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A NEARLY FREE MARKET FOR OHIO RUBBER MANUFACTURERS

BUT NOT FOR OHIO NEGROES

INTRODUCTION

A Free Market for the Product; Restrictions on the Labor Market

America's economic system is a "mixed economy" in which government ownership and government regulation mingle with private ownership and both monopolistic power and freely competitive markets. America's economic system contains diverse elements; yet the core of this system is the free market, favored by most Americans because it promotes economic efficiency and individual freedom. In free markets, firms come and go, and firms make product decisions in response to profit incentives deriving from consumer preferences operating through the impersonal forces of supply and demand. In free markets, capital and labor move to uses where each unit is most productive, and output is distributed among individuals in proportion to the contribution each makes to production.

The managers of American rubber companies have been able to choose inputs and outputs mostly free of government controls. Rubber companies have enjoyed nearly free markets for their products.

In sharp contrast, rubber manufacturers have severely restricted the rubber manufacturing labor market accessible to Negro Americans. In 1940, for example, when 59% of the people employed in Ohio rubber manufacturing worked in Akron:

- 1) Akron's male labor force was 4.7% Negro, but only 1.8% of the men employed as operatives (semiskilled workers) in Akron rubber manufacturing were Negroes;
- 2) Akron's female labor force was 5.0% Negro, but only 4 Negro women worked with the 3,002 white women employed as operatives by Akron rubber companies.

In the entire state of Ohio in 1940, 9,567 women worked in rubber manufacturing; of the 7, only 10 were Negroes.

Maximizing Returns from the Limited Resources of  
the Ohio Civil Rights Commission

The Ohio Legislature has authorized the Ohio Civil Rights Commission to:

- 1) "receive, investigate, and pass upon written charges made under oath" of
  - a) discrimination against single individuals, and
  - b) patterns of discrimination against groups of individuals;
- 2) "make periodic surveys of the existence and effects of discrimination" and to "hold hearings and subpoena witnesses" to determine where discrimination exists;
- 3) issue orders to employers, unions, and employment agencies "to cease and desist from" every "unlawful discriminatory practice and to take such further affirmative or other action as will" extend free markets and equal employment opportunity, and
- 4) "issue such publications and such results of investigation and research as in its judgment will tend to promote good will and minimize or eliminate discrimination."

The Commission cannot correct every employment-related case of discrimination in the state of Ohio, for its resources are limited. It can use some of its limited resources:

- 1) to correct individual instances of employment discrimination and some
- 2) to move against "patterns" of employment discrimination affecting many individuals.

The Commission is free to choose how its limited resources shall be applied. Opinions may differ as to what the Commission should do; but few can argue with this generalization regarding what the Commission can do: If most of its resources are used to correct individual instances of employment discrimination, it will do less to move the Ohio labor market toward free enterprise competition than if most of its resources are used to identify and act to change patterns of discrimination affecting many people.

The recommendations attached to this report are based on two assumptions: first, the Ohio Civil Rights Commission is supposed to use its resources in ways that maximize the free market effects of the Commission; second, the Commission can maximize its free-enterprise effects on the Ohio labor market only by using most of its resources to obtain voluntary affirmative action conciliation agreements and, when necessary, cease and desist orders wherever it finds patterns of discrimination. The EEO-1 reports, on which this paper is based, provide a potentially efficient means of identifying patterns of discrimination within this State.

#### EEO-1 Rubber Workers

The principal source of data for this paper is the Federal Equal Employment Opportunity Employer Information Report, EEO-1, filed in March 1966 by each of 70 plants manufacturing rubber products in Ohio. In each company's report, December 1965 employment was broken down in the matrix shown in Figure 1. Each company used one such matrix to report on its male employment and another to report on its female employment in December 1965.

Federal law required reports from companies meeting one or more of these three criteria:

- 1) more than 100 employees,
- 2) a prime contractor or first-tier subcontractor with more than \$50,000 in Federal government contracts or with more than 50 employees, or
- 3) a Plans for Progress participant.

Small companies did not need to file reports. A company with several plants was required to file a separate report for each plant.

The expressions, "EEO-1 rubber workers" and "EEO-1 rubber employees," are used in this report to refer to the employees listed on EEO-1 forms filed by rubber manufacturers.

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 Figure 1: Federal Equal Employment Opportunity  
 Employer Information Report, EEO-1

Occupations	Total Males	M i n o r i t y   G r o u p s			
		Negro	Oriental <sup>1</sup>	American Indian <sup>1</sup>	Spanish American <sup>1</sup>
Officials and Managers					
Professionals					
Technicians					
Sales Workers					
Office and Clerical					
Craftsmen (Skilled)					
Operatives (Semiskilled)					
Laborers (Unskilled)					
Service Workers					
Total					
Total Employment from Pre- vious Report (if any)					
6. (Figures for the following classifications shall also be included in the appropriate category above the "Total" line.)					
Apprentices					
On-the-Job Trainees <sup>2</sup>	White Collar				
	Production				

EEO-1 Reports and Identification of Patterns of Discrimination

By example, this paper suggests what might soon be done on a wide scale now that employers must file EEO-1 reports each year (in 1968, an EEO-1 must be filed by every employer of 50 or more persons). The Ohio Civil Rights Commission has the potential opportunity of using these reports to identify patterns of discrimination

- 1) in industries,
- 2) in areas, and
- 3) in individual firms.

Such solid information could help the Commission make decisions permitting it to maximize its free-enterprise impact on Ohio's labor market.

RUBBER MANUFACTURING IN OHIO

Rubber Manufacturing and Akron Grew Together

1870, 10,000 people lived in Akron.

1, Goodrich, Tew, and Company opened in Akron with rubber hose its chief product.

1880, 16,500 people lived in Akron.

1890, 27,600 people lived in Akron.

1898, The Goodyear Tire and Rubber Co. was organized in Akron.

1900, 42,700 people lived in Akron.

1900, The Firestone Tire and Rubber Co. was organized in Akron.

1910, 69,000 people lived in Akron.

1913, The Mohawk Rubber Co. was organized in Akron.

1916, The General Tire & Rubber Co. was organized in Akron.

1920, 208,000 people lived in Akron.

1923, The Seiberling Tire Co. was organized in Barberton.

1930, 255,000 people lived in Akron.

### Less Geographic Concentration after 1930

In 1929, Ohio was the rubber manufacturing center of the nation, largely because of Akron but also because of large rubber plants in other parts of the State. In the United States in 1929:

- 1) of all employees of rubber manufacturers, 41% worked in Ohio,
- 2) of all employees of tire and tube manufacturers, 66% worked in Ohio.

Three fourths of the rubber manufacturers' Ohio employees worked in Akron, where the industry so dominated that rubber companies employed 54% of all Akron's manufacturing employees.

Since the 1930's, the primacy of Akron and of Ohio has been steadily reduced as Akron rubber companies have built new plants in other areas and as technology changed in tire production. Employment in tire and tube production reached its Ohio peak at 64,000 persons in 1953 (65% of total employment in Ohio's rubber industry) then fell to 42,000 in 1965 (46% of total employment in Ohio's rubber industry, "total employment" needs total EEO-1 employment since not all firms filed EEO-1 reports in 1965).

### Dispersal, but Still 26% in Ohio, 18% in Akron

Since 1930, many new rubber factories have been built outside of Akron and outside Ohio. Yet the 1963 Census of Manufacturers showed:

- 1) 26.1% of all U. S. rubber manufacturing employees were in Ohio, and
- 2) 36.3% of all U. S. rubber tire and tube manufacturing employees were in Ohio.

Within Ohio, rubber manufacturing remains concentrated in Summit County (Akron's county). Among the 66,100 December 1965 EEO-1 rubber workers in Ohio, 44,000 (66%) worked in Summit County (so about 18% =  $.68 \times .26$  of all U. S. rubber workers were employed in Summit County).

The U. S. Bureau of Labor Statistics forecasts an increase in "rubber and miscellaneous plastics products" employment from 466,000 in 1965 to 500,000 in 1970.

rubber company offices are to be built in the area undergoing urban renewal near

the center of downtown Akron. These offices will bring Akron a share of the growing number of white collar workers in the rubber industry, but blue collar employment may drop off in Akron over the next several years.

#### White Collar Concentration in Akron

The rubber workers now concentrated in Akron are not a "typical" cross section of American rubber workers. In 1965,

- 1) 27% of all American EEO-1 rubber workers held white collar jobs,
- 2) 43% of all Akron EEO-1 rubber workers held white collar jobs.

White collar employees are concentrated in Akron because Akron is the headquarters of four of America's five largest rubber manufacturers. These four companies have their headquarters in Akron, and all four manufacture tires and other rubber products in Akron. Among Summit County's 44,000 EEO-1 rubber workers in 1965, 40,096 (93%) worked in Akron for the "Akron Big 4", and 18,000 (45%) of the Akron Big 4 employees (excluding employees engaged in retailing or chemical manufacturing) were white collar workers. (The Akron Big 4 stand out because the fifth largest rubber manufacturer in Akron has fewer than one-sixth the number of employees the smallest of the Akron Big 4 has in that city.)

#### An Industry with Many Jobs Requiring Little Skill

Of the 66,124 EEO-1 rubber workers in Ohio in 1965, about half were employed in the manufacture of tires and tubes. Tire factories have four major blue collar departments:

- The mill and processing department,
- The tire preparation and tire building department,
- The curing and final finish department,
- The maintenance department.

Most skilled workers are in apprenticable occupations in the maintenance department.

Many jobs in other departments (and many jobs in other rubber factories) require little skill; the 1960 Census found 58% of the rubber industry labor force employed as operatives, laborers, or service workers (all semiskilled or unskilled occupation categories).

In many industries the proportion in those occupations is much smaller. The 58% figure is significant because unskilled and untried workers can be taken off the streets; and, even when they possess minimal educational, communication, and arithmetic skills, they can be successfully employed in such unskilled or semiskilled production work after a very short training period. The larger the portion of semiskilled and unskilled workers in an industry, the greater the job opportunities accessible, so far as current ability is concerned, to Negroes who have received minimal educational preparation for work in American industry.

