addition, committees similar to your Committee on Aging may find it helpful to review already instituted legislation to see how it is working. I refer specifically to the new Pension Reform Act referred to by the acronym ERISA (Employee Retirement Income Security Act of 1974). Not only has this program been an undue burden on large numbers of people in companies of America, but it is causing enormous extra costs to be incurred.

Another important aspect is in its operation. The law was designed to protect the employee and be assured of his receiving his pension. In a particular instance where we have had to close down a plant, we were fully funded and have been anxious to pay to employees their pensions but have been held up more than 6 months through redtape of the

Pension Guaranty Corporation of the Government. Thus, instead of helping get the pension to the employee, the company, who under normal circumstances would have long paid off the employee, has been prevented from doing so.

I realize that the Senator is off the floor, but let me say this to you in conclusion: I called my mother yesterday in Pittsburgh, who is 83 years old and approaching another birthday. I asked how she was and what she was doing. She said, "I am going to the old home. I am going to try to keep the old folks happy there." And she is 83. So, I say no matter what age, you can make a contribution.

And in closing, I would say if you do need some help from industry, then I would be very happy to assist in any way possible.

Mr. AFFELDT. Thank you very much for a very powerful and excellent statement, Mr. Hartstein.

Senator Randolph had to leave, and he will return momentarily. He had to make some arrangements for his flight to Michigan. He is the feature speaker at the Institute of Gerontology Conference, commemorating the 40th anniversary of social security.

Now, we do thank you very much.

Mr. HARTSTEIN. Thank you.

Mr. AFFELDT. We shall now hear from George A. Kanyok, the assistant director of education, Amalgamated Meat Cutters and Butchers, AFL-CIO.

STATEMENT OF GEORGE A. KANYOK, ASSISTANT DIRECTOR OF EDUCATION, AMALGAMATED MEAT CUTTERS AND BUTCHERS, AFL-CIO

Mr. KANYOK. Thank you, Dave.

Our organization represents 550,000 foodworkers throughout the United States, Canada, and Puerto Rico.

I would like to direct my testimony specifically to the older worker in the work force today.

THREE FACTORS THREATENING OLDER WORKERS

I refer to the older worker as the average wage earner, 45 years of age or older. My premise is basically this: The older workers' very existence today in the labor force is threatened by three factors. Namely: new technology, current trends in employment practices, and the current economic crisis.

I would like to illustrate in this fashion. The older worker today has 8 to 13 years of service with his employer. Generally, he is the most skilled, the highest paid employee, and receives the highest fringe benefits.

This would be more vacation pay than the younger worker, possibly more insurance, and so forth. He believes he is in the ideal position. Unfortunately, his employer does not see it that way.

To the employer, he is an expensive cost factor in his production, because he is receiving higher wages and benefits than the younger worker.

The employer is constantly looking for new technology, and he is encouraged by the Government through tax credits. Once this new

technology is introduced into the work place, the older worker now is not needed. His skills are not needed, so the older worker is laid off, or fired.

Now, the employer has two options, to replace the older worker, he can hire the less skilled younger worker, at a much lower rate of pay and less fringe benefits, which is a savings to that employer.

His second option is to hire two or three part-time workers at a significantly lower cost. He now pays no hospitalization, no paid vacation, no paid holidays, and basically no fringe benefits. In essence, he hires a person part time and pays a straight hourly wage.

The employer now has effectively reduced his costs, and increased his production.

Naturally, the savings will be passed on to the consumer through lower prices.

Now, this trend can be found in the retail field, certain segments of the service industry, and in light manufacturing. For example, in the Pittsburgh area where local 590 represents 8,000 workers, today 40 percent of the workers are part-time employees.

We have members with 20 and 30 years seniority now working part-time. In the new stores opening in that area, 60 percent of the employees are part-time. There is a major retail company in Chicago whose sales personnel is being changed from full-time to part-time.

We have a major insurance company in Chicago who hires their office help, a segment of them on a part-time basis. They can come select the hours they want to work, the number of hours, and the days they want to work.

TECHNOLOGY CAUSES INCREASE IN PART-TIME JOBS

Statistics will show that a large segment of the new jobs being created today are part-time. Basically, this is because of the increase of technology and automation. Less skill is required, therefore, 2 or 3 part-time workers can take the place of a full-time employee.

What happens to this older worker who is unemployed? He now becomes a job applicant. His work skills are obsolete. Education? When he was to be in elementary school, he was too busy trying to help his family through the great depression.

When he was to be graduating from high school or entering college, this older worker was too busy fighting in the Second World War.

Once the war was over, he returned to civilian life, some were too old to go back to school, or due to family problems, they were forced to seek employment immediately.

Basically, we can say today that the older worker has become obsolete, and he cannot compete in today's labor market, because the younger worker now has a better education, and can be hired at a reduced rate.

If this older worker happened to be in a collective bargaining unit, the contract basically will give him the right to transfer to another store, plant, or market within his district, which means he may have to travel 50 or 60 miles per day to his place of employment.

Unfortunately, with the inflation we have today, the price of gasoline and auto repairs, it now becomes practically impossible for the worker to travel any great distance.

RELOCATION PROBLEMS

We had an experience with a packing plant here in the Midwest, where because the plant was obsolete, they decided to build a new plant 80 miles from the original plant.

Through the union's efforts, and the employers, we agreed that all of the employees in the obsolete plant would be the first hired at the new plant. They would be retrained and then the union and the company would assist in relocating these individuals and their families.

Twenty-five percent of the people decided to accept the new jobs.

Within 6 months from the time the plant opened, only 3 percent remained at the new location. The rest returned to their original home.

The problem here was that the emotional shock of uprooting an entire family and moving to a new location was too great for them to bear, especially when the move is being made to save a job. There was no increase in income and no advancement.

I believe these problems are severe, in that one-third of the work force today is over 45 and if these trends are not reversed, the older worker will be obsolete in the next 10 to 15 years.

Thank you.

Mr. AFFELDT. Thank you, George, for a very well reasoned statement.

Mr. KANYOK. Thank you.

Mr. AFFELDT. Our next witness is Mr. A. Rodger Green of the service corps of retired executives. He is a volunteer. Mr. Green continues to lead a very active life, as he did prior to retirement.

This seems to be a pattern in his family, because Rodger has a father who is 99 years old. In fact, he will celebrate his 100th birthday on Sunday, and he has 6 children, 9 grandchildren and 20 great grandchildren.

STATEMENT OF A. RODGER GREEN, VOLUNTEER, SERVICE CORPS OF RETIRED EXECUTIVES

Mr. GREEN. Thank you for the nice introduction.

I have heard all of the really practical problems existing in employment and for people that they call older, and when we use the word "forty-five" as typical of "the down slope," I feel that it is a terrible situation.

However, I come here to represent senior citizens, most of whom no longer depend on jobs for livelihood, and are volunteer groups.

They are working for the morale value they get out of serving, for the good that they are able to do for other people.

It gives them a lift, it gives them a sense of worth, and it gives them an opportunity to talk with young people, to advise young people, to work with them, and I think the Government's ACTION program is well conceived. It has been well thought out, but it has not been sufficiently publicized. It should have more publicity so more people know that these activities are available to them.

SCORE

One of the activities under ACTION is the one in which I spend my time, which is SCORE. We are all men, mostly 65 and over. I think

there is one older than I. I am going to be 75. However, these men still have a great knowledge and the ability to counsel people who come in for the purpose of determining whether or not they should buy a business, buy a franchise, go into business, what the problems involved would be. And these volunteers, all being retired executives, or former owners of businesses, all have an expertise that I think is of great value.

The counseling services are free to anyone that comes in. They can come in anytime from 9:30 to 3:30, as a top limit, because we certainly have to give a man an hour or an hour and a half time. There is also the Peace Corps. There is VISTA. There is the foster grandparents program. There is the retired senior volunteer program and the service corps of retired executives, to which I belong, and the active corps of executives.

Now, those are among the ones that I happen to be talking about. No one in them gets paid except in some instances, travel expenses. I get a great lift out of a counseling session. I will sit down and talk with a counselee and tell that person how to go into business, or you are wrong to go into business.

These are the things you need. Here are the things you need to know.

Because many are out of a job, they are about to take their last lifetime savings and buy a store from somebody or buy a business or buy a franchise, and just mere common sense tells me or my associates that it is the wrong thing for them to do.

Now, some of them, most of them, accept it gracefully and are glad for the advice. Some go ahead, anyway, and I check back on some of those instances where we have advised them not to do so, and find they were well advised not to do it, as it turns out.

We advise those under 45 as well as those over 45. We are an auxiliary of the Small Business Administration, which has financed well over \$8 billion with small businesses in the United States, with a monetary loss that is probably less than some of our major banks. I am sure of that.

And I think that the propagation of small business is essential in this country if we are going to maintain the type of liberty and freedom that we look forward to, rather than just routine work jobs.

"A CHANCE TO WORK WITH YOUNG PEOPLE"

The best way that I can say SCORE helps older people, is to give them a chance to work with younger people. When we encourage young people to go into business, they can often use older people better than companies like Brunswick, or meatpacking plants. They can take a man 65 or 70 and keep him in there, because they are dependable and the business is not complicated. An older person can come in and be of real value. So, I think in promoting small business through the Small Business Administration, and through SCORE, we do help bring work to the older worker. I will not say we can give him the kind of work that he was accustomed to.

I am in a position where I would like to make some more money, but I manage to scramble through the way it is. But most of our SCORE volunteers are men who have sufficient income and a desire to keep their mind active.

They go out on the job and visit these plants. They go out and counsel businessmen, and help them organize their business. And we work with almost every type of business you can imagine, and almost every profession.

We have about 80 members in the Chicago SCORE chapter. There are SCORE chapters all over the country.

I feel that it is terrible that anyone who is 45, which was my peak as far as my earnings are concerned, should be jobless. I left Kuppenheimer at 65, and then I worked for 7 years more. But, really, my peak was at 45, because the dollar then was worth a lot more.

DOUBLE TAXATION

One other thing I wish the committee could take into consideration is one that has not affected me too much, but it does affect a great many other people; that is, the double taxation that I suffer because I had to provide for my own pension.

I bought an insurance pension with earnings that then was being taxed at anywhere from 35 to 50 percent, and then when they started paying it back to me, they take off the same amount of money again.

I do not think that should happen, any more than I think corporation profits should be taxed and then the recipient of the dividends also taxed.

I think that is economically unwise, but I will not enter into a dissertation on that.

Thank you for giving me this opportunity to speak to you.

Senator RANDOLPH. The mayor of White Sulphur Springs introduced me when I was to dedicate our new Federal building in that lovely area. He wanted to introduce me as the senior Senator from West Virginia, because I am senior by 2½ months over my junior colleague, Senator Robert Byrd.

He had spoken too generously about me, but he then went overboard. When he went to introduce me, he said, "I now present to you the senior citizen of West Virginia. He was carrying it too far, I can assure you of that.

Forgive me, if you will. I would like to talk about a man who signed the Declaration of Independence. He was an older man, Steven Hopkins. He was from Rhode Island. He was 62. He had been ill, he had arthritis.

His physicians said you cannot go to Philadelphia to sign. Yet he had friends who secreted him out of his home at 3 o'clock in the morning, and he began the long, long journey. When he came to sign that document, they placed the pen here in his fingers like this, and they helped him to write with his arthritic condition.

And he said, "My hand trembles, but my heart does not."

That is one story of the 56 signers of the Declaration of Independence, or just one of many.

This may not be the time to do it, but I think there are great lessons in the lives of the signers of the Declaration of Independence. Young people should be taught, and they should be delighted to study the lives of these men.

If we presented those lives, not as a bunch of statistics, but tell the stories of what kinds of people these were; what happened to them

after they signed. One man with 11 children—all 11 children were to die during the coming years of the revolution.

There was Carrolton, the only man to place the name of his community behind his name. He was worth in those days over \$1 million in property. He said and it is documented, "Here goes all my worldly goods."

He signed. He died a pauper.

John Hancock, I hear people talk about him as being a pompous man. He signed first. He was not pompous. Very unpompous. He was President of the Continental Congress. He had to sign first.

As he signed, he said, "I sign my name in letters so large that His Majesty will be able to read without benefit of spectacles, and then he can double the ransom over my head." All those signers were, of course, subject to death for treason.

And that is only a step backwards. It is not merely to think of the yesteryears except to say that figures, statistics, can be made to breathe and come alive, just like these people we are talking about here. They are clothed with great potential. We do not use them. Our educational system fails to bring into being a history that lives and can help people understand what has gone before. This is not just to wave a flag or have a drumbeat or a bugle blare out, but to know of the hardships, of the character of those men and women.

General Mercer at Valley Forge—I read his diary. He wrote about the so-called hospitals, not a single bandage fit to be used. He said, "We have no food; we have no clothing; we have no medicine."

Even today with all of our problems, perhaps we should pause and look back at what was done in bringing this republic into being.

You know, Washington and others did not have people with them as we built this republic at the beginning. Only one-third of the people thought we should have a new Nation. One-third thought we should remain under the British rule, and one-third did not care one way or the other. So here was really a minority that was working to bring a Nation into being.

Forgive me for talking in this way. It is only because of something you said.

[Applause.]

SATISFACTION FROM WPA

A VOICE FROM THE AUDIENCE. May I ask, I was just listening, the gentleman who was speaking there on the schools. I think it is Mr. Kanyok. I was fortunate to teach adults during the WPA days when a teacher could not get assignments and we had these two classes, and the churches also were involved. And I never found such a satisfying group of people in my life as those people that came in there and exchanged ideas, and I also taught adults about 11 years after I had been assigned those men who came in for jobs. They were good workers, and they had been able to come in there and they came to get that kind of help, but in the regular schools, I retired in June of 1974. I taught quite a few years in the system, but I found this, you are talking about the part-time workers, I had 196 days that I had not used. I never said I was sick when I was not, but I lost half of them. They only paid me for half of them, and then Uncle took his part out of it, and then the State, and I am just saying these things do happen, but I ap-

preciate the fact that I was in good health and could keep on working, but I did enjoy the work I was doing.

I enjoyed the teaching of the adults, as well as small children, and I still say that people are actively concerned about the jobs they are doing.

Senator RANDOLPH. Thank you very much.

Ordinarily, I would say we have been interrupted, but I think we have been helped by your personal testimony.

You speak about WPA; people do not know anything about it. They say that it was not a producing project. Every single person in WPA was employed. Did you realize that? Go back and study it. People did the work they were able to do.

Some people wrote the history of a community or a county. There were writer projects with persons who had certain talent, but could not do other jobs. There were painting or art projects.

Everyone was doing some sort of work in the WPA. I see yet, the sidewalks, the streets, the buildings constructed in the 1930's. It is a shame we cannot put in perspectives some of those happenings of long ago.

I will be held accountable for this, but I remember March 18, 1933. It was raining in Washington, D.C., and President Franklin Roosevelt was sitting at his desk on the second floor of the White House. There were seven young Members of the Congress elected in 1932, as was I. We were talking about the programs and the projects that were to come into being the first 100 days of that creative administration. But there was one man, a doubter, he kept saying, "I do not think we can do that."

And Franklin Delano Roosevelt gripped his fist and he hit that desk and he said, "But, gentlemen, do you realize we must act now."

That is what we have to do; not only plan, but we have to act.

Now, we do thank you all very much. We will have to move on to the next panel. I did want to ask you some questions, but you have indulged me these reminiscences.

I can assure you we were happy to hear from the former teacher who gave her documented evidence of her feelings about these matters.

I have a question for Mr. Hartstein, which I hope you will answer by letter, because our time for oral presentations is short.

[Subsequent to the hearing, the following was received from Mr. Hartstein in response to inquiry by Senator Randolph:]

Question: You believe that the earnings limitation under social security is a deterrent to older Americans who want or need to work. What steps are needed to improve the so-called retirement test under social security?

Answer: It is my opinion that the limitations placed on retirees working may have been justified at the start of the social security system, but we probably could lift all ceilings on earnings and still not have any major impact on the labor market. Many retirees will still not want to work; there is a trend for more and more to go on early retirement, and there are still some who need to work to supplement their social security to exist in our present economy. This type of action would likewise keep people honest; too many are manipulating records so as to show working in one month so as to not affect their social security payments for the remaining 11 months.

