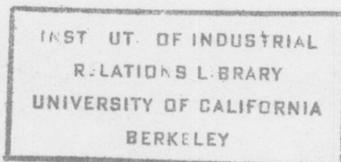


Older workers (1957)

THE FEDERAL GOVERNMENT'S APPROACH

TO PROGRAMS FOR OLDER PERSONS*. [Address:]

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by

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The twentieth century has not been a tranquil one. Our older citizens have borne the burdens of war and depression. Through these times of crisis, their labors and their devotion have built a strong, free, and prosperous nation. They are not forgotten now; we recognize both their needs and potentials. While we improve and expand opportunities for youth to develop new skills in science and technology, we also need the accumulated wisdom, skills, and experience in productive employment of our older workers. And while we are preoccupied with the urgencies of national defense, we must continue to pursue the humanitarian goals which have brought us the respect of the peoples of all nations. Quite obviously, the Federal Government must give overriding priority to defense needs, a responsibility it cannot divide. On what bases then can we expect continued improvement in the conditions under which older people live? There are essentially two bases: (1) a close partnership with State and local governments and voluntary groups and (2) our enormous resources. Let us survey first the expansion of our resources and what it has meant for older persons.

The problems of aging present an essentially new social phenomenon --- simply because in no previous society have so many lived so long. There are those who view our 14 million aged people --- and more to come, with a philosophy of despair; they see our economy drained for the support of the sick and the indigent; our producers burdened by the weight of dependents. This

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is a possibility but our history of achievement belies it. Our resources today are not those of 50 or 100 years ago; they will not be in 1975 what they are today. They will continue to increase prodigiously.

Technical Resources

We had in 1850, 440 horsepower available per person mostly from wind and animals, in 1950 we had 4,470 horsepower per person, 98% from inanimate sources. The decline in strength of the older worker is insignificant. In the factory today, he may have the strength of 10,000 horses.

In the home also, we are served by many mechanical slaves. We may bemoan the lost opportunities for usefulness the older person had in the old farm homestead — growing food, canning, cooking, laundering, sewing, splitting wood, carrying coal, nursing the ill. Grandma was busier, but it is far less strenuous to shop at the supermarket, to serve processed foods, to use central heating, to watch the quick recovery from illness through the use of antibiotics.

Human Resources

Fortunately, technology has not made man superfluous. In fact, the labor force sets the ultimate limits of the utilization of technical resources. The control of infectious diseases, pure water and milk, better nutrition has brought death rates down from 17.2 deaths per thousand in 1900 to 9.3 per thousand in 1955. Twenty years of life expectancy at birth have been added. The rate of participation in the labor force has decreased for the young and the old: 65% of men over 65 worked in 1900 and only 39% in 1956. Nevertheless, with the increase in the labor force, total annual hours of work have risen from 26 billion in 1850 when the work week was 70 hours, to 133 billion hours in 1956 with a 40 hour work-week. At the same time vacations and retirement increased opportunities for leisure activities.

Individual Wealth

The products of our labor and technology have not been used to build pyramids in honor of Pharaohs. They are spread among millions of families, in better health, better homes, autos, radio and television. Once the idle older person could sit beside the fire and stare into the flames, and if prosperous listen to a few records on a gramophone. Today, he may drive his own car to see a 3-Dimensional motion picture. Even if he is bedfast in a home for the aged, he can listen to the radio or see entertainment which only a handful of plutocrats in the recent past could command.

In a way this affords a better picture of the widespread gains of our economy than does income alone, although in constant dollars, per capita income was twice as high in 1950 as in 1900 and 4 times that in 1850. In 1956, dollars disposable personal income per capita between 1930 and 1956 increased from \$982 to \$1,705, an increase of 74% in purchasing power.

Not all of our wealth has been spent in improving our immediate standards of living. Of particular importance to the later years is the investment in Social Security, which today has a reserve of \$23 billions, the vast rise in personal savings and in non-liquid assets.

If health is also wealth, then we should take account of our remarkable progress here. It is difficult to measure this gain in dollars but expenditures of \$16 billion for health and medical care in 1955 may have some significance. It has been said that we have made more progress in medical science in the last 50 years than in the previous 5000. These advances are coming at a constantly accelerating rate.

Trends which Bring Problems for Older Persons

I have attempted to outline basic developments in American life which make possible a better life for older people as part of the advance of our

society as a whole. But there are some trends in modern society which do create problems for older people and they do need special attention. Let us look at the other side of the coin.