The 58% figure may be misleading for the rubber industry since many of its operatives, in particular many tire manufacturing operatives, are (to coin a phrase) "highly semiskilled." Truck tire builders, and Banbury, tread tuber, and, in particular, calender operators perform very demanding work and carry great responsibilities (mistakes can be very costly); their pay approaches that of journeymen electricians, millwrights, and pipefitters. Separating out the more demanding operatives' jobs, about one-third of the jobs in a tire factory require little education and little training.

#### Akron's Exceptional Ethnic Character

In most northern industrial cities, Negroes had to compete for unskilled and semiskilled jobs with immigrants from Europe. In 1930, Cleveland, Ohio, was typical of most American industrial cities in that 65% of its residents were foreign born or the children of foreign-born parents. Akron's first and second generation population was a contrasting 32% of that city's 1930 population.

Akron's growth came in large part with in-migration from West Virginia and other southern Appalachian states. During the 1920's, Akron was called the "capital

of West Virginia." In 1930, one-third of Akron's population was West Virginian or southern born.<sup>3</sup> Akron Negroes have had to compete with southern in-migrants more often than with European immigrants.

NEGROES IN AKRON

Total Negro, Total "Other" Population: City and County

Because two-thirds of Ohio's EEO-1 rubber workers were employed in Akron in 1965, special attention is given here to the Negro population and labor force in that city. Within the city of Akron, the white population is growing smaller; the Negro population is growing larger. Table 1 shows recent population figures and a 1970 forecast for the city.

Table 1: Population Figures for the City of Akron; Negro, other, total, selected years (in thousands)

Year	Negro	Other	Total	Negro as % of total
1940	12	233	245	5%
1950	24	251	275	9
1960	38	252	290	13
1965 est.	54	246	300	18
1970 forecast	68	237	305	22

Source: The Center for Research in Marketing Incorporated, The Negro Population: 1965 Estimates and 1970 Projections, CRM Inc., Peekskill, N.Y., Feb. 1966, Table I. The data for 1940, 1950, 1960 are rounded U.S. Census figures; the 1965 estimates and 1970 forecasts were made by CRM Inc. The CRM figures are consistent with the Akron population estimate (not broken down by race) made by Akron's Tri-County Regional Planning Commission.

In Summit County, the Negro population is growing and the white population is growing. Table 2 shows recent population figures for Summit County.

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fred W. Jones, Life, Liberty and Property, J.B. Lippincott, 1941, pp. 59-61.

Table 2: Population Figures for Summit County; Negro, other total, selected years (in thousands)

Year	Negro	Other	Total	Negro as % of total
1950	26	382	408	6.4%
1960	41	473	514	8.0
1966	60	512	572	10.5

Source: 1950 and 1960 figures are from U.S. Census returns; the 1966 total figure is an estimate by Akron's Tri-County Regional Planning Commission; the racial breakdown of the 1966 figures is an estimate by the author of this paper.

Negroes as a Percent of the Increase in Population

Table 2 shows Negroes accounting for one-third of the 1960-66 increase in the population of Summit County. Presumably, Negroes also accounted for one-third of the 1960-66 increase in the labor force in Summit County.

Table 1 shows that within the city of Akron, the other-than-Negro population now 2% less than in 1950. Negroes replaced the whites who left, and Negroes accounted for all of the 1960-65 increase in Akron's population and labor force.

As Table 1 shows, the Center for Research in Marketing forecasts a further decline between 1965 and 1970 in Akron's other-than-Negro population. Table 1 shows that the Center also forecasts continued Negro population growth that will replace departing whites and that will account for all of the 1965-70 increase in the population and labor force living within the city of Akron.

Akron Compared with Other Large Ohio Cities

In every large Ohio city the white population is falling and the Negro population is growing. Akron is special in that the 1960-65 42% growth rate for its Negro population was exceeded only by Columbus and Toledo among Ohio's 8 cities with more than 100,000 people. The population figures and growth rates for 1960-65 are shown in Table 3. As Table 3 also shows, the Center for Research in Marketing forecasts 1965-70

Table 3: Negro Population: 1960 Actual, 1965 Estimates, 1970 Forecasts, and Negro Population Growth Rates, 1960-65 and '65-'70 for Ohio Cities with More than 100,000 People

City	Year, population in thousands			Growth rate	
	1960	1965 estimate	1970 forecast	1960-65	1965-70
Columbus	77	117	167	52%	43%
Toledo	40	58	77	45%	33%
Akron	38	54	68	42%	26%
Canton	11	14	17	27%	21%
Youngstown	32	40	48	25%	20%
Dayton	57	71	85	25%	20%
Cincinnati	109	130	150	19%	15%
Cleveland	251	277	305	10%	10%

Source: The Center for Research in Marketing, op. cit., Table I.

Similar increase in the Negro population in each of these cities at about the same number by which each city's Negro population rose 1960-65 (except in Columbus where the 1965-70 increase is to be 20% larger than the 1960-65 increase). Thus, Akron is to rank third in rate of growth in Negro population between 1965-70 just as it did between 1960-65. Since Akron has and will continue to have such a high rate of increase in its Negro population, the pressure will be relatively great to free Akron labor markets from anti-Negro restrictions.

1949-1959: Decline for Akron Negroes

Negroes appear to have had little luck in Akron's labor markets during the 1950's. One measure of the relative economic position of Negroes in an area is the ratio of  $\frac{\text{median income of Negro men to}}{\text{median income of white men}}$  in that area.

In Summit County, this ratio slipped from  $\frac{\$2,204}{\$3,099} = 71.1\%$  in 1949 to  $\frac{\$3,810}{\$5,481} = 69.5\%$  in 1959.

No one knows what has happened to the ratio since 1959.

Negro Dissatisfaction in Akron

If Akron's growing Negro population is to improve its relative income position, Negroes must have access to jobs for which they can qualify. At present, Akron Negroes are dissatisfied with the rate at which racial employment barriers are being removed. The Six-City Study of the Lemberg Center for the Study of Violence found that in early 1967 "Average Negro Dissatisfaction" (the percent of Negroes expressing dissatisfaction with their city) was higher in Akron than in Pittsburgh or Dayton; as Table 4 shows, Akron ranked fourth among the six cities surveyed. The differences

Table 4: Rank Order Comparison of Average Negro Dissatisfaction in Each of Six Cities

Cities	Average Negro dissatisfaction
Cleveland	56%
San Francisco	49%
Boston	49%
Akron	45%
Pittsburgh	42%
Dayton	35%

Source: Lemberg Center for the Study of Violence, Brandeis University, Six-City Study: A Survey of Racial Attitudes in Six Northern Cities: Preliminary Findings, Waltham, Mass., June 1967, p. 20.

between Akron and San Francisco, Boston, and Pittsburgh may not be statistically significant, but Akron Negroes did report less dissatisfaction than did Cleveland Negroes and more dissatisfaction than did Dayton Negroes. One frequently cited cause for dissatisfaction was the restricted labor market available to Akron Negroes. Of all Akron Negroes surveyed, 62% felt local job opportunities were opening to Negroes "too slowly."

## NEGROES EMPLOYED BY RUBBER COMPANIES IN OHIO

In 1960, Negroes made up 8% of Ohio's population; by 1965, that figure was presumably above 8%. In 1965, Negroes numbering 3,943 made up only 6% of Ohio's 66,124 EEO-1 rubber workers. The 6% figure is, however, not to be compared with the 8%+ figure since Ohio's rubber companies are scattered across the state; some in counties where Negroes make up more than 8%; some in counties where Negroes make up less than 8% of the county labor force.

In 1966, 70 Ohio rubber manufacturing establishments filed EEO-1 reports. Table 5 shows the breakdown in employment in those 70 establishments as among counties categorized by the percent of Negroes in each county's labor force in 1960; e.g., 24 reporting establishments were located in counties in which Negroes made up under 2% of the 1960 labor force; 10 were in counties in which Negroes made up between 2.1 and 3.6% of the 1960 labor force. Table 5 shows total EEO-1 employment, Negro EEO-1 employment, and percent Negro employment in the rubber manufacturing plants in each of the county categories.

Table 5: Total and Negro Employment in Ohio Rubber Manufacturing Plants Filing EEO-1 Reports in 1966:  
By percent of Negroes in the county labor force  
in 1960.

Negroes as a % of county labor force in 1960	Number of reporting establishments	Rubber manufacturing employment		
		Total	Negro	Negro as a % of total
Under 2%	24	9,996	102	1.0%
2.1-3.6%	10	4,029	44	1.2
4.9-6.4%	11	4,160	193	4.5
7.5%	15	44,039	3,341	7.6
10.6-11.3%	6	2,702	131	4.8
13.9-14.8%	<u>4</u>	<u>1,198</u>	<u>132</u>	<u>11.0</u>
Total	70	66,124	3,943	6.0%

Source: EEO-1 reports filed by establishments.

In general, establishments in counties with larger Negro populations employed larger percentages of Negroes than did establishments in counties with smaller Negro populations. Nevertheless, in every county category, the percent of Negroes among EEO-1 rubber workers in 1965 was smaller than the percent of Negroes in the county population in 1960, this in spite of the high percentage of unskilled jobs in rubber factories. The two percentages are close together for Summit County (7.6% Negro employment) where Negroes made up over 15% of the 1965 labor force in the central city where most of the rubber plants are located.