Senator RANDOLPH. Our next group of witnesses is made up of representatives from elderly organizations. Miss Margaret Hayes, immediate past president, Retired Teachers Association of Chicago: Mrs. Mary Alice Henry, cochairperson. Social Services Committee for

the Chicago Planning Council on Aging, Mayor's Office for Senior Citizens; and Mr. Clyde E. Murray, vice president, Chicago Area Council of Senior Citizens Organizations.

Our witnesses will please identify themselves and their organization with which they are associated.

Margaret, we will begin with you.

PANEL ON ELDERLY ORGANIZATIONS

STATEMENT OF MARGARET HAYES, IMMEDIATE PAST PRESIDENT, RETIRED TEACHERS ASSOCIATION OF CHICAGO

Miss HAYES. I am Margaret Hayes, the past president of the Retired Teachers Association of Chicago.

In the State of Illinois there are three public school teachers pension systems. The largest one, covering elementary and high school teachers outside of Chicago, is generally referred to as Downstate Teachers Pension Fund with currently over 24,000 annuitants. The smallest teacher pension system is that of the State colleges and universities with almost 3,500 persons currently receiving checks. The third group is the Public School Teachers Pension and Retirement Fund of Chicago which sends checks to over 8,500 persons—more than 500 to widows and survivors, 200 to disability cases and almost 7,800 to teacher pensioners. The total number of teacher pensioners in Illinois is thus over 36,000.

The three systems have the same formula, the same automatic increase and the same reciprocal agreements in transferring from one pension system to another. They have a few common characteristics and problems to which I would like to call your attention. One common characteristic is that these are pension funds without any connection whatsoever to social security. In other words, we teacher pensioners did not receive an increase in our pension checks on July 1. A few of our members receive social security, but they do so because of widow's benefits or because they sought employment outside the public schools to qualify. More of this later.

The second characteristic is that none of the Illinois teacher pension systems have any adjustment to the cost of living. Each system has a 2-percent annual increase. Recently, efforts to raise the 2 percent to 3 percent failed. One could not, by any stretch of the imagination today, consider 2, 3, or even 4 percent a cost-of-living adjustment. My own annual increase is \$12.32 monthly based on my first pension check. A friend of mine in Federal service took early retirement 2 years ago and has already received an increase of \$46 monthly in her pension.

A third characteristic concerning our pension is the popular notion that all teacher pensioners, regardless of age, receive the reasonably adequate pension that is actually enjoyed by only very recent retirees.

THREE GROUPS OF PENSIONERS

There are really three groups of pension recipients: (1) the newest, smallest, and most adequately pensioned group, (2) the middle, largest group—age 70 to 85—retired 5 years or more receiving pensions that are now inadequate because of the high cost of living, and (3) a somewhat smaller group of retirees age 80 and over who receive very small pensions and are acutely affected by the increased cost of living—

some are at or below the poverty level. A few still have not exhausted their private resources. But those in need do not always reveal their plight and refrain from "asking for charity" even from their own Service Committee of the Retired Teachers Association of Chicago. But these are proud people. They think they can live on just a pension, and they refrain from asking for charity.

A little relief has come to this last group because of recent legislation which the Governor has just signed. 1,500 of this lowest group were receiving less than \$3,000 annually, 1,000 were receiving less than \$2,000. This new legislation will guarantee a pension of at least \$100 a year for every year taught—so that 35 years of service, for example, will guarantee a pension of \$3,500—still very small, but better than \$1,500.

Before indicating how teacher pensioners manage without social security and cost of living adjustments, I would like to present a few facts about the Public School Teachers Pension and Retirement Fund of Chicago.

Founded in 1895, it is the oldest teachers pension fund in the country. The fund is administered by a board of trustees and an executive secretary. Six persons—teachers—are elected to the board by the contributors and three are board of education members. The current executive secretary is a former teacher, principal and director of teacher personnel. She has great responsibility, and great ability, as did her predecessors. A representative, usually the president of RTAC, is an observer at the meetings and is free to ask questions but not to vote. All three state pensions hope that in the near future at least one regular member of each pension board will be a pensioner. Chicago pension funding is financed by: Member contributions of 8 percent of salary, approximately—yearly variation—5 percent from the city of Chicago, 7 percent from the State of Illinois, and about 1 percent from Federal projects and about 75 to 80 percent from interest on investments.

Compulsory retirement for Chicago teachers came in the late 1920's. I was teaching at that time. It was during that period that the Retired Teachers Association of Chicago (RTAC) was organized, preceding the organization of the National Retired Teachers Association by two decades. There is close cooperation between the RTAC and the pension office, especially in matters of welfare, service and legislative concerns.

The RTAC dues are low but our benefactions from gifts and wills have been most generous, which enables our service committee to give monthly stipends, pay essential bills and help some of our needier members in a variety of ways. Our membership of nearly 5,000 is widely scattered and our assistance is not limited to persons in the Chicago metropolitan area. As time and conditions change, we are considering securing the services of a psychiatric social worker.

"PINCH OF INFLATION"

Those pensioners in the age group 70-85, including myself, are feeling the pinch of inflation and have some readjusting to do. One helpful aspect is that those of us who were 65 before July 1, 1966, are covered by medicare, parts A and B. More recent retirees frequently seek employment to qualify for social security.

Teachers often work in nonpublic schools or in offices to build up their "quarters." Once a person has qualified for social security, there

is a further snag, however, in the financial limitations of earnings at \$2,520 up to age 72. Of course more money can be earned, but it is hoped that the requirement of having to return to the Federal Government \$1 for every extra \$2 earned will be removed. The period from age 65 to 72 is the most likely and practical time for employment, but it is sometimes difficult to arrange part-time work with employers who are seeking full-time help.

Many of us would like to keep close ties with our professional life but now we are penalized because we can no longer deduct for professional dues, travel, or related publications from our income tax as professional expenses.

Just recently, as I signed a check for \$12.50 for my favorite professional journal, I thought, "This is the last time I will subscribe to this publication." Yet we are advised to keep alert and alive with our profession but we are discouraged financially.

In order to cope with day-to-day living we retired teachers are doing what recent headlines indicate many people are doing—"They Buy Less and Cheaper." Our fur coats are getting pretty sad looking, our old model cars are kept in action by careful repairs. We cut down on travel—teachers are great travelers—and we cut down on our charitable contributions—we seem to be targets for every conceivable kind of charity and humane cause.

THREE RECOMMENDATIONS

Would removing the compulsory retirement barrier of 65 help? Perhaps. Some of us think we could have worked successfully until we were 70. Today, more and more persons are taking early retirement. I think age 65 has gotten to be a bad psychological barrier, announcing to the world that at 65 everyone is finished, through, at the end of the line. I have previously indicated two situations where some of us could receive help, but it would be of great help to all our annuitants if these three suggestions would be acted upon, soon:

1. Give Federal income tax exemption on all annuities the same as social security recipients.
2. Recognize the tremendous problems confronting pensioners on fixed incomes and provide additional tax deductible items for this group, for example, medicine, food, more exemptions for age, dental care, eye and vision care.
3. Include without payment medicare coverage for persons under State and local pension systems.

Senator Randolph, I recommend these for your gracious consideration.

Senator RANDOLPH. Thank you very much. That is a very excellent statement.

We will now hear from Mrs. Mary Alice Henry.

STATEMENT OF MARY ALICE HENRY, COCHAIRPERSON, SOCIAL SERVICES COMMITTEE FOR THE CHICAGO PLANNING COUNCIL ON AGING, MAYOR'S OFFICE FOR SENIOR CITIZENS

Mrs. HENRY. My name is Mary Alice Henry. I am the cochairperson, Social Services Committee for the Chicago Planning Council on Aging, the mayor's office for senior citizens.

I am happy to receive an invitation from the U.S. Senate to testify before the Subcommittee on Employment and Retirement Incomes of the Special Committee on Aging. The recession and the older worker, a category I find myself in and there isn't anything I can do but face it.

I hope and trust by the help of God what I say here today will be beneficial to all senior citizens wherever they may be.

I feel whatever input I have, I want it well understood I am speaking for all senior citizens, regardless of race, creed, or color.

As a senior citizen and a resident of the city of Chicago, Ill., I have lived to see many of the shortcomings of society toward the elderly. This reflects in the large number of senior citizens all over America suffering on skidrows, and in boarding homes, and other obsolete places.

We find our government still spending money to join in outer space with other nations, and bringing other nations here by the thousands, and some of our people are not getting their just dues.

When a person has worked for years in this society and has given all that was in them, I don't feel that when he/she becomes 65 years old, they should be forced to retire. I think they should be allowed to work as long as they are physically and mentally able.

I might add, that on some jobs the young people force them to do hard jobs so they will retire soon and get out of their way. One must remember, we did not ask to live this long, but due to medical science and mother nature, we are very much alive. We know they have started a new trend birth control. I hope the trend doesn't change and they start mercy control on senior citizens.

EDUCATION

Education—there are many senior citizens that never spent a day in college, but they have a world of experience, and they could do a good job as a consultant to younger people in many walks of life.

I only have a degree of CSTA—commonsense, talent and ambition. I am from the university of the Getto on the west side of Chicago. I feel people like myself and other seniors could be given a degree for their volunteer work and their contribution to society.

I feel no one gets too old to learn. The colleges and schools should bring their programs to the community and make it mandatory that the seniors and others that receive awards from city, State and government use this program. They could be taught how to spend the award money they receive and they, in turn, would be more likely to want to be independent. This could keep many from receiving assistance.

NUTRITION AND TRANSPORTATION

Nutrition, yes, it is true, some seniors register at the nutrition sites. We don't have half enough sites to accommodate those that need it. Some seniors are sick and senile and unable to see after themselves. They need food brought to them.

We need transportation for those who are registered to get to and from the sites; therefore, we need more money for minibuses.

We need mobile stores where seniors live and all over the city, and the store could be equipped with a section for staple goods and a sec-

tion for fruit and vegetables, a check cashing system where the seniors would be charged a certain amount for cashing their checks—not overcharged. And they could buy from the mobile store at cost. The currency exchange people could operate the check cashing system in the mobile stores so it wouldn't take away from them. Arrangements could be made with them through the mayor's office of senior citizens. Then the seniors would not be mugged and beat up and his money taken away from him, the way they are doing now.

Public transportation. The drivers of the buses should be allowed to pull up to the curb, and after the senior gets on, give him a chance to sit down before they pull off from the curb, to keep the senior from falling.

HOUSING AND HEALTH

Housing. Some seniors own their own homes, some are renting homes even their rent or their notes should be reduced so they could remain independent. Some seniors have to live with their families and the family are afraid to leave the senior home by him/herself.

Day care for seniors would be helpful. The family or guardian could register the senior in the day care and pick them up on their way home. If we had minibuses, the day care could pickup, that would relieve many young persons of heartaches because of dad, mom, aunt or uncle whom they love. This would be a help to society because it would keep more people working. The seniors could be seen after. They wouldn't be afraid of them burning themselves up or leaving doors opened where the undeservable would have free access to their homes.

Health. Health is very important to seniors. They even count the number of pills they have to take each day. When they go to the doctor or clinic, they have to pay so much money. I understand there has been a cutback by the State on Medicaid and such. I can't see how the poor seniors will survive. The seniors need a protective health care system. Here is one thing that could be done for seniors. Home health aides could be trained through proper agencies for this purpose to help seniors. We could keep more chronically ill people at home. It would cost the State less money with hospital costs over \$100 a day. And unless the government finds some way to take care of the health of their senior citizens, their lives will be in jeopardy. And many more will suffer more than they are suffering now.

When a person reaches the age of 65 years old, he receives less pay in wages, but he has to pay higher prices in insurance. And if you are old and black or Spanish speaking you have to pay more for food, rent, or whatever money is spent for.

Why do I work at the age of 70 years? It is because I need the work. I have two adopted daughters, both teenagers of 12 and 16 years of age. My husband retired by force. He was forced to retire when he reached the age of 65, and the cost-of-living is so high, and our dollars do not have the power to buy what we need. We have reduced rates only on some things. Such as reduced rates on transportation. I can come and go for 20 cents. We do have reduced taxes for the house.

What special qualities do the older workers have? He or she has the advantage of living longer. He or she has many years of experience. They have forethought and determination. Their minds are able, and when on the job, they stay there.

Is the older worker easily hired? If not, what are the reasons for not hiring?

No, the older workers are not easily hired. The reason that they are not is simple. They just don't have a place for you, and you don't have the right kind of skill.

Sometimes it is not true. They hate to say you are too old, because of society's trend. The older person is discriminated against. Yes.

Some young people think they are too slow, and they give them the worst jobs. Is it worse for the black older worker? Yes, because they are the last to be hired and the first to be fired, and most times our educational backgrounds are very poor, and a lot of them were unable to get the proper amount of schooling.

SATISFACTION IN VOLUNTEER WORK

Is there satisfaction in volunteer work such as I am doing with the mayor's office for senior citizens? Yes, there is great satisfaction in volunteer work. When you are trying to help others you do not look for pay.

When you have a fairly decent job, that means I am still working, and I am supporting myself, and I can do volunteer work.

One could not volunteer if he does not get enough money to keep himself going. And I am glad to be of service to my Government, the city and to my country.

I also volunteer at a hospital on the west side of Chicago where I am a member of their board.

Thank you.

Senator RANDOLPH. You are talking about your volunteer work, as has been discussed by those on the panel. That is very fine, but there is an organization called NOW. I am very sorry for one of its so-called goals. They want no one to work except that that person be paid.

If volunteerism would go out of American life, it would strike at the whole heart of caring for other people. I am not a critic of the organization, but that is one of the platforms on which NOW has been founded and that they have carried forward. I hope, Mary, that people like you, as volunteers, would talk to those people, contact their national office.

Mrs. HENRY. Senator, you will see in the papers that I have given Mr. Affeldt, that I speak about some of the volunteer work, and I feel that senior citizens should be allowed to continue working as long as they are physically able to work, and I feel that they would not have to do the hard jobs, but they could be given such jobs as consultants.

I heard somebody talk about teaching, and I think that would be a good job for senior citizens. We could think about the home health care. They could be trained. And if enough money was allotted, some of these people could be trained, and we have been talking about the colleges and the schools, that is what we have been for. They could train these people in the work that they need to do, and they could help a lot of senior citizens, and that would keep people working and make people feel independent.

That is one of the things why senior citizens give up, because they feel when they have to get these handouts, they are made to feel so

bad about it, like they have committed a crime, and they have not committed a crime.

They have worked all of their lives, and given all that was in them, and then when they have to take the handout, then they feel that that is the dumping ground.

JOB OPPORTUNITIES FOR THE BLIND

Senator RANDOLPH. You know, we have an example of that in the United States, in Illinois, in Chicago, as well. There was legislation passed which gave the blind the opportunity to be trained to operate vending facilities in Federal, State and other political subdivision buildings.

I remember very well at the first hearing, the U.S. Post Office through its Postmaster General testified against the bill. Yes, they said, in essence, we would like to help the blind, but, you know, the blind cannot do the kind of jobs that you want them to do.

Today, there are 3,700 blind persons that are operating these vending facilities.

We have them in Chicago. Their average earning power is more than \$8,100 a year. Some of them are earning \$14,000, \$15,000 a year. They are part of our productive society. There are people who felt kindly toward them, but their kindness was misplaced. They just do not need Christmas cards, you know. They need the opportunity to be working every day of the year, communicating with people, and, of course, they proved that program. They themselves did it better than those of us who wanted to pass it along.

They have proved it is a law that is worthwhile. Last year they did \$133 million worth of business, people who it was said could not do this job.

We will now hear from Mr. Murray, vice president of the Chicago Area Council of Senior Citizens Organizations.

STATEMENT OF CLYDE E. MURRAY, VICE PRESIDENT, CHICAGO AREA COUNCIL OF SENIOR CITIZENS ORGANIZATIONS

Mr. MURRAY. I submitted to you a prepared statement, and therefore will make a few oral comments on three matters: (1) The importance of social security, (2) the need for a comprehensive employment service for older citizens, and (3) a recommendation that the age 65 top-limit of the Age Discrimination Act of 1967 be removed.