In 1930, about 1 in every 5 households had 6 or more persons, by 1953 less than 1 in 10 were of this size. The three-generation family which conferred some use and status upon the grandparents and even grand-aunts is becoming rarer. This trend probably reflects the desires of adult children and their parents for independence. It also means a lonely life for many older persons, and increased costs for housing and household operations.

At the same time there has been a movement from farm to city to suburbs. In 1850, 85% of the population lived on farms, in 1900 - 60%, in 1950 - 41%. Between 1940 and 1950 half of the nations' total population gain was in the suburbs. As the tide of population receded from rural areas, it left older people behind on the farm and village, and in deteriorated sections of the central city. Not only do older people no longer share the same roof and family concerns, but visits and other personal contacts are diminished by increasing distance.

The family and the job are the foci of life for all of us. Work means not only a larger income, but some place to go, something to do, someone to talk to. Yet increased years will largely be spent in retirement. Between 1900 and 1950 life expectancy at age 60 increased about 10% but years spent in retirement more than doubled. Leisure can be a welcome gift but few older people are prepared for retirement and our society has done little to make these years more than years of survival.

A great shadow lies across the later years. Based on one study, we may say that out of every 1,000 persons who are well at age 45, 100 will suffer chronic illness and disability in their next 5 years; at age 60, out of every 1,000, 250 will develop a chronic illness.

Federal-State-Community Partnership

Having considered the gains in our technical, material and human resources and the concurrent problems, let us turn to another major source -- the potential strength of the partnership with States, local governments and voluntary agencies. There has been a growing interest on the part of national voluntary organizations and many worthy local projects have been initiated, but I would be less than frank if I failed to bring to your attention one significant fact. The June 1957 report, Fund Raising in New York State, on contributions to organized philanthropic agencies, showed that only 1% went to organizations for the aged, about equal to the contributions for animal care. Twenty percent, on the other hand, went to youth organizations. A similar report for Metropolitan Chicago in 1953 showed the same proportion. Voluntary organizations should be in the vanguard here as they have in other aspects of social welfare.

I hope that we will never accept the philosophy that the best and only way to meet problems is always more and bigger Federal Government. Not that the Federal Government is any less the government of the people than are State or local governments; but the people should consider in each instance whether it is the Federal action that is most needed and likely to be most effective; or whether individual effort and private enterprise or local or state governments that bring the best and most lasting results.

The report of the Commission on Intergovernmental Relations set some basic guides in this area by concluding that in general "we should seek to divide our civic responsibilities" in four ways:

--"Leave to private initiative all the functions that citizens can perform privately."

--"Use the level of government closest to the community for all public functions it can handle."

—"Utilize cooperative intergovernmental arrangements where appropriate to attain economical performance and popular approval."

—"Reserve National action for residual participation where State and local governments are not fully adequate, for the continuing responsibilities that only the National Government can undertake."

One area of cooperative intergovernmental arrangements with which I am most familiar is employment. Older workers are often the last to be fired, but they are also the last to be hired. I should like to quote Secretary of Labor Mitchell on this vital point:

"The vigor and flexibility of our economy rests on our free working men and women. As one aspect of this voluntary participation, the worker should be free to retire, and free to continue at work, as his circumstances and ability warrant. In much of the discussion of age and employment, the subjects of pensions and compulsory retirement at age 65 have been in the forefront. The problem is not confined to workers 65 and over. Many men and women face great difficulties when they become unemployed in the forties and fifties, when retirement is no alternative. For them pensions are far in the future; the need to support themselves and their dependents is in the immediate present. For these, as for all our older people I call upon employers and labor organizations to assure that the right of qualified persons to work shall not be denied or abridged, solely on account of age."

The anticipated gross national product in 1965 will require 10 million more workers. Half of these should come from the increased numbers of men and women in the 45 and over age groups. We hope that increased opportunities and attractive starting salaries will not tempt youth of ages 16 to 20 to leave school in increased proportions. The needs of our economy press upon us to

make use of the full potential of older persons as producers. Regardless of the pressures of the times, however, older people should be able to lead useful and productive lives. In most cases, this implies gainful employment. The United States Employment Service and affiliated State agencies are doing their utmost to expand and improve the processes which, our studies demonstrate, help older people find jobs. Funds have been provided for the assignment of older worker specialists in each State office and in 125 offices of larger cities. But ours is a relatively minor role. It is for labor and management to see to it that attitudes and hiring practices which were suited to the year 1900 when life expectancy was 48 years, do not carry over into the present when life expectancy is 70.