#### THE AKRON BIG 4 AND NEGRO EEO-1 RUBBER WORKERS IN AKRON

##### Negroes as a Percent of Big 4 Akron Employment

Two-thirds of Ohio's EEO-1 rubber workers (85% of Ohio's Negro EEO-1 rubber workers) were employed in Summit County in 1965. Of the 44,039 employed in Summit County, 40,096 (91%) worked in Akron for the Akron Big 4. Of the 3,341 Negro EEO-1 rubber employees in Summit County, 3,040 (91%) worked in Akron for the Akron Big 4. The Akron rubber manufacturing plants of Akron's Big 4 are all located within a few miles of one another and within a few miles of the center of the city.<sup>4</sup>

In 1965, Negroes made up over 15% of the Akron labor force and over 8% of Summit County's labor force. In 1965, in the Akron rubber manufacturing plants of the Akron Big 4, Negroes made up:

- 1) 7.6% (3,040) of their 40,096 total employees,
- 2) 16.5% (2,746) of their 16,608 unskilled and semiskilled employees,
- 3) 0.8% (149) of their 18,015 white collar employees,
- 4) 2.2% (123) of their 5,553 female employees,
- 5) 2.6% (145) of their 5,473 skilled craftsmen,
- 6) 2.1% (5) of their 194 apprentices,
- 7) 15.8% (2,077) of their 13,134 operatives,

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<sup>4</sup>In 1965, one of the Big 4 employed more than 1,000 people in a plant in Barberton, a city of 34,000 adjacent to Akron. Figures for that plant are excluded from the following discussions of Big 4 employment practices within the city of Akron.

- 8) 1 of under 25 female white collar on-the-job trainees,
- 9) 2.1% (8) of their 380 male white collar on-the-job trainees,
- 10) 2.4% (6) of their 246 male production on-the-job trainees.

The Akron Big 4 and Inability or Unwillingness to Find Qualified Negroes

Akron's Big 4 rubber companies are now hiring Negroes for many kinds of jobs. Is it a shortage of qualified Negro applicants that keeps the Akron Big 4 from hiring more Negroes for white collar work and for the more demanding blue collar jobs? "Shortage of qualified Negroes" cannot explain the wide differences among the Akron Big 4 -- located within a few city miles of one another -- in the percent of Negroes employed within each occupation category. Table 6 shows these differences among the four Akron establishments (the Barberton plant is omitted here) by making comparisons among the four in the percent of Negroes (male or female) employed in each occupation category.

Table 6: Negroes as a Percent of Total Persons Employed in Akron Rubber Manufacturing by Each of the Akron Big 4 in Each Occupation Category; also Total Number of Employees in Each Occupation Category; Percentage figures are listed in each column in descending order of size.

6a: Total Employees 1964 and 1965; Male and Female

	Male		Female	
	1964	1965	1964	1965
	11.4%	11.2%	3.8%	4.5%
	7.5	8.1	1.6	1.8
	7.4	8.0	.6	1.4
	unknown	7.2	unknown	0.5
Numerical total:	unknown	34,543	unknown	5,553

Source: All portions of Table 6 are from EEO-1 reports filed by establishments.

6b: Male white collar Employees, 1965

Total white collar	Officials, managers	Professionals	Technicians	Sales workers	Clerical workers	O-T-J trainees
1.5%	1.5%	1.1%	1.0%	1.5%	6.3%	5.6%
0.8	0.7	0.8	0.9	0.4	1.5	2.8
0.9	0.5	0.3	0.9	0.0	0.5	2.1
0.1	0.0	0.1	0.0	0.0	0.0	0.0
Numerical total: 14,068	5,487	3,450	1,145	1,542	2,444	380

6c: Female White Collar Employees, 1965

Total white collar	Officials, managers	Professionals	Technicians	Sales workers	Clerical workers	O-T-J trainees
1.7%	0.0	0.0	4.3%	0.8%	1.8%	0.0
.7	0.0	0.0	0.0	F.T. <sup>2</sup>	.8	none <sup>3</sup>
.7	F.T. <sup>2</sup>	0.0	0.0	F.T.	.7	none
.5	F.T.	F.T. <sup>2</sup>	F.T. <sup>2</sup>	none <sup>3</sup>	.4	none
Numerical total: 3,947	no no. <sup>1</sup>	63	76	no no. <sup>1</sup>	3,631	no no. <sup>1</sup>

<sup>1</sup>"No no." means "no number given lest a knowledgeable reader estimate figures for a particular company."

<sup>2</sup>F.T. means "fewer than ten employees in total in this category."

<sup>3</sup>"None" means "no employees, white or nonwhite, in this category."

6d: Male Blue Collar Employees, 1965

Total blue collar	Craftsmen	Operatives	Laborers	Service workers	Apprentices	O-T-J. trainees
18.1%	4.1%	26.2%	24.3%	45.6%	2.9%	3.0%
13.2	3.7	18.6	21.4	37.2	2.2	0.0
13.0	1.3	12.9	18.4	37.0	none <sup>3</sup>	none <sup>3</sup>
1.8	0.0	11.6	14.3	36.0	none	none
Numerical total: 20,475	5,465	12,006	1,507	1,497	194	246

## 6e: Female Blue Collar Employees, 1965

Total blue collar	Craftsmen	Operatives	Laborers	Service workers
13.3%	F.T. <sup>2</sup>	12.5%	5.6%	29.0%
2.9	F.T.	2.0	F.T. <sup>2</sup>	9.1
1.7	none <sup>3</sup>	0.3	none <sup>3</sup>	3.4
0.0	none	0.0	none	0.0
Numerical total: 1,606	no no. <sup>1</sup>	1,128	no no. <sup>1</sup>	about 200

In each column of Table 6, the percentage figures for each of the four companies are arrayed in descending order of size; since the rank of the companies varies from category to category, each row in Tables 6b - 6e includes figures for at least three of the four companies.

Table 6 suggests several generalizations:

- 1) In every occupation category column (except those for laborers and for male service workers), the largest figure is at least double the smallest figure in the column.
- 2) In most of the columns, the largest figure is 10 or more times the smallest.
- 3) In many columns, one or more companies had been unable or unwilling to find any qualified Negroes.

Some specific comparisons:

- 1) One company had found enough Negroes to fill 4.1% of its many hundreds of jobs for male craftsmen; another company -- a few miles away -- had been unable or unwilling to find any Negro men qualified as craftsmen.
- 2) One company (not the one with Negroes in 4.1% of its craftsmen's jobs) had found enough Negroes to fill 1.8% of its hundreds of clerical jobs for women; another company -- a few miles away -- had been unable or unwilling to find Negro women to fill more than 0.4% of its hundreds of clerical jobs for women.

3) One company had found enough Negroes to fill 1.5% of its many hundreds of managerial jobs for men; another .. and so on and so on.

All four rubber companies had signed Plans for Progress before 1965 and were officially committed to non-discriminatory policies consistent with free markets and free enterprise. The statistics of Table 6 argue that senior management permitted big interfirm and big intrafirm differences in violations of free labor market practices. Senior management apparently tolerated discriminatory practices by:

- 1) individuals responsible for hiring, and by
- 2) supervisors responsible for promotions.

As a result of this "individual" discrimination, controls remained on Akron's labor markets keeping Negroes from jobs in some plants that they filled in others. If senior management in each company enforced -- for every occupation -- hiring and employment principles consistent with a free enterprise market system, these enormous differences in employment practices (6.3% versus 0.0% for male clerical workers, 1.5% versus 0.0% male sales workers, etc.) would never appear among companies physically adjacent.

#### Akron's Big 4 and Changes 1965-65

Information regarding changes between 1964 and 1965 in total EEO-1 rubber worker employment and in Negro EEO-1 rubber worker employment is sketchy for the Big 4 in Akron. The available information does suggest that the companies that permitted the most discrimination in earlier years did most between 1964 and 1965 to open the labor market to Negroes. But even if the generalization of the preceding sentence is valid, the enormous interfirm and intrafirm differences of Table 6 remained at the end of 1965.

#### SIZE OF PLANT AND OPPORTUNITIES FOR NEGRO ABILITY IN PLANTS ACROSS OHIO

In 1965, one-third of Ohio's EEO-1 rubber workers (and 15% of Ohio's Negro EEO-1 rubber workers) were employed in plants outside Summit County. This and the next section offer some generalizations about Negroes and rubber manufacturing labor markets in Summit County and in the other Ohio counties with rubber plants.

## Controlling for Relative Size of Negro Labor Force

Are small plants and large plants about the same in providing free enterprise market opportunities for Negro employment in Ohio rubber manufacturing? The question cannot be answered by comparing all large rubber manufacturers with all small rubber manufacturers in Ohio, for the largest rubber manufacturing plants are in Akron, where Negroes made up over 15% of the city labor force in 1965, while many small rubber manufacturers are in small towns with few Negroes in their local labor forces.

Before Negro-employment comparisons can be made between large and small rubber manufacturing establishments, the establishments must be separated, as was done in Table 5, into groups according to the percent of Negroes in the local labor force of each (the 1960 county labor force figures are used because better figures are not available). In Table 7, 34 establishments with 4.9% or more Negroes in the 1960 labor forces of their counties have been divided into four Negro-percent-of-1960 labor force categories. Data on establishments in areas with fewer than 3.6% Negroes in their 1960 county labor forces (there were no plants in counties where Negroes made up anything between 3.6% and 4.9% of the 1960 county labor force) have been omitted since many of these plants are in towns with no Negroes even though Negroes live elsewhere in those counties.

Table 7: Negroes as a Percent of Total Employment in Plants with Fewer than 450 EEO-1 Rubber Workers; Negroes as a Percent of Total Employment in Plants with More than 449 EEO-1 Rubber Workers in 1965: By % of Negroes in county labor force in 1960

Negroes as a % of county labor force in 1960	Number of reporting plants	Negroes as a % of EEO-1 rubber worker employment in establishments with	
		Under 450 employees	Over 449 employees
4.9-6.4%	9	3.7% <sup>1</sup>	5.3% <sup>2</sup>
7.5%	15	3.7	7.7
10.6-11.3%	6	3.4	5.9
13.9-14.8%	4	11.0	No plants this big

Source: EEO-1 reports filed by establishments.

<sup>1</sup>The firm is omitted from consideration here because its employment practices are exceptional, and would, to a great extent, outweigh the effects of the behavior of the other 9 plants.

<sup>2</sup>One firm is omitted here because it is located in a rural area with very few Negroes in its labor market section of its county.