My comments will be very brief.

IMPORTANCE OF SOCIAL SECURITY

Many people depend on social security for basic support. For example, those of us who worked for private social welfare agencies, and people who worked in industry and business at the time when there was no pension plan. For these millions of older people, social security is not a supplement of their income; it is their basic income.

I would like to thank Congress, through you, for the recent increases in social security. Of course, they do not keep up with the cost of living, but nevertheless, they are indications that Congress really cares about older people.

SENIOR CITIZENS EMPLOYMENT SERVICE

Since 1970, I have been working with a number of people in Chicago to establish an employment service for older workers. Our work has been through the Senior Citizens Employment Service, a nonfunctioning corporation set up by Arthur Levin, a retired businessman.

We are very much concerned about the fact that only a small number of people of older age are placed by the public and private employment agencies.

Senator RANDOLPH. Why is that?

Mr. MURRAY. They are not given any high priority.

I am very glad to say that we think now we are going to get some thing started. Recently, a plan has been developed by the Jewish Vocational Service of Chicago and the local unit of the National Council of Jewish Women, in cooperation with the Senior Citizens Employment Service, to operate a senior employment center as a demonstration or pilot project. Jewish Vocational Service will be the operator. Other important parts of the plan include the use of CETA workers in staffing the office; the use of volunteers in locating older people who want to work; in locating job opportunities; and in interjecting to potential employers and the public the need for employment of older people; and the use of private foundation funds as well as public funds.

We will start with one demonstration project on the North Side, and we hope it will eventually spread in other ways throughout the city.

It is really a big pleasure, Senator, to have worked on something like this for 5 years and finally have something come as a result of it.

We hope that what we will do will demonstrate to the city, State, and Federal officials the need of some specialized kinds of service in the employment field for older people.

One thing that needs to be done is to really encourage older people to look for work. There are many people who are discouraged. They feel they have reached the end of the rope, and we have to maintain, as you said this morning, communication with these people.

AGE DISCRIMINATION IN EMPLOYMENT ACT

The last comment I would like to make is to urge the removal of the top age of 65 in the Age Discrimination Act of 1967. The chronological age of 65, or of any other arbitrary age, is a poor measuring stick for determining whether a person can carry on his or her work. No two persons have the same potential or ability at any age. One person may have gone past his potential on a job at 40 while another may do his best work at 75. I am very much attracted by the new GULHEMP theory developed by Dr. Leon Koyle, from Canada. It is an acronym using the first letters of seven words. These factors are: G for general appearance, U for upper extremities, L for lower extremities, H for hearing, E for eyesight, M for mentality or intelligence, and P for personality.

It seems to me if we put all those factors together, we can determine the fitness of a person for a job whether he be 50 or 70.

I am hoping that these factors, or other similar factors, taken in combination, can replace the sole factor of age.

[Applause.]

Senator RANDOLPH. This is very helpful testimony.

Clyde, I refer to your closing thoughts, because we have now pending in the Senate a bill, S. 871. The principal sponsor is Senator Hiram Fong, of Hawaii.

There are others that have cosponsored the legislation. It would remove the 65-year limitation for the application to persons being eligible for employment.

Would you like to see that passed?

Mr. MURRAY. Very much.

Senator RANDOLPH. You think that would be helpful?

Mr. MURRAY. Yes.

Senator RANDOLPH. We still are considering a retirement income credit update, and Senator Church, the chairman of our parent committee, is the chief leader in that effort; he is very helpful.

INACTIVITY: THE ELDERLY'S GREATEST ENEMY

I ask this question of all of you, if you would make, perhaps, a quick answer. Inactivity is often considered by the elderly as their greatest problem. Inactivity. I think they want to be active insofar as possible, in many ways.

How can we provide greater opportunity so they can have this activity?

Will you respond, just sort of go through the panel. It does not matter in what order.

Miss HAYES. Retired teachers seem to be quite well sparked to activity. Many are "travel hungry," especially for longer trips and unusual places. Their volunteer activities are varied, but the most popular, as I observe, are working in local hospitals and in neighborhood public and parochial schools. Tutoring, either for pay or as a volunteer, has not been too attractive in the past, but just recently, 18 retirees spent 2 days in a seminar learning to use the Laubach method of teaching reading. This fall they will give some hours each week helping persons at libraries and other centers.

Part of the problem in retirement is a matter of making a choice—deciding each day, week, month what to do, and when. We have lived "by the bell" so long—not only teaching but taking classes—that our so-called free time was well-filled with matters of personal, professional, and social affairs. We are doing something with preretirement planning, but we could do more. There is much and varied volunteer work to be done, God knows, if people would just get at it.

I might say again, while I have the opportunity, that many teachers consider qualifying for social security benefits, especially medicare, to be their biggest problem: that and the ever-increasing cost of living.

Senator RANDOLPH. How old are you

Miss HAYES. My age? Seventy-eight.

Senator RANDOLPH. Seventy-eight years young.

Miss HAYES. That is correct.

Senator RANDOLPH. Mary?

Mrs. HENRY. Senator, I feel that the older worker could be given jobs to do, if he is still able to do them. If one is fit, and I feel among the poor people, the ones I represent, I feel they could be trained to do some work. We could have day care centers, those not able to work, those not able to leave at home alone, the families could bring them to a day care center. The same as they do for the younger people, and

they could stay there and pick them up in the afternoon and bring them back home, and I think some of us are afraid to leave our people at home, and then if we do, then somebody may break in, steal, and they may break themselves up, and then we would have day care centers for senior citizens, I think that would be a help.

The thing we need to do is to have people like you and the other senators to get these laws together for us and see if we could get some money so we could start that, and that would give the older worker work to do.

He would feel better working with his own peers?

Senator RANDOLPH. That is true. Thank you very much.

There is no law against me cheering, you know. In the Senate, if the galleries cheer—or we will say do a little hissing—then the presiding officer says that there can be no demonstrations in the Senate galleries or people will be removed.

I want you to know we do not mind you cheering, and let the chairman do a little of it himself.

Clyde.

Mr. MURRAY. I think we should have more and more of the programs like Mainstream, senior aides, SCORE, all of these different programs, but I think we have to do a better job in letting our people know what these opportunities are, either paid or volunteer.

Many older people do not know. It does not reach the hinterland. I do think the Mayor's Office of Senior Citizens is really trying to provide this communication so that people can know about the opportunities, and I am also hoping that we can tie into these volunteer jobs such things as transportation in getting people to and from the jobs—the volunteer jobs as well as the paid jobs.

I think we have enough ingenuity in this country to work out new ways to do this.

Senator RANDOLPH. I was just checking with Dave here. We were talking about the number of older people, 65 and beyond, and the updated figures indicate that we now have 22 million persons in our population of approximately 211 million—22 million that are 65 or older. And we are adding to that number of course, in the overall.

We are adding 350,000 persons a year. That is the net increase. So it is not only a problem, but it presents an opportunity.

Thank you very much.

[Applause.]

[The prepared statement of Clyde E. Murray follows:]

PREPARED STATEMENT OF CLYDE E. MURRAY

This testimony is based on my present experience as president of the Senior Citizens Employment Service, vice president of the Chicago Area Council of Senior Citizens Organizations and on my professional work as a social welfare planner and administrator. Although I retired from full-time work in 1970, I still consider myself active as I have accepted periodic employment during the last 5 years.

My remarks will focus on three matters: (1) the importance of social security, (2) the need for a specialized employment service for persons 55 years and over in Chicago, and (3) a recommendation that the age 65 top limit of the Age Discrimination Act of 1967 be removed.

A few days ago I asked a fellow board member of the Chicago Area Council this question, "What is the most serious problem faced by older people as a result of the recession?" His immediate reply was one word, "Money!" He explained that most older people whom he knows have found it difficult to make

ends meet as the cost of living continues to go up and up and income from pensions and savings have remained at a fixed level. The only exception has been the increases in social security benefits. Although these increases have not kept pace with inflation, they have helped older citizens in two ways. They have more money to use. They have been given a "lift" in realizing that Congress really cares about their tight financial situation.

No one can overestimate the importance of social security to us millions of older people. The monthly social security check provides the basic income for most senior citizens and is the only income for some. From my experience, I know of people who worked for private social welfare agencies which had no pension plans up to the 1960s. Other acquaintances worked in business or industry but were not able to build up any adequate pension reserve as present workers do. Many older citizens receive small pensions but these can provide only supplemental support. These people must depend on social security for basic income.

I know of no better way for America to show that it cares about its older people than to provide adequate social security and medicare benefits, and to furnish opportunities for them to engage in challenging occupations either on a paid or volunteer basis. Such programs as senior aides, RSVP, foster grandparents, and operation mainstream have been valuable to the older persons as well as to the people they have served. Part-time and full-time paid employment in industry and business has also been available for a limited number of senior citizens. Dr. Leonard Z. Cosin, an internationally known leader in the care of old people who is in charge of health services for the aged in Oxford (England) Area Health Authority, was quoted in the July 27, 1975 issue of the *Chicago Sun-Times* as follows:

"The only solution to the problem of growing numbers of old people is to keep them as fit as possible as long as possible or any society will run itself into bankruptcy."

PHYSICALLY AND EMOTIONALLY FIT

Work in community affairs, business, industry, government, labor unions, social welfare agencies, churches and other areas can keep people challenged and interested in life and keep them physically and emotionally fit.

In 1970 I became convinced that more attention should be given to job funding, counseling, and placement of older workers who wish to continue working on a paid basis. The small number of placements made by public and private employment agencies convinced me that these agencies gave a low priority to those older persons who want to work, and in many cases need to work in order to support themselves. I found that my interest was shared by Arthur Levin, a retired businessman, who had established a not-for-profit corporation, "Senior Citizens Employment Service." I joined the board of this new organization during that year soon after I retired as a social welfare planner.

Since 1970 the board of directors of the Senior Citizens Employment Service has been trying to set up a senior employment center, similar to the ones in Baltimore and San Diego, for men and women 55 years of age and over who want employment. Recently a plan was developed with the Jewish Vocational Service of Chicago and the local unit of the National Council for Jewish Women to operate a senior employment center as a demonstration or pilot project. CETA (Comprehensive Employment and Training Act) personnel will be provided through the Manpower Office of the City of Chicago who will find job openings, interview and place people 55 years and over in full-time or part-time work. Private foundation funds will be used to pay for staff training and supervision, supplies, office space and other expenses. Volunteer workers will be enrolled to help in locating jobs and in interpreting to potential employers and to the public the need for a senior employment center.

Mr. Benjamin R. Cohen, one of our sponsors, has stated the purpose of the Senior Employment Center well:

"I am mindful of the desperate need for a viable, aggressive employment service to invest in human dignity and security by providing suitable job opportunities for the elderly men and women who are an invaluable reservoir of fine skills and experience, but whose self-respect and pride have been subjected by sheer disregard, disdain, and neglect."

Mr. Levin, the founder of the Senior Citizens Employment Service recently wrote:

"In June and July 1966, Sylvia Porter, columnist, wrote a series of four excellent articles in the *Chicago Daily News* and headed them in very large type: 1—JOBS, NOT TALK, FOR THE ELDERLY. 2—JOB DOORS CLOSED TO

ELDERLY. 3—HELP WANTED FOR THE AGED. 4—AGED NEED WORK, NOT PLANS. That was 9 years ago and it is worse now than it was then.

"The elderly are especially discriminated against in the job market. Louis Harris and Associates have recently completed the most definitive study of people 65 and over, ever made. One of their important findings is: 'Those 65 and over citizens who did not want to retire and would like to be employed gainfully came to 4.4 million. They are not counted as unemployed in official statistics; if they were counted, the unemployed figure for the nation would now be close to 10 percent. The Illinois State Employment Service placed a mere 342 senior citizens in fiscal year 1972 for the entire state, which has a population of 1,500,000 senior citizens. Mandatory retirement should be eliminated. The 65 and over group say: Give us less pity and give us more opportunity.'"

SPECIALIZED EMPLOYMENT SERVICE FOR SENIORS

We citizens who are working to set up this employment center feel strongly that older men and women have mature skills which can be used in business, industry and community service and that they should have the opportunity to engage in worthwhile occupations to supplement their income and to continue service to their communities. We hope our efforts will demonstrate to city, State, and Federal officials that a specialized type of employment service for seniors should be established on a permanent basis either as an essential part of a comprehensive program or as a separate entity.

One stumbling block in finding jobs for persons 65 years of age and over has been the Age Discrimination Act of 1967. This legislation should be removed from the statute books.

The chronological age of 65, or of any other arbitrary age, is a poor measuring stick for determining whether a person can carry on his or her work. No two persons have the same potential or ability at any age. One person may have gone past his potential on a job at 40 while another may do his best work at 75. The "GULHEMP" theory should receive more attention and much wider use as these seven factors taken together provide a fair basis for judging a person's ability to carry on. These factors are: G—general appearance, U—upper extremities, L—lower extremities, H—hearing, E—eyesight, M—mentality or intelligence, and P—personality. These criteria make much more sense than the single age criterion.

Senator RANDOLPH. Our next panel is made up of Government witnesses, Samuel C. Bernstein, assistant to the mayor for manpower, Mayor's Office of Manpower; and Robert J. Ahrens, director, Mayor's Office for Senior Citizens.

Those of us in public and often private business, know how important it is to have good people working with us. We could not do our jobs without them, and Kay Dann is here, our assistant chief clerk of the majority. Kay, will you stand up please?

John Guy Miller is the staff director for the minority. John, will you stand, please?

And, David, you can stand too. This is David Affeldt. He is the chief counsel of the majority.

We have no partnership, senior, or junior. We just all work here.

Now, we will have two witnesses give their names and their positions, the people they represent.

I hope we can do this in about 10 or 12 minutes, if possible.

PANEL ON GOVERNMENT

STATEMENT OF SAMUEL C. BERNSTEIN, ASSISTANT TO THE MAYOR FOR MANPOWER, MAYOR'S OFFICE OF MANPOWER

Mr. BERNSTEIN. Mr. Chairman, my name is Samuel C. Bernstein, and I am assistant to the mayor for manpower, Mayor's Office of Manpower.

Mr. AHRENS. Mr. Chairman, my name is Robert J. Ahrens, director, Mayor's Office for Senior Citizens.

Mr. BERNSTEIN. First let me say, Senator, in listening to you and the activities of this subcommittee, I think it is not only the State of West Virginia that is exceedingly fortunate in having you there for some 44 years or more, but the country as a whole. It has benefited exceedingly by it, and I want to join the mayor in expressing our appreciation.

Senator RANDOLPH. You want me to run again?

Mr. BERNSTEIN. I would say if you would be in the Senate for another 25 years, we would all benefit immeasurably.

I suppose I am speaking about your longevity, because I started in State government about the same time and drafted legislation in dealing with all of the social security pieces at the State level, including unemployment insurance, which I offered in Illinois in 1973. So, I have been around for a long time, and I can speak from personal experience about the senior citizens, because I happen to be one over 65 years of age.

I do not believe yet that I am slipping. I think that the mayor would be the first one to let me know if I were, and I assure you that the feelings I have with respect to not letting age act as an arbitrary limitation on employment was felt so strongly by need, because of my feeling, that I have more to contribute now than I ever had in my whole life to public service, and it is with that kind of framework that I offer what little I may to the committee.

First let me tell you that we are dealing with a program which has provided for the authorization and responsibility for managing manpower, and at the local level, and a program which originated at a time when we thought that we were going to experience a relatively good employment, and wound up, as you know, in a period when we were in the depths of a recession. Of course, too, employment manpower programs become all the more difficult.

COMPREHENSIVE EMPLOYMENT TRAINING ACT

Also look at the unemployment in the larger cities. In every city that you can look at, it is more than the national average in unemployment. With some strange paradox of approach, the development of a formula in the Comprehensive Employment and Training Act, which provides funds for manpower programs in the large cities—the quirk which says, in essence, that we are to get less by 10 percent of what we got the previous year from now on in. So when we look at 1975, we get 10 percent less than in 1974, and when we go to 1976, we will get 10 percent less than in 1975. That, theoretically, is an amount which, under title I for manpower training which provides us at the rate in 1974 some \$36 million, slips down to \$22 million in a period of 10 years on the premise that the Congress makes no more money available in the overall than it is presently making available for all of the consequent manpower programs in the Nation. We, of course, in the large cities—we in Chicago, in particular—feel very strongly that we cannot deal with any of the problems of unemployment of many of our citizenry, including the older worker, in the face of that kind of desire or clearly irrational application of a formula.

