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The Sacramento Observer

32 PAGES

MAY, 1975

SECTION D



HOW THE
ECONOMIC CRISIS
IS AFFECTING BLACKS

BLACK UNEMPLOYMENT

A CALL FOR ACTION

BLACK UNEMPLOYMENT

OFFICIAL RATE UNDERSTATES THE ACTUAL NUMBER OF JOBLESS

The official unemployment rate for Blacks rose to 14.6 percent in April, the U.S. Labor Department's Bureau of Labor Statistics reported early this month. The unemployment rate for Blacks was 14.2 percent in March, one month earlier.

Although this 14.6 rate reflects the official governmental rate, actual Black community unemployment is agreed to be much higher - approximately 25% - one in 4 of all Blacks in the labor force of America.

This rate is substantially higher in the urban communities of the industrial states of the east.

And for Black youth the rate of real unemployment is about 45%.

The unemployment rate for whites in April was reported at 8.1 percent.

Nationally, the overall unemployment continued to increase in April. The rate moved up to 8.9 percent from 8.7 percent in March. This was the highest rate since 1941 and nearly doubled the rate of October 1973, the prerecession low.

With unemployment in the Black community so high, and continuing to grow, SOMETHING MUST BE DONE.

THE OBSERVER felt that a special edition on this severe problem was warranted.

Research has revealed that the disproportionate members of Blacks without employment and laid off jobs, indicate that the so-called "Affirmative Action" programs are ineffective in these hard times. The last-hired first-fired philosophy prevails.

The unemployment problem is not new, and THE OBSERVER readily acknowledges that there is no cheap and quick solutions to it. The recommendations made by many within this special edition involves both immediate and long-term reform.

There is no question but that "full employment" must be our goal. We hope this special edition will add to the public concern for action toward that goal.

William H. Lee, Publisher

15

Per Cent

14

13

12

11

10

Black Joblessness

Highest Since 1930 Depression

14.6 Official
Unemployment
Rate

25.0 Real
Unemployment
Rate

F M A M J J A S O N D J F M A
1974 1975

Assessing The High Black Unemployment

Black America's Economy

The latest Black population of the United States was officially estimated at 23 million. (The actual Black population is undoubtedly higher, because of errors and inadequacies in the gathering of data.) The official estimate taken in 1971 represents an increase of 1.9 percent over 1970 (as compared with 1.2 percent for the total population and 2.2 percent for the total nonwhite population), and an increase of 21.7 percent over the 1960 estimate (as compared with 14.5 percent for the total population and 26.3 percent for the total nonwhite population).

The Black population was 11 percent of the total population throughout the 1960s and into 1971.

Between 1960 and 1970, the number of Black people living in the South decreased from 60 percent (of total Black population) to 53 percent; the number of Blacks living in metropolitan areas increased by 32.3 percent to 16.8 million, with the number of Blacks living in metropolitan areas as a percentage of the total Black population remaining to 16.8 million, population remaining constant at 78.3 percent.

This special edition attempts to assess the presently high unemployment rate of Black people in the total population. This assessment is made to assist in indicating the directions Black community efforts must take and the magnitude of the problems it must correct.

The median income of Black (and other nonwhite) families expressed as a percentage of the white median family income was 64 percent in 1970, and 54 percent in 1950. During this period, however, there were fluctuations in the percentage which followed very closely fluctuations in the business cycle--rising during upturns (e.g., the Korean War of 1950-1953, the postwar capital goods boom of 1964-1965) and falling during downturns (the lowest point, 51 percent, was reached during the recession of 1958).

This close correspondence suggests a high degree of sensitivity of non-white family income to changes in the business cycle which appears to substantiate the fact that the backwash effects of economic progress and prosperity do not apply to Blacks and other nonwhites. That this is more than appearances--that advances in median income will not, in the predictable future, meet with diminishing returns in reducing the number of nonwhites below some fixed poverty-level income--is suggested by a closer look at the income data.

First, despite the narrowing of the relative differences between nonwhite and white family income during the period, the dollar gap between the two levels widened. For example, in 1950, the median income for non-white families was \$3014 as compared with \$5601 for white families, or a gap of \$2387; in 1970, the median incomes were \$6516 and \$10,236 respectively, or a gap of \$3720--widening by \$1,133.

Second, the number of nonwhites in poverty is so disproportionately large that, although some may be incapable (physically or mentally) of earning livelihoods, certainly not all "are victims of specific disabilities which insulate them from the national economic climate," in terms of gainful income-producing activities.

Although substantial progress was made during the period in reducing the incidence of poverty among nonwhites, about one-fifth of all non-white families in 1970 were receiving annual income of less than \$3,000--as compared with about one-twelfth of white families. With specific reference to Blacks, they accounted for about one-third of all persons below the poverty income level in 1970, for almost one-third of the family heads below this level, and for almost two-fifths of all children under eighteen in poverty-income families. More than one-half of all poor Blacks lived in me-

tropolitan areas and about two-fifths lived in the inner cities.

A more specific definition of the black poor is possible. In addition to numbers of children under eighteen, Black poverty occurs for the most part among

(a) families headed by females (54 percent of all such black families were in poverty in 1970; but only 25 percent of white female-headed families);

(b) families with male heads of household with less than eight years of completed education accounted for 60 percent of such poverty families in 1969 (as compared with 50 percent for similar with 37 percent for corresponding white families);

(c) families headed by employed males who earn low incomes (in 1969, these families accounted for 58 percent of the poor nonwhite families with male heads, as compared with 50 percent for similar white families); and

(d) members of larger-than-average-sized families (in 1969, the average Black family in poverty consisted of 4.8 persons, as compared with the national average of poor families of 3.9 and with the average poor white family of 3.6). Other concentrations of nonwhite poverty are to be found among the elderly (in 1968, 46.6 percent of all elderly nonwhites as a whole, and 35 percent of the 3.6).

Other concentrations of nonwhite poverty are to be found among the elderly (in 1968, 46.6 percent of all elderly nonwhites as a whole, and 35 percent of the nonwhite elderly lived in metropolitan areas), also in

families headed by disabled males under sixty-five.

A major cause of the low-income (and poverty) status of Blacks is racial discrimination, of course. The market economy of competitive private enterprise, if it worked perfectly, would be color-blind in terms of the resources utilized in the production of goods and services.

To function perfectly, such a system would be characterized by equal access to education and training by those who could use them most productively, the availability of capital goods to those who could put them to the best use, equality of knowledge about work opportunities throughout the labor force, and complete mobility within the labor force into the most productive jobs.

In such a system, rewards for labor expended would be based solely on contributions to the final array of goods and services available in the marketplace.

To be sure, there would be some wage differentials, but they would be the result of differences in the preparation for production income--differences in education, skills, motivation, and job attitudes which make some people more productive than others.

In our society, however, customs, prejudices, inertia, and (even) legislation interfere with the free functioning of the system, in terms not only of what jobs nonwhites may hold--but also what pay they should receive vis-a-vis whites similarly employed.

In such a situation, it has been consistently true that nonwhites, who are regarded by the white majority as inferior and less worthy, receive less than whites.

For Blacks, the pattern began during slavery, was further nurtured during postslavery sharecropping, and, in more recent times, has had the sanction of labor unions and governments--federal, state, and local.



Blacks In California

500,000 Black Men And Women In State's Labor Force

California's Black population tallied 1.4 million in 1970, which placed it third among the states compared with its ninth place ranking in 1960. Only New York and Illinois had more Black residents.

Between 1960 and 1970, the State's Black population increased 58 percent, the greatest percentage increase recorded by the 15 states with the largest Black population. During this period, the State's total population rose only 27 percent. Consequently, the Black share of the total jumped from 5.6 percent in 1960 to 7.0 percent in 1970. Higher birth rates for Blacks were a major contributor to their faster rate of growth.

However, the 1960's rate of growth was less than in preceding decades. In the 1940s, the number of Blacks increased nearly fourfold; in the 1950s, it almost doubled. A decline in birth rates and in the relative importance of net in-migration for Blacks explains this change. The growth rate of the white population also fell for the same reasons.

California Population Increases

(Percent)

	1940-50	1950-60	1960-70
Total Population	53.3	48.5	27.0
White	50.3	45.8	22.9
Black	271.8	91.2	58.4
Other nonwhite	12.1	81.0	109.5

The black population of the United States also grew faster than the Nation's white population during the 1960-70 decade. The increase for Blacks was 20 percent; for whites, 12 percent - both well below the percent gains in California. Blacks were about 11 percent of the total population in 1970, little changed since 1960.

About 136,000 Black California residents over 5 years of age in 1970 lived outside the State in 1965. Of these new arrivals, nearly 122,000 came from other states, more than half from the South, and 14,300 from other countries. Comparable in-migration figures for the half decade ending in 1960 were 115,000 Blacks from other states and 7,400 from other countries.

Urban Population

California's Black population is overwhelmingly urban, and still concentrated in the larger cities. Two-thirds of all Blacks in California lived in the State's 26 central cities in 1970, while only one-third of all whites lived in these cities. In contrast, about 46 percent of all whites lived in the less congested but closely settled urban fringe areas surrounding these central cities, compared with only 28 percent of all Blacks.

California's Black population is considerably younger than its white population. The median age for white males was 27.5 years in 1970. (This means that approximately half of the white males were younger than that age and the rest were older.)

For Black males, the median age was 22.2 years, more than 5 years lower. For females, who live longer on the average, the median ages were 29.7 for whites and 23.7 for Blacks.

One major reason for these age differences was that a large number of Blacks had migrated to California since 1950 and a majority of them were probably young people of child-bearing age seeking greater economic opportunities. Another major factor was a higher birth rate for Blacks.

Blacks comprised about 9.1 percent of the total California population under age 5, and 8.8 percent of the total population under age 15, in 1970. This,

coupled with the consistently higher birth rates of blacks, seems to guarantee that the California Black population will rise in coming years above its 1970 level of 7.0 percent.

Black men and women were somewhat less likely than whites to be married. About 55 percent of all Black adults (age 14 and over) were married in 1970, compared with 63 percent of white adults. Part of this difference was due to the fact that relatively more Blacks were young people, and many were in social and economic circumstances that made marriage impracticable.

The proportion of Black adult men and women who were in a divorced status in 1970 was small, although high compared with the white percentage. Nearly 22 percent of all married black females reported themselves living in households without husbands.

Because of the higher incidence of divorce and separation among Blacks, black families were more likely than white families to be headed by a woman, although the percentage of both white and black families headed by women increased over the decade. A family, as defined in the 1970 Census, is a group of persons living together who are related by blood, marriage, or adoption.

There were approximately 314,000 Black families in California in 1970 and, of these, 87,000 had female heads.

Black families tend to be somewhat larger than white families, averaging 3.87 persons in 1970 compared with 3.44 persons for white families. The great majority of both Black and white families - 69 percent and 78 percent respectively - had from two to four members. However, in comparison with whites, blacks had a slightly smaller percentage with two members and a considerably greater proportion with six or more members, which accounts for the difference in average family size.

Educational Attainment

About 485,000 Blacks age three and over - nearly 35 percent of the total State Black population of 1.4 million - were enrolled in schools in 1970. For the white population the proportion was lower, about 30 percent, principally because a smaller proportion of whites were of school age.

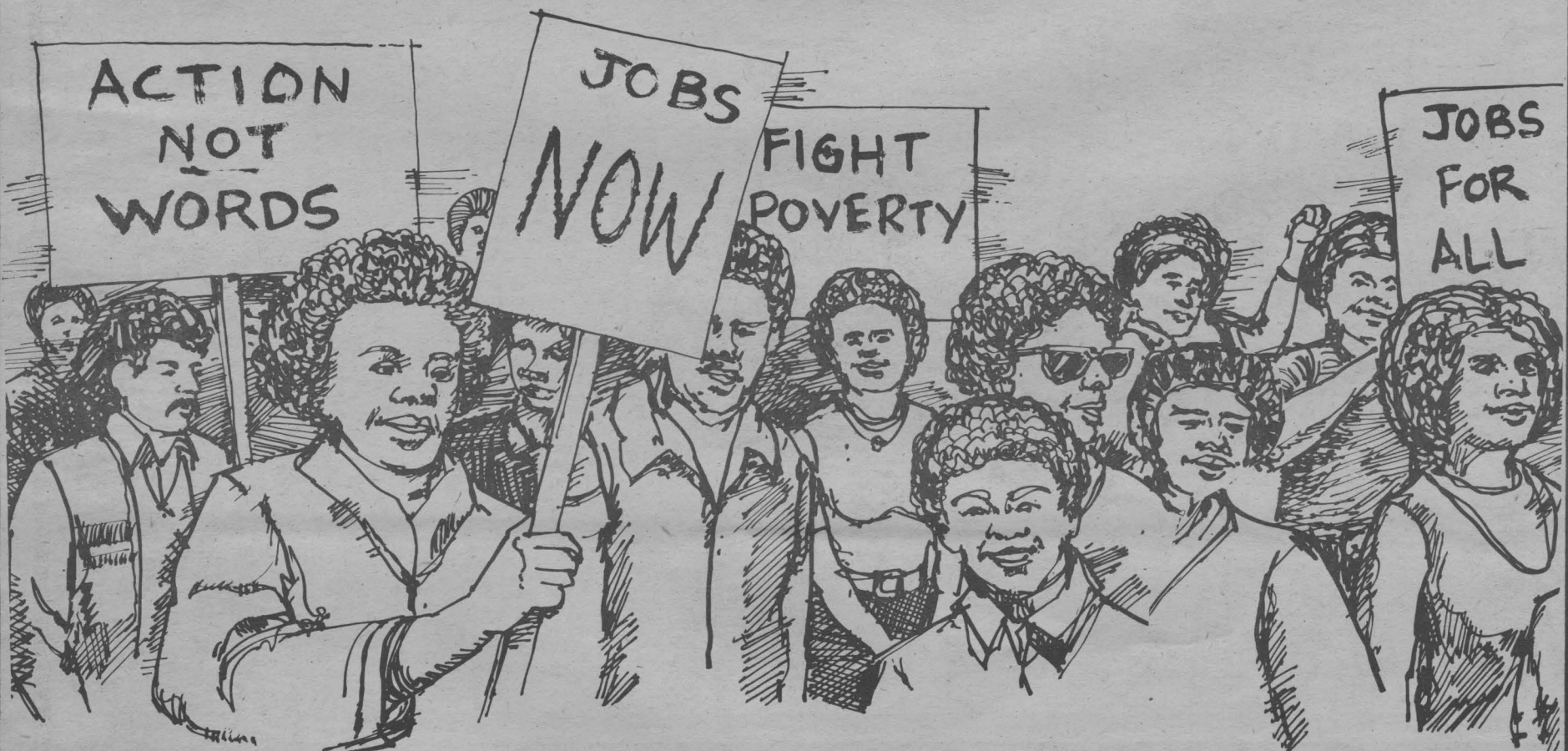
In the decade preceding the 1970 Census there occurred gradual change in the median number of school years completed by adults over age 25, most of whom have completed their formal education.

For Blacks in that age group, the median rose from 10.1 to 11.9 years; for whites, it increased very little, from 12.1 to 12.4 years. Consequently, the difference between white and Black adults in median number of school years completed diminished from two years to one-half year.

Nearly half of all Black Californians over 25 had completed four years of high school by 1970, as opposed to slightly more than one-third in 1960. The proportion of whites finishing four years of high school was considerably higher in both census years, rising from 52 percent to 64 percent over the decade.

Since a wide range of professional, technical, and managerial jobs are closed to persons with no formal education beyond high school, it is noteworthy that the percentage of Blacks 25 years old and over who have completed at least one year of college rose from less than 14 percent in 1960 to 20 percent in 1970.

Nearly 6 percent of Black adults over 25 had completed four years of college in 1970. Comparable percentages for white adults in 1970 were 30 percent with some college and nearly 14 percent with four years completed.



BLACKS EVEN EARN LESS THAN WHITE COUNTERPARTS

California's Tight Job Market

Because figures for the Black population include many older people from the rural South, they show that as late as 1970 one out of every four Black adults over age 25 had no schooling beyond the 8th grade, and one in two had not completed high school. A different picture is presented for the younger population. Among persons in California 18 to 24 years old in 1970, some of whom were still attending high school when the census was taken, 68 percent of all Blacks (compared with 71 percent of all whites) had completed four years of high school. About 27 percent of all Blacks in this age group, which includes the prime years of college attendance, were enrolled in school - in most instances, in a college.

EMPLOYMENT

LABOR FORCE PARTICIPATION

There were about 397,000 Black males 16 years old and over in the California civilian population in 1970. Of this total, 70 percent (278,000) were in the labor force. This means they had a job, or were looking for a job and available for work, or were expecting to be called back to work after a temporary layoff. The comparable civilian labor force participation rate for white males was much higher - 77 percent.

For both white and Black males, labor force participation rates varied greatly by age group. They were lowest among teenagers and peaked at ages 35-44, reaching 95 percent for white males and 86 percent for black males. In all age groups, but particularly among teenagers, Black rates were lower than white rates.

The difference in the overall participation rates for black and white males is largely accounted for by the greater proportions of black than of white males in three categories excluded from the labor force: the disabled under 65, inmates of institutions, and those enrolled in school without even a part-time job. It also seems likely, although the census provided

BLACK POPULATION				
United States, California, and Selected States				
1960 and 1970				
State	1960		1970	
	Number	Percent	Number	Percent
United States	18,871,831	100.0	22,580,289	100.0
New York	1,417,511	7.5	2,168,949	9.6
Illinois	1,037,470	5.5	1,425,674	6.3
California	883,861	4.7	1,400,143	6.2
Texas	1,187,125	6.3	1,399,005	6.2
Georgia	1,122,596	5.9	1,187,149	5.3
North Carolina	1,116,021	5.9	1,126,478	5.0
Louisiana	1,039,207	5.5	1,086,832	4.8
Florida	880,186	4.7	1,041,651	4.6
Pennsylvania	852,750	4.5	1,016,514	4.5
Michigan	717,581	3.8	991,066	4.4
Ohio	786,097	4.2	970,477	4.3
Alabama	980,271	5.2	903,467	4.0
Virginia	816,258	4.3	861,368	3.8
Mississippi	915,743	4.9	815,770	3.6
South Carolina	829,291	4.4	789,041	3.5
Other states	4,289,863	22.7	5,396,705	23.9

Source: U. S. Bureau of the Census.

no information on this point, that proportionately more blacks than whites - especially among teenagers - were discouraged job seekers who had stopped looking, particularly since the census was taken during a period of economic slowdown.

Black women 16 years old or over included in the civilian population of the State in 1970 numbered 457,000. Nearly half of this total, some 224,000, were classified as in the labor force, a considerably higher proportion than for white women. The overall labor force participation rate was 49 percent for Black women, compared with about 41 percent for white women, and black rates were higher for all age groups except among teenagers.

The comparatively high labor force participation rates for Black women is not surprising, since they are generally more pressed than white women to contribute to family income. As has already been pointed out, a far larger share of Black families have female heads.

Furthermore, Black husbands, on the average, earn less than their white counterparts and tend to have somewhat larger families to support, so that the income of a working wife is more urgently needed.