The Larger the Plant Labor Force, the Better the Opportunities for Negroes

Table 7 shows that firms with fewer than 450 workers employed smaller percentages of Negroes than did plants with 450 or more employees. There are, of course, large plants with relatively few Negro employees and small plants with relatively many Negro employees. Nevertheless, the averages provide a generalization valid for most of Ohio: large rubber manufacturing plants provide Negroes with more nearly free enterprise labor markets than do small rubber manufacturing plants.

Table 7 uses data for 34 plants. Among the 34, in 1965:

- 1) there were 23 with 10 to 100 EEO-1 white collar workers; only 5 of the 23 employed one or more Negroes in white collar work (4 of the 5 employed but one Negro each) in 1965,
- 2) there were 23 with 10 to 100 EEO-1 craftsmen; only 8 of that 23 employed any Negroes as craftsmen in 1965.

Table 7 uses data from 15 plants in Summit County. In 1965:

- 1) in the 6 plants with more than 499 employees,
  - a) 0.8% of white collar workers were Negroes,
  - b) 2.8% of craftsmen were Negroes;
- 2) in the 9 Akron rubber plants with fewer than 500 employees,
  - a) there were no Negroes among 439 white collar workers (of course 0 is not far below .008.),
  - b) there was one Negro among 80 craftsmen,
- 3) Negroes were employed in white collar work only in plants with more than 200 white collar workers.

MUCH MORE RESTRICTIVE CONTROLS ON THE LABOR MARKET FOR NEGRO WOMEN

In 1965, the anti-Negro restrictions on the female labor market appeared to much tighter than those on the male labor market. Table 6a showed the sharp contrast between Negroes as a percent of male employment and as a percent of female

employment with Akron's Big 4. For particular occupation groups, the Big 4 Akron 80-1 rubber manufacturing employment figures were:

- 1) 2 Negroes among 321 non-clerical female white collar workers,
- 2) 109 Negroes among 3,631 female clerical workers,
- 3) 65 Negroes (most employed by one company) among 1,128 female operatives.

These figures contrast with the figures for Negroes as a fraction of the female labor force in 1960: 8.4% in the county, 12.4% in the city.

What was true of the Akron Big 4 in Akron was generally true throughout Ohio in 1965: whatever the percent of Negroes among the male employees of a rubber manufacturer, the percent of Negroes among the same plant's female employees was smaller. There was, to be sure, significant exceptions, but the generalization applied to 80% of the plants with Negro employees.

The generalization applied to all employees -- blue collar and white collar workers lumped together -- and it applied to white collar workers considered alone. Aside from the 4 Akron plants of the Akron Big 4, 13 of the 70 reporting firms employed Negro white collar workers in 1965. The above generalization applied to 9 of the 13, and 8 of the 9 employed no Negroes among their female white collar workers.

#### RUBBER MANUFACTURING PLANTS IN COUNTIES WITH FEW NEGROES

In 1965, there were 24 rubber manufacturing plants in counties where Negroes made up under 2% of each county's 1960 labor force. Most of these plants were small. Of the 24:

- 3 had between 1200 and 1600 employees in 1965,
- 5 had between 440 and 740 employees in 1965,
- 16 had fewer than 275 employees in 1965.

Most of these 24 plants were in small cities:

- 2 were in cities with between 19,000 and 35,000 people in 1960,
- 9 were in cities with 10,000-18,999 people in 1960,
- 13 (with 4,418 of the 9,996 employees of the 24) were in cities and towns with fewer than 10,000 people in 1960.

In 1965, only 4 of these 24 establishments employed Negroes in white collar work (each of the 4 employed one Negro white collar worker). For the 24 as a group:

- 1) 24% of their 9,996 EEO-1 employees were white collar workers,
- 2) 4% of their Negro employees held white collar jobs.

Only one of the 24 plants employed Negroes (3) in skilled work in 1965.

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NEGRO EMPLOYMENT IN ST. LOUIS, 1966

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Southern Illinois University

FOR THE ST. LOUIS COUNCIL ON HUMAN RELATIONS  
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## SUMMARY

This report describes Negro employment patterns in the St. Louis Standard Metropolitan Statistical Area, (SMSA), by occupation and industry. EEO-1 data for 1966 show 388,283 employees in St. Louis of which 10.6 percent were Negro. Forty-two percent (41.8) or 162,245 employees were classified as white collar employees (officials and managers, professionals, technicians, sales, and clerical). However, only 4,927 Negroes, or about 3 percent, were classified in the white collar occupations.

The analysis shows:

- (1) Negroes are underrepresented in the higher salaried occupations.
- (2) Extreme variation among firms regarding Negro utilization exists in the SMSA.
- (3) Of the 1,516 reporting establishments, 62 percent employed Negroes. The median participation rate (Negro workers as a percent of total) for the 1,516 reporting establishments was 2 percent.
- (4) Sixty-nine percent of the 1,516 firms in the SMSA employed no Negro males in the high skilled occupations (white collar and craftsman).
- (5) Eighty percent of the 1,516 firms in the SMSA employed no Negro females in high skilled occupations.

In view of the results of this analysis, the following recommendations are made:

(1) The firms which hired few or no Negro employees must be identified by the Human Relations Council and conferences initiated with the firms' top management to review and correct their personnel policies -- (testing and recruiting are the most notable).

(2) A newsletter, published by the Human Relations Council, could be used in several ways to increase employment opportunities and rapport between the Negro community and numerous local, state and Federal agencies. One of the most useful roles a newsletter could play is to improve the Negro job information network or "grapevine".

(3) The Human Relations Council should undertake activities on a neighborhood basis -- perhaps jointly with the employment service -- that would complement activities by the State Public Employment Service. Firms would be encouraged to list all job vacancies with the employment agency. The Council could provide state employment agencies with names of firms that do not discriminate.

(4) The use of EEO-1 forms to identify discrimination in employment tends to eliminate, or at least de-emphasize the need to establish "industrial patterns of discrimination". Attacking discrimination by identifying individual firms rather than industries enables correctional activities to be implemented with considerable rapidity. The total affirmative action effort should focus on all firms who apparently are practicing discrimination. If, and only if, resources are limited should the Council direct its activities toward specific industries.

(5) The Council, with the cooperation of other State and Federal Agencies and industrial leaders, should identify those industries most likely to expand within the next few years. This information is pertinent to selecting firms for initial action programs as time and money should not be wasted with firms which are not experiencing growth.

(6) White collar jobs are increasing relative to blue collar occupations. Only in the tobacco, personal and medical services industries does the Negro participation rate in white collar occupations equal or exceed their total labor force participation rate of 10.6 percent. The Council must encourage employers to advance qualified Negroes to white collar occupations.

(7) The Human Relations Council should encourage employers to record racial composition of new employees as they are hired. This type of current information is not available now, but would be extremely valuable to the Council and other agencies concerned with equal opportunity employment policies. It would enable the Council to identify employment bottlenecks and also assist in identifying firms who are providing equal employment opportunities.

## NEGRO EMPLOYMENT PATTERNS IN ST. LOUIS

### I. INTRODUCTION

The general employment situation and the skill levels of workers are significant in influencing employment opportunities for all labor force participants, but particularly for minority groups. The primary purpose of this report is to document Negro employment patterns so that manpower policies can be based on empirical evidence. This report describes Negro employment patterns in the St. Louis Standard Metropolitan Statistical Area (SMSA), by occupation and industry.

More specifically, the objectives of the study are as follows:

- (a) To describe employment patterns of Negroes in the various industries of the St. Louis Standard Metropolitan Statistical Area, with emphasis on jobs in the higher skill levels.
- (b) To identify problem areas in Negro employment and to suggest possible approaches for dealing with employment problems.

The St. Louis SMSA consists of both Missouri and Illinois geographical areas. The Missouri area includes Franklin, Jefferson, St. Louis County and St. Louis City. Madison and St. Clair Counties make up the Illinois portion. In 1960 there

were approximately 2,104,700 persons living in the St. Louis SMSA. Approximately 14 percent (295,259) of the population were Negro. The civilian labor force in this area (persons 14 years and older) in 1960 was 805,833, of which approximately 11 percent (89,943) were Negro.

By 1967 the SMSA population had increased by 11 percent. Table 1 shows the 1960 population and 1967 estimates for each of the geographical areas and for the total SMSA area. The rapid growth in the urban fringe and the decline in the central city area are consistent with national trends. The population increase of Negroes since 1950 has been mainly in central city portions of metropolitan areas. The proportion of Negroes in St. Louis increased from 18 percent in 1950 to 36 percent in 1965. <sup>1/</sup>

The estimated subemployment rate (unemployed and underemployed) for the Negroes in St. Louis, centered on the north side, was 39 percent in November, 1966. <sup>2/</sup> During 1967 nonwhite unemployment in the central city was 11.3 percent as compared with 3.5 percent for white workers. <sup>3/</sup> In St. Louis, Negro median family income (1960) was \$1,918 compared to \$3,737 for white families, or 51.3 percent of white families' income.

This is consistent with more recent statistics comparing 1966 Negro earnings with those of white persons in other areas. 4/

## II. SOURCE OF INFORMATION

The major analyses of this report are based on data provided by the Equal Employment Opportunity Commission Standard Form 100 (EEO-1). Census data are used primarily as background information to establish the underpinnings for the study and to give validity to the findings.

Those required by law to file the EEO-1 form are: business firms and nonprofit enterprises with 100 or more employees, business firms with Federal contracts amounting to \$50,000 and which have at least 50 employees, and business firms which have voluntarily joined the Federal Plans for Progress Program. There were 1,516 respondents from the St. Louis SMSA with a total of 388,283 employees.

The 1966 County Business Patterns reveals that there were 717,499 employees in the St. Louis SMSA with 39,418 reporting establishments. The 388,283 employees in EEO-1 responding firms comprise approximately 54 percent of the total and 84 percent of total employment if only firms with more than 50 employees are counted. The 1,516 EEO-1 establishments account

for 73 percent of all firms hiring 50 or more employees in the County Business Patterns. When considered as a sample of all SMSA employees and of all firms, EEO-1 data appear to be representative of the total labor force in the area.\*

Table 2 shows the number of establishments and employees by counties for 1962 and 1966. The fringe areas have shown greater population growth than St. Louis City. Over the four-year period, the number of employees increased approximately 4 percent in the City, with the number of employing firms decreasing by 1,738 (9.2 percent). On the other hand, other geographical areas of the SMSA, with the exception of Franklin County, had labor force increases in excess of 10 percent, and a positive increase in the number of establishments.