The needs of the city are continuing to grow, and built into the system is a continuing reduction in the amount available for the program. Now, looking at the recession as it applies to the older worker, you have got the recognition that presently your Congress, and our Congress, has approached the problem of unemployment with some concern about its implications for reasons other than the employment status of individuals.

A good part of what has been the design of manpower programs, has stemmed from concerns about the kinds of things that you need to do to prevent riots and demonstrations—a complete distortion of manpower programs.

There are ways, and if you want to provide funds to buy peace, there are ways to do it, but my point is that if you use manpower programs and manpower funding to buy peace, then you are diverting from the people who really need those funds for true manpower purposes.

One of the things I am referring to is the fact that we deal with the unique problems of providing summer programs for youth. We provide a very significant amount of money that adds up to almost one-half of the total amount of manpower moneys that are made available for all programs, for all of our citizenry in the United States, to deal with the 9 weeks of summer for youth.

Now, I am not saying that that kind of program is not necessary or advisable, or that there are not very definite benefits derived from the summer program. But to treat it as a special need and not recognize that those funds are to be pooled into some total manpower resources, so that we locally can make decisions as to how we utilize those funds, not presently limited to the summer youth program, on a year around program. That would mean a lot more to the youth of our Nation, so we feel that that has to get, it seems to me, very specific attention in the Congress.

OMBUDSMAN NEEDED FOR OLDER WORKERS

With respect to the issue of the older worker you need an ombudsman. I am not a specialist in the older worker program, because I run manpower programs citywide for all ages and all target groups.

Thank God, we have Bob Ahrens in the Mayor's Office for Senior Citizens and that we have the Department of Aged which stems from Neil Hartigan's personal devoted effort at the State level, to provide the kind of pressure and levers which forces Sam Bernstein and others like me around the Nation—in all kinds of programs, not only manpower—to realize that there are special needs that are not presently so low on the totem pole, that they do not get their fair share of what they are entitled to.

Senator RANDOLPH. Now, I want to interrupt you there.

Your perception, what you are saying here, indicates that you can look at the overall. You can separate the parts, and yet know they must all be brought together, and that is your strength.

Mr. BERNSTEIN. It is the strength, really, of the people who run the programs in the city of Chicago.

Senator RANDOLPH. How old are you?

Mr. BERNSTEIN. Sixty-six.

Senator RANDOLPH. And going strong.

Mr. BERNSTEIN. Stronger than ever.

Senator RANDOLPH. Very good.

Mr. BERNSTEIN. What Bob Ahrens did, as a member of my manpower advisory council, was to impress upon us to bring about the attention that is needed for the concerns of the senior citizens.

He brought together a task force, which, I appointed and he chaired, and brought a report* back to me that was clearly identified with that. As little as we gave them—we could have given a lot more—the funds we allocated for senior citizens, despite the fact we were low on the totem pole, could have been justifiably increased by reason of the fact that we did not give the senior citizens a fair share of the total unemployment population figure that they represented.

One of the things that clearly came through to us, No. 1, is that the senior citizen is very heavily represented, by that I mean the worker 45 or older is very heavily represented, in manufacturing.

We found that manufacturing was the hardest hit in this recession. We lost over 120,000 workers in manufacturing alone in the Chicago labor market area since May of 1974.

You have heard the representative of the Meatcutters Union identify the fact that one-third of the population of our labor force is over 45. Interesting, one-third of those in manufacturing are over 45.

With them being harder hit, we knew the numbers of unemployed among the older workers have increased. We know that they represent a greater part of the total unemployed population.

20 PERCENT OF RESOURCES FOR OLDER WORKERS

Instead of giving 6 percent of our resources to the unemployed in training programs alone, we will increase it to well over 20 percent in 1 year. This is the kind of thing that has to be done, it seems to me, across the country if we are going to be utilizing the resources that are presently available to provide for the senior worker, to the degree and in proportion to the need, that those older workers are now presenting to the country as a whole.

Now, what else have we done in Chicago that may have particular pertinence in your deliberations as to what is the need nationwide. We have very definitely recognized with respect to the other aspects that CETA, I am talking about the Comprehensive Employment Training Act, which is the sum total of manpower programs today, represents what the Labor Department and the Office of Economic Opportunity used to administer, now delegated to State, local, and county governments; city and county governments are required to administer.

In this area, we are saying with respect to such things as the employment programs, which, as you know, started with the Emergency Employment Act, and then—they were titles V and VI, and then there was a package of resources that, although markedly were inadequate, still represented something well over \$1 billion. We are talking now of the greater utilization of those resources for older workers. For instance, we are moving for the first time, publicly announced today, into the field of funding private, nonprivate agencies with funds to bolster their activities in the community.

* See appendix 1, item 2, p. 58.

We are talking about 1,200 slots for private, nonprofit agencies, and we intend to make sure that at least 400 of those 1,200 slots in the private sector field are going to be involved with people 45 years of age or older.

We also have given some thought to our programs with respect to pensions. I have never seen this written before. I do not know whether it even makes sense, but it occurs to me after looking at what happens in the field of workmen's compensation with the so-called second injury fund, or looking at the kind of subsidies we worked out—with respect to interest costs, rental costs, and in the field of housing—what is there would not make sense, if it were to provide for a subsidy to private industry in the form of tax adjustment, or actual grants, a program which would provide a subsidy to take care of the extra costs that would be attributed to the worker under pension plans, which presently discourages them from hiring.

To me, it seems as if it is so simple that there must be all kinds of things wrong with it.

It reminds me of what was said about the suggestion that we could call a lot of things to the attention of the senior citizens by use of the social security omelette; but I do toss that out as a possibility for consideration.

I do feel that, in closing, more resources need to be provided for all of the kinds of programs which are presently being provided in a fashion that does not recognize the seriousness of the senior citizen problems.

We do need more funding and social services. We certainly need more funding to deal with the problems of employment, because right now the concept of dealing with inflation by trying to deal with it at the cost and on the back of the unemployed is just clearly unjustified.

Thank you very much.

Senator RANDOLPH. Thank you very much.

Bob, would you move in?

STATEMENT OF ROBERT J. AHRENS, DIRECTOR, MAYOR'S OFFICE FOR SENIOR CITIZENS

Mr. AHRENS. Yes, Senator, and my friends, John Guy Miller and David Affeldt. I appreciate the rather generous understanding by Sam Bernstein and the Mayor's Office of Manpower of the advocacy role that the Mayor's Office for Senior Citizens plays for the elderly and handicapped.

MANDATORY RETIREMENT

I will enter into the record two statements. One is the report of the Task Force on Older Workers* that Mr. Bernstein referred to, and the second is a statement I prepared on the question of mandatory retirement,** which underlines again my agreement with what the mayor was saying: My opposition to mandatory retirement when it is based simply on age alone.

I am pleased that my office, apparently, and unfortunately, is one of the few in the Nation to do so, allocates some of its resources to work in

*See appendix 1, item 2, p. 58.

**See appendix 1, item 1, p. 57.

the area of employment and retirement problems of older workers. Call it industrial gerontology, but it is preventive work, and it is much needed.

For today's senior citizens the answer is simple: Provide the services they need and provide them now. We need more funds, as Mayor Daley said, for home-delivered meals, for minibus transportation.

Senator RANDOLPH. Our bus program for the elderly and handicapped in West Virginia is moving forward. It is a great program. I want you to know that it is being used. We are helping the people that never had an opportunity before to go to the store, to go to the doctor, to go many places. It will help the elderly and the handicapped throughout our State. And, as you know, it is the most rural State in the Nation.

Mr. AHRENS. I served as the consultant on transportation to the White House Conference on Aging in 1971, and had the opportunity to review materials from across the Nation. I can say one thing—rural, urban, or suburban—we have transportation problems for elderly everywhere. But we need funds, we need them now, for practical assistance, for legal services, for home health services—we ought to get that into medicare—for the whole range of community-based supportive services that are fundamental, if you are going to avoid unnecessary institutionalization.

PROGRAMS SUCCEEDING TOO WELL

Some programs have failed to reach the elderly, as the Lieutenant Governor referred to SSI, tax rebates, and others. Other programs, such as ours, have succeeded all too well. We cannot deliver all of the home-delivered meals that people would like in Chicago, we cannot deliver all of the congregate dining sites they need. The Lieutenant Governor made a point about State contributions.

I can only say, that exceeding the cash match that is required, and in kind contributions, the city of Chicago has put about three-quarters of a million dollars of additional cash into nutrition programs. I do not know of any community in the Nation that has done that, and yet we still need more funds. I think one of the ways you ought to get the funds is to take away some of the Federal money that is poured into support of profitmaking institutions and nursing homes, to take the funds away from some of these proprietary institutions, and re-direct a good amount of that money into the community-based services that keep people out of those institutions. [Applause.]

RETIREMENT INCOME CRISIS

Now, we have a retirement income crisis. That is now, and senior citizens need help now.

But if it is not going to get much worse for more people retiring in the foreseeable future, we have to do something for the older workers.

We brought Dr. Koyl into Chicago. We have run conferences with labor and the chamber of commerce on the problems of older workers. We publish directories on employment services for older workers. We have organized task forces on the problem.

We have published materials on retirement planning for individuals, and for those who do the planning for the firm or corporation to organize programs.

We also have films and seminars. I think that more offices such as ours around the Nation, and some of the new area agencies on aging, ought to devote a part of their resources to this kind of work because it is preventive. They have a responsibility, just as we have, to be a catalyst, to sensitize people everywhere to these problems, and about these really misguided attitudes about older workers, senior citizens, and a person's aging.

There is not a one of us here who is not aging. I hope we all manage to do it rather well and much better than too many of the cases we unfortunately see all too often. That is about it, Senator. We will supply you with these other materials for the record.

Senator RANDOLPH. The material that you would want included—that you have not covered. We will include that in the record.*

Mr. BERNSTEIN. I shall file it.

Senator RANDOLPH. As a part of the record. They will all be included.

The hearing, I hope, has been a good one, I hope it has been a productive one, and we thank all of you who participated, and we thank also our guests.

To you who sat in, as it were, in the back seats, you helped to make this a hearing. Even though you have not participated in it, you have been very much a part of it.

A VOICE FROM THE AUDIENCE. Senator, I come from the Spanish-speaking community and we have the necessity of being heard and some provision for having representation for our groups.

Senator RANDOLPH. Thank you very much.

It is not our desire to have anyone left out. We want everyone to come in. Sometimes in a hearing of this kind, we do not have an opportunity to include those who can present a specific problem, as we would like.

Longfellow said a long time ago, "Age is opportunity no less than youth itself, though in another dress."

We stand adjourned.

[Whereupon, the subcommittee adjourned at 1:10 p.m.]

*See appendix 1, item 1, p. 57, and item 2, p. 58.

A P P E N D I X E S

Appendix 1

MATERIAL SUBMITTED BY ROBERT J. AHRENS*

ITEM 1. STATEMENT ON THE QUESTION OF MANDATORY RETIREMENT

I would like to address the subject of age-based mandatory retirement, the root cause of most of the problems faced by today's senior citizens, and the consequence of the uninformed attitudes about aging that also result in the undervaluing of our older workers.

Compulsory retirement policies based on chronological age alone can be extremely damaging to the individuals affected by these policies, through arbitrary termination of their worklife and careers. They affect society as a whole, negatively, and have no ultimate utility for even the organizations who administer these policies in the mistaken notion that they do.

It is my deeply held conviction that mandatory retirement policies based on chronological age alone should be ended simply as a matter of principle. They fail to judge each man on the basis of his own merit and individual performance.

It is said that it is difficult to determine whom to retire and whom to retain. I find no qualitative difference in this difficulty and similar difficulties in determining whom to hire, to promote, to transfer or to terminate and whom not. These decisions occur at many points in a man's career. Difficulties in making them are related only incidentally to age, if at all. What they chiefly relate to are the problems inherent in achieving objective measurements of a man's performance. But why should such difficulties become so critical at some given arbitrary age, such as 65 or 45, that they call automatically for the ending of a man's employment?

To the extent that an organization truly has a grasp on its personnel requirements, it can translate these into functions. It then becomes a matter of determining the minimum physical, mental and perhaps emotional qualities necessary to each function, of recruiting, testing and hiring the personnel who can acceptably carry out these functions and of then maintaining periodic functional assessments of both the jobs and the people who fill them.

Exactly this is being done by Dr. Leon Koyl of Canada, where the De Havilland Aircraft Corporation for whom he works, and other organizations have abandoned age-based mandatory retirement, to their own satisfaction as well as of their employees. The so-called GULHEMP Scale and tests, developed by Dr. Koyl, indicate not only that acceptable indicators and measurements of function can be developed for practical use, but the further testing of the Koyl method by United States companies in a Portland, Maine, research project of the National Council on the Aging, funded by the U.S. Department of Labor, indicates that important cost savings by organizations can also result.

The late Justice Holmes said that "to live is to function." In a society oriented to both work and youth, we find that age-based mandatory retirement policies end both a man's income and his function, or reduce both so severely that the individual faces what has come to be called "retirement shock" and the Nation as a whole faces a retirement income crisis.

Most older people who are poor did not become poor until they became old. They were retired or widowed without sufficient retirement income, if any at all, beyond their social security check. It is for these people that we must reduce fares on our transit lines, provide low-cost food programs throughout the com-

*See statement, p. 53.

munity, subsidize housing, and multiply a host of other social services. Even today, less than half of the work force, excluding farmers, is covered by any kind of private pension plan at all, and these people are the retirees of tomorrow.

Many older people whom we find sunk in apathy and loneliness, are only so because the work activity around which their lives was centered, was suddenly and arbitrarily taken from them. Their physical and mental deterioration is almost sure to follow.

It is not a rational policy to make these people poor and unproductive, but this is what age-based mandatory retirement programs have done.

A National Institute of Aging of the U.S. Public Health Service has become law, to focus the growing researches on the process of aging itself. It is expected, by very reputable scientists, that within 15 to 25 years we may succeed in slowing down the whole process of aging, by extension of the middle, vigorous years of life. Meanwhile, IBM drops the retirement age for executives to 60, and Westinghouse talks of doing the same.

In short, more people are living longer. We may soon extend the vigorous years of life by slowing the aging process down. At the same time, we are retiring people earlier and leaving them without sufficient funds to live above the poverty line, unable to enjoy—even when they know how—a largely unwanted unproductive period about to extend longer and longer. It simply does not make sense, morally or economically. With younger people staying in school longer, older people retiring sooner and living longer, a shrinking middle group is left productive and at work, to support itself, as well as all of those who are becoming unproductive, and to set aside resources for its own unproductive future. Some future.

The answer to this nonsense surely is to end the lockstep that has a whole society marching through the first third of life in school, through a second shortening third of life at work, and finally through a lengthening third in the isolation and poverty that has become the all too prevalent condition of retirement.

Work, education and leisure ought to be as streams that flow through all of a man's life, each broadening or contracting from time to time, to meet a man's needs as well as a society's demands, and to allow for individuality in lifestyle and a full life for as long as it is humanly possible. Our institutions of education and leisure are changing to accommodate this perspective, knowing that education is a lifelong process, that man can learn and grow as long as he can function, and that they are essential to his ability to function.

Our institutions of work need to be a part of this reaffirmation of what we all know to be true, namely, that no two men age alike because no two men are alike, and that in a free society each man is entitled to be judged on the basis of his own performance.

Mandatory retirement policies and age discrimination against the older worker have no place in that free society we have yet fully to achieve.

ITEM 2. REPORT OF THE TASK FORCE ON OLDER WORKERS, CHICAGO MANPOWER PLANNING COUNCIL

FOREWORD

An advisory council on manpower planning, created by the Mayor's Office of Manpower, City of Chicago, met for the first time on April 17, 1974, to structure itself and form committees. The writer was assigned membership in the council's priorities committee.