FULL-TIME AND PART-TIME EMPLOYMENT

The 278,000 black males 16 years old and over in the California civilian labor force in 1970 included 248,000 who were classified as employed when the census was taken. Of those who not only had a job but were actually at work in the week preceding the census, 86 percent worked full time (35 hours a week or more) and 14 percent worked part time. The corresponding percentages for white males were identical.

Black employed women were somewhat more likely to be employed full time than their white counterparts. Some 202,000 Black females 16 years old and over, of the total in the civilian

labor force of 224,000, were employed at the time of the census. Of those actually at work, 75 percent worked full time and 25 percent worked part time. The corresponding percentages for employed white women were 71 percent and 29 percent, respectively.

Movement Of Blacks Into Better Jobs

A heightened demand throughout the 1960s for professional and technical workers and the mushrooming of public and private training programs enabled many Blacks and other disadvantaged workers to obtain better jobs. Other factors contributing to this occupational upgrading were a more rapid rise over the decade in the level of educational attainment of Black workers than of white workers, and the increased effectiveness of anti-discrimination agencies.

The number of Black males over age 15 employed in California rose 44 percent between 1960 and 1970, to a total of 248,000. Yet their numbers nearly tripled among professional and technical workers, increased over two and one-half times among managers and administrators and sales workers, and more than doubled among clerical workers.

Despite years of occupational upgrading, 32 percent of all Black male workers remained in service, labor, or farm occupations in 1970. While this was much greater than the 16 percent of white males in these occupations, it does show the changing status of Black workers since 1960, when 42 percent of Black men were in such jobs.

The median annual earnings of Black males over age 15 in the exper-

(Continued on

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The Black Economic Depression

by AUGUSTUS F. HAWKINS
California's First Black Congressman

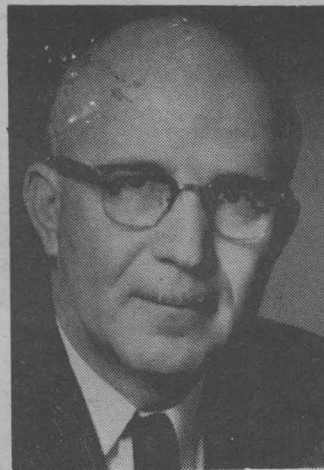
Living costs for 1974 increased about \$1700 over 1973, and depending upon your income for 1974, food costs jumped between 10.8 percent and 13.5 percent. (Low income families, spending more in proportion for food than middle or high income families, suffered the greatest impact in rising food costs).

Again depending upon your income, housing costs in 1974 increased between 8 percent and 12 percent. Since high income families spend more for housing than low or middle income families, high income families were hit hardest in housing costs.

Overall, low income families sustained a 12.4 percent increase in total living costs for 1974; middle income families sustained a 13.5 percent increase, and high income families experienced a 14.2 percent increase (this increase of course, was in addition to the general 12.5 percent in the cost of living for 1973).

As though this bad news is not sufficient to demoralize us, employment in the economy has not fared any better. We now have an official 8.0 million persons unemployed, out of a labor force of 91.8 million.

For Blacks this current depression is especially disastrous. Black unemployment for the fourth quarter of 1974 ran an all-time historical high of 10.9 percent, with unemployment affecting 1.1 million workers.



If one deals with hidden unemployment - that is, those that are discouraged and not seeking employment, or are part-timers wanting full-time employment - the unemployment index for Blacks is 21.0 percent. This is double the official rate for whites. In terms of jobless rates, Black unemployment has been hardest hit in these industries: food processing (16.9 percent), construction (16.6 percent), auto (15.6 percent), and apparel (13.6 percent).

Unemployment for black men is 7.7 percent; for white men it is 3.9 percent. Unemployment for white women is 5.5 percent and for black women it is 9.6 percent.

A significant tragedy in this picture is the 36.0 percent unemployment rate for black teenagers. It is so serious that some economists are projecting the possibility that some of our black youth, recently graduated from high school, may probably never hold a job in their lifetimes.

The key issue in these figures is the fact that economic depression in the Black community has been a severe fact of life since the 30's depression. Reasonable economic recovery only occurred in the

(Continued on Page D-8)

Progress? A 'Few' Blacks With Better Jobs...

(Continued from Page D-6)

experienced civilian labor force were substantially less in 1969 than the median for all male wage earners in each broad occupational group except non-farm laborers. The Black male median for all occupations combined was \$6,626, or about 77 percent of the all male workers' median of \$8,552.

The earnings gap between Black men and white men was greatest in the higher paid professional, technical, and managerial occupations and in sales work. Perhaps the main reason for these gaps is the tendency of Black men to be somewhat heavily concentrated on the lower tiers of the occupational scale within each broad category. In the professional and technical group for example, 38 percent of all male workers in the experienced civilian labor force, but only 19 percent of Black male workers, were classified as accountants; lawyers and judges; engineers; and health professionals.

On the other hand, 25 percent of Black male workers, contrasted with 13 percent of all male workers, were classified as social and recreation workers; writers, artists and entertainers; or health technicians.

In sales work 37 percent of Black males compared with 24 percent for all males were in the retail sales clerk

category, and blacks were underrepresented among real estate agents, brokers, and sales representatives in manufacturing and wholesale trade.

Employed Black women 16 years of age or older numbered 202,000 in California at the time of the 1970 Census, up 75 percent from 1960 compared with a 44 percent increase in employment of Black male workers. The labor force participation rate increased for black women over the decade but decreased somewhat for black men.

Occupational upgrading was greater over the 1960-70 decade for Black women than it was for black men. However, they tended to start farther down the occupational ladder and their movement up tended to be into the lower paying and subordinate traditional "women's jobs."

In 1960, more than half of all California Black women were employed in service, labor or farm occupations, with about half of these classified as private household workers. Between 1960 and 1970, there was a nearly four-fold increase in the number of black women employed as clerical workers and the number employed in professional and technical and sales occupations more than tripled. Although the number in service work

(except in private households) nearly doubled, the number working as household domestics dropped 31 percent.

As a net result of these shifts, the proportion of black women classified in service, labor, or farm occupations declined from 55 percent in 1960 to 35 percent in 1970, while the proportion working as professional and technical workers or as nonfarm managers and administrators increased from 10 percent to 16 percent. Significant too was that nearly half of the net gain in jobs for Black women over the decade occurred in office occupations. As a consequence, the proportion who were clerical and kindred workers increased from about 14 percent in 1960 to 32 percent in 1970.

The distribution of employed Black females by broad occupational groups was quite similar to that of white females in 1970, although it remained true that a somewhat larger proportion of black women were in operative and service workers classifications. Furthermore, as Chart 2 makes evident, the median earnings of black women in the various occupational classifications. Furthermore, as Chart 2 makes evident, the median earnings of black women in the various occupational classifications approached

those of all women, and even exceeded the medians for all women in the service worker categories.

The fact that Black women were more likely to be full-time employees and to work longer hours on the average partly explains why their earnings closely approximate those of white women.

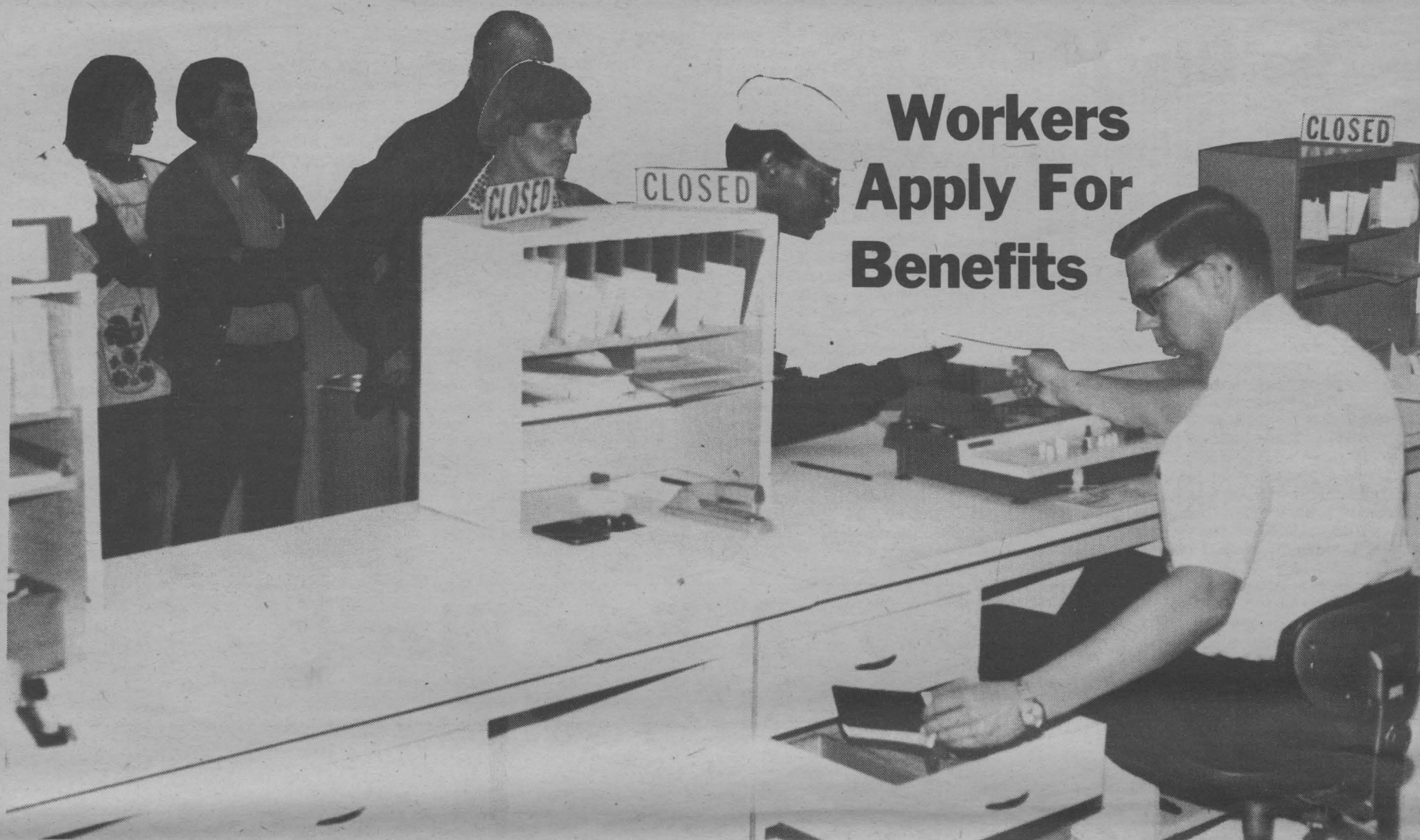
Compared with men, both Black women and white women occupy an inferior position in the labor market. This is clear from the tabulation below which compares the 1969 median earnings of different classes of experienced California workers 16 years old and over.

Median Earnings In 1969

Black women	\$3,928
All women	4,237
Black men	6,626
All men	8,552

The median earnings figure for Black women was 93 percent of the median for all women, but the median for all women was only half the median for all men. It is apparent that the inferior labor market status of Black women is due more to discrimination because of sex than race.





Economic reports continue to be bad for workers.

Black Economic Depression...

(Continued from Page D-6)

black community during World War II, and this was because everyone, young and old, was encouraged to work in the defense effort.

In a recent report, the National Urban League noted:

"The employment situation of the black worker is critical and unemployment figures for the early part of 1975 indicate that the situation is continuing to deteriorate. Already indications are that it may very well be as severe as it was during the depression of the 30's. The National Urban League estimates that 750,000 black workers were out of work at the end of 1931 and that one and a half million blacks were out of work at the end of 1932. Even using the limited official definition of unemployment, black workers have exceeded the million mark for 1974.

Many policy implications stem from an analysis of these data. Black workers are being dispropor-

tionately laid off their jobs by local governments at a time when Congress has passed legislation expanding the number of public jobs at the local level.

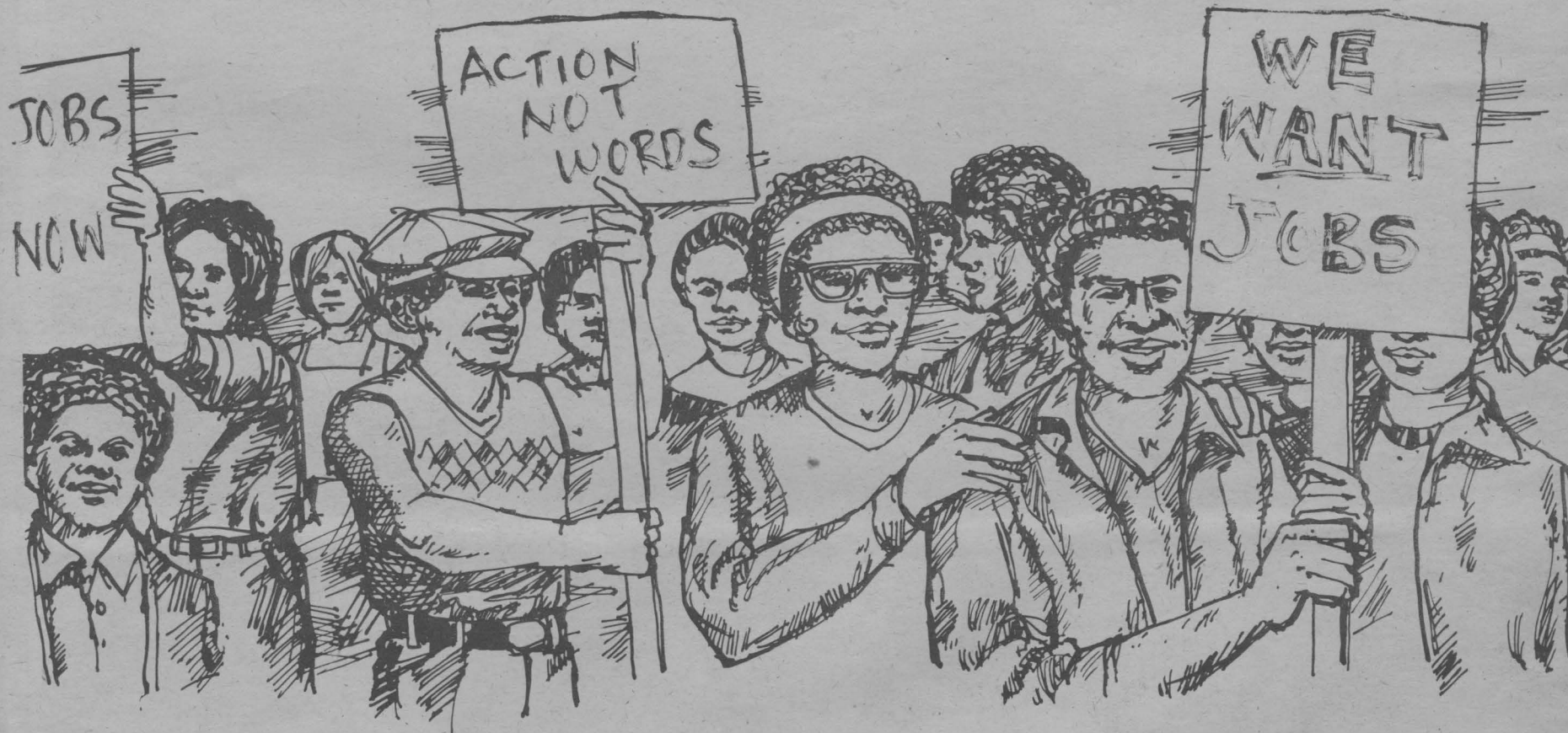
If, as has been found, almost half of the workers who had previously been employed in local government are now out of work, certainly they should get their fair share of the new public employment jobs when they are handed out. Yet it is already evident that many of these new public service jobs are not going to the long-term unemployed, blacks and other disadvantaged groups.

Thus, they will once again be denied equal employment opportunities unless affirmative action commitments are enforced in both the public and private sectors.

Even more serious, perhaps, are those who will not be helped at all by the remedies presently proposed. We are speaking of the unemployed, and this affects blacks particularly, who have virtually no job experience or who have been out of the labor market for a time and who are now again trying to find work. These are the workers least likely to have any cushion to fall back on. Particularly youth who have never worked, are losing the valuable years of experience needed for progress in the world of work."

It is indeed urgent therefore, that the nation consider full employment as a national policy - and consider it now.

My bill, the Equal Opportunity and Full Employment Act, would significantly address this serious crisis.



A Goal Of 'Full Employment'

QUESTION: Why can't nation provide a decent job for all who want to work?

ANSWER: No Political Will.

The Congressional Black Caucus recently introduced its legislative agenda for the first session of the 94th Congress. Part of that agenda included a statement on "Full Employment" which will serve as a backbone for the Caucus' effort to curb the present difficult times. Here is that statement:

"The Congressional Black Caucus sees as one of its highest priorities, the passage of comprehensive legislation which establishes both the policy and the mechanism for guaranteeing the right to useful and meaningful employment for all adult Americans able and willing to work.

"It is most important that the full employment for employment concept be understood as reaching far beyond the public service jobs program to create both the right and the opportunity to meaningful jobs.

"As unemployment skyrockets, with some predicting that January's 8.2 per-

cent national unemployment rate will pass 10 percent this year, the need for relief is unquestioned. Black unemployment in January was over 13 percent and Black teenager unemployment in the same month was at 41 percent.

"However, even many of those who recognized the need do not fully understand the Bureau of Labor Statistics figures show that real national unemployment rate - which include the underemployed, those employed part-time who seek full-time work, and those who need work but are discouraged from looking - is over 15 percent. For Blacks, that means a real unemployment rate in the neighborhood of 30 percent nationally, and even higher in depressed areas.

"The major thrust of the effort to attain full employment legislation centers around a bill introduced by Caucus member Augustus Hawkins. That measure would create a Job Guarantee

Office and a Standby Job Corps, as well as requiring the President develop a national full employment and production program.

"Full employment would be achieved through both private and public employers. Central to the proposal is the concept that there is no tolerable level of official unemployment for a narrowly-defined labor force in contrast to present practice.

"As the legislative process proceeds, the specifics of a full employment program will, of course, be refined and sharpened. Complementary proposals, such as that of Congressman John Conyers to require the federal government to become the employer of last resort, will also help shape the final legislation. There should also be legislation passed providing for flexible working hours, as in Congresswoman

Burke's Career Opportunity Act. Any legislation supported by the Caucus must have an adequate mechanism at the local level for ensuring jobs and eliminating red tape.

"Passage of a full employment act as soon as possible is vital. Yet even as that measure is discussed the unemployment situation demands an immediate expansion of both public service jobs programs, particularly aimed at low and unskilled workers and expansion and extension of unemployment benefits.

"Congressman Hawkins has also introduced a bill providing for an additional one million public service jobs, which the Caucus supports. Further, a youth unemployment program aimed at getting young people from school into the labor force, including provisions for summer jobs must be established immediately."

America's Empty Promises

by CONGRESSMAN WILLIAM CLAY
Representative from Missouri

Many Blacks, to remain sane, no doubt, grow up in America believing that discrimination and inequality illustrate nothing more than a long-term historical event. There's a beginning and an end. Slavery, then emancipation; segregation, then a successful civil rights movement.

Progress? Doubtless.