Evidence and information regarding the outward migration of jobs and industries to the suburbs were reported recently:

"The concentration of new factory and commercial buildings is in the ring of metropolitan areas rather than in the central city, as evidenced by data on the value of building permits, both recently and since 1954.

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\* The EEO-1 data are available for the geographical areas (St. Charles, Jefferson, Franklin, Madison, St. Clair, and St. Louis Counties and St. Louis City) of the SMSA; however, because establishments in the different locales could report through their head offices, the data for the separate counties are not particularly relevant in the study.

In 10 metropolitan areas -- St. Louis included -- more than half the permit valuation for new amusement buildings in 1960-65 was for construction outside the central city.

In the same periods, also, a relatively large proportion of community buildings, such as schools and hospitals, has been constructed in the suburbs instead of the city . . . Many of the jobs created are within the capabilities of the people who need employment opportunities, but most are too distant and difficult to reach." 5/

### III. EMPLOYMENT PATTERNS

EEO-1 data for 1966 account for 388,283 employees in the St. Louis SMSA. Of these, 41,052 or 10.6 percent were Negroes. Forty-two percent (41.8) or 162,245 employees were classified as white collar employees (officials and managers, professionals, technicians, sales, and clerical). However, only 4,927 Negroes, or about 3 percent, were classified in the white collar occupations.

Patterns of employment for Negroes and for all employees in the SMSA are shown in Table 3. The disparity between Negro and all employees in white collar occupations is emphasized by the following facts: (a) Twelve percent of all Negroes are employed in white collar occupations, compared with 42 percent for total employees. (b) Negroes hold less than two percent

of the white collar jobs as officials, managers, and professionals, as compared to 15 percent for total (all races) white collar employees.

The statistics are similar for the highly skilled blue collar occupations: (a) Of all Negroes employed in blue collar jobs, only about 9 percent are classified as craftsmen -- the highest salaried blue collar occupation. (b) Thirty-two percent (32) of all blue collar employees (all races) are classified as craftsmen. The Negro is underrepresented in the higher salaried occupations. Only in such occupations as laborers, operatives, and services workers is the percent of Negro workers greater than the SMSA average of 10.6 percent for the group.

A. NEGRO EMPLOYMENT BY INDUSTRY AND OCCUPATION

Negro employment, by type of industry, is quite varied. A convenient way of comparing Negro employment among industries is to compute indexes of representation. The index is computed by dividing the percent of all workers in a given classification who are Negro by the percentage of Negroes in the total labor force. These indexes indicate whether employment in a given industry is below or above the overall participation rate for Negroes and provide a standard by which to compare the

extent of Negro employment in different industries or areas or in the same industry or area but at different periods of time. Food; tobacco; textiles; furniture; stone, clay, and glass; building materials; personal services, business services, medical, and educational services all have large indexes of representation. Mining; lumber and wood; communication; utilities and sanitary service; wholesale trade; insurance, and finance are most notable among the industries possessing low indexes of representation. (See Table 4).

Negro representation in the white collar occupations also indicates wide differences among the various industries. Negro white collar workers range from zero in the real estate and motion picture, amusement, and recreation industries to approximately 12 percent in tobacco, personal services, and medical services. (See Table 5). Thirty of the 39 industries fell below the SMSA-wide Negro white collar participation rate of 3.04.

Consistencies between Negro representation in the total white collar occupations and specific white collar occupations do not exist. In rubber and plastic, for example, Negroes comprise 1.7 percent of all white collar workers. However,

Negroes Make up about 11 percent of technicians. Likewise, Negroes make up about 13 percent of all clerical workers in the tobacco industry, but are not employed in any of the other white collar occupations.

Negroes exceeded their labor force participation rate in only a few of the white collar occupations. Specifically, proportionate equality was achieved by Negroes in the following white collar occupations and industries: (a) professionals in medical services (11 percent); (b) officials and managers in the personal service industry (14 percent); (c) technicians in rubber and plastics (11 percent); business services (13 percent); medical services (16 percent), educational services (28 percent), and miscellaneous and other services (14 percent); (d) sales workers in food and kindred products (10 percent); (e) clerical workers in tobacco manufacturing (12 percent); (f) personal service workers (23 percent). (See Table 6).

In some industries there is an inverse relationship between percent Negro of all employees and percent white collar of total employees. In other words, as skill requirements of an industry increase, the proportion of Negroes employed decreases. Representative of the high skilled (ratio of white collar to

total workers) industries are the finance and insurance industries. In these, Negroes constitute about 6 and 4 percent of the work forces, respectively. Tobacco and textiles are representative of the lower skilled industries, where 43 and 30 percent of the labor forces, respectively, are Negro.

In the craftsman occupation, Negroes in general are under-represented in comparison to their SMSA total blue collar participation rate ( 13.0 percent). (See Table 7). Industries in which representation in the craftsman occupation exceeds the Negro labor force participation rate of 3.82 percent are (a) textiles (18 percent), (b) furniture (13 percent), (c) building materials (16 percent).

#### B. VARIATION IN NEGRO EMPLOYMENT AMONG INDUSTRIES

In order to quantify variation in the ratio of Negro to total workers among industries, multiple regression techniques were used.\* Whereas a correlation coefficient tells something

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\* The simple correlation coefficients are given in Appendix Table 1. Correlation measures a co-relation, a joint property of 2 variables. The correlation coefficient can range from a +1 to a -1. One denotes perfect correlation. The coefficient does not imply cause and effect relationships. As would be expected, the correlation matrix shows significant association among percent Negro employed and percent Negro employed in white collar jobs, ( $r = .76$ ). Similarly, the correlation between variable 1 and 8 (percent Negro employed and percent Negro in blue collar) is .76. Note the negative correlation ( $r = -.32$ ) between percent Negro employed and percent of all workers employed in white collar occupations, (variables 1 and 18).

about a joint relationship between variables, a regression coefficient tells that as the value of the independent variable changes, one can expect the dependent variable (percent Negro of all employees) to change by a certain amount on the average.

The following are independent variables hypothesized to affect the Negro participation rate (a) Negro white collar workers as a percent of total white collar workers, (b) percent Negro apprentices, (c) percent Negro white collar on-job-trainees, (d) percent Negro production O.J.T., (e) average number of workers per firm, (f) percent white collar of total workers. Therefore, using the data associated with the 39 industries, multiple regression was used to determine which of the above independent variables or factors are influential or are associated with variation in Negro utilization among industries. The results of this analysis are given in Table 8.

Of the 6 independent variables only 2 are statistically significant in explaining variation of Negro utilization among the 39 industries. These two variables are Negro white collar as a percent of total white collar and percent white collar of total workers. Seventy-two percent of the variation in Negro

utilization (percent Negro of total workers) among the 39 industries is explained by the regression model.

The regression coefficient of 2.87 indicates that a 1 percent increase in Negro white collar workers may be reflected in a 2.87 percent increase of the dependent variable (percent Negro of total workers). Normally one would expect this relationship between percent Negro white collar workers and percent Negro of total employees, because (a) Negro white collar workers are part of the total Negro work force, (b) Negro workers in white collar jobs might reflect the attitude of top management and personnel managers in hiring Negroes for all job vacancies.

The  $-.18$  regression coefficient associated with percent white collar of total workers indicates that as the skill level of an industry increases one percent, Negro employment expressed as a percent decreases  $.18$  percent. In other words, other factors being constant, the percentage of Negroes in industries requiring high skilled workers is less than in the low skilled industries. The occupational employment of Negroes reported in the previous section also reveals this relationship.

It is particularly significant that the differentials in (a) proportion of Negro white collar workers to total white collar workers and (b) total white collar to all employees among the 39 industries explain such a large part of the variation in the dependent variable (ratio of total Negro employees to total workers), i.e., 72 percent. If Negroes are to gain representative employment in the various industries, major efforts must be made to increase the number of Negroes in white collar occupations. Negroes must be confronted with equal training opportunities, equal job information, and equal promotional policies.

C. VARIATION IN NEGRO UTILIZATION AMONG FIRMS

Variation exists among firms in any given industry with respect to Negro utilization. The extent of the variation, however, is not known and should be determined. An investigation of Negro utilization among industries could be misleading if the index of Negro employment is based upon the ratio of total Negroes to total employment. For that reason, this section investigates Negro utilization among the 1,516 reporting establishments by specific industrial classification.

The following is a list of the 1,516 reporting units categorized into 9 major SICs. Approximately:

- (a) 1 percent (17) were in mining;
- (b) 6 percent (83) in contract construction;
- (c) 17 percent (250) in manufacturing (durables);
- (d) 18 percent (266) in manufacturing (non-durables);
- (e) 13 percent (194) in transportation; communication; electric, gas, and sanitary services;
- (f) 26 percent (397) in wholesale and retail trade;
- (g) 10 percent (149) in finance, insurance, and real estate;
- (h) 10 percent (155) in services;
- (i) and less than .1 percent (5) in agriculture, forestry and fisheries.

Appendix Table 2 shows the means and standard deviations of variables reflecting Negro utilization by firms. The standard deviations of variables reflecting Negro utilization are large relative to their mean values for the following variables:\*

percent Negro in high skilled occupations of all Negroes employed (variable 4), percent Negro of all employees (variable 27),

---

\* Measures of central tendencies such as the mean and median are single numbers which represent whole sets of data -- in this case the 1,516 reporting establishments in the SMSA. In order to evaluate the "goodness" of a generalization or the "closeness" of an estimate, knowledge of the variability of the data is necessary. Dispersion or variance is small if the numbers are bunched closely around the mean, and large if the numbers are spread over considerable distance from the mean. The most common measure of variability is the standard deviation.

percent Negro males of all males in high skilled occupations (variable 30), percent Negro females of all females in high skilled occupations (variable 32), percent Negro in high skilled occupations of all high skilled employees (variable 34).