As a result of discussions by the committee, he was asked to head and form a task force to consider the problems of older workers and to make specific program recommendations to the council, prior to adoption of the 1976 manpower plan, time being insufficient to complete such a study thoughtfully before action on the 1975 plan.

As chairman of the Task Force on Older Workers that was subsequently brought into being, I have the pleasure of transmitting the following report to the Chicago Manpower Planning Council, and its chairman, Samuel C. Bernstein.

I know I express for the council and its members, as well as myself, thanks and appreciation to the task force members who met regularly and worked diligently, and whose concern for our older workers informed all of our deliberations.

I am grateful also to Jacqueline Hickey and John Wyatt, members of my own staff of the Mayor's Office for Senior Citizens, for their preparation and support for the meetings of the task force, to Robert Haverkamp of the Mayor's Office of Manpower, for similar assistance, and particularly to the MOSC Program Development Division (Lillian Szabo, director) and Lester R. Klein, who heads its industrial gerontology unit, for the preparation of this report.

ROBERT J. AHRENS,
*Director, Mayor's Office for Senior Citizens, and Chairman, Task Force on
Older Workers, Chicago Manpower Planning Council.*

INTRODUCTION

The Chicago Manpower Planning Council appointed a Task Force on Older Workers to review policies affecting the status of the older worker. This report includes a discussion of demographic data, problems and needs, current older worker programs, and recommendations for action.

Of major concern is the anticipation that in the year 2000 there will be 87.1 million older Americans (45 and over) compared to 65 million today. With this growing number will come increasing demands for employment and economic security.

PROBLEMS AND NEEDS

Who is the older worker?

The expression "older worker" is a term commonly applied to those persons in the labor market age 45 and over.

Table 1 on the following page shows the labor force participation in the Chicago Standard Metropolitan Statistical Area (SMSA).

According to the Bureau of Labor Statistics, a sharp slowdown is expected in the growth of the labor force aged 45 to 64 years. These workers are expected to increase from 28.3 million in 1970 to 29.3 million in 1980, only one-fourth as great as the increase between 1960 and 1970. Their proportion of the total labor force will decline from 33 percent to about 29 percent. The slowdown in the growth of this group of workers is expected largely because of a sizable decline in the 45-54 years old population as a result of the relatively small number of births in the years of the Great Depression. Labor force participation rates for men aged 45-54 years are expected to decline slowly. Rates for women 55-64 are expected to continue to increase.

Table 2 indicates that over 40 percent of the families in the Chicago SMSA, with the head age 45-65 have minor children.

In addition, table 2 depicts two significant aspects about the education of the population age 45-64: large numbers have an insufficient education to meet current employment standards; conversely, a large number are college educated. Almost half of the heads of the families have less than 4 years of high school education. Slightly over 25 percent of the group have 8 years or less of elementary school education. On the other hand, approximately 25 percent have completed at least 1 year of college.

What are the special needs of the older worker?

For those persons age 45 and over, the primary need is a satisfactory income base which is required to fulfill commitments such as the following:

- (1) Mortgage obligations,
- (2) Support of children under 18.
- (3) Educational expenses for young adults.

TABLE 1.—CHICAGO STANDARD METROPOLITAN AREA LABOR FORCE PARTICIPATION OF PERSONS 45 YEARS OF AGE AND OVER (1970)

Years	Labor force												Not in labor force
	Civilian labor force												
	Total			Armed Forces	Employed						Total unemployed		
	Total	Number	Percent		Total	Total	At work		Not at work	Number	Percent		
						Full time	Part time						
Male 45 to 49.....	209,193	199,058	95.2	369	198,689	194,585	173,667	15,463	5,455	4,104	2.1	10,405	
50 to 54.....	192,562	180,903	93.9	206	180,697	177,148	157,258	14,661	5,229	3,549	2.0	11,659	
55 to 59.....	169,547	154,694	91.2	76	154,618	151,351	132,746	13,604	5,001	3,267	2.1	14,853	
60 to 64.....	136,937	109,916	80.3	44	109,872	107,279	91,248	11,575	4,456	2,593	2.4	27,021	
65 to 69.....	98,649	43,074	43.7	14	43,060	41,229	28,875	10,465	1,889	1,831	4.3	5,557	
70 to 74.....	89,308	18,118	26.1	8	18,110	17,437	9,785	6,726	926	673	3.7	51,190	
75 to 79.....	46,361	7,874	17.0	4	7,870	7,397	3,868	3,118	411	473	6.0	38,487	
80 to 84.....	24,885	2,747	11.0	7	2,740	2,593	1,381	1,059	153	147	5.4	22,138	
85 and over.....	14,783	2,402	16.2	17	2,385	2,278	1,648	492	138	107	4.5	12,381	
Female 45 to 49.....	220,998	124,239	56.2	79	124,160	120,321	80,661	34,830	4,830	3,839	3.1	96,749	
50 to 54.....	208,378	117,093	56.2	35	117,058	133,683	79,460	30,066	4,157	3,375	2.9	91,285	
55 to 59.....	186,363	96,823	52.0	4	96,819	94,124	66,945	23,545	3,644	2,695	2.8	89,540	
60 to 64.....	154,166	64,333	41.7	21	64,312	62,368	42,985	16,962	2,421	1,944	3.0	89,833	
65 to 69.....	123,696	25,381	20.5	7	25,314	24,112	13,366	9,701	1,045	1,262	5.0	98,315	
70 to 74.....	99,306	11,013	11.1	5	11,008	10,403	5,039	4,775	589	605	5.5	88,293	
75 to 79.....	71,661	4,580	6.4	-----	4,580	4,192	2,083	1,861	248	388	8.5	67,081	
80 to 84.....	42,708	1,649	3.9	-----	1,648	1,478	751	643	84	170	10.3	41,060	
85 and over.....	27,051	2,027	7.5	6	2,021	1,776	1,156	535	85	245	12.1	25,024	

Source: U.S. Department of Commerce (detailed characteristics).

TABLE 2.—FAMILIES BY TYPE AND COMPOSITION, EDUCATION AND LABOR FORCE PARTICIPATION OF HEAD AND WIFE, AND AGE OF HEAD—45 YEARS OF AGE AND OVER
THE STATE URBAN AND RURAL STANDARD METROPOLITAN STATISTICAL AREAS OF 250,000 OR MORE

	Years of school completed by head							Education of head and wife		Labor force participation			
	Elementary school		High school			College		Head and wife not high school graduates	Head and wife college graduates	Head only in labor force	Head and wife only in labor force	Other families	
	Total	Less than 8 yr	8 yr	1 to 3 yr	4 yr or more	1 to 3 yr	4 yr or more					With 2 members in labor force	With 3 or more in labor force
CHICAGO SMSA													
All families.....	1,733,707	197,997	216,045	353,143	499,042	218,856	248,624	418,875	86,967	703,591	419,973	180,617	193,812
Percent.....	100.0	11.4	12.5	20.4	28.8	12.6	14.3	24.2	5.0	40.6	24.2	10.4	11.2
With own children under 18 yr.....	966,327	75,631	78,883	202,319	316,149	134,385	158,960	173,258	55,865	485,126	208,243	88,122	122,512
Head 45 to 64 yr.....	572,224	62,930	86,089	127,318	152,610	69,213	74,064	193,241	23,818	193,297	161,735	71,147	117,998
With own children under 18 yr.....	241,313	22,894	27,445	48,997	69,527	32,566	39,884	63,747	13,371	74,943	53,901	37,806	69,545
Head 65 yr and over.....	160,313	49,196	45,224	22,106	19,662	10,881	13,244	97,380	3,748	32,351	13,530	9,728	5,824
With own children under 18 yr.....	4,982	1,634	1,095	680	700	426	447	2,501	153	845	556	801	1,032

(4) Support of elderly parents.

(5) Acquiring assets for financial independence in retirement.

Although the needs of the age 45-plus population must be inferred from general census data and general knowledge about this population, specific data is available for Chicago's age 60-plus population.

In the 1972 *Chicago Needs Assessment Surveys of Older People and of the Vulnerable Elderly*,¹ the problem areas, in order of priority by the elderly age 60-plus, were income, health care, police protection, housing, legislation, transportation, nutrition, employment, leisure time activities, and education. The vulnerable elderly are a subgroup of Chicago's noninstitutionalized elderly—those age 75 and over who either live alone or with another person aged 60 or over.

One of the major problems confronting the older worker today is to maintain a satisfactory standard of living. For persons age 45-64, inflation makes it difficult or impossible to meet their major commitments.

For those 65-plus, food, rent, and utilities—items that constitute a much larger part of their fixed income than other income groups—have been among the most inflationary items. This statement is highlighted by statistics which show that 26.3 percent of Chicago's age 60 and over population and 44.1 percent of the vulnerable group require additional moneys for necessities.² Two factors work in concert to exacerbate this dilemma:

(1) The reluctance of employers to hire older workers.

(2) The penalty on earnings (in excess of \$2,520 per year) imposed by the social security legislation.

Who are the people who want to work and why?

Although the human needs of all older workers are similar, employment is the main source of income for those age 45-64; whereas, for those 65-plus employment may be considered as supplemental income.

Application for employment with the Illinois State Employment Service is one reflection of the desire to work. In the first quarter of fiscal 1975, ISES registered 16,441 applicants 45 and over or 14.4 percent of the State total unemployment figure (113,450). Of the total of 16,441 applicants, 2,882 individuals, or 17.5 percent, were placed in jobs; 788 were given counseling service; 124 were enrolled in job training programs; and 223 were given other support services.

In fiscal 1974 ISES registered 71,078 applicants 45 years and over, or 16.5 percent of the State total unemployed (431,507). Of this number 10,146 individuals, or 14.3 percent were placed in jobs, 4,200 were given counseling service, 493 were enrolled in job training programs and 635 were given other support services. Note the comparatively small number of applicants who received counseling, on-the-job training and other support services. In fiscal year 1974, the entire Federal-State employment service placed 355,100 persons age 45 and over in jobs.

Mature Temps, a division of the American Association of Retired Persons, a private employment service for older people in Chicago, reports placement of 545 people in 1974; 66 percent, or 360 persons, were 45-plus. Of the total, 50 percent were 65-plus, 19 percent 60-65, 10 percent 55-60, 7.6% 50-55, and 7.4% 45-50.

In the Mayor's Office for Senior Citizens *Chicago Needs Assessment Surveys*, 11.1% of the general sample of people age 60 and over would have liked a job for pay.³ Of the vulnerable sample (age 75 and over), 3.2 percent would have liked such a job.⁴

Under the sponsorship of the National Council on the Aging, Louis Harris and Associates has just completed a definitive study of people 65 plus, as well as the rest of the public age 18-64, concerning national attitudes on the elderly and aging.

This study collated data from 4,254 in-person interviews. The sample of the 65 and over group is said to be the largest in any survey research project: 3,000 individuals in total—1,033 who are 65-69 years of age, 1,295 who are 70-79, and 469 who are 80 years of age and over. While the survey results are yet to be reported, Mr. Harris gave the following information from them in an October 1974 talk to a Detroit conference of the National Council on the Aging.

—In the area of employment, 18 percent of the 65 and over group is still part of the labor force: 3 percent are employed full time, 9 percent are employed

¹ *The Chicago Needs Assessment Surveys of Older People and the Vulnerable Elderly, Final Report*, Mayor's Office for Senior Citizens, Chicago, March 1974.

² *Ibid.*, p. 15.

³ *Ibid.*, p. 60.

⁴ *Ibid.*, p. 113.

part time, and 6 percent are looking for work and are unemployed. While 12 percent of all people 65 and over are employed, a much higher 18 percent in the 65-69 age group are working.

- Among the majority who have retired, 37 percent said they did not stop working by choice.
- Those 65 and over who did not want to retire and would like to be employed add up to 4.4 million.
- If they were counted in the unemployment columns, we would have close to 10 percent in unemployment instead of just over 6 percent today.
- As many as 4 in 10 of all people 65 and over would like to be actively engaged in work.
- 8 out of 10 mature citizens who are presently working have no intention of retiring voluntarily.

Several problems affect the capacity of various systems to respond to the older workers' desire for employment. Primary among these problems is the fact that no social service system can control the job market and guarantee the availability of jobs. If high unemployment rates, discriminatory retirement and hiring practices are also recognized as a reality of the job market, the parameters of the problem become clear.

TABLE 3.—INCOME IN 1969 OF PERSONS BY AGE AND SEX,¹ CHICAGO SMSA

	Total (includes persons without income)	Median income
Male:		
45 to 49 yr.....	209, 103	\$10, 722
50 to 54 yr.....	192, 562	9, 968
55 to 59 yr.....	169, 547	9, 454
60 to 64 yr.....	136, 937	8, 563
65 to 69 yr.....	98, 649	5, 177
70 to 74 yr.....	69, 308	3, 433
75 yr and over.....	86, 029	2, 507
Female:		
45 to 49 yr.....	220, 988	4, 399
50 to 54 yr.....	208, 378	4, 559
55 to 59 yr.....	186, 363	4, 491
60 to 64 yr.....	154, 166	3, 541
65 to 69 yr.....	123, 696	1, 876
70 to 74 yr.....	99, 306	1, 693
75 yr and over.....	141, 420	1, 477

¹ Detailed Characteristics, U.S. Bureau of Census, 1970.

Lack of sufficient income continues to be the most important problem facing the majority of elderly in this country. Even with recent increases in social security benefits, 3 million elderly, or about one out of every six persons over 65, have an income below the poverty index as defined by the Social Security Administration. Include the estimated 2 million elderly persons who would be in the poverty category if they did not live with families whose incomes are above the poverty threshold, and the number of impoverished elderly swells to 5 million—roughly one out of every four persons over 65.

The poverty index, as defined by the Social Security Administration, is an absolute minimum standard projected to be \$2,100 a year for a single elderly person and \$2,640 for an elderly couple. Millions of older people who are not classified as poor according to this standard are living on incomes that are insufficient to meet their needs.

Although income for the aged is derived from a variety of sources, retirement benefits remain their primary source of funds. The relative importance of income from employment showed a steady decline during the decade 1958-67, dropping from 37-38 percent to 29-30 percent. Increased life expectancy and earlier retirement mean that savings must be stretched over a longer period of time and thus, perhaps, is becoming a less significant source of income.

Social security benefits, originally established as a supplement to private pension income, are the main source of income for the older population. Even with

the recent increases, social security benefits provide an income below the Bureau of Labor Statistics' budgets for retired couples.⁵

Among the respondents to the MOSC 1972 needs assessment survey, many reported several sources of income.⁶ The most commonly mentioned sources are:

- (1) Social security (74.3 percent).
- (2) Savings (46.1 percent).
- (3) Pensions (33.6 percent).
- (4) Investments (23.8 percent).
- (5) Wages (14.1 percent).
- (6) Family, relatives (9.8 percent).
- (7) Welfare (5.7 percent).
- (8) Inheritance (4 percent).
- (9) Disability (2.9 percent).
- (10) Unemployment compensation (0.5 percent).

Other income supplements are:

- (1) Workmen's compensation.
- (2) Life insurance proceeds.
- (3) Major medical insurance benefits.
- (4) Private annuities.
- (5) Veterans benefits.
- (6) Income from assets.

Social Security.—In December 1972, the average monthly social security benefit was \$157.10 for a retired worker and \$272.50 for a retired worker and wife. The average benefit for a widow or widower was \$137.80. The average monthly benefit to special age 72 beneficiaries was \$58.

*Supplemental Security Income.*⁷—The number of persons receiving federally administered payments in Illinois, September 1974, was: Total persons, 131,219; aged, 43,897; blind, 1,662; disabled, 85,660.

Combined Federal SSI payments and federally administered State supplementary payments to aged, blind, and disabled in Illinois, September 1974, were: Total, \$14,544,000; Federal SSI \$13,218,000; State supplementation, \$1,325,000.

Average monthly amount of combined Federal and State payments in Illinois in September 1974 was: All persons, \$110.84; aged, \$76.56; blind, \$128.23; disabled, \$128.07.

Usefulness: According to pollster Louis Harris, reporting last October on his national survey on aging, 74 percent of all senior citizens say they would prefer to spend most of their time with people *not* of their own age, but with people of all ages.