But coming down from an euphoria, we've learned in the last eight years or so that some of the problems are a great deal more intractable (if soluble at all) than mere legal barriers to fundamental civil rights.

Beneath that thin layer of courts and legislatures lay the whole American institutional infrastructure, resistant and poisoned to the core - universities and public school systems, businesses, city halls, labor unions, families and neighborhoods, police departments, fire departments, and on and on.

The results are socio-economic statistical measurements that show our relative status in America as largely unchanged.

Let's look at the most recent record in the salient categories:

INCOME: In 1973 the median income for white families in America was \$12,600. For Black families it was only \$7,270. From 1969 to 1973, the median income for white families grew. For Black families, it did not, meaning the income differential is widening. (Other evidence suggest it has widened still more since 1973.)

In 1969 a Black with four years of college made \$8715, a mere \$102 more than a white with four years of high school. The white college graduate made over \$11,000. It's no small wonder that, in 1973, 31.4 percent of all blacks found themselves below the low income level of \$4540, a plight endured by only 8.4 percent of whites.

EMPLOYMENT: Blacks and other minorities are twice as likely to be unemployed as whites, Black teens over 2 1/2 times as likely as white teens.

EDUCATION: In 1973, 8.3 percent of Blacks between 25 and 34 years of age had completed four years of college. For whites, the figure was 19 percent.

FAMILY: Between 1969 and 1974, the proportion of Black families headed by a woman rose from 24 percent to 34 percent. Among white families, only a slight increase was registered - from 9 percent to 10 percent.

HOUSING: In 1970, 23 percent of the 6.2 million housing units occupied by Blacks were classified as "substandard." The corresponding white rate was only 7 percent.

HEALTH: For the last two decades, the infant mortality rate for blacks has been approximately double the rate for whites and Black mothers still die in childbirth at about five times the rate of their white counterparts. But if we have harder time coming into this world, we have an easier time going out. Among Blacks, the average life expectancy is 69.3 for females and 61.2 years for males. Corresponding figures for whites are 75.6 and 68.3 years.

It would appear that, the great victories taken into account, black Americans have little to celebrate on the eve of this nation's Bicentennial. The record appears as disgusting as ever.



Black Unemployment Already At Level Of Great Depression

"Black unemployment is already at the levels of the 'Great Depression,'" National Urban League Executive Director, Vernon Jordan said recently charging that official unemployment statistics understate the extent of minority unemployment.

Jordan said that an Urban League research study revealed that "real unemployment for Blacks is over 20 per cent," far higher than the official jobless rate of eight to 9 per cent.

The Urban League, Jordan added, calls for a national full employment policy "That guarantees a decent job, at a decent wage for all." We believe such a policy should include incentives to private business to hire and train workers, a massive public works program . . . and a public service employment program of a permanent nature," he explained.

Urban League Research Director Dr. Robert B. Hill, said that perhaps the most startling new information contained in the Black unemployment figures was the disproportionately high numbers of local, Black government workers being laid off.

"Blacks employed by local governments are losing their jobs at a rate six times that of white workers," Dr. Hill asserted.

"Although Blacks make up only 15 per cent of all government workers," said the report, "they comprise about one-third of all unemployed government workers . . ."

"While the unemployment rate for white, local government workers, remained unchanged at 1.7 per cent between the last two quarters of 1974, the unemployment rate for Black

local government workers shot up from 7.1 per cent to 11.2 per cent."

The statistics, contained in the Urban League's first "Quarterly Economic Report on the Black Worker," reveal that "Black teenagers, with a jobless rate of 36 per cent, had the highest rate of all groups of workers . . ."

Adult Black men were the group most affected by the job layoff. "More than two-thirds of the adult Black men who were unemployed during the fourth quarter of 1974, had lost their jobs during that quarter," the report said.

"The majority (57 per cent), of the Black unemployed -- 640,000 in number -- were ineligible for unemployment insurance because their unemployment did not result from direct job layoffs -- an essential qualification for jobless benefits," said the report which was made possible from foundation grants.

"The disproportionate numbers of Blacks laid off, indicate that affirmative action becomes 'inoperative' in hard times," said Jordan. "And the fact that the majority of the Black unemployed are ineligible for unemployment compensation indicates that merely extending or increasing benefits does not cushion the effect of joblessness for all who are out of work."

Dr. Hill said the Urban League decided to issue the quarterly reports "because the extreme economic crisis in the Black community made it necessary to have more periodic monitoring" of government labor statistics.

He said that a semi-annual Urban League research journal would begin publication in June.

Record High Jobless In State

California's unemployment rate rose to 10.0 percent in April, up from 9.3 percent in March to set a record high for the 25 year since the current data series began in 1950.

In comparison, the federal unemployment rate increased from 8.7 to 8.9.

Jim Lorenz, Director of the state's Employment Development Department, said the total number of unemployed in April was actually down 27,000 from March figure (952,500 to 949,800), but a normal seasonal reduction would have been about 75,000. Therefore, the seasonally adjusted unemployment rate soared.

"The normal spring gain in employment just didn't occur," Lorenz said, "partly because of continuing slack in the economy and partly because of the unusual cool weather that delayed the start of food-processing and similar industries."

Lorenz said total employment in April was 8,434,000, a gain of 58,600 since March, "but most of this gain was in agriculture, which rose from 219,300 to 251,100, while the non-agricultural industries were way behind normal growth."

Manufacturing and construction industries continued to suffer heavy em-

ployment losses, Lorenz noted. Compared to a year ago, manufacturing is down by 52,800 jobs (a 15.9 percent drop).

Total nonagricultural employment in April was 7,773,400, compared with 7,748,000 in March and 7,765,600 in April, 1974.

"We had a gain of only 7,800 workers in nonagricultural industries over the year, compared with a gain of 247,800 workers in the previous year," Lorenz said.

"If you exclude government workers, there was a loss of 69,100 jobs in the private sector, compared with a gain

of 198,300 in the previous year."

Withing the manufacturing industry, the largest job losses since April, 1974 occurred in electrical supplies (down 20,300), transportation equipment (down 15,000), fabricated metals (down 11,800), rubber and plastics (down 7,600), lumber and wood products (down 7,400) and furniture (down 6,800).

Apart from government, the only industries showing sustained employment growth over the year were medical services and restaurants, up 23,700 and 20,600 respectively, Lorenz said.



Quarterly Rate Highest Ever

The jobless rate for Blacks at nearly 15.0 percent in the first quarter 1975, was at its highest level since rates for all major demographic, industry, and occupational groups were initiated, the U.S. Department of Labor's Bureau of Labor Statistics reported.

The unemployment rates for both Blacks and white workers rose sharply over the quarter and were substantially above their year-earlier levels.

On a proportional basis, the white increase was greater, so that the ratio of the Black-to-white jobless rates diminished to 1.7 to 1, well below the 2-to-1 level of a year ago.

This pattern of a temporary narrowing of the ratio has been typical of earlier business slowdowns, particularly the 1970-71 recession.

Terms of percentage-point increases in unemployment rates, however, Blacks have fared worse, as their rate has risen 4.6 percentage points since the second quarter of 1974 (from 9.1 to 13.7 percent), compared with a 3.0 - percentage-point increase for whites.

The 1.7-to-1 relationship does not prevail for all the major age-sex groups. Black teenagers tend to have the highest unemployment rates relative to their white counterparts, and the black-white teenager ratio in the first quarter was 2.2 to 1. Adult women, on the other hand, had the lowest ratio, 1.4 to 1; it was 1.9 to 1 among adult men.

The number of Blacks in the discouraged-worker category was also disproportionate to their percentage in the labor force--29 percent, compared with 11 percent.

The unemployment rate for Black veterans 20-34 years of age was 18.0 percent (not seasonally adjusted) in the first quarter of 1975, well above the year-ago level of 11.8 percent. The rate for white veterans (10.1 percent) was also up markedly from early 1974 (5.5 percent).

All of the major demographic groups in both poverty and nonpoverty areas posted large increases in unemployment over the past year. The jobless rate among white poverty area residents rose from 5.6 to 9.2 percent, and about the same percentage increase was recorded among Blacks residing in poverty areas--from 10.8 to 16.4 percent.

How To Define The 'Unemployed'

There is widespread misunderstanding about unemployment statistics. This is because most people catch the headlines and possibly the first two sentences about the situation when it makes news. The detailed explanation is often missed. And what gets the headlines is the 'seasonally-adjusted unemployment rate,' which is only an average.

The rate conceals much more than it reveals.

It reflects a situation. It is meaningful to economists and labor market analysts because it's a yardstick that is consistent, month after month, year after year.

Even if less than perfect, the imperfections remain the same, month after month, therefore the results of each survey are comparable. Using this yardstick (and some others), economic trends can be measured.

But this average unemployment rate tells you nothing about the unemployed--whether job losers or job leavers, household heads or housewives, skilled or unskilled, long-term unemployed or youth looking for a first part-time job.

To the average reader the word 'unemployed' is often taken to mean 'a person who has lost his job,' or, more dramatically, 'thrown out of work.' Actually, it's any person seeking a job, full time or part time, whether previously employed or not.

The U.S. Department of Labor (and all State Employment Offices) count as 'unemployed' any person 16 years or older who is not working, but able to work, available for work and seeking work.

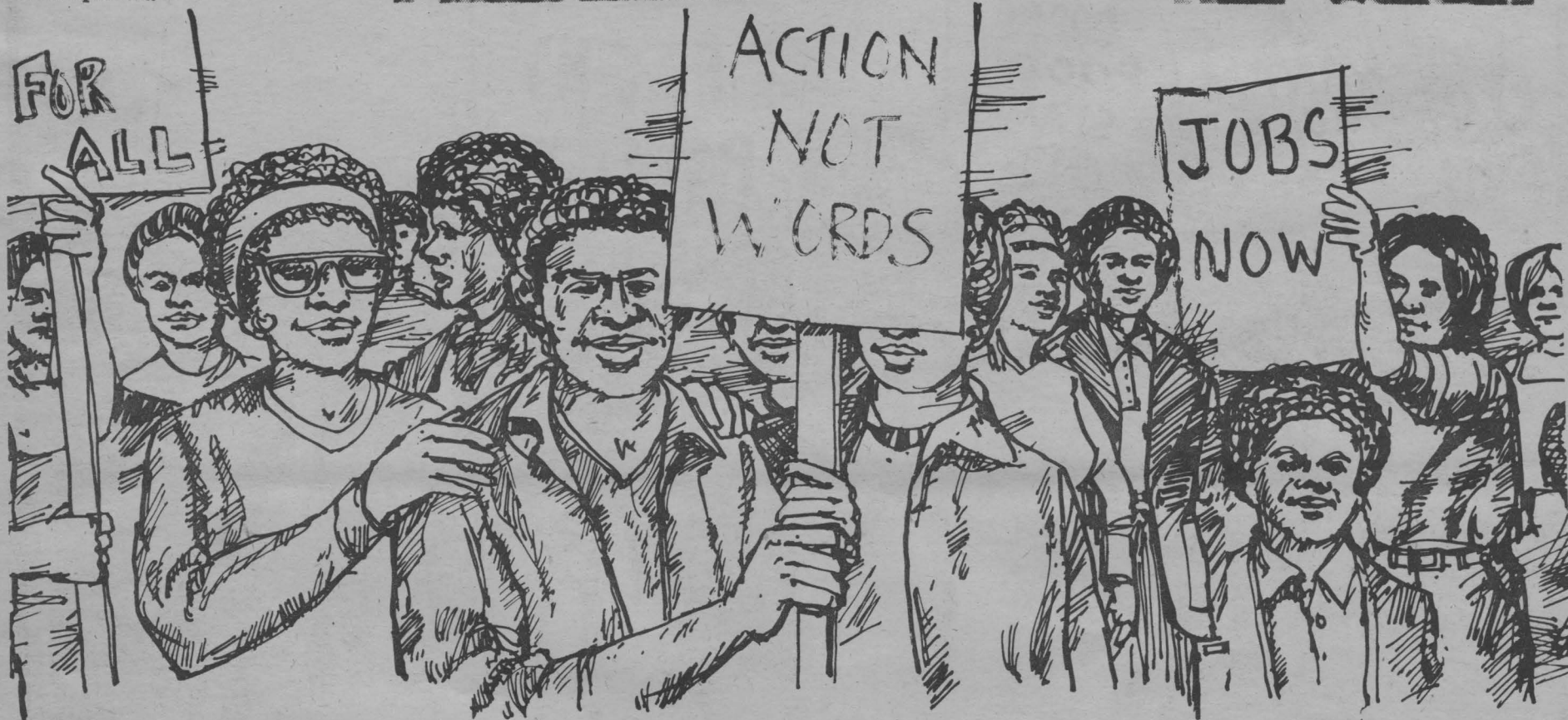
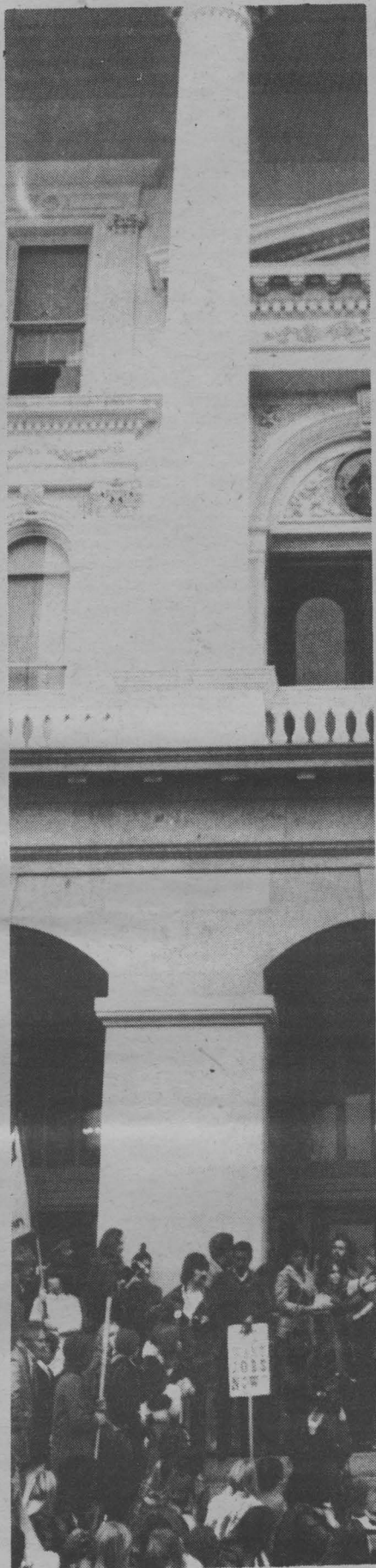
It therefore includes teenagers looking for their first job, even if only part-time work. It includes married women looking for a chance to augment the family income. It even includes job seekers who will admit they don't really need the income but like to keep busy.

In brief, it includes many more people than just the job losers.

The Department of Labor's monthly news release on the employment situation is extremely detailed, with tables and graphs covering ten or more pages. One of the tables give monthly figures on the 'unemployed' in four groups: The job losers; the job leavers (those who quit voluntarily); new entrants (seeking work for the first time); and re-entrants (those who had previously worked but have been out of the labor force for some time).

The job losers country to what many people think, make up only about half of the total job seekers. The 're-entrants' account for about one quarter of the total. The balance is divided approximately equally between new entrants and job leavers.

Obviously, therefore, the 'total unemployed' is made up of various groups of people, not all of whom are equally 'jobless' or equally in need or work. The only factors common to them all are that they are 'able to work, available for work and seeking work.'



Economists Differ On Upturn

Remember the economic summit sessions of September, 1974?

A rereading of the discussion should be highly embarrassing to most of the participants - including the government representatives - who were so concerned with inflation that they failed to sense the depth of the incubating recession.

THIS is mentioned to illustrate - how that everyone is searching for that magic moment when recovery starts - how difficult it is to see even a few months ahead.

There were some exceptions to the bad track record at the summit, notably the predictions of that tough old tiger, AFL-CIO President George Meany. On Sept. 5, Meany looked across a conference table at President Ford, and said bluntly that what worried him was "the prospect of a deepening recession and mounting unemployment, even in the name of the glorious battle against inflation."

Another shrewd assessment was delivered by Reginald Jones, General Electric chairman, who warned that "an overly restrictive" Federal Reserve policy, "will tilt the economy into a sharp recession with unemployment (in 1975) exceeding 7%."

Passing grades could be assigned also to Otto Eckstein of Harvard, who saw "the risk" of a recession "as bad as 1958"; to Paul A. Samuelson of MIT; who argued that the problem was not inflation, but "stagflation"; to former Economic Council Chairman Walter W. Heller; and to Nancy Teeters of the Library of Congress.

Most of the others missed the boat. They expected an actual slight gain in the economy, or at worst, a "flat" economy. And some of the biggest names in the economics profession were so hooked on inflation that they brushed off the threat of recession as non-existent. Examples:

Milton Friedman, University of Chicago: "We are not, and I emphasize the not, in danger of a major depression or even a severe recession."

John Kenneth Galbraith, Harvard: "Let us not be beguiled by the fear of recession ... For the moment, we have no choice but to keep money tight. ... As long as we have a run-away inflation... (there is) no alternative but an increase in taxes."

Dr. Andrew Brimmer, Harvard, one of just a couple of Blacks at the summit sessions said "... the problem

of unemployment is important, but it is still Number Two, and the main problem is inflation, which is Number One, although the gap between the two may be getting ... narrower."

Beryl Sprinkel, Harris Bank of Chicago: "It is my best judgment that our economy is neither in a depression nor recession. I project slow growth of 1 to 2% (in GNP) in the last half of this year and into early 1975 ... Unemployment may be, at the worst, 6%."

Walter Hoadley, Bank of America: "We have in prospect ... a flat economy with relatively little change."

One excuse, in retrospect, has great relevance to current problems. And that is despite the bipartisan chorus (joined by conservatives George Shultz and Paul W. McCracken, former Nixon advisers) demanding the abandonment of a very tight monetary policy, Arthur Burs refused to "back off still more" (Walter Heller's phrase).

What all this tells us, primarily, is that the current forecasts of an economic recovery - and there is a wide range among them - must be taken as something very imprecise. Each economist makes his own assumptions, and to a considerable de-

gree, there's much guesswork involved.

For example, chief economist Leif Olsen of the First National City Bank of New York has revised talk of a "V-shaped" recovery - a sharp upturn - based in part on an optimistic appraisal of resurging housing construction.

But others, including Labor Secretary John Dunlop and economist Edward M. Bernstein, are dubious about housing construction.

But others, including Labor Secretary John Dunlop and economist Edward M. Bernstein, are dubious about housing prospects.

Yet Bernstein, relying on more vigorous consumer spending than some others expect, predicts sparkling resurgence, especially in 1976.

Treasury Secretary William E. Simon not only sees a sluggish recovery with higher than normal unemployment, but he wants to keep it that way, for fear of kicking off a new inflation that many forecasters - like Bernstein - think will be down to 5% by the end of 1975.

For the Black communities of America this could mean higher unemployment rate could last indefinitely.