The scale of measurement which depicts Negro employment (percent Negro) precludes a negative value -- one cannot have a percent less than zero. The large standard deviations of variables reflecting Negro utilization among firms indicate that the distribution(s) of the variables are not normally distributed, i.e., approach the "normal bell shaped" distribution.

For example, the mean values and standard deviations for the percent Negro of total workers for the selected industrial classifications are as follows: contract construction, 8.4 and 11.6; manufacturing (durables), 11.0 and 17.2; manufacturing (non-durables), 10.0 and 15.0; transportation, communication, electric, gas, and sanitary services, 5.1 and 12.8; wholesale and retail trade, 8.2 and 15.2; finance, insurance and retail trade, 3.3

and 12.0; and services, 18.6 and 24.3. The fact that the standard deviation is greater than the mean indicates a substantial number of firms hire no Negroes, and some firms hire a relatively large percent of Negroes in all of the industry classifications investigated.

The larger the standard deviations (a standard deviation on the order of one-half as large as the mean value is considered large) for any set of data, the less meaningful becomes the mean as a measure of central tendency. Even though firms within specific industries deviate considerably from their average values, some generalizations about Negro utilization among the industries can be made. Based on the assumption that means represent central tendencies or general trends of Negro utilization among industries, then the service industries (group 60) and nondurable manufacturing (group 61) would seem to provide Negroes greater employment opportunities. (See Appendix Table 2).

On the other hand, none of the industries employs Negroes in high skilled jobs in proportion to the number of Negroes available according to the Negro labor force participation rate.\*

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\* White collar workers plus craftsmen comprise the high skilled workers.

The average percent of Negroes in high skilled jobs is only 2.5 for the St. Louis SMSA as a whole. Only in the service industries does the proportion of Negroes in high skilled jobs (about 6 percent) exceed the 2.5 percent mean value for the SMSA.

Similar relationships exist for the Negro females (percent Negro females in high skilled jobs of all females in high skilled) and Negro males (percent Negro males in high skilled jobs of all males in high skilled) with regard to representation in the higher skilled jobs. All industries have mean values of about 2.5 percent or less, with the exception of the service industries.

To summarize, the standard deviation emphasizes that there is an extreme variation of Negro utilization among firms in all of the industrial classifications, and no one industry can be identified as one in which discrimination does not exist.

D. RELATIONSHIPS BETWEEN VARIABLES REFLECTING NEGRO UTILIZATION AND OTHER SELECTED VARIABLES

This section discusses the results of a statistical analysis undertaken to isolate significant relationships between Negro

utilization among the reporting establishments and other selected variables hypothesized to be correlated with Negro utilization. Relationships between variables reflecting Negro utilization and other variables, e.g., number of employees per firm, were investigated in order to identify factors that were related to the variation in Negro employment among reporting establishments. These relationships could be the basis for providing guidelines for affirmative action programs.

1. Number of Employees Per Firm (Firm Size)

An investigation of the correlation between firm size and Negro utilization is important. If, for example, large firms tend to hire proportionately more Negroes than small firms, the Negro job seeker should be directed to investigate job opportunities with larger firms. Such a finding would suggest that affirmative action programs might best be directed toward the smaller firms. One might expect larger firms to hire proportionately more Negroes.

However, this statistical analysis found little if any relationship between firm size (number of employees per firm) and any of the variables reflecting Negro utilization (percent Negro of total employees, percent Negro in high skilled occupa-

tions of all Negroes employed, and percent Negro in high skilled occupations of all high skilled employees).\*

2. Percent Female of All Employees

One might expect a positive relationship between percent female workers of total employees and Negro utilization by firms. Females, like Negroes, are often limited in their job opportunities. This analysis shows no significant relationships between females as a percent of all employees and Negro utilization among firms (percent Negro of total workers, percent Negro in high skills of all Negro workers, percent Negro in high skilled jobs of all high skilled employees).\*\*

3. Percent of Workers Engaged in High Skilled Occupations

Investigation of the relationships between Negro utilization and skill requirements among firms reveals that as skill

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\* The simple correlation coefficients between number of employees per firm and percent Negro in high skilled of all employed Negroes, percent Negro employed of total employees, and percent Negro in high skilled occupations of all high skilled workers were .08, .02, and .03, respectively.

\*\* The simple correlation coefficients between percent female employed of all workers and percent Negro in high skilled jobs of all employed Negroes, percent Negro of total workers, and percent Negro in high skilled of total high skilled employees are .15, .11, and .17, respectively.

requirements among firms increase (percent of workers employed in high skilled occupations) the proportion of Negroes employed decreases (percent Negroes of all employees).

There appears to be no correlation between skill levels of firms and Negro utilization in high skill levels (ratio of Negro high skilled workers to all high skilled workers). However, a positive relationship between Negro utilization in high skilled jobs as a percent of all Negroes employed and skill requirements of firms was found. That is to say, as skill requirements of firms (percent of workers in high skills of all workers) increase, employment opportunities for skilled Negroes likewise increase.

These findings are consistent with the statistics presented earlier which showed that the majority of Negroes employed were in low skilled occupations. The significance of this finding is clear; Negroes without skills are less likely to find employment in firms which employ predominantly skilled workers.

The simple correlation coefficient between percent workers in high skilled occupations of total firm employees and (a) percent Negro of all employees is  $-.40$  (b) percent Negro

in high skilled jobs of all Negro employees is .27 (c) percent Negro in high skilled jobs of all employees in high skilled occupations is -.06.

E. Descriptive Statistics Reflecting Negro Utilization Among Firms

The previous section regarding Negro utilization among the 1,516 reporting establishments showed the distribution(s) for selected variables which reflect Negro employment to be non-normal. Under these conditions the median rather than the mean becomes a more representative measure of central tendency.

The median is the value of the middle observation where the observations are arranged in an increasing or decreasing order of magnitude. The median of all Negro workers employed in the 1,516 establishments is approximately 2 percent. (See Table 9). Note that a zero median value for any specific variable or measure of Negro utilization occurs whenever more than one-half of all reporting establishments hire no Negroes.

A median value of zero for any of the variables reflecting Negro employment among firms, therefore, means that over half of the firms do not employ Negroes in a particular manner as depicted by the specific measure of Negro use.

Sixty-nine percent of firms employed no Negro males in high skilled occupations (white collar plus craftsmen).

Eighty percent of the firms employed no Negro females in high skilled occupations.

1. Percent Negro of All Employees

Of the 1,516 reporting establishments, about 62 percent (940) employed Negroes. By way of comparison, a recent study found that 73 percent of the reporting establishments in New York City employed Negroes. <sup>6/</sup>

The median value of approximately 2 percent relates that of the 1,516 reporting establishments, 50 percent (755) have a labor force in which Negroes make up less than 2 percent, while 50 percent of the firms have labor forces with more than 2 percent Negro. Of the firms which do employ Negroes, they constitute less than 7 percent in half of them. This is less than the total Negro labor force participation rate in the St. Louis SMSA.

2. Negro Males as a Percent of All Males in High Skilled Occupations

Only about 31 percent (468) of the firms in the SMSA employed Negro males in the higher skilled occupations (white collar and craftsmen). Since about 69 percent of the firms employed no

Negroes in high skilled occupations, the median value is zero.

Of these 468 firms (without zero classification) who had at least one Negro male in the high skilled occupations, the mean was about 7.8 percent and the median approximately 3.6 percent.

3. Negro Females as a Percent of All Skilled Females

Approximately 20 percent (301) of the firms in the SMSA employed Negro females in high skilled occupations. The mean per firm was about 2 percent, with the median value of zero.

On the other hand, the mean for those employing at least one Negro female was 11 percent and the median about 5. Once Negro females secured jobs in the higher skilled occupations they apparently fared better than their Negro male counterparts in receiving skilled jobs. This is reflected by the larger median values of about 5 percent for females as opposed to approximately 3.5 percent for Negro males.

4. Negroes in High Skilled Occupations as a Percent of All Skilled Employees\*

There is wide variability among firms in hiring Negroes (male and female) in the higher skilled categories. About

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\* White collar workers and craftsmen comprise the skilled occupations.

38 percent (574) hired Negroes in the higher skilled occupations. By way of contrast, 62 percent of the firms hired Negroes in some capacity.

Zero is the median value for percent Negroes in high skilled occupations. Of the 574 firms who hired some Negroes in high skilled occupations, the mean was 6.5 percent, with a median value of about 3 percent.

5. Negro Participation In Training Programs

The business community is presently complaining of the lack of trained and skilled personnel. One of the best ways of acquiring and retaining skilled employees is through apprenticeship or on-the-job training programs.

All respondents (EEO-1 data) showed that there were 1,284 employees engaged in apprenticeship training, 745 in on-the-job white-collar training and 1,257 production on-the-job training. Negroes held 4.67 percent (60) of the apprenticeships.

These statistics are consistent with the occupational breakdown by race in the previous section showing underemployment of Negroes in high skilled occupations. The Negro is being

trained primarily for the semi-skilled jobs rather than for craftsmen and white collar occupations.

6. Negroes in High Skilled Occupations as a Percent of All Employed Negroes

A zero observation of this variable for a given firm could be recorded because of no Negroes employed or because no Negroes were employed in high skilled occupations. The mean for the 1,516 firms is about 15 percent, with a median of zero. The variation among firms is relatively large.

As previously noted, approximately 60 percent of the reporting establishments did not hire Negroes in high skilled occupations. Therefore, the median value for this particular measure of Negro use is zero.

7. All Employees in High Skilled Occupations

This variable is investigated to provide greater insight into the skill requirements of labor within the SMSA. About 65 percent of the jobs in the SMSA are skilled in nature.

This ratio is particularly relevant to a job seeker for it indicates that he is more likely to meet success if he possesses skills that would place him in the higher skilled occupations.