What States Can Do

The Employment Service program is a federally-financed, state-operated activity. There are many other services which States can provide with Federal participation and assistance, to greater or lesser degrees.

Retraining of older persons in new skills can be undertaken by public educational systems. (In some States, State aid for adult education is restricted to persons under 21), Vocational rehabilitation agencies should be encouraged to provide services without regard to the length of work life expectancy.

Better trained and better qualified public welfare personnel can bring savings in costs which would permit improved medical care and social service provisions. Surplus foods available from the Department of Agriculture can be used in institutions for the aged and in "meals-on-wheels" services to the home. Voluntary agencies could be used, as in England, for the preparation and distribution of foods. States could improve the quality of care in nursing

homes and homes for the aged through licensing and adequate supervision. We cannot stand aloof until a fire in a home for the aged sets the public conscience aflame.

Education and recreation are largely State and community responsibilities. In building new schools, thought should be given to their use by elders during afternoons, evenings, and weekends. Further, educational and recreational services should go where old people go -- Golden Age clubs, churches, homes for the aged; and should offer activities which replace some of the values derived from work, i.e. usefulness, productivity, social contacts.

In calling upon the States to assume full partnership, I am not relegating the Federal Government to the role of silent partner. We have, and will continue to play, a leading role.

What the Federal Government is Doing

Legislative and administrative actions in the last 4 years have greatly aided older persons. Increase in coverage has made the OASI system almost universal in scope, filling in the great gaps in rural areas and the military services. Benefits were substantially increased for present and future retired persons, and the effects of disability and periods of low earnings greatly mitigated. The value of the retirement dollar was increased by extending tax exemption of retirement income and by allowing deductions of total medical expense of persons 65 and over. Supplementation of OASI benefits through employment was liberalized. Opportunities for employment for older persons were improved through strengthened vocational rehabilitation and public employment service programs. Federal matching for payments under old-age assistance were increased, and separate matching for medical-care costs introduced. A housing for the elderly program of great potential has been initiated, and public and private efforts for the expansion and improvement of homes for the aged, nursing

homes , chronic disease hospitals, geriatric centers are being supported by favorable mortgage insurance, direct loans, and grants in programs administered by FHA, the Public Health Service, and Small Business Administration. Both research and services in the chronic diseases have been intensified, and investigations into the aging process itself have been extended. This capsule review demonstrates that we have been moving forward on several fronts. It demonstrates also how vast and complex is this field -- employment, income maintenance, housing, health, education and recreation, social services.

At the Federal level, President Eisenhower established last year the Federal Council on Aging consisting of 13 departments and agencies. The Council is charged with coordinating policy development, planning and programing, so as to achieve a more effective government-wide approach to the needs of older citizens. It also serves as a central point within the Federal government for the gathering of information. A constant flow of information from the Federal government to the States, to the community, and back from the local level to the state and national level, is vital if we are to escape attitudes of "stand-pattism" -- patterns stamped by the past rather than the present and future.

Special stress should be placed on the weighing of needs, of services and benefits, of costs and alternatives. Various proposals involve increases in payroll taxes of $\frac{1}{2}\%$ or 1%, a seemingly slight figure. But this represents a dollar amount on the order 2 to 3 billion annually. Shall we spend this to increase benefits by perhaps \$10 a month, or shall we spend substantially lesser amounts to search for a cure to cardiovascular diseases, or for rehabilitation, or for improving employment opportunities for older people? We can't do everything at once.

This ~~process~~ of decision-reaching should be engaged in not only by the professionals but by citizens in every community. For it is the community to which all our programs must be oriented -- here where the older person is a consumer, worker, homeowner, taxpayer, parent and neighbor. Federal and State governments can move with more confidence into new activities, if these activities are community-tested and approved. In this process of decision-reaching, I hope that you can accept certain principles which guide the Federal Council on Aging. It is the Council's belief that any measures adopted should:

- (1) assist the individual to preserve his independence, - his freedom and responsibility to the maximum extent;
- (2) encourage the provision of services to the older persons by sources close to him -- his family, his employer, his union, his church, his community and
- (3) be consistent with the welfare of the population as a whole and the maintenance of a sound economy. Such policies can make compatible the goals of freedom and security for all our people.