U.S. Jobless Increases 61% In 7 Months

Some of the persistent hard facts of the current depression were spelled out to the Subcommittee on Priorities and Economy in Government of the Congressional Joint Economic Committee recently by Julius Shiskin, director of the U.S. Bureau of Labor Statistics. Among other things, Shiskin noted that:

- At 8.0 million, the number of unemployed persons in March (1975) was 500,000 above the previous month and 3.1 million above August 1974, when joblessness began its rapid climb. (That's a 61 percent increase in unemployment in just seven months).

- More than two-thirds of increased unemployment in March can be traced to job loss.

- The March increase in joblessness was shared by virtually all workers groups. Rates were near or above all time high for adult women (8.5 percent); teenager (20.6 percent); whites (8.0 percent); Blacks (14.2 percent); household heads (5.8 percent); and full-time workers (8.3 percent).

'Nonlookers' Not Counted In Jobless Rate

There is among the unemployed a group who 'want a job but are not looking for work,' therefore are not counted among the unemployed.

These "nonlookers" would almost double the number of unemployed if they were counted among the job seekers. For every ten job seekers, another ten want a job but are not looking.

Reasons given for not looking include school attendance, poor health, disability, home responsibilities and 'discouraged-given up looking.'

Since these individuals are not actively seeking work, they are not counted among the unemployed. Yet, their circumstances, needs and desires are often similar to a large number of other job seekers who have never

worked before or have not recently worked but who are counted as 'unemployed' because they are actively looking for work.

Some economists say that, since there is such a wide diversity of reasons why people seek work, it would be wiser to count as 'unemployed' only full-time workers who lose their jobs through no fault of their own. That is the system used in Britain.

Regardless of which method is used, any average rate produced and compared on a month-to-month and year-to-year basis indicated economic changes (if adjustments are made to eliminate seasonal influences). But it is less than the full story.



JOBLESS WORKERS REGISTER FOR UNEMPLOYMENT COMPENSATION



No Boots Or Bootstraps

by CONGRESSMAN CHARLES B. RANGEL

It has been sadly, but truthfully stated that when the American economy catches a cold, its poor and minority communities get pneumonia. The current recession and high inflation that is ravaging the nation, has been most severely felt in the Black community.

While government officials and other have expressed alarm at a national unemployment rate of over 8 percent (some 7.5 million "officially reported" jobless people), they have failed to place similar weight on the fact that Black unemployment has not been below 8 percent since 1969. In April 1975, the joblessness rate for Blacks stood at nearly 15 percent.

In addition, as we have pointed out for some time, there are basic weaknesses in the unemployment measures used by the Bureau of Labor Statistics (BLS). A large number of people - discouraged workers, no longer seeking jobs; part-time workers, unable to find full-time jobs; and women, frustrated in their attempts to enter the labor market - are not adequately counted in the unemployment statistics. In many

poor communities, one-third to one-half of the adult workforce is out of job and without hope.

Millions of dollars have been allocated to the Bureau of Labor Statistics, and yet the measures and procedures they use for determining unemployment are grossly inadequate. Unemployment figures for our major urban cities - areas where there is a high concentration of Black citizens - are generally distorted and diluted by use of figures based on the Standard Metropolitan Area (SMSA). In many instances, no effort is made to determine or cite joblessness data for Black adult and teenage workers. In recent hearings held by the Manpower, Compensation, and Health and Safety Subcommittee of pressed to come up with a satisfactory answer on this data "short-fall".

Title III of the Concentrated Employment and Training Act (CETA) explicitly requires the Department of Labor to improve its system and procedures for reporting unemployment in state, local and poverty areas. Rep. Augustus Hawkins and other members

of the Manpower, Compensation, Health and Safety Subcommittee are actively monitoring and arguing the Department of Labor's full compliance with CETA Title III.

Miscalculations and undercounts notwithstanding, Black workers remain the front line victims of the nation's current economic down-turn. Many of the hard fought and hard won battles in the 1960's for adequate employment and income opportunities have fallen by the wayside. It appears that our nominal gains in the sixties were the result of temporary, "keen-jerk" concessions by a government fearful of the spread of summer rebellions.

Black teenagers have yet to be significantly aided in their employment status. Over the last fifteen years, unemployment among Black youth has never been below 25 percent. In January, 1975, the joblessness rate for Black youth (16 to 19) stood at 41.1 percent and dropped to 36.7 percent in February, 1975.

This slight decline was chiefly attributable to the fact that many of our

youth grew discouraged and simply stopped looking for work - and were, therefore, no longer counted in the unemployment statistics.

The Ford Administration expects us to accept the notion that stronger federal initiatives against unemployment and poverty would "fuel the fires of inflation". However, common sense tells us that the only buffer poor and moderate income families have against inflation is a job.

One of the highest priorities of the Congressional Black Caucus is the passage of comprehensive legislation that guarantees the right to useful, meaningful employment for all Americans who are willing and able to work.

The major thrust will center on legislation introduced by Representative August Hawkins-H.R. 50, The Equal Opportunity and Full Employment Act of 1975.



"When the well goes dry at the top, the man at the bottom finds himself in a desert." With that, Berkley Burrell sums up the state of Black business from his vantage point as head of the largely Black National League. "High interest rates, inflation, the disappearance of raw materials - all this hits especially hard in the minority business community," says Burrell. "More important," he continues, "our businesses operate in communities that have very little money to spend."

In a high unemployment situation, Blacks are laid off in disproportionate numbers. As a result, we can expect a dramatic increase in the failure rate of small Black businesses."

The starting frequency of bankruptcies among minority businesses is reflected in the membership roles of the National Business League itself, which has been shrinking steadily since the so-called energy crisis heralded the beginning of the current recession.

Black capitalists, hailed as pillars of the community in times past and targeted as the focus of Richard Nixon's minority pitch, are swiftly being wiped out.

Black Congressman Preen Mitchell (D-Md.) sees the Black businessman as perilously close to extinction. Says Mitchell, "The whole country is in economic chaos. Everybody is hurting. But Black businessmen, because they have just got into the economic system, are hurting more than anybody else."

Blacks "entered" the system largely through governmental loans made available by the Small Business Administration and the Office of Minority Business Enterprise.

The payments on these loans are still due, but the cash isn't flowing. Congressman Mitchell believes the federal government should honor its commitment to small Black businesses by placing a moratorium on repayment of these loans.

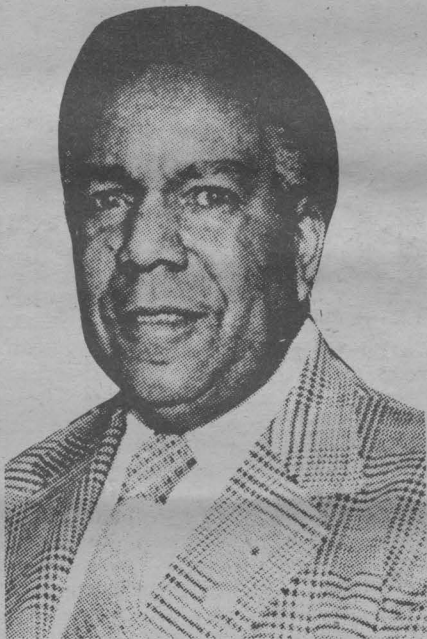
"This doesn't mean they will not, eventually, repay the loan," says Mitchell. "It means that a moratorium will be declared until the economy gets better."

Although Black businessmen like Berkley Burrell would welcome the kind of moratorium Congressman Mitchell advocates, it alone would not save many of them from going under.

If President Ford's predictions are to be believed, the country is in for hard times for the remainder of the decade, with the unemployment rate hovering around 3 percent through 1976. Given the traditional doubling of jobless levels among Blacks and continued high inflation, Black neighborhoods will simply not be viable places to do business or to live unless drastic steps are taken.

'The Well Is Dry And The Man At The Bottom Is In The Desert'

"A Man Who Cannot Support
His Family Can Hardly Support
The Businessman In His
Community."



BURRELL

A man who cannot support his family can hardly support the businessmen in his community.

The economic slump has already placed a de facto "moratorium" on Black economic progress, destroying many of the gains won over generations. Blacks are swiftly being forced back into the underclass from which their fathers and mothers struggled so long to escape. Only now, there is a difference.

Times have changed, and sharecroppers are of little use. The railroads have all been built, and maids are no longer in fashion. The present economic slide threatens to make Black people unnecessary. The plight of the fast dwindling number of Black businessmen is only part of a trend that could, ultimately, make Blacks, as a people, expendable.

Burrell hopes for some relief. In about six months, he believes, interest rates will start going down. Big business will be able to borrow more money, and some of these funds will filter down to those remaining Black businesses.

With new borrowing power, some minority entrepreneurs will manage to keep going, at least until interest rates go up again. But without Black customers with money in their pockets, these loans, too, will become delinquent.

Blacks must not allow their livelihoods, their survival to depend on the ups and downs of Wall Street or the interest rate calculations of bankers. In such a game, Black people can only lose. Pressure must be brought on government, not only for a moratorium on Black business debts, but also for a moratorium on joblessness.

Only by guaranteeing the economic security and well-being of all segments of the Black community can Blacks avoid becoming what Congressman Mitchell calls "parasites within the system."

Michigan, California Top 1974 Joblessness

WASHINGTON - A Labor Department survey showed recently that Michigan and the West Coast were among the hardest hit by joblessness in 1974, while the South largely escaped server impact from an economic downturn.

The Bureau of Labor Statistics published data on 27 states and 30 metropolitan areas showing annual average unemployment rates.

Ten states, including California, had an average unemployment level above 6 per cent in 1974, while 10 others had an average below 5 per cent.

The department said it planned to produce data covering all 50 states by 1976.

At present, average annual rates are estimated on the basis of statistics collected and studied in 27 states, eight more states than studied last year.

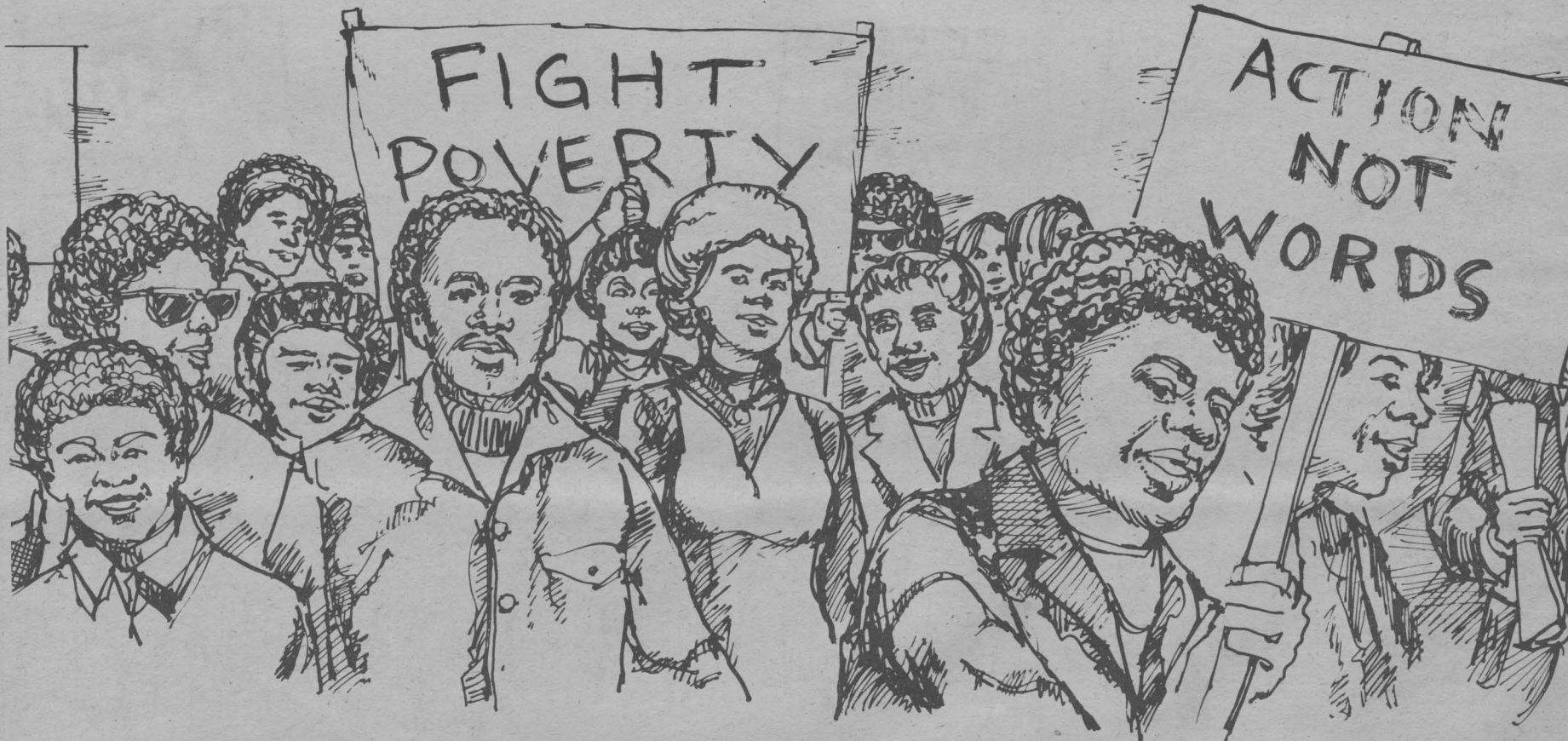
The national unemployment rate, now at 9.0 per cent, averaged 5.6 per cent for all of 1975. The national rate hit 6 per cent last October. But by then, some states were beginning to feel the pinch of the recession.

Among the reporting states, the worst average was in Michigan, 8.5 per cent, apparently due to a slowdown in automobile production. Oregon was next with a 1974 average of 7.5 per cent.

Other states above the national average were California, 7.4 per cent; Connecticut, 6.1; Florida, 6.2; Louisiana, 7.1; Massachusetts, 7.2; New Jersey, 6.3; New York, 6.4; South Carolina, 5.9 and Washington, 7.2. States below the national average were Alabama, 5.5; Georgia, 5.2; Illinois, 4.5; Indiana, 5.2; Kentucky, 4.5; Maryland, 4.7; Minnesota, 4.3; Missouri, 4.6; North Carolina, 4.5; Ohio, 4.8; Oklahoma, 4.4; Pennsylvania, 5.1; Tennessee, 5.1; Texas, 4.3; Virginia, 4.5 and Wisconsin, 4.5.

The 27 combined states accounted for 87 per cent of the nation's entire labor force, 86 per cent of the employed and 88 per cent of the unemployed.

Among metropolitan areas listed, Detroit ran well ahead with a 9 per cent average annual rate for 1974. Buffalo, N.Y., followed with 8.7 and the Riverside-San Bernadino-Ontario, Calif., region with 8.6. Of the 30 areas studied, those three were the only ones over 8 per cent.



Area Employment Trends

WASHINGTON -- The number of major labor areas with "substantial" (6 percent or more) unemployment rose sharply to a record 105 in March with the addition of 31 new areas.

The rise from 74 in February to 105 among the 150 major areas surveyed each month was the highest total in any one month since the present classification system was started in May 1955.

The previous all-time high was in April 1961 when 101 areas were so classified, according to the Labor Department's Manpower Administration. Last March the number was 41.

The 31 areas are Hartford and Stamford, Conn.; Atlanta, Ga.; Chicago, Ill.; Evansville, Fort Wayne, Gary-Hammond-East Chicago, Indianapolis, South Bend, and Terre Haute, Ind.; Kansas City, Mo.; Omaha, Neb.; Albany-Schenectady-Troy, Binghamton, and Nassau-Suffolk, N.Y.; Asheville, Charlotte-Gastonia, and Greensboro-Winston-Salem-High Point, N.C.; Akron, Canton, and Dayton, Ohio; Allentown-Bethlehem-Easton, Erie, Johnstown, Pittsburgh, and York, Pa.; Salt Lake City-Ogden, Utah; and Kenosha, Madison, Milwaukee, and Racine, Wis.

The worsening of the unemployment situation in most areas reflected primarily sizable employment losses in factory employment, mainly in the durable goods sector.

Area classification changes in all areas, except Atlanta, Terre Haute, and Charlotte, resulted from significant job losses in the metals (primary or fabricated) and in the machinery (electrical or nonelectrical) industries.

In Atlanta, the unemployment rise was largely due to significant job losses in food and kindred products, contract construction, and trade.

In Terre Haute, cutbacks in paper and allied products and printing and publishing were largely responsible for the area unemployment rise.

In Charlotte, widespread job losses in most area industries - the largest in textiles - contributed to the unemployment increase.

Fort Wayne, South Bend, Kansas City, Erie, Johnstown, Salt Lake City-Ogden, Kenosha, Milwaukee, and Racine had payroll cutbacks in transportation equipment, in addition to employment losses in metals and machinery.

In Albany, Akron, Pittsburgh, and York, additional declines were centered in stone, clay, and glass.

In the Evansville, Indianapolis, Akron, and Dayton areas, layoffs in rubber and miscellaneous plastics contributed to the unemployment rise.

In Stamford, Gary-Hammond-East Chicago, Indianapolis, Madison, and Racine, job losses in printing and publishing helped boost joblessness.

In Asheville, Johnstown, and Salt Lake City-Ogden, cutbacks in apparel

mining; in Binghamton, government.

In the majority of areas, employment declines in construction and trade also contributed significantly to higher unemployment levels.

The March ratings are based on state employment security agencies' date on employment and unemployment for mid-January and on preliminary

Unemployment Equals Human Misery

America has not made progress in dealing with the problem of unemployment, and has not even reached a brief respite in rising joblessness.

Behind the bare statistics are these facts which prove the continuing deterioration of the economy:

• Employment declined by nearly 540,000 workers -- or a total loss of jobs of 2.4 million since last September. For an economy that needs an additional 2 million jobs a year, just to keep pace with the growing work force, this is disaster.

• Jobs in manufacturing -- the basic industry of this nation -- declined by 425,000 last month. This is the ninth consecutive month that manufacturing unemployment has increased, and it is now at a record 11 per cent.

• Unemployment continued to rise for construction workers as that bellwether industry slips deeper into depression.

• Another 580,000 workers dropped out of the work force, most of them so discouraged that they even gave up looking for work.

• Unemployment among heads of households continues to climb steadily, up from 3.0% a year ago, to 5.4% in February.

• The number of workers unemployed 15 weeks or more rose by 300,000 to a total of 1.8 million.

Translated into terms of human misery, this is as if every man and woman ready, willing and able to work in the 16 states of Alaska, Wyoming, Vermont, Nevada, Delaware, North and South Dakota, Montana, Idaho, New Hampshire, Hawaii, Rhode Island, Maine, New Mexico, Utah and Nebraska were out of work. In other words, the nation's official unemployment is equal to the total work force in those 16 states.

If the President and the Congress looked at unemployment figures this way, maybe there would be more progress on the necessary programs to get America back to work.

Regional Unemployment Rates

The following table shows the unemployment rates (not seasonally adjusted) for each of the 31 areas added to the "substantial" category, based on the latest available complete date, the February statistics. The table also gives the January rates. Both January and February unemployment rates are preliminary.