To summarize, the statistics of this section which reflect Negro utilization in the St. Louis SMSA indicate wide variability

among firms with respect to the hiring of Negroes. In some firms, Negroes constitute a relatively large percent of the total workforce. However, the statistics of this section highlight the occupational discrimination facing Negroes in the St. Louis SMSA.

The median value of 27 percent for Negroes in high skilled occupations of all Negro employees for the 576 firms who responded that they did hire Negroes in high skilled occupations is only one-third as large as the percent of all employees in high skilled occupations in the SMSA. In like manner, Negro representation in high skilled jobs as a percent of all employees in high skilled occupations is about 1/20 of all labor force participants in high skilled occupations.

The significance of occupational discrimination against Negroes was revealed in a recent article which stated that men working in white collar and skilled occupations had greater opportunity for year round full time employment than those in semi-skilled service, or unskilled occupations. Among Negro men, year round full time work was less prevalent than among whites, reflecting the underemployment of Negroes in white collar and skilled occupations. 7/

#### IV. IMPLICATIONS AND RECOMMENDATIONS

There are many social and private investments which can enhance man's welfare and contribute to economic growth. The major ones are: (a) education, (b) vocational training, (c) migration, (d) health and medical care, (e) housing improvements, (f) job information, (g) the elimination of racial discrimination.

These investments are inter-related and some are prerequisites to others. Vocational training to produce a highly skilled craftsman may be futile unless the trainee possesses the basic literary and arithmetic skills to benefit from the training.

An evaluation of the relative costs and benefits of the many investments in man is beyond the scope of this paper. However, the city of St. Louis has adopted many programs which convey concern for its disadvantaged. Some of these programs have produced high returns relative to the initial investments. St. Louis' concern has resulted in the initiation and planning of activities to promote greater employment opportunities for the Negro labor force. In a recent article, Mayor A. J. Cervantes has eloquently set forth what businessmen must do and

what St. Louis is doing. <sup>8/</sup> He states that business executives must re-evaluate and revamp their activities with respect to minority groups in the following areas:

- (a) Recruitment
- (b) Evaluation
- (c) Special treatment
- (d) Vocational training
- (e) Job development
- (f) Job information

The article cites numerous examples of how companies have successfully modified some of their activities in the above areas and as a result have either employed the unemployable and/or have promoted the unpromotable minority group workers.

Mayor Cervantes also highlights the apparent success and significance of a community-wide project in which even the smallest business can participate -- Work Opportunities Unlimited (WOU). The Department of Labor, Bureau of Apprenticeship Training, and the Office of Economic Opportunity are providing most of the funds for the WOU Program. Private local sources provide the ten percent matching funds necessary for the Federal grant.

WOU is the job-finding, job-making arm of the comprehensive manpower program of our local antipoverty agency. One of the

WOU's main functions has been to persuade employers to redefi-  
ne their job categories and to reduce skill requirements so  
that room can be made for the disadvantaged employees. One  
of their suggestions might be to replace two skilled crafts-  
men with one skilled worker and two helpers. In its first  
six months of operation, WOU made 1,317 contacts with employees,  
developed 3,876 jobs, and placed 1,339 unemployed.

The remarkable feature of the WOU Program is that it is  
one of the first broad attempts in the nation by the business  
community to become involved in the crises of the central city.  
In this program, responsible business leadership can contribute  
its own expertise in job analysis, personnel management and  
skill development to the many-faceted attack on chronic un-  
employment.

In addition to the WOU Program and other manpower programs  
in the SMSA, the Human Relations Council can institute action  
programs and play a vital role in promoting more equal employ-  
ment opportunities for minority groups within the city.  
Activities that the council should undertake are discussed in  
the remaining portion of this section.

1. Businesses And Unions Must Be Persuaded To Stop Discriminatory Practices

The previous section revealed that 576 firms hired no Negroes and 942 firms hired no Negroes in highly skilled jobs. These figures present general cause for alarm when it is recalled that 36 percent of St. Louis' population are Negroes.

a. Arrangements must be made with the U. S. Equal Employment Opportunity Commission to share data from the EEO-1 forms.

b. The firms which hired few or no Negro employees must be identified by the Human Relations Council and conferences initiated with the firms' top management to review and correct their personnel policies (particularly testing and recruiting) which have excluded Negroes from employment.

c. Those firms which have apprenticeship training, white collar O.J.T. and production O.J.T., but do not provide training to Negroes, must be identified and appropriate action undertaken so that training opportunities will be offered to Negroes. Such an approach would seem to provide high marginal returns, particularly when limited funds and administrative personnel are available for various program implementation.

2. The Human Relations Council Should Publish a Newsletter

A newsletter could be used in several ways to increase employment opportunities for Negroes and to develop rapport between the Negro community and numerous local, state, and Federal agencies. Negroes have restricted their search for jobs to the industries where they have been successful in finding work; they no longer approach those firms that have long practiced discriminatory hiring. For this reason, complaints of job discrimination may not serve as appropriate indicators of discrimination.

Information about jobs, companies, and industries who do hire and promote Negroes must be disseminated to the Negro populace. Also, information should be made available to Negro parents and educators so that future labor force entrants can plan and train for the new positions. More pertinent information about future jobs must be made available so as to encourage and instill greater motivation among Negro youth to increase their achievement level in the basic educational skills. An increased achievement level among youth will enable them to exercise their options for higher educational endeavors or alternative jobs.

Statistics of previous sections reveal that some firms have provided equal employment opportunities to Negroes. Their knowledge and ingenuity in providing greater employment opportunities for Negroes must not remain hidden. Their experiences could serve as guide lines for management in firms which have not hired Negroes.

One of the most useful roles a newsletter could play is to improve the Negro job information network or "grapevine".

Data for 1960 indicates that employment service placements were 15 percent of total hirees and ranged from 30 percent for unskilled workers to 8 percent for skilled workers. <sup>9/</sup> Levitan notes that of the channels used by employees (a) state employment services account for 16 percent employee placements; (b) relatives and friends, 23 percent; (c) newspapers, 11 percent; (d) fee agencies, 4 percent; (e) others, 10 percent. The relatively low percent of placements by state employment agencies implies that they are largely ineffective as an intermediary between employees and employers.\*

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\* Levitan further states that "The presidential order prohibiting discrimination on account of race or creed by employers engaged on government contracts could be extended to require the same employers to register their job vacancies with the public employment service...The rationale for requiring employers doing business with the government to register vacancies with the employment service can be based on the argument that a person desiring to work for a firm doing business with the government should have the opportunity to obtain a job without paying a fee. In cases where the employer pays fees to private agencies which supply him labor, the cost is probably passed on to the government."

A recent study notes that jobs filled by the employment service would need to be about 25 to 30 percent of the total in order for the employment service to do an effective placement job and provide essential labor market information for manpower programs.<sup>10/</sup>

The above information validates the need for an improvement in labor market information not only to minority workers, but to all workers.

There have been suggestions that the Human Relations Council should become involved in and provide an employment service for Negroes. A Human Relations Council employment service might constitute a duplication of effort. However, the Council could undertake activities on a neighborhood basis -- perhaps jointly with the employment service -- that would complement activities by the State Public Employment Service. For example, both could encourage firms to list all job vacancies with the employment agency. The Council could provide the employment agency with names of firms who obviously do not discriminate and hire block workers to disseminate job information as it becomes available. As a result, the employment service could devote a larger portion of its resources to assisting these firms to meet their labor needs.

3. Identify Industries Which Should Receive Initial Affirmative Action Activities

The use of EEO-1 forms to identify discrimination in employment tends to eliminate, or at least to de-emphasize the necessity to establish "industrial patterns of discrimination." Identifying individual firms rather than industries, in an effort to fight discrimination, would enable correctional activities to be implemented with considerable rapidity.

The total affirmative action effort should focus on all firms who apparently are practicing discrimination. Only if resources are limited should the Council direct its activities toward specific industries. The large variation among firms regarding Negro utilization in selected industries indicates that all industries have some firms employing a relatively large number of Negroes and some firms which hire no Negroes.

In selecting industries that warrant initial action, one of the most significant criteria would be whether or not the industry is one which is undergoing expansion in the SMSA. The Council, with the cooperation of other State and Federal Agencies and industrial leaders, should identify those industries most likely to expand within the next few years.

Major inroads to greater employment equality would be met with less resistance under conditions of expanding manpower needs. Equal employment opportunity would come about primarily as the result of new job openings. High returns can be expected to accrue to concentrated efforts on industries and firms undergoing expansion in the near future.

Historical data can aid in the selection of growth industries; however, compensation must be made for probable decline of employment in industries relying heavily on defense expenditures and other industries that may be declining in nature. Table 10 shows the growth of various industries over the four year period from 1962-66. The difference in number of employees from 1962 to 1966 is a more reliable indicator of job opportunities than the percentage change. Obviously a decline or a relatively small change in employees would indicate fewer job opportunities than in industries experiencing an expanding manpower requirement.

When we select an employment change of 2,000 or more employees as an arbitrary index of growth, the following industries are notable (a) general contracting, (b) special trade contractors, (c) fabricated metal products, (d) machinery,

(e) transportation equipment, (f) trucking and warehousing, (g) general merchandising, (h) automotive dealers and service stations, (i) eating and drinking and miscellaneous business services, (j) medical and other health services, (k) educational services, (l) non-profit membership organizations. Industries with significant employee declines are food and kindred products and chemicals and allied products. Further analysis would be needed to ascertain employment trends of various industries; however, the above mentioned industries seem indicative of growth and non-growth industries.

The criteria which would seem to be significant in identifying and ranking industries are: (a) the low proportion of Negroes employed, (b) the low proportion of Negroes in white collar work, (c) the total number of employees in an industry, (d) the proportion of white collar of total workers per industry, and (e) whether or not the industry is experiencing growth. If efforts are made along industrial lines, the above criteria indicate the following industries should be given special consideration:

- (a) Contract Construction
- (b) Communications
- (c) Fabricated Metals
- (d) Finance

- (e) Instruments and Related Products
- (f) Insurance
- (g) Machinery (non-electrical)
- (h) Transportation Equipment
- (i) Utilities and Sanitary Services
- (j) Wholesale Trade

4. Encourage Employers to Advance Qualified Negroes To White Collar Occupations

Equal employment opportunity not only means that Negroes should be employed, but they should be provided the opportunity to advance to the higher paying white collar occupations. Increased efforts in solving this problem are important because white collar jobs are increasing relative to blue collar positions.