They report they perform a whole host of useful services: 34 percent run errands for their children or grandchildren, 39 percent give advice on how to deal with life's problems, 45 percent help out by giving their children money, 54 percent take care of small children in the family, 68 percent help out when someone is ill, and 90 percent help out their offspring by giving them gifts.

For many persons, usefulness to society is demonstrated by employment. Were increased work opportunities made available to the elderly, it is estimated that an additional \$10 to \$12 billion would be added to the economy.⁸

Barriers to Employment and Attitudes Toward the Older Worker

Impact of Technology.—New technology does not necessarily cause unemployment. The employer's reluctance to train older workers for new positions does.

Job Obsolescence.—Jobs are phased out of existence due to changing demands. Workers trained in too limited an area find their skills are not broad enough to encompass new requirements.

Lack of Education.—The emphasis on higher education in employment practices leaves the older worker at a disadvantage. Table 2 points out that almost half of the heads of families 45-64 have completed less than 4 years of high school. Approximately 10 percent have less than 8 years of grammar school.

Myths and Negative Employer Attitudes.—A major obstacle confronting an older worker in his search for employment is the prevalence of "myths" regard-

⁵ *Three Budgets for a Retired Couple*, U.S. Department of Labor, Autumn 1972, Office of Information, Washington, D.C.

⁶ *Summary: Chicago Needs Assessment Survey of Older People*, Mayor's Office for Senior Citizens, Chicago, September 1972, p. 3.

⁷ *Social Security Bulletin*, U.S. Department of Health, Education, and Welfare, January 1975, vol. 38, No. 1.

⁸ *Aging*, U.S. Govt. Printing Office, Division of Public Documents, No. 222, Washington, D.C., p. 3.

ing the aging process. Their presence causes a rejection of his efforts to obtain work. Examples of common myths are:

- (1) An older worker becomes ill more frequently.
- (2) He is not flexible.
- (3) There are radical changes in performance due to aging.

Negative employer attitudes also present a formidable barrier, for example:

- (1) An older worker is not a good subject for promotion.
- (2) He refuses to accept less money than he previously earned.
- (3) The job is too demanding.

The myths and negative attitudes have been disproven. Excellent proof of this is the following chart of a survey conducted by the National Association of Manufacturers.

TABLE 4.—OLDER WORKERS COMPARED WITH YOUNGER WORKERS¹

[In percent]

Factor	Equal to or superior	Not equal
Work performance.....	92.7	7.3
Attendance.....	98.1	1.9
Safety record.....	97.4	2.6
Work attitude.....	99.2	.8

¹ Employment Problems of the Older Worker in Job Discrimination. U.S. Department of Labor, Bureau of Labor Statistics, Bulletin No. 1721, p. 20.

Note: Age Discrimination.—The Age Discrimination in Employment Act (ADEA), 1967, prohibits discrimination against workers 40 to 65 yr of age.

The purpose of this act is to:

- (1) Promote employment of older persons based on ability rather than age.
- (2) Prohibit arbitrary age discrimination in employment.
- (3) Protect workers from age discrimination by employers that have 25 or more employees.

*Effect of Age Discrimination Legislation.*⁹—In a survey of employed persons in 1969, over half a million workers 45 years of age and older indicated they had experienced discrimination on the job. The law regarding discrimination in employment has been successful only in minimizing overt acts of discriminatory practices.

Affirmative Action and Low Effort of Government Agencies.—The U.S. Department of Labor asked for \$1,755,000 for funding in fiscal year 1975—a funding level which would support enforcement activities of the ADEA at the 1974 level, which was unsatisfactory.

In 1973, the U.S. Senate Special Committee on Aging recommended legislative action in the following areas of ADEA:¹

- (1) Increase enforcement;
- (2) Extend coverage;
- (3) Reevaluate the age 65 upper limit;
- (4) Study involuntary early retirement;
- (5) Reduce the length of time required to investigate cases; and
- (6) Provide adequate investigative manpower.

The following is a record for fiscal year 74 of ADEA action:¹⁰

	United States	Illinois
(1) Number of complaints.....	2,600	160
(2) Number of suits filed.....	47	(1)
(3) Number of investigators.....	900	33

¹ Not available.

⁹ *Survey of Working Conditions*, University of Michigan, Survey Research Center, 1971, p. 18.

¹⁰ U.S. Dept. of Labor, Wage and Hour Division, Washington, D.C., December 1974.

The Illinois Age Discrimination Act prohibits unjust discrimination in employment because of age. However, according to Howard Eglit, Midwest legal director of the American Civil Liberties Union (ACLU) this act is in total disuse.

Age Based Mandatory Retirement.—The practice of forced retirement because of chronological age requires reevaluation. Reasons most often cited to justify compulsory retirement as a means of removing older people from the work force are simply not valid. Partial responsibility for setting the retirement age at 65 must be attributed to insurance plans which have been developed in conjunction with social security. Since social security benefits by and large become available at 65, this age has become accepted as the magic retirement figure.

"There must be acceptance of the (1971) White House Conference on Aging goal of free choice between continuing in employment as long as one wishes and is able, or retiring on adequate income with opportunities for meaningful activities." So said Senator Edward Kennedy on February 6, 1973.

The Elderly Are Fighting Back.—A 65-year-old biology teacher has refused to accept mandatory retirement from a Lansing, Ill., high school. She filed suit on April 4, 1974 in Federal court, claiming a violation of her constitutional rights. The court upheld the practice of mandatory retirement. The case is under appeal.

A 63-year-old school superintendent sued to prevent his mandatory retirement at age 65. A negative decision was handed down January 17, 1975, based only on the question of "ripeness"—too many things could happen before the plaintiff became 65, such as dying, quitting, etc. The judge stated that he had grave doubts as to whether mandatory retirement is constitutional.

However, on February 24, 1975, the U.S. Supreme Court declined to upset the mandatory retirement age of 70 for Federal employees. Apparently mandatory retirement, as an issue, is in a state of flux.

On May 31, 1974, another opinion was delivered by the U.S. district court, State of Massachusetts, in a mandatory retirement suit. An officer in the state police was forced to retire at age 50, after 20 years of service. The court struck down the Massachusetts legislation as discriminatory on the basis of age distinction.

The subject of compulsory retirement practices among Chicago area employers was included in the 1974-75 *Personnel Practices and Fringe Benefits Survey* by the Chicago Association of Commerce and Industry. As shown on table 5, more than 50 percent of all employers required retirement at age 65.

TABLE 5.—COMPULSORY RETIREMENT AGES¹

Age	[In percent]		
	All employers	Office	Plants
60	0.60	0.96	-----
63	.60	.96	-----
65	55.35	57.79	51.85
67	1.20	.96	1.05
70	2.40	.96	4.70
No compulsory retirement age	39.85	38.40	42.40
Total	100.00	100.00	100.00

¹ "1974-75 Personnel Practices and Fringe Benefits Survey," Chicago Association of Commerce and Industry, Chicago, Ill.

The American Medical Association has voiced its opposition to mandatory retirement because of age, saying the decision should rest only on an individual's ability and desire to work.

The Case Against Age-Based Mandatory Retirement.—The sharp reduction in income and the downward adjustment in living standards occasioned by retirement create undue hardships.

Compulsory retirement tends to disregard important individual differences in capacity as well as differences in job requirements. It ignores the productive potential of people and deprives them of the social and occupational significance which results from work.

The argument that compulsory retirement is a convenient procedure for the promotion of younger employees overlooks the advantages of selective employment and utilization of older persons.

Compulsory retirement is costly and wasteful for the company, the individual, and the economy.

Earnings Limitation under Social Security.—Under existing law, senior citizens cannot earn more than \$2,520 a year until they are 72 without having their social security benefits reduced or eliminated.

For every \$2 the senior citizen earns over the ceiling, \$1 is deducted from his benefits. The ceiling applies only to what he earns by working. It does not apply to investment income.

Unemployment Rate.—The Bureau of Labor Statistics reported the national unemployment rate for November 1974 to be:

[In percent]

Age	Male	Female
45 to 54.....	2.6	4.9
55 to 64.....	2.4	3.7
65 plus.....	3.7	3.9

The Illinois Department of Labor reports that as of November, 1974, 45,380 persons were receiving unemployment compensation benefits in Cook and DuPage Counties which cover the bulk of beneficiaries in the Chicago SMSA:

(1) 18.4% of the beneficiaries, or 8,350, were 45-54 years old.

(2) 11.8% of the beneficiaries, or 5,075, were 55-64 years old.

(3) 2.9% of the beneficiaries, or 1,300, were 65 plus.

The national unemployment rate was 6.2 percent in November 1974. For the unemployed, there is a gap of 14.4 weeks between losing and finding a job. The 45 to 54 age group are unemployed 20.7 weeks before securing a job and those 55 and over need an average of 49.5 weeks to find employment. The increase with age in the number of weeks needed to find a job is indicative of the problems facing the unemployed older worker and of the strength of the barriers faced by the older job seeker.

The lack of employment opportunities for older persons presents a major barrier to achieving one of the Nation's goals, as embodied in legislative preambles: the removal of individual and social barriers to economic independence for older persons. First, it prevents older people from raising their income to a level which would permit them to achieve a degree of independence. Second, the lack of employment opportunities in a work-oriented society results in older people believing that they have no role in society, nor any way to contribute to community life. Third, the lack of acceptable function accelerates deterioration of the person.

State and area agencies on aging have been engaged in an ongoing process of planning especially linked to the preparation of State and area plans, mandated by the Federal Older Americans Act, to determine social services required of people age 60 and above. This has included an identification of the needs of older persons and those older persons most in need, and the establishment of objectives and action programs designed to meet those needs while moving forward to develop comprehensive and coordinated services for older persons. It is expected that State and area agencies, as part of their continuing planning efforts, will have examined in depth the need to provide employment opportunities for older persons and to assist in assuring an appropriate income level, and where possible will have designed action programs intended to ameliorate the employment status of older persons.¹¹

Unreasonable Job Requirements.—Another problem encountered by an older worker seeking employment is that of rigid job specifications. There are instances in which they are unreasonable, and constitute a bar for the elderly. Specifics on age and education are common requirements which may or may not contribute to the ability to adjust to a job. Analyses of job specifications, as a method of eliminating too stringent employment standards, may be the answer to biases and misconceptions which work against the older worker.

Obsolete Skills and Lack of Newly Needed Skills.—A publication of the U.S. Department of Labor, *U.S. Manpower in the 1970's*, states that the educational level of the U.S. work force will increase in the 1970's. This rise will place

¹¹ *Opportunities for State Agency Involvement and in Coordination With Department of Labor Manpower Programs for Older Persons.* Administration on Aging Information Memorandum 75-5, July 29, 1974. The Mayor's Office for Senior Citizens is the designated Area Agency on Aging for Chicago.

persons educated in the 1930's and 1940's at a distinct disadvantage. The technological progress is causing an eroding of their skills and the lack of education will push them further down the occupational ladder. The competition is more intense here than at upper skill areas and a likely result is that the uneducated and unskilled will drop out of the labor force.

Lack of Recognition by Government of the Need for Special Programs for Older Workers.—A study¹² of the federally funded training programs ascertained that only 10 percent of the trainees in such programs were 45 years or older. Few older persons entered the manpower defense training program because of lack of encouragement. Limited U.S. efforts to train older persons are in marked contrast with that of other countries which have established special training programs for older persons and pursued these objectives with vigor.

While there have been a number of demonstration programs for training and placing older persons in employment, e.g., foster grandparents, Operation Mainstream, the scope and number of these projects is small. They serve a small number of older persons and appear to be viewed as perpetual demonstrations of the ability of older persons to work, a fact which by now has been amply demonstrated. The Government has made no attempt to develop a network of projects which will aid a sizable proportion of elderly job seekers.

For the community of the elderly, the failure of the U.S. Employment Service to aid older job seekers more effectively appears to reflect (1) the longer period of time required to serve older persons, (2) the failure of the Government to provide consistent support for employment programs for the elderly, (3) the tendency of employment counselors to favor younger, more placeable job seekers who appear to have better prospects of employment and (4) the absence of job opportunities for older persons.

Low Education and Skill Level.—A comparison of the 18-19 year age group with the 55-64 and 65 plus groups shows that older persons have a smaller number of completed years of school.¹³ In 1970, the 18-19 year group had completed 12.2 years of schooling and the 55-64 year group had completed 10.7 years of schooling, while persons age 65 and over had a median educational level of only 8.7 years. Only 16 percent were high school graduates and 5.8 percent had completed four or more years of college. The educational system generally gives low priority to the elderly, although many are functionally illiterate. Programs in adult basic education are vitally needed to enable many elderly to function in everyday activities, such as shopping for groceries, but these programs are the first to be cut when educational funds are reduced. Nor does the educational system offer many stimulating creative programs to meet the special needs of older persons with higher educational levels.

Unemployment rates in 1960 were related to level of schooling for men between 55-64.¹⁴ The rate of unemployment was 8 percent for men with no schooling, 5 percent for men with 8 years of schooling, 3.2 percent for those with 12 years of schooling and 1.9 percent for those with 16 years. The clear relationship between years of schooling and the rate of unemployment, coupled with a similar relationship between age and limited schooling, indicates that the less well-educated older person faces greater hazards of unemployment.

The less well educated job seeker will find that there is a marked discrepancy between his skill pattern and the needs of the employment market. The skill-job requirement disparity increases as technological advances push up academic and skill competencies needed for adequate job performances.

Lack of Training Facilities.—In existing training programs, older workers tend to be excluded because of bias on the part of trainers and the general belief that older persons lack learning capacity. With the 45 plus age group constituting only 10 percent of the trainees in governmental training institutions, the present trainee policies do not guarantee the entry of older persons into vocational training programs.

There is a scarcity of training programs adapted to the needs of older persons. It is necessary to increase the number of facilities which will accept the elderly and to make fuller use of methods which retrain older persons.

¹² *Surveys on Training*, U.S. Department of Health, Education, and Welfare, Washington, D.C., 1970.

¹³ *Detailed Characteristics*, Illinois, U.S. Department of Commerce, Bureau of Census, 1970, p. 15-892.

¹⁴ *Ibid.*, p. 15-945.

Aids to Employment

Supportive Services.—Some older persons need supportive services to bring them back into the labor market, to help them find jobs, to prepare for employment and to help them remain on the job. These supportive services presuppose an integrated program which reaches out to the older person who has withdrawn from the labor market because of disappointment or fear of competition with younger persons. A vigorous outreach program by an employment agency could overcome inertia and provide the motivation and support for the elderly to seek employment. The preparation of older persons for employment involves attitudinal changes in addition to skill training. In the absence of the belief that he is able to participate in the labor market on an equal basis, the older person tends to withdraw. Work preparation would cover topics such as: coping with prejudice against age, preparing for job interviews, recognizing common difficulties of most persons in meeting job requirements, and transferring and using existing skills in new situations. Helping job seekers with the "how to" of job finding as well as the "where" of job seeking would offer inestimable aid.

Improvement of job information will significantly increase the re-employment of the layoff group. The older job seeker tends to be cut off from usual sources of information concerning job openings. If his friends have withdrawn from the labor market, he has fewer contacts with persons who are employed and who could provide him with information.

On-the-job counseling is a significant supporting service for older persons. They face difficulties in adjusting to the stresses and strains of a new position and face problems of adapting to a rapid work tempo without preliminary preparation. Counseling the older person after placement will help smooth the orientation period and increase the level of adjustment to productive demands and interpersonal relations.

Education of Employers.—It appears evident that employers must be reeducated as to the value of the older worker. The Mayor's Office for Senior Citizens has recently instituted a series of employer seminars which have stimulated employer interest in industrial gerontology—the applied science of aging related to work. Presentations examine the issues of the reluctance of the employers to hire an older worker, the Age Discrimination in Employment Act, new evaluative techniques to determine residual capabilities and recent mandatory retirement litigation and court decisions. During the discussion session, many employers state that they were not aware of their discriminatory practices toward the older worker, that if these prejudices do exist in many cases they are not by design, but by habit, and many, for the first time, are hearing of the myths about the older worker. As a result of these seminars a number of employers have stated their willingness to consider allocating a certain percentage of their job slots for older workers. This is a simple but very effective approach to the reeducation of the employers.