AREA	JAN. 1975 RATE	FEB. 1975 RATE
Hartford, Conn.	7.3	7.9
Stamford, Conn.	6.3	7.5
Atlanta, Ga.	7.0	8.5
Chicago, Ill.	6.7	7.3
Evansville, Ind.	7.6	9.1
Fort Wayne, Ind.	8.3	9.8
Gary-Hammond-East Chicago, Ind.	6.3	6.5
Indianapolis, Ind.	8.6	7.4
South Bend, Ind.	7.8	8.5
Terre Haute, Ind.	6.8	6.8
Kansas City, Mo.	6.9	8.5
Omaha, Neb.	7.1	8.0
Albany-Schenectady-Troy, N.Y.	7.5	7.8
Binghamton, N.Y.	6.6	7.1
Nassau-Suffolk, N.Y.	6.8	6.6
Asheville, N.C.		
Charlotte-Gastonia, N.C.	9.5	9.6
Greensboro-Winston-Salem-High Point, N.C.	8.3	9.1
Akron, Ohio	7.5	8.8
Canton, Ohio	6.5	8.5
Dayton, Ohio	6.4	7.9
Allentown-Bethlehem-Easton, Pa.	7.9	9.0
Erie, Pa.	7.5	8.6
Johnstown, Pa.	8.7	8.6
Pittsburgh, Pa.	7.4	7.9
York, Pa.	7.7	8.7
Salt Lake City-Ogden, Utah	7.1	7.3
Kenosha, Wis.	6.4	6.8
Madison, Wis.	6.6	6.5
Milwaukee, Wis.	6.7	7.7
Racine, Wis.	6.4	8.0

increased the jobless total.

In Asheville and Dayton, declines in chemicals and allied products were also reported.

In Greensboro, employment reductions in textiles and furniture and fixtures were reported; in Omaha,

February figures.

"Substantial" unemployment means the area has a jobless rate of six percent or more, discounting seasonal factors, with the rate expected to continue for at least two more months (March and April).





HARD TIMES

Jobless Benefits Extended

California's employment director Jim Lorenz said recently that the state is now handling "nearly double the number of jobless pay claims compared with a year ago."

Lorenz said latest available figures (mid-March), show field offices of the state's Employment Development Department are now processing 756,533 claims, compared with 395,169 the same week a year ago -- an increase of 91 per cent.

"That is nearly double the number of jobless pay claims compared with a year ago," Lorenz said.

"We are now making payments under four separate programs, compared with only one a year ago," Lorenz said.

"The regular unemployment insurance program, funded 100 per cent by California employers, is handling a total of 595,165 claims, compared with 376,740 a year ago. It provides 26 weeks of payments, ranging up to \$90 weekly.

"Another program, funded 50 per cent by California and 50 per cent by

the Federal Government, is paying an extra 13 weeks of benefits to 66,936 claimants who were still unemployed after 26 weeks.

"A third program, funded entirely by the Federal Government, adds yet another 13 weeks (for a total of 52). Currently, 47,605 are claiming under this program.

"And finally, a fourth program known as the 'Special Unemployment Assistance' (SUA), is providing jobless pay to workers not covered by regular insurance programs, such as farm workers, government employees and domestic workers. This program also funded entirely by the Federal Government, is currently now processing 46,827 claims in California.

Lorenz noted that the total of 756,533 jobless claims under the four programs still doesn't reflect the whole unemployment picture in California.

"Our March figures are still being calculated, but there are at least another 200,000 persons looking for work who are not eligible under any of these programs," Lorenz said.

For the first time since jobless benefits were introduced in 1938, California's unemployment insurance offices are taking applications to continue benefit payments to workers who have been unemployed for more than a year.

Announcing the change, the states employment director, Jim Lorenz, said a new bill signed by President Ford extends the previous possible maximum of 52 weekly payments to 65 weeks.

"Congress is showing continued concern and response to our steady high unemployment rates nationwide," Lorenz said. "This is the third extension in two years, the second since January.

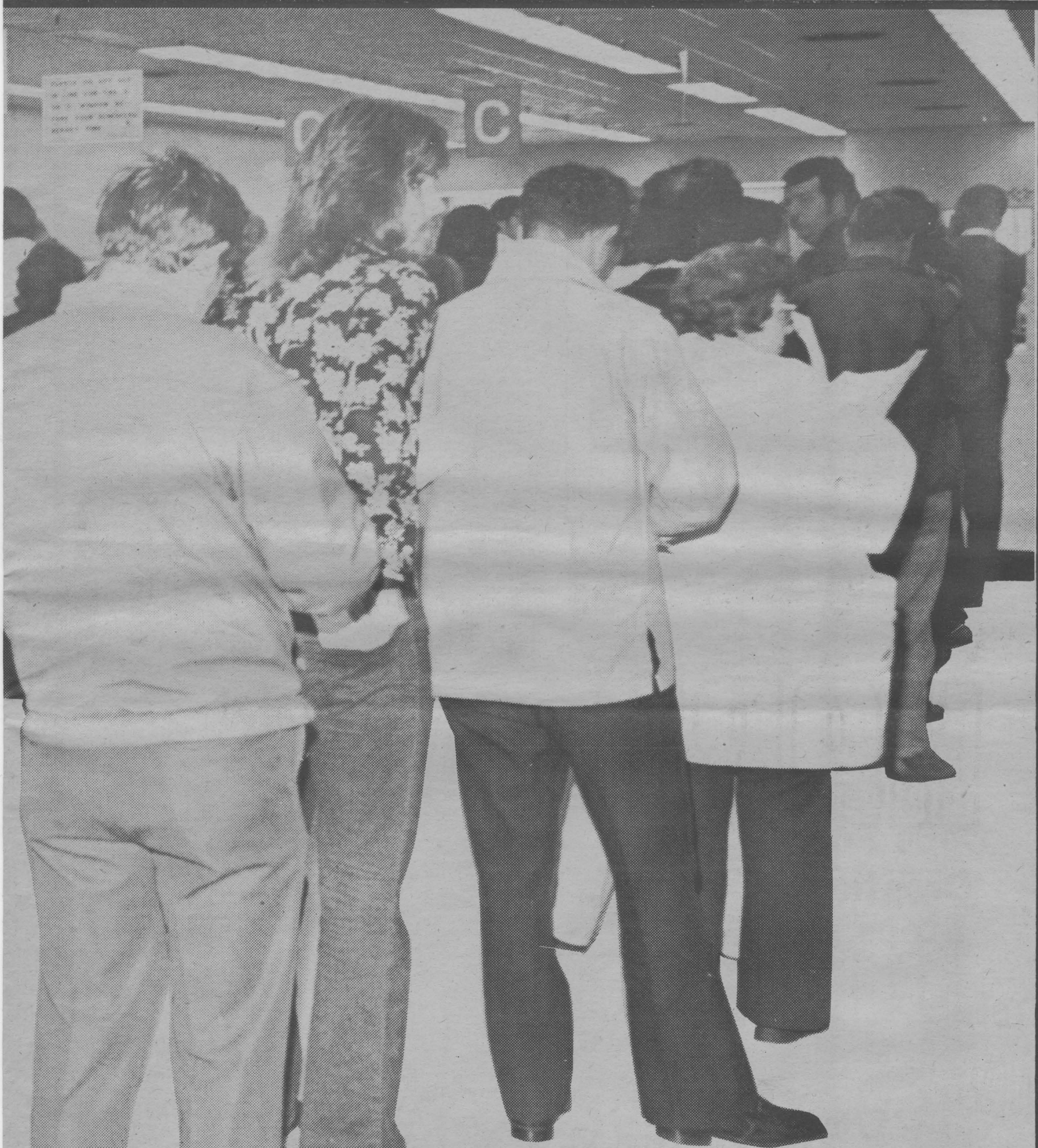
California's regular program funded by employers pays benefits up to 26 weeks. Three 13-week extensions brings the current maximum to 65 weeks.

However, the latest extension is limited to the 13-week period from March 30 to June 30, 1975. Only those who were eligible to start collecting benefits on March 30 will get the full 13 weeks of payments. Others will receive payments until the June 30 cutoff date unless that deadline is subsequently revised.

Lorenz urged anyone who may be entitled to back payments as far back as March 30 to file a claim as soon as possible. Payments will start when final regulations are received from the federal government.

It is impossible to estimate accurately how many claimants would benefit from the new extension beyond the 52-week maximum, but an approximate estimate is 3,000 weekly.

The regular insurance program in California is paid for by employers who contribute to a trust fund for this purpose. The first 13-week ex-



tension is funded 50 percent from the trust fund and 50 percent from a federal fund (also paid for by employers). The other emergency and special compensation payments are 100 percent federally funded by the U.S. Treasury.

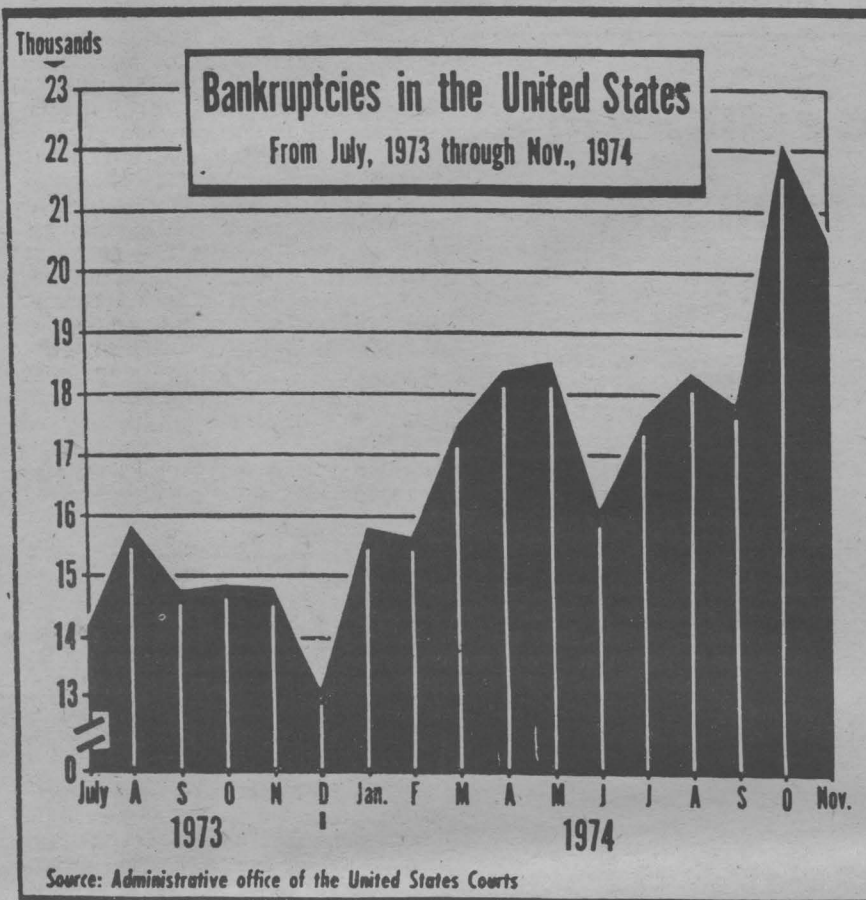
Under the regular program, payments range from a minimum of \$25 weekly to a maximum of \$90. The periods range from 12 to 26 weeks. The latest extension - like the other extensions - will be for half the original per-

iod (i.e. six to 13 weeks). Employment Development Department issued the follow-

ing figures on claimants under the various programs as of week ending April 4, 1975:

	INITIAL CLAIMS	ONGOING CLAIMS
Regular programs, 12 to 26 weeks of payments:	55,044	533,078
First extension, 6 to 13 weeks (max. 39 weeks):	6,575	65,262
Second extension, 6 to 13 weeks (max. 52 weeks):	4,672	47,355
Totals	66,291	645,695
Special unemployment assistance (SUA) for jobless persons not eligible for insurance benefits, 12 to 26 weeks, with no extensions:	6,711	42,456
Total claiming or receiving unemployment payments:	73,002	688,151

FAMILIES, BUSINESSES FAIL



The Administrative Office of the United States Courts says bankruptcy petitions, if they continue at the current rate, will reach a record high by the end of the current fiscal year June 30. The government reported more than 20,500 persons and businesses asked federal judges during last November, 1974, to declare them bankrupt or grant them relief from creditors. That compared with an all-time high of 22,131 such petitions in October, and was 6,705 more than in the same month of 1973. A disproportionate number of these petitions was from Black families and businesses.

DETROIT

Mayor Young Calls For 'Drastic Steps'

Mayor Coleman A. Young called on Congress to take "drastic steps" to invigorate the nation's economy or risk a nationwide Depression of the scale of the 1930s crash.

"People seem to be fooling themselves," the Mayor warned in testimony before Maine Senator Edmund S. Muskie's Subcommittee on Intergovernmental Relations.

"I hear the same kind of 'prosperity is just around the corner' talk I heard when I was a kid," Mayor Young continued, "but now they say 'things are bottoming out' or 'recovery is just over the horizon'."

Detroit's economic depression and the nation's continuing rise in unem-

BEAT UNEMPLOYMENT

Go Where Jobs Are

IF YOU ARE thinking about leaving Sacramento or moving to another city where you plan to look for work, it might be a good idea to think about where.

The unemployment rate for the whole country was 8.9 per cent in April but this is an average.

Some parts of the country had unemployment rates of more than 13 per cent, some had rates less than 4.5 per cent.

While the job hunter should not put too much emphasis on such data, it would be foolhardy to ignore it.

If, for example you are torn between two or three cities it would be wise to compare the unemployment rates of each.

THE BEST general advice is to steer clear of the heavy industrial areas, which have the highest rates of unemployment, and concentrate on Southwestern cities and the Far Midwest (where the unemployment rates are generally lower).

For example, unemployment rates in heavily industrialized Michigan range from 9.3 in the Kalamazoo-Portage area to 14.9 in Detroit to 17 per cent in Flint.

The lowest figure available on Massachusetts is 9.1 for the Boston area; the highest, 16 per cent in the New Bedford area.

Then there are pockets of high unemployment.

THE RATE IN Columbus, Ga., in January was 16.1 per cent; Atlantic City had 14.2 per cent; Buffalo, 13.4 per cent; and the Northeastern Pennsylvania area, 12 per cent.

SOME AREAS of comparatively low unemployment rates (6 per cent or less) are:

	Percent
Birmingham, Ala.	5.8
Washington, D.C.	4.8
Davenport, Ia.-Rock Island, Ill.-Moline, Ill.	4.4
Peoria	4.3
Cedar Rapids, Ia.	3.9
Des Moines	4.6
Louisville	5.8
Baltimore	5.5
Jackson, Miss.	4.9
Raleigh-Durham, N.C.	5.2
Stubenville, Ohio	4.2
Oklahoma City	5.5
Tulsa	4.4
Harrisburg, Pa.	5.5
Charleston, S.C.	5.8
Knoxville, Tenn.	5.7
Memphis	5.9

Unemployment in Texas appears to be generally lower than in most of the rest of the country ranging from 3.9 in Austin to 7.2 in El Paso.

IN SOME instances the rate of unemployment is low simply because the area is sparsely populated. In some instances it will be higher because an area is popular. Even desperate job hunters tend to go where the climate is good, the living easy.

Certainly no one should pick up and move to any area just because the unemployment rate is low. But such a consideration could be a beginning.

A good second move would be to write or call the state employment office in the city you are considering and get a picture of what kinds of jobs, in general, are available.

ployment "will not correct themselves," Mayor Young said.

"It will require drastic steps, and dramatic amounts of new federal money if we are to turn the economy around and begin to deal with unemployment that has already reached Depression levels in Detroit," he asserted.

The Mayor also warned that neither states nor cities had the resources any longer to solve local problems. Declining revenues, rising costs, and limited taxing powers had created a "vicious circle that turns in on itself in tighter and tighter rings," he said.

The Mayor testified with Milwaukee Mayor Henry Maier, chairman of the Democratic Conference of Mayors.

The bill before Muskie's subcommittee, titled the Intergovernmental Countercyclical Assistance Act of 1975, would mean as much as \$40 million in new federal money for Detroit. The measure would begin to use need, as well as population, in determining distribution of federal funds.

Mayor Young joined fellow chief executives from New York, Atlanta, San Francisco, New Orleans, Seattle and Milwaukee for a meeting with Robert Strauss, national Democratic chairman.

The Mayor was scheduled to meet with House Speaker Carl Albert and other Congressional leaders in a follow-up effort to seek support for "The Detroit Plan" which the Mayor presented to President Ford earlier this month.



Joblessness Pushes Welfare To Near Record

WASHINGTON - The government announced that rising unemployment pushed the nation's welfare rolls up 1.3 per cent in January, the largest monthly increase in more than three years.

The Department of Health Education and Welfare said the 11,147,071 persons receiving Aid to Families with Dependent Children (AFDC) during the first month of the year was just 8,888 short of the all-time high in March 1973.

January is the latest month for which national AFDC figures are available.

Rolls had been dropping steadily from March, 1973 until August, 1974 when they began rising again. The pace accelerated as the economy worsened, with the addition of 123,100 recipients last December and 141,447 in January.

HEW officials said welfare rolls now probably are at all-time records high although exact figures won't be available for months.

"Obviously, the welfare rolls are being affected by present economic conditions, especially the job market for lowskilled mothers with families who are the principal family heads on the rolls," said James S. Dwight, outgoing administrator of HEW's Social and Rehabilitation Service.

He said the number of unemployed fathers on AFDC jumped 13.2 per cent, from 92,924 in December to 105,161 in January.

Dwight's agency administers the country's biggest welfare program, paying out \$8 billion annually in state and federal funds for cash assistance and billions more for Medicaid health care.

January costs of the program totaled \$1.9 billion, an increase of \$144 million over the previous month. Money payments went up from \$803.2 million to \$814.5 million and Medicaid assistance rose from \$987.0 million to more than \$1.1 billion.

Dwight said the 16.7 per cent increase in AFDA costs between January 1974 and January 1975 was not attributable only to rising caseloads, but also to higher payments for recipients.

Last month the average family received \$217.01 and the average recipient got \$65.52, compared with \$196.93 and \$57.62 respectively the same month a year earlier.

Corporations laying off workers are now caught in a bind. Union plant-wide seniority calls for last-hired, first-fired.

On the other hand, Title VII of the Civil Rights Act bans employment discrimination. Yet, because of past discrimination, women and minorities are usually the last-hired.

What way out of the dilemma?

The "desirable" answer is full employment. But, until then, should we consider temporary measures, like work-sharing, to reduce tensions between Black and white workers and between men and women workers?

In the past several weeks, this subject has elicited considerable comment. While a number of unions back work-sharing, others feel it is a "share the misery" plan which allows employers to get off scot-free.

Some unionists insist that it was employer hiring discrimination that kept out Blacks and women, particularly in industrial plants, and that

'SHARING THE MISERY'

A Temporary Measure Against Unemployment

State's Welfare Polls: Largest In Two Years

California's welfare rolls bulged again in March, pushing public assistance lists to their largest size in almost two years, officials said this month.

A total of 1,415,205 people were receiving Aid to Families With Dependent Children (AFDC) in March, an increase of 12,811, or .8%, over the February figure.

Not since May, 1973, have the state's welfare rolls equaled that total.

But the rate of increase in the welfare cases slowed considerably, with most of the drop coming in the category of welfare for families with an unemployed breadwinner.

That category increased by only 6,800 persons or only 4.2% in March, compared to 7.8% in February, 11.2% in January and 11.6% in December.

State government now has authority over only the AFDC welfare rolls, which include the categories of welfare for poor families and for fam-

ilies that have poverty-level incomes and meet other welfare requirements because the head of the household is unemployed.

Such payments because of unemployment are distinct from unemployment insurance compensation.

The state no longer has any part in the administration of aid to the blind, aged and disabled, which is handled by the federal government.

John Sullivan, a spokesman for the state Department of Benefit Payments, said that the analysis of the March figures was not yet available.

But in past months, the department has blamed the increase in welfare rolls on soaring unemployment and the continuing recession.

California welfare rolls began the current upward trend in October last year, the first increases since former Gov. Ronald Reagan's changes in the system took effect in 1971.

therefore employers should pay for that past discrimination. That sounds logical. But, in the current depression, to force them to keep their entire staff on full-time may lead to bankruptcy, in which case all the workers will be unemployed.

Should it be "Solidarity part of the time?"

Should 90 percent of the workers work full-time while 10 percent get unemployment benefits and, when that runs out, welfare? Or should we seek ways of alleviating temporarily the worst effects of the depression through work-sharing and other techniques?

Discouraged Black Workers Not Seeking Jobs

Since 1967 data have been collected nationally on the number of persons not looking for jobs because they believed they could not find work. This group of persons is called 'discouraged workers'.

Up to 1975, the number of discouraged workers has fluctuated cyclically within a range of 550,000 to 850,000. In the first quarter of 1975, however, the discouraged count soared to 1.1 million.

This is about 14 percent of the known unemployed and this same ratio may be applied to California's unemployed to produce a rough estimate of number of discouraged former job seekers in California. Very approximately, if discouraged job seekers were added to the unemployment rate, it would raise it by slightly more than 1 percent.

For example, if the regular unemployment rate were 9 percent, it would be at least 10 percent if the discouraged job seekers were included.

A large proportion of the discouraged are younger or older workers, women, Black and other minorities groups, who experience the greatest difficulty in finding jobs.

One Out Of Six On Public Payroll

One out of every six American workers is now on the public payroll: 14.5 million federal, state and local employees!





More Black Community Data Needed

ABOUT UNEMPLOYMENT DATA

Whose Rate Do You Believe?

Job information about the Black communities of America is very difficult to come by. Unless you survey your own market area or seek information from one of the few sources in the county, literally no data is kept or available. Some states keep job statistics on the Black residents. But often such data are hard to distinguish.

However, this is also true for all of the unemployment rate breakdown.

For example, in March 1975 the nation's unemployment rate was 8.7 percent for all workers, male and female, 16 years and older.

But the rate for men, aged 20 and over, was 6.8 percent; for women it was 8.5 percent; for youth 16 through

19, it was 20.6 percent.

Obviously, therefore the teenage job seekers (at least half of whom are looking for only part-time work) have a significant effect on the overall unemployment rate.

This is equally obvious when we look at some of the other job-seeking groups reported by Department of Labor.

For household heads, the unemployment rate in March was 5.8 percent; for married men it was 5.2 percent; for full-time workers it was 8.3 percent and for those looking for part-time work it was 10.9 percent.

Other figures which are regularly reported by DOL but seldom quoted are rates for minority races.

In March 1975, the minority teen-

ager's unemployment rate was 41.6 percent and the rate for minority races of all ages was 14.2 percent.

These widely varying rates of unemployment make up the oft-quoted average rate.

Even this is not the full story, because these figures don't show the wide variety of unemployment rates in the various occupations.

For example, the average rate among blue-collar workers is about three times the rate among white-collar workers (12.5 percent compared with 4.6 percent).

Yet it would be wrong to assume from these figures that all blue-collar workers have an unemployment rate that's more than double the rate among

white-collar workers.

A closer look at the blue-collar group shows that laborers' had an unemployment rate of 16.2 percent in March while 'craft and kindred workers' in the same blue-collar group had an unemployment rate of 8.7 percent.

The white-collar groups' rate of 4.6 percent includes 'managers and administrators' with an unemployment rate of 2.7 percent and 'clerical workers' with a rate of 6.6 percent.

And remember that these unemployment rates by occupation usually mean experienced unemployed persons, whereas the overall rate is for all job seekers, including new entrants with no experience.



OIC Benefits Over 200,000 Workers

115 CENTERS IN U.S.-NONE IN SACRAMENTO

Since its inception, Opportunities in Industrialization Center (OIC), a leader in turning many minority Americans into gainfully employed citizens, claims over 200,000 persons and their families have benefited from its training program, employed in jobs ranging from data processors to brick masons and plumbers.

Founded by the Rev. Leon Sullivan, the Philadelphia OIC has expanded to 115 centers in the United States and four overseas centers.

"OIC has one of the best institutional training programs in the country," says Gale Gibson, a spokesman for the Office of Manpower Development in Washington, D.C.

"It is particularly good in its ability to motivate people, giving them not only job-related skills but hope and determination," he said.

The OIC today also is beset by financial problem which Dr. Thomas Ritter, OIC's executive director, feels are directly related to the United States' economic problems.

OIC received \$5 million in Department of Labor funds until last year, when the funding was shifted to state and local sponsors under the Comprehensive Employment and Training Act (CETA).

Though the Office of Manpower Development says "all indications are that the OIC has as much funding now as always," Dr. Ritter hints at difficulties by saying that since federal funding has slid downward, the price need for maintain OIC training programs is steadily increasing.

"More people come for training when the economic situation is bad, since skills are even more necessary," Dr. Ritter says. "Competition for jobs automatically escalates."

OIC says there trainees are still finding jobs, however, because the quality and reputation of training received.

Not all groups are faring as well in job training, however. For example, the National Urban League is facing an economic squeeze on all sides and has greatly decreased its job-training program because there are no jobs to put the trainees in, said executive director Vernon Jordan in a recent television interview.

The league is instead concentrating on phonic-service jobs as an alternative,

Mr. Jordan said.

One obstacle yet to be alleviated is the overall lack of minority membership in trade unions.

Admitting that his is a major stumbling block in job placement, Dr. Ritter says that while OIC cannot get its trainees into unions, it does give them the training necessary to become journeymen, should openings occur.

The 10-36 plan, a Philadelphia-based "companion activity" of the OIC, is one of its more notable successes.

This plan recruits community residents to invest \$10 a month for 36 months. The first \$160 goes into a nonprofit account for community use; the remaining \$200 is invested by OIC, in their behalf.

The 10-36 plan now boasts 8,000 members, through which a number of businesses, including a shopping center and a plastic-products corporation, have begun operations.

OIC is expanding into more economic development of this scope. "We are not going to continue to train people to work in other people's businesses - we are creating some businesses of our own," stated Dr. Ritter.

The Rev. Mr. Sullivan, in 1972, committed himself and OIC to train one-million minorities by 1980 and to have one-half million minority Americans and one thousand businesses involved in urban investment by 1976.

OIC has a long way to go in fulfilling Mr. Sullivan's goals, says Dr. Ritter, "and the path will be difficult, but not impossible."

Few Job Offers This Year

There will be 4 per cent fewer job offers for June 1975 graduates, than there were in 1974, according to the College Placement Council.

Applicants with baccalaureates face 3 per cent fewer openings, those with master's degrees will find 2 per cent fewer openings and those with doctorates will experience the sharpest cut-back - 17 per cent fewer job offers.



REV. SULLIVAN

More Workers Strike For Benefits In '74'

With the deepening economic crisis, recession coupled with run away inflation, companies, through the reduction of wages and the laying off of workers, are trying to thrust the burden of this crisis onto the backs of the working masses. But workers are fighting this effort at every turn and have engaged in strikes and demonstrations to fight for the maintenance of their jobs, decent wages and unemployment benefits.

For example, the Labor Department reported that for the first six months of last year alone there were 3,240 strikes involving some 1.6 million men and women in auto, transportation, construction, textile, oil, steel and electricity.

This was some 650,000 more people on strike than in 1973.

Moreover, these figures don't include strikes by non-union workers and civil servants. To the corporations of this country, this meant a loss of 30 million individual work days.

As the crisis became more acute during the fall and winter, the companies began laying more and more workers off. Thus, now unemployment involves some 7,529,000 workers.

Increasingly without unemployment benefits available to them, rank and file workers have increased their struggle to oppose the efforts of many of those companies to saddle them with the burden of the crisis.

Within the last few months, there have been unemployed demonstrations in Detroit, Sacramento, and in several cities on the East Coast.

Maids And Janitors Get Same Wages

Maids and janitors must be paid the same wages even though their jobs are not exactly the same, a federal appeals court has held.

The U.S. Court of Appeals for the Fifth Circuit (New Orleans) has affirmed a decision of the U.S. District Court for the Southern District of Texas in the case of Brennan v. Houston Endowment Company.

The district court had held that the company's maids and janitors performed equal work within the meaning of the federal equal pay act.

Bernard E. DeLury, assistant secretary of labor for employment standards, said "The victory is important. It is the first appeals court decision to uphold a finding of equal work where the specific custodial job tasks involved are not the same though the general job function is the same and the tasks are equal in skill, effort, and responsibility."

The company had also asked the appeals court to overturn an injunction issued by the district court which covered all of the defendant's employees in all of its establishments, requiring the firm to adhere to the FLSA and to maintain adequate records.

The Department's position is that injunctions issued in FLSA cases should be broad in scope to make the act most effective.

In approving the scope of the injunction, the court of appeals decision supports that position.

The defendant, a building management company owning office buildings in Houston, employed custodial workers. The Labor Department charged the firm with paying maid 15 cents an hour less than janitors, alleging an equal pay violation. The company argued that the tasks did not overlap and that the men used different equipment, requiring more skill and effort.



ALTERNATIVES TO

The unemployment problems of Black Americans are obviously complex. They are generated by a variety of factors, and though the impact of each may be only marginal at any point in time, they are interdependent and cumulative.

These obstacles in aggregate leave the Black workers seriously disadvantaged, and he finds it difficult to compete with whites even in the absence of discrimination.

No easy solutions exist to help overcome these obstacles. As with all social problems, there are no panaceas. A system approach, encompassing a many faceted attack on the casual factors, is needed.

There is a variety of alternative and complementing strategies that could be

used or are being used, and all have a role to play. The need for a systems approach, however, does not obviate the necessity of choosing priorities.

The entire range of approaches must be examined to determine what each could contribute to solving the problems of the unemployed Black workers and those that are most effective should be expanded.

The scarce societal resources that will be committed to this end must be allocated as efficiently as possible.

There are several major approaches that have been suggested or used to help solve the employment problems of Blacks.

Macroeconomic measures are perhaps the most indirect of the strategies,

since they affect the whole economy and not just Black Americans. But despite their indirectness they are essential.

Through monetary and fiscal policies, the government can even in 1975 regulate aggregate demand which, in turn, affects the level of unemployment. To the degree that Blacks are the "last hired and first fired," they benefit more from reductions in unemployment and suffer more from increases.

Another macroeconomic approach utilizes the minimum wage, which places a floor on wage rates in most industries. Some economists argue that increases in the minimum wage rates over the past decade have had much

to do with the rising levels of unemployment among youth.

Manipulation or perhaps elimination of the minimum, they say, might reverse the situation, leading to an increased demand for Black workers.

Child labor laws, which regulate the terms and conditions of work by youths, have also had a negative impact on job opportunities for this age group. In some ways their restrictions are anachronistic and could be changed to facilitate the hiring of young workers—the largest unemployed segment.

The number of jobs for Blacks can also be increased through microeconomic strategies. Most important are efforts to end discrimination in

To American eyes, the Japanese have strange way of combating hard times.

When, because of the recession in Japan and elsewhere, electronics firm has too many stocks of Panasonic and National brand TVs and radios, the firm instructed its employees to work only

a half day - at full time pay.

In the U.S., such a move might be considered a shortcut to the poorhouse. But here in the non-communist world's third largest economic giant, it is not unusual.

Despite the country's first deep post-war recession - industrial production is down some 18 percent more than in the U.S. - few Japanese workers are being laid off as long as their employers remain solvent.

"If they must become beggars then I, too, will share their fate . . .," says Sazo Idemitsu, chairman of Idemitsu Kisan oil company. His sentiment is typical.

Mr. Idemitsu adheres to the Japanese tradition of lifetime employment.

In this island nation, a company rarely fires its employees. Employees and employers are locked in a complex relationship of mutual obligation that is deeper than a mere contract.

Firms often assume responsibility for their workers' housing, recreation

and health care, as well as wages, in return for permanent loyalty.

In effect, instead of a state unemployment insurance system, Japan has corporate protection from unemployment. The paternal bond between firm and employee has kept Japan's jobless rate to approximately 2.5 percent last month - compared with 8.7 percent in the U.S. and more than 40% within Black American communities.

Historically, the employer-employee relationship is said to go back to the "family" organization of feudal Japan, where the patriarch commanded great paternalistic power over other family members.

Today the lifetime employment system is coming through the recession relatively unscathed - despite the enormous pressures on Japanese corporate leaders to reduce costs.

In general, the only employees being discharged are those who companies have gone bankrupt - as small firms have been doing by the hundreds in recent months.

To keep that dread state from arriving, Japanese firms have devised numerous methods to slash costs.

Matsushita, by putting some workers on half time, save on power, heating,

and inventory costs. For a brief period, the firm switched some production workers to sales activities.

Toyo Motor Company, the troubled maker of Mazda cars, has assigned production workers to selling cars on a longer term basis.

Japan's Other Techniques To Save Jobs

* Slash the wages of executives. At Matsushita, some executives volunteers to trim they pay. But Mr. Takahashi refused to do so, saying it would mostly hurt their wives and dependents. It might result, he added, in a weakening of the "family base" that could damage the efficiency of the executives.

* Discharge "temporary workers," such as seasonal farm workers, housewives working part time, and day laborers. These people are not considered part of the "company family" and thus not entitled to the benefits usually accorded employees. (Some of these job-

How Japan 'Enjoys' A 2.5 Percent Unemployment



UNEMPLOYMENT

hiring and upgrading Black workers.

Blacks are barred from many occupations and industries, or they are given jobs that have the least potential for improvement. Though such discrimination is illegal it is still widely practiced, and its complete elimination would have a massive impact on opening opportunities to Black Americans.

Combining carrots with sticks, subsidies can be given for hiring and training disadvantaged Americans. Ostensibly they can be based on the real cost of employing less productive workers, and their need to no mention of color. But since Blacks are more often disadvantaged and since differential costs are difficult to calculate, the subsidy can be used as an incentive to

eliminate discriminatory practices. The fact that training is being subsidized means that there is no excuse to turn down the Black workers simply because he is less educated or experienced than the white applicant.

Another approach is to improve the Black worker's preparation for the world of work. While great strides have been made in recent years to reduce school dropout and to increase educational attainment, Blacks are still far behind whites in their levels of achievement. As long as this is the case, differentials in income and employment levels remain inevitable. Clearly, schooling must be improved

through better equipment, better teachers, and a better educational environment.

Remedial training is a related approach. The manpower programs that emerged in the 1960's offer a variety of arrangements for income maintenance, basic and vocational education, health care, counseling, placement, and related assistance. "Training" thus describes a flexible package of services whose purpose is to increase the employability of the participant and his ability to compete for jobs in the private sector.

For many Blacks, however, jobs are not available even with training. These workers may need work experience before they can move into gainful em-

ployment.

Public employment can be used to tide them over until work is easier to find. Other workers may have limited abilities and require a sheltered work situation if they are to work at all.

These strategies have all been tried during the past decade, and their effectiveness can be analyzed at least in part.

There are no clear-cut lessons, and assessments of the degree of success or failure may differ widely. But experience yields some indications as to the role the various approaches can play in the current crisis. No matter what, the present growing unemployment justifies a massive attack in and outside the community.

less laborers now can be seen loafing and sleeping in Tokyo's crowded subway stations.)

* Cease overtime. Until this recession Japan was chronically short of workers.

* Stop hiring. Usually Japanese firms have had to scramble to hire young high school and university graduates (sometimes called "golden eggs"). This year the students may have to do the scrambling to find jobs.

* Encourage early retirement or voluntary departures.

Those who do retire earlier get higher-than-usual separation allowances and other special benefits.

A few months ago the Japanese Government acted to bolster the lifetime employment system by paying a portion of the wages of permanent employees asked to temporarily "stay at home." Furloughed workers are paid 60 percent of their base pay.

Across Japan the job security provided by the system has almost eliminated the resistance to new machinery or other techniques used to improve productivity.

Labor's Action Program

The following is a summary of the AFL-CIO Legislative Action Program to Get America Back to Work.

This comprehensive, emergency program focuses public attention on the President's potentially disastrous proposals and the failure of the Democratic-controlled Congress up to now to develop its own equitable, effective, compassionate program.

Since the Action Program was adopted, there has been some action—action by the Administration in accepting some compromises and moderating some of its hard-line proposals and action by the Congress both on specific legislation and in developing its own program.

But much more remains to be done to restore economic health to America, put her unemployed citizens back to work and halt the dangerous eco-

nomie downslide that continues unabated with no end yet in sight.

This, then, is a report on the actions taken thus far by the Administration, the Congress, the courts and the labor movement to implement the specifics of the AFL-CIO Action Program to Get America Back to Work.

The Action Program called for:

I. "An immediate tax cut of at least \$20 billion, primarily for low- and middle-income taxpayers, to stimulate the economy through added purchasing power."

II. "Immediate government measures to reduce America's dependence on imported oil and establishment of a fair and equitable system of allocation and rationing."