Preparation and Training for New Careers.—In recent years the term "New Careers" has related to a variety of experimental/demonstration training and employment programs. Almost all these demonstrations were initiated and funded by the Federal Government. In addressing the problems of older workers, it is necessary to understand that there are two categories of concern:

- Men and women 45 to 65 years of age who have great difficulty finding full time employment; and
 - Men and women over 65 who have lost their job options because of retirement.
- The goal of any program designed to address these two areas of concern should be to increase the career life options of people 45 years of age and over.

In addition a "career options" program for older workers should include development of:

- A public awareness and self-awareness program;
- A continuing education modality which would be flexible and emphasize the value of life experience;
- The establishment of new work roles for those persons over 45;
- Increased options for employment in the private sector;
- Career options within the public and nonprofit agency sector;
- Volunteer options, particularly those which can serve as a course of entry into part or full time career positions.

A comprehensive career options program for older workers would increase the opportunities for contributions by older people as a social and economic resource, thereby affecting:

- A reduction in the waste of human resources;
- A reduction in the feeling of frustration, rejection, and helplessness among the older persons;
- An improvement in the social, psychological, and economic conditions of older people; and
- Increased benefits for all of society which will accrue from the contributions of an active, involved, older population.

PROGRAMS FOR OLDER WORKERS: PUBLIC AND PRIVATE SECTORS

The Comprehensive Employment and Training Act

The Comprehensive Employment and Training Act became law in 1973. The purpose of this legislation is to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible and decentralized system of Federal, State and local programs.

Sections of this act which are most pertinent to the older worker are:

- Title I which authorizes comprehensive manpower services such as counseling and testing, with the ultimate goal—job placement; classroom skill training and remedial education; on-the-job training with public and private employers; work experience and public service employment; and ancillary services such as health services and allowances.
- Title II which provides for transitional public service employment in areas of substantial unemployment (6½ percent unemployment level or more for any 3 consecutive months).
- Title III which authorizes the Secretary of Labor to provide manpower services to especially needy segments of the population, such as migrants and Indians. It also addresses such areas as research, technical assistance, evaluation, labor market information and computerized job placement.
- Title VI covers such general provisions as prohibition of discrimination and political activity and regulation of conditions of work and training.

The CETA legislation authorizes prime sponsors—State, county, and local elected officials—to implement programs for middle-aged and older workers.

Operation Mainstream

The aim of Operation Mainstream is to provide work-training experience for the chronically unemployed poor who have poor employment prospects and who are unable to secure appropriate employment or training under other programs. Age range is from 22 years of age. Forty percent must be 55 years or older.

Operation Mainstream was delegated to the Department of Labor as part of the reorganization of the Office of Economic Opportunity. It was originally funded under the Economic Opportunity Act and is now funded under the Comprehensive Employment and Training Act. The Department of Labor proposes to end this program.

The Older Americans Act of 1965, as Amended

The Older Americans Act was enacted in 1965. To strengthen and improve the provisions of this Act, Congress passed the Older Americans Comprehensive Services Amendments Act in 1973 to:

- (1) Make available comprehensive programs which include a full range of health, education, and social services to our older citizens who need them;
- (2) Give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs for all older citizens, give priority to the elderly with the greatest economic and social need;
- (3) Provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals including older persons, young persons, and volunteers from the community; and
- (4) Insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, community agencies, and State and local governments, with appropriate assistance from the Federal Government.

Title IX of the OAA authorizes the Secretary of Labor to establish a community service employment program to foster and promote useful part-time work

opportunities in community service activities for unemployed low-income persons who are 55 years old or older and who have poor employment prospects.

The program of community service employment for older workers under title IX is modeled after Operation Mainstream.

Senior aides is funded under title IX and is administered by the National Council of Senior Citizens which is responsible to the Department of Labor. Other programs included under title IX are Green Thumb, senior community service aides, Operation Mainstream program, and senior community service project. The senior aides, administered locally by Model Cities/Chicago Committee on Urban Opportunity (MC/CCUO) is the only older worker program in Chicago funded under title IX.

A description of special title IX programs follows:

Green Thumb.—Sponsored by the National Farmers Union, requires applicants to have a rural or farming background. Workers are employed 3 days a week in conservation beautification and community improvement projects in rural areas; they may also be assigned to work in community service agencies.

Senior Aides.—Administered by the National Council of Senior Citizens. Provides limited employment averaging 20 hours a week in projects in both urban and rural areas. Aides work in the community service agencies.

Senior Community Service Project.—Conducted by the National Council on the Aging. Offers part-time work in a variety of community services in urban and rural areas.

Senior Community Aides Program.—Sponsored by the National Retired Teachers Association. Recruits, trains, and finds part-time work for the elderly in public or private nonprofit service programs.

Operation Mainstream Program.—Administered by the Forest Service of the U.S. Department of Agriculture. Offers employment on the average of 3 days a week in conservation and beautification projects.

Contracts with the national organizations have been extended through June 30, 1975 at their fiscal year 1973 operating level of \$20 million. The programs will be operated under authority of title III of CETA. The administration has asked no funds for title IX in the fiscal year 1976 Federal budget.

Levels of Funding

The Illinois share of funds for special older worker programs is:

	CETA III funds		Title IX		Total	
	Slots	Funds	Slots	Funds	Slots	Funds
Total.....	263	\$750,000	172	\$510,000	435	\$1,260,000
Green Thumb.....	84	233,000	56	153,000	140	386,000
Senior Aides.....	60	188,000	52	168,000	112	356,000
Senior com. aides program.....	119	329,000	54	156,000	173	485,000
Operation Mainstream.....			10	33,000	10	33,000

¹ The only Chicago program.

In Chicago, according to the U.S. Department of Labor there were 140 (45 plus) persons served under CETA title I and 57 under title II from October 1, 1974, to December 31, 1974, the first quarter of operations.

Age	Title I	Title II
45 to 54.....	69	42
55 to 64.....	53	14
65 and over.....	18	1
Total.....	140	57

Summary

The older worker represents a segment of society which has suffered from age based discrimination by private employers while being deprived of a fair share of federally sponsored employment programs.

A major problem encountered in compiling this report was the limited amount of age related data concerning certain needs, particularly of the 45-59 age group, capacity to work, unreasonable job requirements, obsolete skills, participation in training programs, job opportunities, and special employment programs.

RECOMMENDATIONS

The Task Force on Older Workers of the Chicago Manpower Planning Council makes the following recommendations:

- (a) Enforcement of existing laws on age discrimination;
- (b) Elimination of mandatory retirement on the basis of chronological age alone;
- (c) Additional appropriations for older worker programs;
- (d) Liberalization of the earnings limitation applied to social security benefits;
- (e) Improvement of government responses to all barriers to employment of older workers;
- (f) Expansion of employment opportunities for workers over 45; and
- (g) Development of a model in Chicago to meet the needs of older workers.

A discussion of each recommendation follows:

Enforcement of Existing Laws

A Federal Commission on Human Rights should explore means for enlisting the help of organizations working for the employment of persons over 40. An educational and promotional campaign should be mounted to publicize (1) the proven abilities of older workers and the existence and provisions of antidiscrimination legislation, and (2) to elicit complaints from individuals who have suffered discrimination.

Congress should authorize and appropriate increased funding for the enforcement of the Age Discrimination in Employment Act by the Wage and Hour Division of the Department of Labor. An adequately funded and staffed Division should institute the patterns and practices approach for detecting and combating discriminatory practices by employers.

The Elimination of Age-Based Mandatory Retirement

Compulsory retirement policies based on chronological age alone can be extremely damaging to the individuals affected by these policies through arbitrary termination of their work life and careers. These same policies affect society as a whole negatively and have no ultimate utility for even the organizations who administer these policies.

Mandatory retirement policies based on chronological age alone should be ended. As a matter of principle, they fail to judge each man on the basis of his own merit and individual performance.

Additional Appropriations for Older Worker Programs

Older worker programs authorized under Federal legislation should be fully funded and increased in proportion to the needs of the older worker population.

Liberalization of the Earnings Limitation Applied to Social Security Benefits

As a benefit program to meet the needs of individuals who, at a given age, have retired from the work force, social security includes a retirement test to determine eligibility for benefits. A further liberalization of the test is necessary, on the order of the plan recently proposed by the Social Security Advisory Council, with a one-for-three reduction in benefits for earnings above the maximum until the total earned reaches twice the exempt amount of \$5,040 a year, when the benefit would then be reduced on a one-for-two basis, with determinations made annually instead of monthly.

Improvement of Government Responses to Other Barriers to Employment of Older Workers

Congress should study the detrimental effects exerted by pension and welfare plans on the hiring of older workers and develop legislation which would alleviate these effects.

The Secretary of Labor should, as directed by section 5 of the ADEA, "undertake an appropriate study of institutional and other arrangements giving rise to involuntary retirement and report his findings and recommendations to the President and Congress."

Legislators should remove the age limits in antidiscrimination legislation to provide coverage for persons over 65.

Expansion of Employment Opportunities for Workers Over 45

Government at all levels should expand opportunities for employment of persons over 45 in the public and human services area.

Government should expand public employment services, including counseling, training, and placement, to the over-45 age group and support voluntary agency activities in these areas.

National manpower planning and funding should involve the over-45 population in training programs suitable to their needs.

Legislation is needed to establish a manpower program directed to the needs of middle-aged and older workers. This program should include manpower training designed to meet the special learning needs and employment opportunities of older workers, and should involve older workers in numbers proportionate to their representation in the disadvantaged labor force.

Public employment services for older workers should be improved to provide vocational counseling, training, and job development services specifically geared to the problems of older workers. Specialized staff trained to deal with older workers must be developed in sufficient numbers.

Development of a Model in Chicago to Meet the Needs of Older Workers

A model should be developed which provides for the coordination of current employment services for older workers through a consortium of agencies.

The model should encompass the following efforts and services :

1. Retraining.
2. Job redesign.
3. On-the-job training.
4. Job development and placement.
5. Job counseling.
6. Applied research.
7. Community education.
8. Supportive services.
9. Workshops.
10. Information and referral.
11. Human engineering.
12. New community roles.
13. Outreach programs to commerce, industry, and the community.
14. Functional profile tests to determine capabilities.

Agencies who have indicated their willingness to participate in a coordinated effort are :

1. Loop College of Chicago City Colleges.
2. Illinois State Employment Service.
3. Jewish Vocational Service.
4. Model Cities/CCUO.
5. Japanese-American Service Committee.
6. The Chicago Community Trust Foundation.
7. Senior Citizens Employment Service.
8. Senior Aides Project.
9. Mayor's Office for Senior Citizens.

One agency, selected by the Manpower Planning Council Task Force on Older Workers, should be the coordinator of employment services for the older worker.

Disadvantaged older persons require training in employability skills and in developing work habits. They may not be aware of supportive services which are available.

Some of the supportive services that are most likely to be required are : Health services, social casework, legal services, financial management, consumer education, transportation.

Many senior citizens live alone and suffer isolation. The sheltered workshop program provides opportunities to share their concern and for interaction with each other.

The resources of local colleges and universities should be utilized in the analysis, planning, and execution of this model.

Specific allocations should be made out of manpower funds (CETA) to begin it.

Appendix 2

LETTERS AND STATEMENTS FROM INDIVIDUALS AND ORGANIZATIONS

ITEM 1. STATEMENT OF LOU JUNGHEIM, CHAIRMAN, CHICAGO METROPOLITAN AREA SENIOR CITIZENS SENATE

We, the senior citizens of the Chicago Metropolitan Area Senior Citizens Senate, are tremendously interested in changing the social policy on job opportunities for older workers. Representing the senior citizens senate by this written testimony, I am Mr. Lou Jungheim, chairman of the senate.

We strongly urge a firm resolution by this Senate committee to remove mandatory retirement from Federal agencies and providing an option retirement program for all civil workers. This should also apply in the private sector as it is our belief that mandatory retirement is an infringement on the older American's constitutional privilege and the pursuit of happiness.

The National Council on Aging recently indicated that approximately 37 percent of the senior citizens would have preferred to remain working instead of accepting mandatory retirement. This provides the older American the opportunity to remain productive and puts less strain on the present social security system. In addition, the experience and wisdom of the older worker is a practical use of a great human resource which our Nation cannot ignore.

We are distressed to see many of the Federal, State and city programs for the aging staffed mainly by younger workers. We know and believe that many of these jobs could be effectively performed by older workers and senior citizens. This discrimination in the service programs to the aging is so flagrant that it is obnoxious to the recipients of the services.

Another area that we should encourage the worker is the area of public service work. Many of our Federal, State, and city agencies are engaged in this public service work and again we find the older worker not being hired. We know that older workers and senior citizens could provide conscientious public service work which would be of benefit to all citizens of this country.

We strongly urge this Senate committee, upon its return to Washington, to immediately institute the kind of legislation which would strike down mandatory retirement; and legislation which would insure the opportunity for a senior citizen or an older worker a continuing productive work opportunity. In addition, all of the Federal, State, and city agencies should be required to hire qualified older workers and senior citizens in those programs that are providing services to the aging.

Senior citizens of this country represent 10 percent of the total population and we feel that they should have their fair share of the work opportunities that are available.

Respectfully presented,

LOU JUNGHEIM,
Chairman, Chicago Metropolitan Area Senior Citizens Senate.

ITEM 2. LETTER AND STATEMENT FROM MRS. NORMA J. WISOR, ASSISTANT DIRECTOR/PROGRAM, CHICAGO COMMUNITY TRUST

DEAR SENATOR RANDOLPH: The enclosed statement is submitted to the Subcommittee on Employment and Retirement Incomes for the "Recession and the Older Worker" hearing record.

The testimony was prepared in cooperation with Jewish Vocational Services. This agency has just completed a Chicago study to determine how older job

seekers see themselves and their problems and to assess employer attitudes toward older workers. The goal of the study was to secure a base of information which could be used to develop programs which would increase viable alternatives for the older residents of Metropolitan Chicago.

I would be glad to provide clarification of points within the statement which are of interest to the subcommittee.

Sincerely,

MRS. NORMA J. WISOR.

[Enclosure.]

THE RECESSION AND THE OLDER WORKER

Mr. Chairman, I am pleased to have the opportunity to submit a written statement for the Subcommittee on Employment and Retirement Incomes Hearing on "The Recession and the Older Worker."

My interest, concern, and experience relating to the problems of older persons covers a span of many years during which I have worked in a wide variety of communities, from a hollow in Cabell County, W. Va., to Chicago, Ill.—with a number of intermediate stops. I have found that the failure to recognize and utilize the experience, wisdom, and human potential of older adults is not unique to any one geographic area.

In my present position as assistant director/program at the Chicago Community Trust, I have been involved in program development activities on behalf of older people living in metropolitan Chicago. A recently completed overview of available programs and services for older persons has served to substantiate my belief that very little is being done, locally or nationally, to increase life options or alternatives for older adults. The list of opportunities which disappear with increasing age is endless, but for many people the most degrading loss relates to the older person no longer being a part of the world of work. Ours is a society which has created institutions and values which make the person who is not working a social reject. When deprived of work, the older person loses his social basis of self-respect.

The recession has only served to accentuate the problems which already faced older persons trying to find employment. Older job seekers are multidisadvantaged—by age, employer attitude, social beliefs, career obsolescence, and the self-depreciation of the older person.

It is assumed that the Subcommittee on Employment and Retirement Incomes is considering whether or not Congress should place additional funds and/or emphasis on employment for older adults. The results of a Chicago study, just being completed, would indicate that both additional Federal funds and special emphasis programs are needed.

The study, conducted by the Jewish Vocational Services, through grants from the field Foundation of Illinois and the Chicago Community Trust, was designed to determine how older job seekers see themselves and their problems and to assess employer attitudes toward older workers and toward increasing career options for older workers. (The final report will be ready for release in September.) The study is part of a broader inquiry relating to the need to develop a variety of alternatives for participation of older adults in the productive world—both vocational and avocational.

Previous Jewish Vocational Services studies concerning older persons and employment as well as the present study reemphasize the following well known findings:

(a) There is intensive job discrimination against older workers (beginning at about age 45)—both on the conscious and unconscious levels.

(b) Negative stereotypes concerning older workers as employees are very common among employers.

(c) Older persons form a substantial portion of the nation's poor.

(d) Abrupt termination of the opportunity to fill a work role plays havoc with the self-esteem and mental health of many older persons.

(e) There are a large number of older persons who seek employment and need help with job seeking. (This is true for both handicapped and non-handicapped older persons.)

It is recognized that two problems exist in relation to the employment of older workers. One relates to helping the older worker who is employed maintain employment. The second is helping the older adult reenter the labor force. Career change is a very important way for older people who leave or lose jobs to continue to participate in the labor market. The Jewish Vocational Services study

was also based on the recognition that older workers wishing to continue in the labor market are often forced into career or job changes.

Three major participants play a role in the feasibility of career change: the job-seeker himself, the employer who influences the number and kinds of job opportunities, and the agency which opens the employment door and helps older persons take advantage of employment opportunities. The purpose of the study has been to learn something about the place of the client and the employer in the process of career change and to give some consideration to the actual and potential contributions of social agencies. The knowledge gained will be used to design programs in which career change for older persons would be attempted and evaluated. A second level purpose has been to provide older persons an opportunity for career change as personnel in the study. In addition, an assumption tested was that an examination of work attitudes and work opportunities in specific neighborhoods within Chicago could provide a better picture of motivations and needs of older people than a citywide study. Interviews were carried out by project staff with older persons in two Chicago communities and with employers in those communities, as well as with major employers in the "Loop" central business district.

Analysis of collected data is in process. It is not possible to give a final statement of findings relevant to community action and public policy as yet, but a number of preliminary findings and their implications can be stated.

a. The variety of work meanings and values is as extensive among older job seekers, as it is among younger ones. Some reasons for seeing work as important stood out among our samples, however. In both communities studied and among employed and unemployed respondents, pride in working stands out as the most important value being sought. Being busy or occupied also stood out. Making friends and meeting new people and making time pass faster were the least important of the values being responded to. The relative importance of income as a work value varied in a fairly complicated way, standing out among the employed in one community, but being less central in the other groups. Damage from not working is more than monetary for the majority of respondents. (These findings are consistent with other studies which have documented the worth of work to older adults.)

(b) The degree of readiness and openness for career change varies also among older persons. In the study sample, 54% of those interviewed appeared to have enough openness to career change to justify a counselor's steering them in that direction in seeking new employment. (This percentage is significant when one considers the present obstacles to employment. The number could be expected to increase significantly if existing barriers to the employment of older persons no longer existed.) The study devised a procedure for estimating individuals' readiness for change and is now analyzing available data that may help describe the characteristics of people who might not be able to change careers.

(c) Respondents were rated on life satisfaction, using an index designed by the University of Chicago, with scores ranging from 0 (lowest) to 20 (highest). Forty-two percent expressed a strong degree of dissatisfaction with their lives.

(d) Reactions to likely job possibilities provide insight into the types of employment most acceptable to those interviewed. From 10 jobs listed, bank clerk, answering phone calls in an office, and office clerical worker were most preferred. (These may reflect the life experience of those interviewed.)

(e) On the whole, social service organizations showed more interest in hiring older persons in new job roles than did private industry. This is particularly important since there is a growing need in the helping occupations. There is imagination and creativity in social agencies directed to this problem, but they do not have the economic means to act. Public policy will need to encourage social agencies to move before the latter can make job opportunities available for older adults.

(f) Private industry representatives expressed admiration for the work of older workers, but were discouraging about the possibility of creating real opportunities. Jobs listed by employers as being appropriate for older workers (age 50 and over) were by an overwhelming majority presently filled by workers in their twenties and thirties. The discrepancy between attitude and practice can probably best be explained by acceptance of mandatory retirement based on chronological age rather than acknowledged capacity. In addition, government pressure to hire minorities, the handicapped, women, Vietnam-era veterans, etc., is being felt by many large companies. The simple fact is that older workers are often not given an equal opportunity to compete for jobs. Since the Age

Discrimination Act covers workers from 40 to 65, there seems to be even less of a chance for the over 65 age group to be represented, as the younger workers are easier to place.

(g) Jobs that are hard to fill comprise a potential job market. Jobs mentioned include service worker, salesperson, general office worker, bank teller and museum guide. Others that could be further investigated as appropriate include proofreader, editorial and feature writer, teacher aide, paraprofessional social work positions, and savings counselor. The survey shows employers felt older workers could work at these positions if they were physically strong and competent. With imagination and job redesign, older workers could be placed in these now-hard-to-fill jobs.

Based on these preliminary findings, the final report on the Jewish Vocational Services study should provide a basis for community action and public policy in relation to employment of the older workers.

Action has already been taken as a direct result of the study. Acknowledging the need for employment alternatives for older workers, the Chicago Community Trust has provided funds for a pilot project, Senior Citizens Employment Service, Inc., which will be completely staffed by older workers and volunteers. Senior Citizens Employment Service, Inc., has been the dream of a dedicated group of older people who for years have been advocating the establishment of an employment program devoted to the needs of older workers, but could not garner the resources needed to initiate the project. Now, under the guidance of an established private vocational agency, Jewish Vocational Services, this new program is underway and has as its goal matching older people's abilities with employer's needs. It is anticipated that with a minimum amount of dollars invested, a maximum amount of benefits will be received.

I would urge the subcommittee to recognize that in order to assure employment opportunities for older workers, special emphasis programs are needed at the federal level. I would also suggest that not enough attention has been directed toward increasing the total life options of older adults. The opportunities to be creative, productive, and contributing members of society—to be involved—are extremely limited. We have not directed enough effort toward filling the void that unemployment and retirement create.

There is a need to be sensitive and responsive to a most valuable national resource—our older people. There is a need to develop meaningful alternatives that will improve their social, economic, and psychological well being. There is a need to open our society to the tremendous contributions which can be made by older persons.

The following recommendations are similar to those which I made to the Chicago Task Force on Older Workers, chaired by Robert J. Arhens, director of the Mayor's Office of Senior Citizens. I restate them here with some additional recommendations which are based on the Jewish Vocational Services study as well as a recent meeting with the continuing education directors from 17 local colleges and universities.

To assure imaginative and creative programs designed to increase opportunities and alternatives for older adults, it is recommended that the subcommittee be concerned with the development of:

- A public awareness and self-awareness program to improve public knowledge of and attitudes about older persons.
- A continuing education program which would be flexible and emphasize the value of life experience with the objective of reinvolving older adults in active, meaningful employment roles.
- The establishment of new and redefined work roles for older adults in areas which would maximize the contributions of older workers. For example, in child abuse and juvenile justice programs; or in the field of health, as advocates or ombudsman; or in education, as aides or documenting social history.
- Volunteer opportunities, particularly those which could serve as a means of entry into part- or full-time employment.
- Increased options for employment in the private sector through programs similar to Senior Citizens Employment Service, Inc. A good example of older people helping older people.
- Increased alternatives making full use of the labor market through the expansion of government funds in concert with private funds, thereby improving existing systems for older persons who want to enter or maintain themselves in employment.

- Increased awareness of older workers and older job seekers, through counseling, support services, on-the-job training, vocational training, work experience.
- Creative programs which would encourage private employers in their use of older workers, including released time for older workers to pursue educational opportunities, as well as the provision of training and support services which would enable older workers to continue to function effectively.
- Programs which would provide government moneys to permit private industry and social service agencies to experiment with new avenues of employment for older workers.

I urge the committee to give thoughtful consideration to the implementation of a comprehensive career options/life alternatives program for older adults. Such a program would increase the opportunities for contributions by older people as a social and economic resource, thereby effecting:

- (1) An improvement in the social, psychological, and economic conditions of older people;
- (2) Increased benefits for all of society which will accrue from the contributions of an active, involved, older population.
- (3) A reduction in the waste of human resources;
- (4) A reduction in the feeling of frustration, rejection, and helplessness which blight the lives of so many older persons.

The creativity and imagination which has so often been demonstrated in this country should be applied to open society's doors to one of our most valuable resources—older persons.

Thank you Mr. Chairman.

ITEM 3. STATEMENT OF MARSHALL M. HOLLEB, CHAIRMAN, ILLINOIS STATE COUNCIL ON AGING

In a time of desperate continuing unemployment of younger workers, it may seem difficult to focus critical concern on the work needs of the unemployed who are nearing retirement, and even more so on the elderly who seek work in their retirement years. However, there are several reasons why we should do just that.

In a youth-centered, work-oriented society, the near-elderly and elderly face the harsh reality of diminished social value and discriminatory employment barriers regardless of their individual capabilities. It is a blanket stigma and for many it requires adaptation to a suddenly and perpetually reduced income and standard of living.

In connection with improving the economic status of older people we choose either to emphasize increasing retirement benefits or, in the alternative, to preserve older people's positions in the labor market. In the last few decades we have chosen the first. Accordingly, we have increased social expenditures for social security and social assistance programs. We have done such rather than investing in retraining placement and vocational aids to the aging worker. It is time now to redirect our attention in aid of those who wish to remain in the work force and for those who must have income and work options.

Unemployed older workers: Despite nominally protective equal opportunity legislation, older unemployed workers—especially those 55 to 65 years—face unique barriers to employment. If they are professional and managerial, they are frequently passed over because of an assumed limited future. Moreover, many insurance and retirement plans are exclusionary with respect to older workers. Clerical, blue collar, unskilled older workers all face added employment difficulties in a period of economic decline and with frequent instances of their own obsolete skills, lack of alternative career preparation, and a personnel selection process which favors hiring and training (or retraining) of younger workers. Yet, older, unemployed workers have a continuing need for work and earnings to maintain contributions to social security, to tuition for college-aged children, for general family support, and for continuation of their place in the community and maintenance of their own lifestyle. The rejection of older workers affects not only individuals, but their families and the future of their children. It is demoralizing and socially contagious.

Elderly in Poverty.—An overriding economic reality for most elderly is found in the fact that on retirement (usually at 65) more than half currently find that their standard of living is reduced by approximately 50 percent. Actual income

drops to even less than 50 percent from former earnings, but there are some non-taxable benefits through social security and SSI (supplemental security income).

There are a number of programs which have mitigated against the overall effects of loss of earnings among elderly. These include private pension programs, medicare and medicaid payments, property tax relief, increases in social security, SSI, increasing and improving private pension programs under increased Federal regulation, and exemption of Federal tax on savings interest for those not covered by private pension plans. However, the moderate adequacy of income for the majority of elderly only serves to emphasize the special problems of the millions who live below the poverty level.

Elderly poor who are able to work have the same needs for income maintenance as everyone else and, with increasing longevity, face the prospect of a life in poverty which may extend, in most instances, for 25 or more years. Many elderly are served in their social and recreational needs with a variety of centralized and outreach agency services, but for others whose whole lives have been spent in self-identification through working patterns, only opportunities for volunteer work or paid employment itself can help to retain or restore a sense of purposefulness.

For many elderly poor, a hopeful life and a basic adequate standard of living is dependent on the opportunity to work to supplement basic limited retirement income.

Elderly poor who are denied opportunities to augment income through work have been particularly affected by the impact of inflation. While social security does adjust upwards automatically with a rise in the cost of living, and while Congress has acted to adjust social security benefits upwards, there has been a consistent lag for elderly in poverty. Since rent is frequently fixed and clothing a minor item in the elderly poor person's budget, food expenditures become the item most cut. Incidents of elderly without pets buying dog food for their own needs and frequently reduced to minor shoplifting are common in neighborhoods of concentrations of elderly poor.

Alternatives to work.—The Illinois Department on Aging is now undertaking an effort to provide direct income earning opportunities for elderly poor. Further, these programs include a segment of the pre-retirement "aging" population of 55 to 65 in similar need. The efforts are demonstration in nature to both learn the effect of such programs on small numbers of elderly and to estimate the feasibility of larger scale efforts; available funding is limited. These efforts include the following:

- Encouragement of employers to utilize elderly workers who can be hired in a number of part-time jobs.
- Increasing emphasis on human services roles for elderly workers.
- Increased sponsorship of sheltered workshops utilizing subcontract operations from industry and employing both aging and elderly workers.
- Creation of specialized "case finding", referral and placement of elderly persons utilizing elderly volunteers and elderly placement personnel in major roles.
- Special training programs to assist both aging and elderly persons to achieve opportunities in new careers to increase their employment alternatives.
- Encouragement of self-employment of elderly persons as "freelance" entrepreneurs.
- General advocacy of these needs and opportunities to generate widespread public support and enabling appropriate legislation and funding.

We emphasize the social and economic advantages of earned income opportunities as a means of averting more expensive institutional and other supportive care and as a human response to the needs of those who, because of age, suffer from a poverty of purse and spirit. To carry through on this program, we need to convince employers to make personnel decisions without reference to arbitrary or outright age criterion. Retirement must be made voluntary, not compulsory. Ability must be given an important place in personnel decisions within an equitable seniority framework.

An appropriate place to effectuate these policies would be with the fastest growing employers, the U.S. Government and the State governments.

Appendix 3

STATEMENTS SUBMITTED BY THE HEARING AUDIENCE

During the course of the hearing, a form was made available by the chairman to those attending who wished to make suggestions and recommendations but were unable to testify because of time limitations. The form read as follows:

DEAR SENATOR RANDOLPH: If there had been time for everyone to speak at the hearing of the Subcommittee on Employment and Retirement Incomes of the U.S. Senate Special Committee on Aging, in Chicago, Ill., on August 14, 1975, on "The Recession and the Older Worker," I would have said:

The following replies were received:

MRS. L. CUNNINGHAM, CHICAGO, ILL.

We are in need for more housing for our older citizens now. You're retiring more people at age 52. Senator Jennings Randolph, we don't need the high-rise buildings for older citizens either. What are your plans for all these people you all are retiring?

Senator Randolph, all this retirement, with a recession still on, working people are still wondering what to do when they retire. The situation looks bad as of now. I hope that all you Senators can find some way to help our older people. Also, the younger people you are retiring now. Senator Randolph, prices have gone up again now: rent, food, gas, clothing for children. School dropouts have gone up, too. Do you see our situation in the big cities and all of these people?

ELLEN E. GLOVER, CHICAGO, ILL.

I think as long as the senior citizen feels OK he should work, because retirement gets to be boring. Train them for some special thing. There were suggestions made about library aides for senior citizens; also working around universities advising the young people.

CALVIN AND VIVIAN HOLLOWAY, CHICAGO, ILL.

First of all, we must have emergency housing for the senior citizens. We need more buildings now, not 5 years from now. Also, there must be more employment for aged, because the income we get now is insufficient to live on. You need to stop forcing people into retirement because they are 65 or over. As long as they are able, they should be allowed to work.

LILLIAN LAPALLO, CHICAGO, ILL.

I became a CETA outreach worker the latter part of February. It has been most rewarding. Working with the seniors (I am only 54 years of age) has made me aware that there is a great need for an increase in the nutritional program because at each site there are many people turned away for lack of funds to provide more food. The seniors are also "crying" for attention—they are lonesome. Therefore, there is a need for more outings and recreational programs.

Mr. Senator, how great it would be to see less and less seniors in the nursing homes. They have the wisdom to make good judgments and can help in the home care and foster grandparent programs. Older people would not despair; they need to know that they are of some use. I'm sure there is a place for the older worker and as long as they are physically able, they should have their place

ALBERTA LOCKETT, CHICAGO, ILL.

Senior citizens should not be made to retire—just moved to lighter work and shorter hours. Senior citizens should have enough housing and not have to wait 1 to 5 years before getting a decent place to live. They should have better and more transportation. Senior citizens should have a corps in every community so as to be able to get food cheap and get to it easily. All this would prolong the lives of the aging, keep them out of nursing homes, and make them able to do for themselves.

KEITH RICH, CHICAGO, ILL.

In my opinion, the \$2,520 limit on annual earnings should be removed. This would enable social security recipients to be employed in professions and trades without being penalized. I believe this is in line with letting older people help themselves and eliminating a discrimination between wealthier recipients who have independent investment income and those perhaps less fortunate who are not independently wealthy. It would also be an incentive to older people to work and contribute to the economy.

P.S. I retired June 1, 1975, at the age of 64, and just happened in on your hearing which I appreciated very much.

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