III. "Immediate reduction of interest rates and allocation of credit for high-priority social and economic activities."

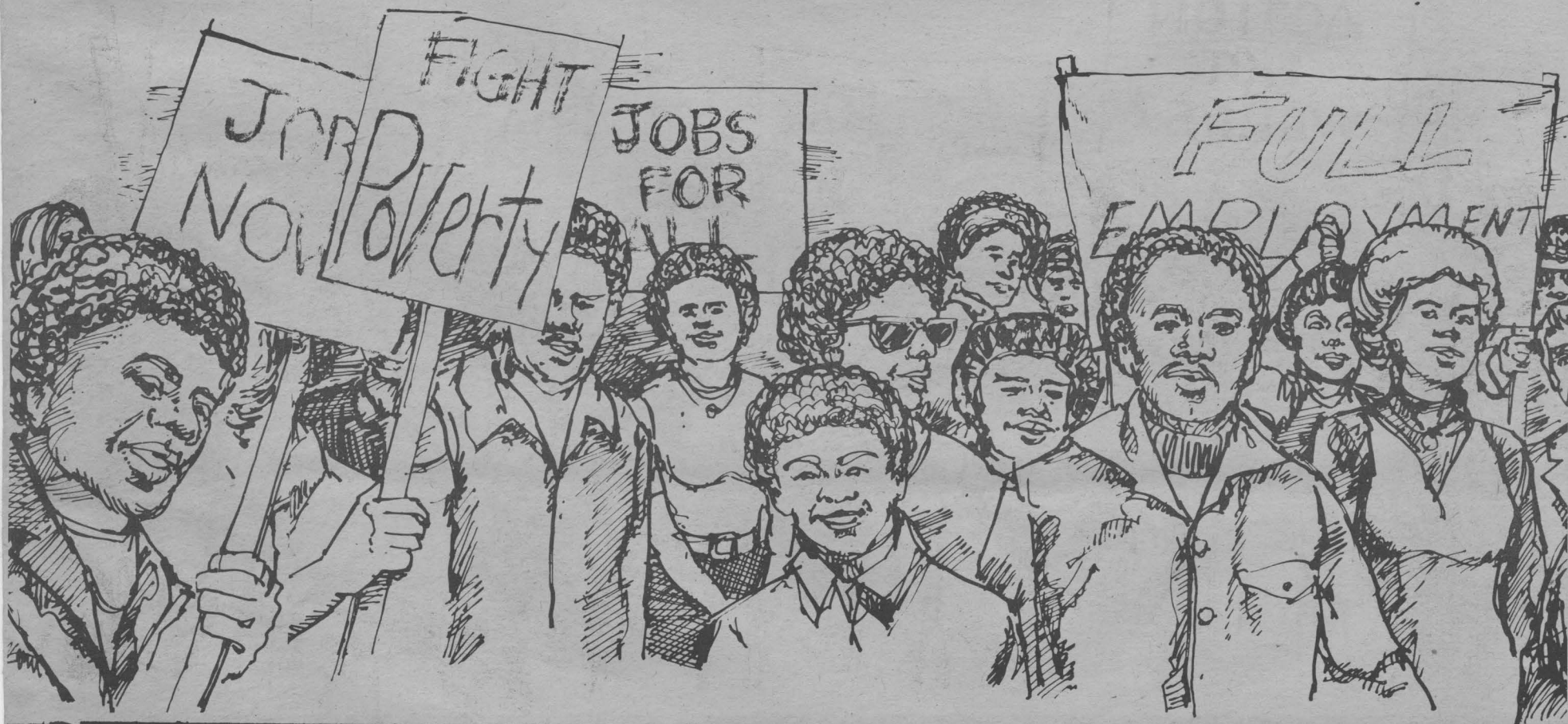
IV. "Immediate, massive federal efforts to create jobs for the unemployed."

V. "Immediate action to protect existing jobs from unfair foreign competition."

VI. "Immediate government assistance to the unemployed to minimize their hardships."

In summary, there has been action by the Congress and the Administration, but much more needs to be done and must be done if the economy is going to be turned around.

Passage of the tax cut and the blocking of efforts to increase the price of food stamps were major victories. But alone they will not restore economic health to America and jobs to the unemployed.



Many Elderly Blacks Hired Last Year

WASHINGTON -- More than 15,500 economically disadvantaged persons 55 years and over worked in part-time community service jobs in the last six months of 1974 under two Labor Department funded programs, Secretary of Labor John T. Dunlop has reported.

In the period July - December 1974, there were:

- 12,320 individuals employed under the National Older Workers Program
- Operation Mainstream -- with a federal outlay of \$13,863,000, and
- 3,284 individuals employed under the Senior Community Service Employ-

ment Program (SCSEP) with an outlay of \$2,232,000.

The two programs, Dr. Dunlop said, generally met or exceeded the hiring goals set for them last year.

Blacks accounted for 21 percent of the more than 12,000 who were still employed under both programs at the end of 1974. Other characteristics reveal that; 71 percent were white, 53 percent were men, 56 percent were 65 years of age or older, and 52 percent had no more than eight years of schooling.

These two programs provide part-time job opportunities, local projects

also provide personal services for the participants such as yearly physical examinations, personal and job-related counseling, consumer information, job training, and referral and placement into unsubsidized jobs.

Activity under both programs is sponsored primarily by a group of five national organizations. Most have participated in Operation Mainstream since 1968 and were also involved in the start-up of SCSEP which began in June 1974.

They are: Green Thumb, Inc., (an arm of the National Farmers Union), the National Council on the Aging,

the National Council of Senior Citizens, the National Retired Teachers Association - American Association of Retired Persons, the U.S. Department of Agriculture Forest Service.

Participants' wages average about \$2.25 an hour, and are subsidized by Labor Department funds.

The Operation Mainstream program is funded by Title III of the Comprehensive Employment and Training Act; the Senior Community Service Employment Program under Title IX of the Older Americans Comprehensive Services Amendments of 1973.

High July Grocery Costs Will Prompt Food Stamp Boost

WASHINGTON - The nation's 18.5 million food stamp users, will get a cost-of-living increase in benefits on July 1, according to new calculations by the Agriculture Department.

Stamp benefits for a family of four, for example, will go up about \$8 a month from current allowances to reflect a rise in grocery costs since last summer.

Although not yet official, the July 1 food stamp allocation was indicated by the department's computed cost for an "economy" meal plan in February.

The economy meal plan is used by the department in setting food stamp

allowances for needy people. The allocation is adjusted twice a year to reflect changes in retail food prices.

The economy food cost in February is used to set July 1 benefits, and its cost next August will determine stamp allocations next Jan. 1.

In February the economy food plan cost a four-member household including two elementary school children an average of \$162 per month, the department said.

Thus, the July 1 food stamp allocation for a four-member family will be \$162 a month, a 5.2 per cent increase from the \$154 a month in effect since the first of the year.

Understanding Of Food Stamp Campaign

Mario Obledo, Secretary of the California Health and Welfare Agency, has announced the beginning of a bilingual informational campaign to explain the basic requirements of food stamp eligibility to unemployed and low income workers.

Two Health and Welfare Agency Department, the Employment Development Department (EDD) and the Department of Benefit Payments (DBP) will cooperate in the food stamp campaign.

"Inflation and rising unemployment are causing severe economic problems for many individuals and their families," Obledo said. "We must make sure that they are properly

informed about all government services to which they are entitled."

James Lorenz, EDD Director, added that "EDD will be able to reach many of those who are in the greatest need of help in buying food. Since December, most food stamp users have come from the work force -- those earning low salaries and recently unemployed."

Acting Director of Benefit Payments, Jerry Prod, said "A new brochure entitled 'Food Stamps Can Help' is being widely distributed to help answer increasing questions about food stamp benefits.

The joint campaign, aimed at re-

quirements and increasing cost efficiency in the food stamp program, is expected to reach about 800,000 people.

"Feeding a family on reduced income is one of the biggest problems resulting from the current economic situation," Obledo said. "When you consider that between 1970 and 1974 hamburger prices increased 60 percent while porterhouse steak went up only 38 percent, you can see who is being hit most by inflation."

During the next 90 days, information notices will be given to every unemployment and disability insurance claimant and to each job seeker in EDD offices. Posters will list ad-

dresses and telephone numbers of all local county welfare offices which issue food stamp certificates. DBP's effort will include sending brochures to county welfare departments and private organizations for distribution.

All information will be printed in both English and Spanish with additional translations as they are needed in local areas. Notices will provide clear, simple information about eligibility so that potential applicants who are not eligible will not apply and those who are eligible will take necessary documents with them to their local welfare office.



Can unemployment racing to its highest total in 30 years offer much comfort to this year's June graduate?

Russ Bruch of the University of California, at Davis' Career Planning and Placement Office, has pierced the gloom with several rays of optimism.

First of all, despite rising unemployment, job recruiters are coming to UCD at higher rates than in previous years.

By February, interview schedules were 30 per cent ahead of 1973-74. Bruch expects by the end of the school year between 175-200 different employers will have been at UCD, up from 150 last year.

"It's too early to tell if job offers will be up," said Bruch. "I expect it will be down from previous years."

Bruch said it is important to note that of the expected 3,100 June graduates, 60 per cent will not enter the job market but will advance to teacher credential programs or to graduate or professional schools.

The other 40 per cent will opt to jobs, travel, or assignments with VISTA and Peace Corps. A large proportion of Northern California Peace Corps openings are filled by UCD grads.

Job Market For June Graduates Uncertain

This high percentage interest in post-graduate education is not unusual. Earlier surveys with seniors and entering freshmen have shown similar learnings.

There are several areas where Bruch sees little difficulty of job placement for June graduates. One of these is engineering and the technical sciences where he anticipates fewer job offers than last year but still an adequate pool from which the graduate can choose a job.

Contrary to a national trend of joblessness, three-fourths of UCD's elementary and secondary teacher graduates can expect placement, said Bruch. UCD's reputation for bilingual training and other specialized areas of education as well as acceptance by graduates of jobs in the rural, mountainous regions in the state, have helped placement.

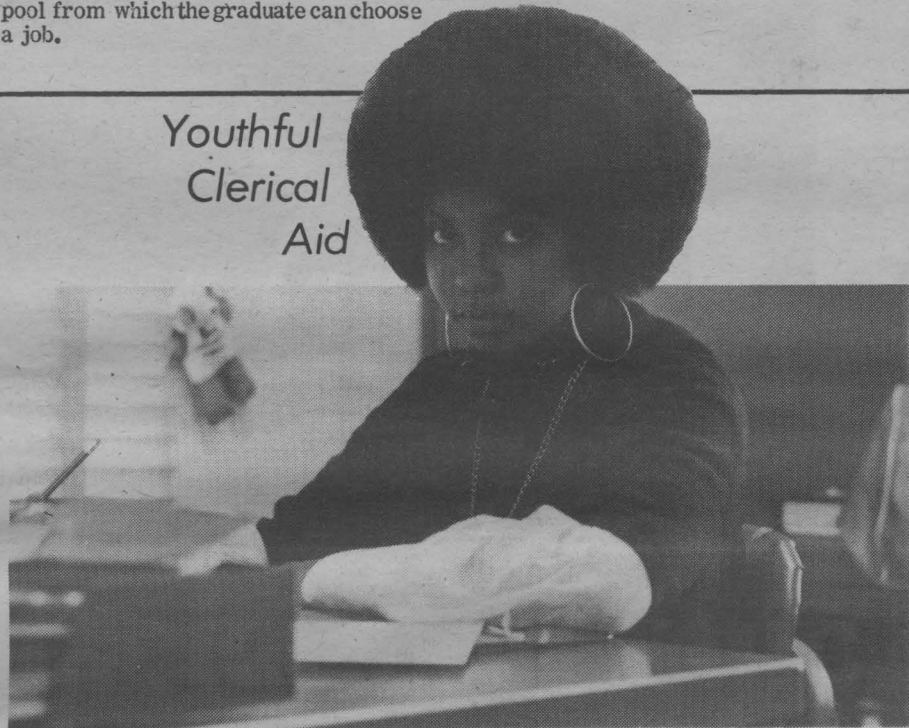
Bruch said there has been an increase this year in the number of employers seeking applicants with strengths in biological and agricultural sciences, behavioral and social sciences, and in liberal arts.

Industries showing the most interest in construction, computer, transportation, pharmaceuticals, and agribusiness. Marketing and sales and food processing are industries that have stepped up their visits.

The job market for liberal arts students always has been difficult because employers often hold beliefs that these grads have no marketable skills "But we don't believe that," said Bruch. Assisting the liberal arts graduate has been a special focus of his office.

A student's recognition of his or her skills and talents is one emphasis of the career planning and placement operation. Unfortunately, some students advance to graduation with little knowledge of their job market potential.

Youthful
Clerical
Aid



Lorna Deckard is one of 12 local area students who work at Mather in the afternoons. In the mornings Lorna attends classes at Sacramento City College where she is studying accounting. Then during four afternoons a week she works as a clerical aide at the base's Equal Employment Opportunity Office.

Miss Deckard, who is working under the "Stay in School" program, handles various clerical jobs around the EEO office. Parts of her job involve filing and working on statistical reports. She says the latter is very good practical experience for her studies in accounting. Having worked here since last May, she also counsels other students who work here part-time. Lorna plans to attend California State University, Sacramento af-

ter she gets her AA degree but she likes her work so much that she may just try work full-time at the EEO office.

Eleven other young people employed part time at Mather work in a variety of offices and shops such as administration, transportation and the maintenance area.

Mather had more than 170 students ranging in age from 16 to 21 working here last summer. These students, working under the Federal Summer Employment Program for Youth, were employed in special services, supply, hospital, maintenance, and information.

The students not only perform useful tasks at Mather but they also get an opportunity to gain useful work experience and save money for their education.

Mather Employs Good Jobs For Youths

Dellums Wants Summer Jobs For Youth

Rep. Ronald V. Dellums, concerned about the high employment among teenagers that has reached an all-time peak, has joined in co-sponsoring legislation which will expand funding of the summer youth employment programs. Rep. Dellums noted that the recent

legislation approved by the House calls for funds amounting to \$412.7 million to be allocated to summer youth employment programs. This will provide the same 760,000 jobs that were provided last year.



GROW



The financial problems of the nation's major cities came into sharp focus with the recent appeal by New York City officials for federal help to stave off a cash crisis.

One economist, Eliot Janeway, said the near bankruptcy of New York and other major cities, such as Detroit, Philadelphia and Newark, N.J., impedes a national economic recovery.

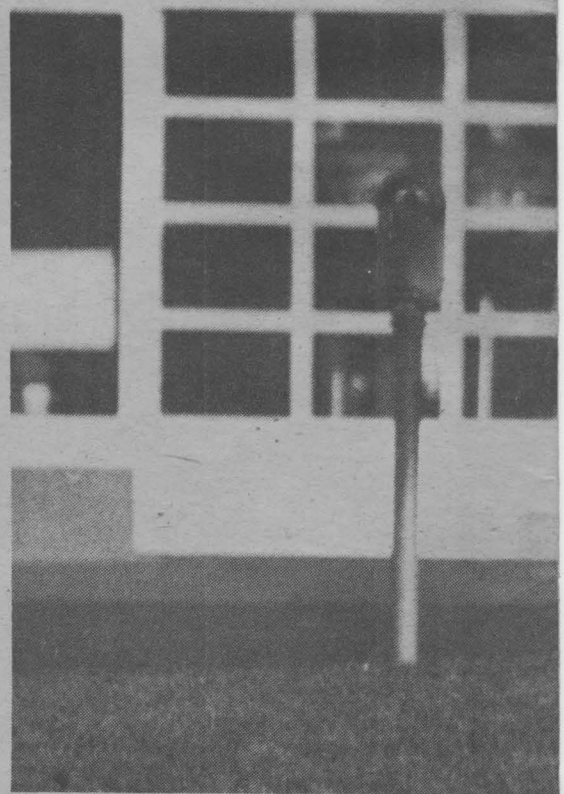
At the San Francisco gathering, the president of the nation's second largest steel company suggested that California's current anti-business climate is intensifying the state's economic woes.

Frederic W. West Jr., president of the Bethlehem Steel Corp., said that in recent years California has been in a "constant state of siege, fighting one punitive proposal after another, and losing ground all the time."

Noting the state's high jobless rate, he said, "Industrial, commercial and residential construction are all way down. Putting it mildly, business is bad."

He recalled that Bethlehem abandoned plans to build a steel plant at Pinole Point in Richmond, which he said would have employed 5,000 steelworkers and generated more than \$10 million in taxes.

West said that California's business climate has been ranked by a consulting firm as 47th of the 48 mainland states.



ING IDLENESS



OBSERVER PHOTOS BY JIM SMITH



Black Assessing Unemployment America's Economy...

(Continued from Page D-4)

The major source of income for Blacks and nonwhites, since they own little or no factors of production other than their own labor power, is employment. Much of this employment is low-level or low-paying in nature. Moreover, nonwhite employment is much more precarious than white employment, as indicated by differentials in unemployment rates.

In 1971, nonwhites accounted for 10.9 percent of the labor force, but accounted for 18.4 percent of the unemployed. The nonwhite unemployment rate in that year was 9.9 percent, as compared with a national unemployment rate of 5.9 percent and a white unemployment rate of 5.5 percent. The highest nonwhite unemployment rate was to be found in urban poverty neighborhoods or the inner cities (12.4 percent) and the lowest was on farms (6.2 percent).

Last-Hired, First-Fired

A major reason for the higher unemployment rate is the familiar "last-hired-first-fired" phenomenon. The economic justification in a market economy such as ours is to be found in marginal analyses--i.e., if the marginal cost of employing labor is greater than its marginal product, the labor will not be employed.

Minority or nonwhite labor tends to be high-cost labor because of its relatively low marginal product, which, in turn, is the consequence of relatively low levels of education, skills, and work experience. These relatively low levels of desirable job attributes, however, are largely the result of past and present discrimination in educational and employment opportunities.

In addition to the disproportionately high unemployment rate, the manner in which employed manpower is utilized has important implications for economic development. In this connection, one of the indications of economic progressiveness is a shift in the distribution of the labor force as related to the successive predominance in output of secondary and then tertiary industries over primary industry.

Corresponding changes in the nonwhite labor force, however, have been far less notable, as shown in the Table 2 on nonwhites as a percentage of all workers in selected occupations for 1960 and 1970.

The concentration of nonwhites in the low-paying jobs is not entirely the result of low-level education, skills, and work experience. In many instances, racial discrimination rears its ugly head and becomes the primary causal factor. At every educational level, the proportion of nonwhite workers in the more attractive occupations is considerably less than the proportion of whites in such occupations.

Among high school graduates, 65 percent of white males have the skilled, clerical, better-paying jobs, but only 35 percent of nonwhite males are thus employed.

Among college graduates, about 20 percent of nonwhite males are to be found in blue-collar or service work, contrasted with only 10 percent of whites. The proportion of nonwhite male college graduates in clerical work and the professions is greater than that of white male college graduates, but the proportion of nonwhite males in managerial and sales jobs is much less than that for white males.

Similar patterns are observable in

the employment of women; for example, approximately 40 percent of nonwhite female high school graduates and 66 percent of the elementary school graduates are in service work, yet only 12 percent and 29 percent, respectively, of white women are similarly employed. These employment differentials are observable no matter what geographical region of the country is involved. If the better-paying jobs are not actually reserved for whites, job specifications are usually so overdrawn that past discrimination in education and employment opportunities serves to disqualify most nonwhites for these jobs.

Federal Bias Ranks High

The federal government--into whose hands the rights and privileges of all citizens are entrusted--is among the major discriminators in employment. For example, although blacks hold almost 20 percent of all federal jobs, over 90 percent of these jobs are clustered in grades below GS-9 or its equivalent, that is, jobs paying less than \$12,167 annually. In civil service jobs falling under the Classification Act, in 1970, Blacks held 5 percent (318) in grades GS-9 to GS-11; 3 percent (293) in grades GS-11 to GS-19; in the Postal Field Service jobs, Blacks held 7 percent (24) in PFS-9 to PFS-11; and 4 percent (8) in PFS-12 to PFS-21; and, according to wage systems, Blacks held 9 percent (264) of the jobs paying \$9000 and above.

Whites Outnumber Blacks In Workforce

There is a strong and direct relationship between higher rates of unemployment for nonwhites and over-concentration of nonwhite workers in the low-paying, unskilled, and menial occupations, on the one hand, and the relatively lower rates of labor-force participation, on the other.

Whatever the degree of motivation and however strong the belief in the work ethic, it is reasonable to assume that these American values can be effectively and permanently eroded if some groups cannot find employment or can only find employment at poverty-level wages.

It is, therefore, not surprising that labor-force participation rates for nonwhite males are lower in every age group than for whites. Also, the lower employment rates for nonwhite males are, of course, causally related to another fact--labor-force participation rates for nonwhite females over twenty-five years of age are higher than those for white females.

Blacks- Less Apt To Be Hired

These data suggest possibly significant conclusions:

(a) in the 20-44 age group, nonwhite males are only slightly less likely to be in the labor force than white males, a difference which might disappear altogether in the absence of racial discrimination;

(b) the wide disparities in rates between nonwhite and white teenage boys may indicate an early sense of defeatism and alienation on the part of the nonwhites--with frightening sociopsychological and economic implications for the future--especially since, as will be shown in the next section, the nonwhite school enrollment percentage of this male age group is less than that for whites;

(c) the lower participation rates for nonwhite men of 45-64 are causally related to the higher incidence of poverty among nonwhite families with able but unemployed male heads, with economic, social, and psychological consequences for both the present and the future; and

(d) the lower participation rates of nonwhite female teenagers, when combined with their higher than white high-school dropout rates, are probably causally related to such social concerns as prostitution, drug abuse, and illegitimacy; moreover, the higher employment rates for nonwhite females of twenty-five years and above lies headed by women.

Improvement In Future Is Nil

Furthermore, the higher employment rates for nonwhite females reflect the greater necessity for the nonwhite married woman to work to supplement the income of the male head so that the family may have an adequate income.

Given the current problems of the economy--soaring inflation, the balance of payments, the energy crisis--and an obvious lack of commitment on the part of government toward the achievement of these objectives, it is difficult to foresee any improvement in the predictable future.

Moreover, in no year since the World War II years 1943-1945, has the rate of unemployment been as low as it was in 1953 (2.9 percent)--and in that year the nonwhite unemployment rate was 4.5 percent, or one-half of one percent above the unemployment rate for "full employment" established by the Employment Act of 1946.

(Continued on Page D-29)



Employment For Black Women Is Crucial

CHILD CARE LEGISLATION IS NEEDED

Black families have always suffered economic hardships even in times of national prosperity. Now, with the national economy in the worse straits in the past forty years, that group of citizens is facing disastrous financial

difficulties.

Rep. Shirley Chisholm, a member of the House Committee on Education and Labor, has been concerned with the plight of these families since her first term in Congress. She has con-

centrated her energies to aid these families in areas such as equal employment, day care, food stamp legislation and sex discrimination.

"The problems our poor families face are interrelated in such a way that they need help in education and in health, in employment and in housing, in every area which involves the quality of a good life," Ms. Chisholm says.

There are some 6.6 million families in the United States where women are the heads or provide the major source of income. An estimated one-third of these families were reported living below poverty level in 1973.

The current economic down-turn and spiralling cost of living serve to reinforce the fact that for many women, participation in the labor force is crucial, not incidental, to the economic well being of their families.

Black women and other minority women constitute a major proportion of our poverty rolls.

A Census Bureau study indicates that in 1973, nearly 1 million of the "reported" 1.5 million low income Black families were headed by women. Such families are more than five times as likely to have incomes below poverty level as families headed by men.

In recent surveys of the low-income population, over 45 percent of the women heads of families reported that responsibilities associated with children prevented them from working and seeking jobs.

For both poor and moderate income women, the availability of child care services continues to be a key factor in the extent and level of their participation in the work force.

Despite awesome barriers, the number of working mothers continues to grow. In 1973, over 31 percent of the nation's children under six years of age had working mothers, including 48% of the Black children under six.

The incidence of unemployment among women has been consistently higher than that of men, and the combined national average.

For example, in January 1975, the unemployment rate for Black women over twenty years of age was 11.0%, compared to 7.7% for white women and 5.5% for white men. Even those women with jobs have appreciably lower salaries than men and are concentrated in less skilled job categories.



HON. MS. CHISHOLM

Rep. Chisholm is currently developing a Child Care bill that would establish federally aided child development programs and service for children under six with definite priorities for poor children - including children of working mothers and single-parent families.

Building on the Headstart experience, there would be multi-service programs for young children and their families. While the program would serve a broad population definite priorities are established for poor children and those with special needs including migrants, handicapped and bilingual children. This would also include children of working mothers and single-parent families. The bill would allow public and private organizations and institutions to operate programs.

"Day care must not be considered a custodial service. It will obviously be a help to women who want and need the opportunity to achieve their full employment potential... For (the children) the primary importance will be as an educational environment."

Black America's Economy...

(Continued from Page D-28)

There is a strong and direct relationship between higher rates of unemployment for Blacks and overconcentration of Black workers in the low-paying, unskilled, and menial occupations, on the one hand, and the relatively lower rates of labor-force participation, on the other.

Whatever the degree of motivation and however strong the belief in the work ethic, it is reasonable to assume that American values can be effectively and permanently eroded if some groups cannot find employment or can only find employment at poverty-level wages.

It is, therefore, not surprising that labor-force participation rates for Black males are lower in every age group than for whites.

Also, the lower employment rates for Black males are, of course, causally related to another fact - labor-force participation rates for Black females over twenty-five years of age are higher than those for white females (see Table below).

LABOR-FORCE PARTICIPATION-1970

Age	Males		Females	
	Nonwhite	White	Nonwhite	White
Total, 16 and over	78%	81%	50%	43%
16-17 years	35	49	24	37
18-19 years	65	71	45	55
20-24 years	86	87	58	58
25-34 years	94	97	58	43
35-44 years	94	97	60	50
45-54 years	88	95	60	54
55-64 years	79	83	47	43
65 years and over	27	27	12	10

PERCENTAGE OF FAMILIES HEADED BY FEMALES, 1950-1970

Year	Nonwhite	White
1950	17.6%	8.5%
1955	20.7	9.0
1960	22.4	8.7
1965	23.7	8.9
1970	26.8	9.1

Furthermore, the higher employment rates for Black females reflect the greater necessity for the Black married woman to work to supplement the income of the male head so that the family may have an adequate income.



A LOOK AT PAST FULL EMPLOYMENT BILLS

A COMPROMISE OF RELIEF FOR JOBS

When the original Full Employment Bill was first proposed in 1944 and introduced in 1945, it found some supporters among small and independent business, some business leaders involved in government affairs (such as Edward Stettinius, former head of U.S. Steel), and—with some modifications—among many of the business executives associated with the National Planning Association and the newly established Committee for Economic Development.

This showing of friendliness or studied neutrality misled many economists (particularly those whose economic models excluded all information on conflicts of economic interest) into naive assertions that everyone was for full employment.

But as soon as legislation was introduced to bring full employment discussions down to reality, a frenetic outcry against the bill was raised by the organized dinosaurs of the big business community—mainly, the National Association of Manufacturers, the U.S. Chamber of Commerce, and the so-called Committee for Constitution Government.

As Stephen Bailey revealed in Congress Makes a Law, there was concrete agitation and propaganda in almost every congressional district in the country.

In reporting the amended Full Employment Bill to the Senate, the majority of the Senate Banking and Currency Committee summarized the three major arguments made by the opponents of full employment. The first argument was that continuing full employment is impossible under our "free enterprise economic system."

William L. Kleitz, vice-president of the Guaranty Trust Company testified that depressions "are inevitable under the free enterprise system and that the best we can do is to limit their depth and their durations."

This argument was enlarged on by other business men who suggested that "we will always have these (depressions) because that is human nature . . . it cannot be overturned by laws and it cannot be changed by laws." It was carried still further by the Citizens National Committee, Inc., which called the full employment objective "dubious" and suggested it

could be obtained only "during relatively brief periods of extraordinary wartime activity" or else by "adoption of a totalitarian form of economy."

The New York State Chamber of Commerce circulated a bulletin in March 1945 stating that depressions are "the price we pay for freedom."

The majority of the Senate Committee responded to this argument by maintaining that "continuing full employment is possible under our economic system. We believe that full employment and free enterprise are entirely compatible."

The committee majority then went on to make the following counter-attack: "Those who argue that continuing full employment means regimentation are themselves sowing the seeds of economic and political revolution. No hostile foreign agent could do more to wreck the fabric of our society than to tell our people that unemployment is the price we pay for free enterprise. . . ."

The committee report also reminded the Senate that similar cries of regimentation and totalitarianism had been raised in opposition to Abraham Lincoln's campaign for internal improvements, to the income tax, to the Federal Reserve Act, to the regulation of stock exchanges and to the legalization of collective bargaining rights by the Wagner Labor Relations Act.

The second argument was that continuing full employment would be undesirable because:

1. It would be inflationary.
2. It would deny boom-and-bust profits to those large companies that have learned to "ride the business bicycle" by picking up depression bargains and forcing small competitors to the wall.

3. It would deny employers the protection of a "floating number of unemployed," thereby enlarging working people's bargaining power.

4. With jobs for all, people would be less interested in working.

5. The most government should do is prevent mass depression.

The proponents countered these views by insisting that:

1. Under conditions of continuing full employment, government, business, and labor could prevent inflation with-

out regimentation and remove one of the causes of inflation itself—namely, the fear of recession or depression.

2. The lure of boom-and-bust profits has no place in civilized society.

3. A "safe pool of unemployed" undermines the market for the output of business.

4. Low productivity, featherbedding, and the stretch-out are promoted by job insecurity and unemployment, not by full employment.

5. "The brief that the prevention of mass unemployment is sufficient is merely another echo of the defeatist dogma that full employment is impossible under our economic system."

The third argument was that the government's responsibility should be limited to the relief of destitution.

Thus, Rufus Tucker, chief economist of the General Motors Corporation, argued that providing relief would be cheaper than maintaining full employment.

Ira Mosher, president of the National Association of Manufacturers, argued that instead of full employment, we should be ready to meet depression with a strictly limited combination of home relief, work relief, and public works.

In response, the proponents argued that full employment would be cheaper than relief in economic terms and much more beneficial in social terms.

While not opposing a relief program for those unable to work, it was favored instead the provision of useful jobs at fair rates of compensation, and opposed the idea of making relief or public works the first line of defense against depression or recession.

But the proponents did not win its case on all these points.

Essentially, the 1946 statute's major contribution was to make the historic commitment that no further mass depression would be tolerated.

And it is important to note that since its enactment there has been no depression, no near-depression, and, at least until the present, no threat of depression. In turn, this situation in America has tended to bolster the markets of the other advanced capitalist countries where there likewise has been no depression, no near-

depression and, at least until now, no threat of depression.

This was the great compromise embodied in the Employment Act of 1946.

Its corollary, of course, as indicated in the testimony of the General Motors economist quoted above, has been the expansion of relief rolls as a substitute for jobs.

HOUSE SPEAKER

SAYS JOBLESS LIKE

'ATOMIC BOMB'

House Speaker Carl Albert said this week that the United States is threatened with a worsening crime rate as long as high unemployment persists.

"Unemployment is like an atomic bomb in every street in America," Albert said.

"You can't have people who cannot get jobs to feed their families and children."

Albert was the lead-off witness before an ad hoc hearing sponsored by the congressional Black Caucus to win support for legislation that would guarantee a job to every American who wanted to work.

Rep. Louis Stokes, D-Ohio, accused the Ford administration of choosing the "more politically expedient approach of using unemployment to control inflation" but said this inevitably would result in more poverty, welfare and crime.

A full-employment economy, he said, would save \$20 billion in unemployment benefits and generate another \$52 billion in federal revenues which would be more than enough to overcome the federal budget deficit.

The administration also came under attack from Sen. Hubert H. Humphrey, D-Minn., who charged that the recession was "designed and manufactured" to curb inflation.

"This has been a manipulated recession because the economic doctors believe the way to control inflation is to put large numbers out of work," Humphrey said.

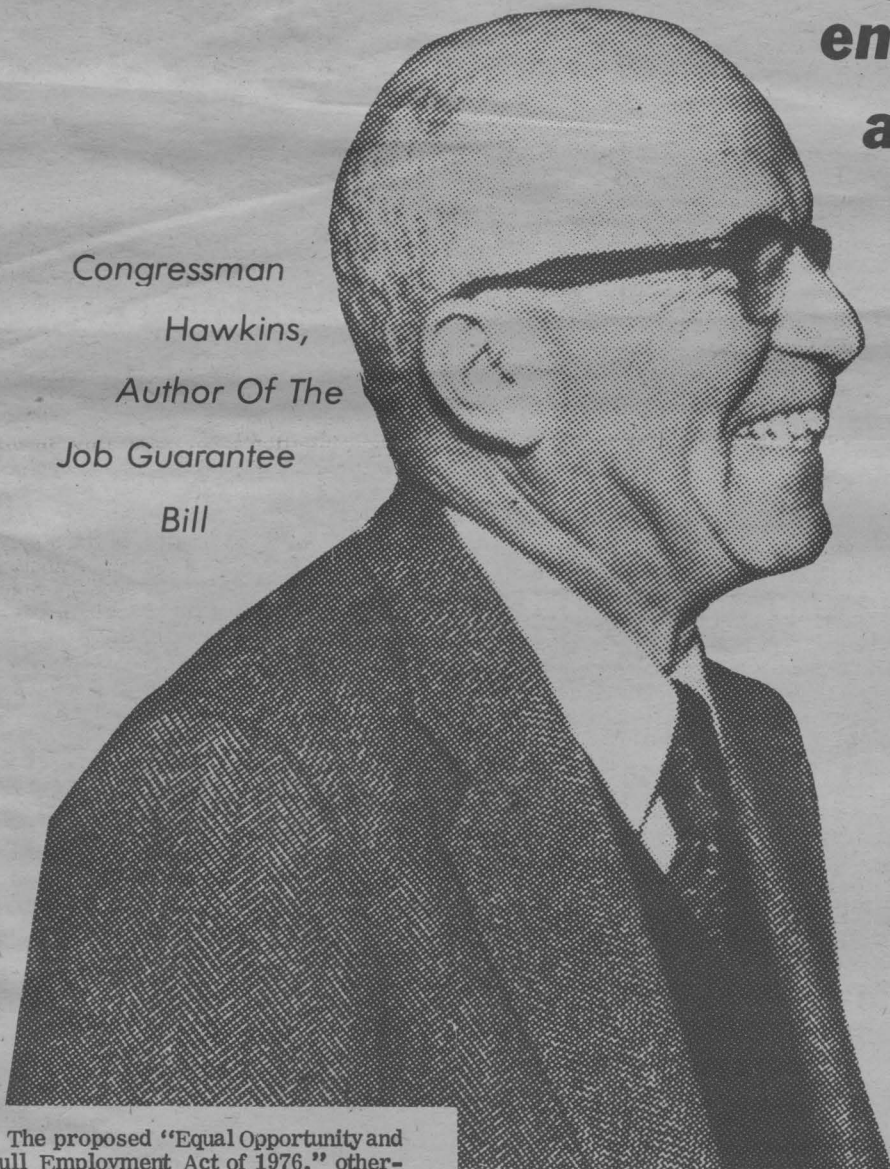


THE ULTIMATE ANSWER

FULL EMPLOYMENT

A situation under which there are useful and rewarding employment opportunities for all adult Americans able and willing to work.

Congressman
Hawkins,
Author Of The
Job Guarantee
Bill



The proposed "Equal Opportunity and Full Employment Act of 1976," otherwise known as the Hawkins-Humphrey Job Guarantee Bill, is a measure that is at once overdue, timely, and ahead of its time.

First, it proposes to help make a reality of the "unalienable rights" declared by the Founding Fathers almost 200 years ago, of the Economic Bill of Rights transmitted to Congress by President Roosevelt in 1944, and of the hopes raised by the passage of the Employment Act in 1946.

Second, the congressional hearings on the new legislation were opened before the House Subcommittee on Equal Opportunities in October 1974, when for the first time in its history America was experiencing rampant inflation, a collapsing stock market, and the beginnings of a recession, all together.

The sponsors of the measure see in it a democratic and constitutional path out of this unprecedented crisis which has struck not only America but all the other "advanced" capitalist countries.

Third, the measure is ahead of its time in that congressional action has begun at a time when the deal hand of the past still wields a baneful influence in business circles, the White House, the Congress, and the universities.

To provide any deep perspective on the proposed legislation, it would be necessary to compare today's strange new world with that simple old world of 1944. It would be necessary to review the immense changes in technology, corporate organization, foreign economic and political relations, public bureaucracies, and America's "sub-welfare state."

It would be imperative to review both the "revolution of rising expectations" on the part of previously submerged groups and the slowly rising wave of "benign authoritarianism" (or friendly fascism") and other tendencies toward a new corporate society.

The earliest versions of the Full Employment Bill presumably conferred job right on "all" Americans. Unfortunately, the authors of the bill were not then sufficiently aware that unless the word "all" is clearly spelled out, it has always tended to mean "all, but." (Even the Declaration of Independence stated that "all men" are created equal, and it is not clear whether or not the Founding Fathers include the Founding Mothers.)

The ambiguity in the bill was resolved in the wrong direction by the January 1945 version, which specifically limited the assurance of employment opportunities to "all Americans who have finished their schooling and who do not have fulltime housekeeping responsibilities."

While the Employment Act of 1946 does not contain this exclusion, it does not use the word "all." And during the 29 years since its enactment, it has become abundantly clear that except for the right to sit in restaurants and ride in the front seats of buses, all Americans have not had equal opportunities in such fundamental areas as jobs, housing, and education.

The new Hawkins bill defines "all" as "really all with no fine print exceptions or reservations."

It guarantees the employment rights of every adult American regardless of "sex, age, race, color, religion or national origin."

It also specifically provides for special counseling, training, or other assistance for "such individuals and groups as many face special obstacles in finding and holding useful and rewarding employment."

This provision refers to the following specific categories:

1. those suffering from past or present discrimination or bias on the basis of sex, age, race, color, religion or national origin,
2. older workers and retirees,
3. the physically or mentally handicapped,
4. youths to age 21,
5. potentially employable recipients of public assistance,
6. the inhabitants of depressed areas, urban and rural,
7. veterans of the armed forces,
8. people unemployed because of the relocation, closing, or reduced operations in industrial or military facilities, and
9. such other groups as the presi-

dent or the Congress may designate from time to time.

None of the earliest version of the Full Employment Bill had a clear-cut concept of full employment.

The December 1944 version contained an involved definition that picked up some of the worst elements in the depression-era concept of "labor force" as limited to those working plus those actively seeking work. This limitation was continued in the January 1945 version, which limited the "right" to those "able to work and seeking work" and (as already indicated) further restricted the government's responsibility to "those Americans who have finished their schooling and who do not have full-time housekeeping responsibilities."

In the bill reported to the Senate these restrictions were dropped and the term "full employment" was preceded by the word "continuing."

In the Employment Act, the term "full" was dropped completely. In its place, the declaration of policy committed the federal government to promoting "maximum employment, production and purchasing power." By itself, the word "maximum" is at least as strong as, if not stronger than, "full."

In context, however, the sum total of changes left the level of desired employment rather loose and open to the ensuing interpretations of a steadily rising level of officially defined unemployment and officially ignored hidden unemployment.

The Hawkins proposal not only goes back to "full employment;" it provides the first clear-cut legislative definition: "Full Employment" is a situation under which there are useful and rewarding employment opportunities for all adult Americans able and willing to work." (Section 11-2).

Moreover, it clearly mandates the broadening of the present labor force concept (which was adopted during the depression period as a way of minimizing the reported size of the labor supply) to all the labor potentialities represented by those adults able and willing to work.

Above all, there is clear recognition of the need for a larger proportion of part-time job opportunities and the possibilities inherent in an expansion of voluntary leisure.

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