In the 39 industries, the paucity of Negroes in the white collar occupations is shown by the fact that Negroes constituted less than 1 percent of the officials and managers in 26 industries, of professionals in 31 industries, of technicians in 19 industries, of sales workers in 33 industries, and of clerical workers in 8 industries. Only in 3 industries (tobacco, personal services, and medical services) does the Negro utilization rate in white collar occupations equal or exceed the total labor force participation rate. The 3 percent utilization rate is approximately 1 percent less than in New York -- an SMSA possessing about the same proportion of Negroes.

In essence, St. Louis Negroes appear to end up with more "dead end" jobs than do Negroes in New York.

5. Human Relations Council Should Encourage Employers To Investigate Racial Composition of New Hirees

The growth differential among industries brings to focus an additional need for data regarding the racial composition of new hirees. Such information is not available now, but would be extremely valuable to the Council and other agencies concerned with equal opportunity employment policies. It would enable the Council to identify employment bottle-necks and to assist in identifying firms which are providing equal employment opportunities.

If firms within a labor market, such as in St. Louis, are to provide equal employment opportunity to Negroes they must realize that the proportion of Negroes in their labor force should approach that of the Negro labor force participation rate (10.6 percent). Firms which in the past have followed discriminatory policies will need to do some catching up. In order to do this, the ratio of Negro to white for new employees must exceed the total Negro labor force participation rate.

6. Transportation For Negroes Residing in Central City

Other than lend vocal support, the Human Relations Council can probably do little to provide more transportation facilities for the underprivileged residing in the central city. However, improved transportation facilities for the central city dweller are an important means of increasing employment opportunities for Negroes and warrant discussion.

The fact that employment opportunities for Negroes are not near their residences has created major problems; transportation problems have contributed to their underemployment and unemployment. This problem can be attacked in two ways: (a) provide transportation facilities to move people to jobs, (b) move the jobs to the people. Each approach has many advocates. St. Louis has been granted funds through the U. S. Department of Housing and Urban Development to initiate and implement a Mass Transportation-Demonstration Project. This program provides mass transportation for the underprivileged from the Central City directly to McDonnell Aircraft and other employers. Hopefully, the program will be expanded to the point where no individual is deprived of employment because of transportation problems.

The problem could also be alleviated by open housing practices. However, in the interim, caution must be exercised in advocating the movement of industry to the ghettos. Such a practice, as viewed by this author, could in fact create even more dissension in the ghettos. If industry moves into the ghettos it may not find workers to meet its skilled labor requirements. Unless, and at added expense, it can train needed workers simultaneously it will, in all probability, rely on trained workers from the outside. This practice under the observation of the underemployed and unemployed ghetto residents could precipitate considerable dissension and ill will toward the re-located industry.

TABLE 1

POPULATION ESTIMATES FOR THE ST. LOUIS SMSA, 1960 AND 1967 <sup>a/</sup>

(In Thousands)				
	Census of April, 1960	Estimate May 18, 1967	Growth Since 1960	Percent Growth
Franklin County <sup>b/</sup>	44.6	51	6.4	14.3
Jefferson County	66.4	90	23.6	35.5
St. Charles County	53.0	78	25.0	47.2
St. Louis City	750.0	699	-51.0	-6.8
St. Louis County	<u>703.5</u>	<u>906</u>	<u>202.5</u>	<u>28.8</u>
Missouri Section	1,617.5	1,824	206.5	12.8
Madison County	224.5	248	23.3	10.4
St. Clair County	<u>262.5</u>	<u>273</u>	<u>10.5</u>	<u>4.0</u>
Illinois Section	487.2	521	33.8	6.9
TOTAL SMSA	2,104.7	2,345	240.3	11.4

<sup>a/</sup> Projected estimate by the St. Louis Metropolitan Census Committee.

<sup>b/</sup> Added to St. Louis SMSA, October, 1963.

TABLE 2

EMPLOYEES AND ESTABLISHMENTS, BY COUNTIES IN THE ST. LOUIS SMSA,  
1962 AND 1966 a/

County	Employees Number		Change 1962-66		Establishments Number		Change 1962-66	
	1962	1966	No.	Percent	1962	1966	No.	Percent
St. Charles	5,818	10,592	4,774	82.1	802	991	189	23.6
Jefferson	6,547	9,589	3,042	46.5	809	990	181	22.4
Franklin	9,541	10,408	867	9.1	884	971	87	9.8
St. Louis	128,699	203,625	74,926	58.2	9,630	11,288	1,658	17.2
St. Louis City	355,739	369,177	13,438	3.8	18,975	17,237	-1,738	-9.2
Madison	37,118	65,431	28,313	76.3	3,627	3,826	199	5.5
St. Clair	43,957	48,677	4,720	10.7	4,050	4,115	65	1.6
SMSA	<u>587,419</u>	<u>717,499</u>	<u>130,080</u>	<u>22.1</u>	<u>38,777</u>	<u>39,418</u>	<u>641</u>	<u>1.7</u>

a/ Source: U. S. Dept. of Commerce, 1962 and 1966. County Business Patterns

TABLE 3

PERCENT DISTRIBUTION OF NEGROES AND TOTAL EMPLOYEES, BY  
OCCUPATION, ST. LOUIS SMSA, 1966 a/

Occupation	Total Employees		Negro		Negro Percent of Total
	No.	Percent	No.	Percent	
<u>White Collar</u>	162,245	<u>41.8</u>	4,927	<u>12.0</u>	3.0
Officials & Managers	32,827	8.5	291	0.7	.9
Professionals	24,119	6.2	457	1.1	1.9
Technicians	14,849	3.8	1,113	2.7	7.5
Sales	23,575	6.1	850	2.1	3.6
Clerical	66,875	17.2	2,216	5.4	3.3
<u>Blue Collar</u>	193,548	<u>49.8</u>	25,242	<u>61.5</u>	13.0
Craftsmen	61,710	15.9	2,356	5.7	3.8
Operatives	100,610	25.9	14,100	34.3	14.0
Laborers	31,228	8.0	8,786	21.4	28.1
<u>Service Workers</u>	32,490	8.4	10,883	26.5	33.5
TOTAL	388,283	100.0	41,052	100.0	10.6

a/ Based on EEO-1 reports.

TABLE 4

TOTAL EMPLOYEES, PERCENT NEGRO OF TOTAL, AND  
INDEXES OF REPRESENTATION, ST. LOUIS SMSA, 1966 a/

All Employees			
SIC	No.	Percent Negro	Index of Rep.
Agri., Forestry, & Fish	432	3.70	35.00
Mining	1,392	1.88	17.60
Contract Construction	6,974	7.60	71.81
Ordnance and Accessories	3,870	5.94	56.20
Food and Kindred Products	24,135	12.62	119.40
Tobacco Manufacturers	247	42.91	405.93
Textile Products	1,125	30.13	285.05
Apparel	5,899	11.10	105.01
Lumber and Wood Products	133	.75	7.10
Furniture and Fixtures	1,119	19.03	180.04
Paper and Allied Products	8,011	8.65	81.84
Printing and Publishing	7,580	4.39	41.53
Chemicals and Allied Prod.	23,813	7.71	72.94
Rubber and Plastic Prod.	1,628	6.14	58.08
Leather Products	8,755	5.15	48.72
Stone, Clay and Glass Prod.	7,714	17.54	165.85
Primary Metal Industries	22,968	16.97	160.45
Fabricated Metal Products	15,437	6.79	64.14
Machinery (non-electrical)	13,051	5.00	47.30
Elec. Mach., Equip. & Supplies	18,282	8.60	81.27
Transportation Equipment	58,642	9.11	86.09
Instruments and Related Prod.	2,317	4.66	44.09
Miscellaneous Manufacturing	3,029	3.99	37.75
Transportation	28,396	8.89	84.01
Communication	14,622	2.95	27.91
Utilities and Sanitary Ser.	8,896	3.33	31.41
Wholesale Trade	12,075	5.22	49.29
Building Materials	1,441	15.20	143.71
Retail Trade	33,131	10.72	101.41
Finance	8,916	6.41	60.64
Insurance	6,042	3.51	33.11
Real Estate	131	9.92	93.85
Personal Services	1,916	59.66	564.33
Business Services	5,419	27.16	256.95

TABLE 4 (Continued)

	All Employees		
	No.	Percent Negro	Index of Rep.
Repair Services	467	14.35	135.67
Motion Picture Amuse. & Rec.	538	11.34	107.19
Medical Services	19,957	24.94	235.95
Educational Services	4,231	16.12	152.41
Miscellaneous & Other Ser.	5,552	27.59	261.02
<b>SMSA TOTAL</b>	<b>388,283</b>	<b>10.57</b>	

a/ Based on EEO-1 reports.

TABLE 5

ST. LOUIS SMSA NEGRO WHITE COLLAR  
PARTICIPATION RATES <sup>a/</sup>

SIC	White Collar Participation Rate
Personal Services	12.94
Tobacco Manufacturers	12.50
Medical Services	12.27
Educational Services	6.80
Business Services	6.18
Misc. and Other Services	5.56
Food and Kindred Products	4.24
Retail Trade	3.86
Finance	<u>3.26</u>
SMSA Participation Rate	<u>3.04</u>
Printing and Publishing	3.00
Insurance	2.98
Furniture and Fixtures	2.53
Building Materials	2.46
Apparel	2.40
Communications	2.25
Transportation Equipment	1.89
Utilities and Sanitary Services	1.89
Misc. Manufacturing	1.75
Rubber and Plastic Products	1.67
Leather Products	1.43
Instruments and Related Products	1.41
Ordnance and Accessories	1.28
Paper and Allied Products	1.22
Chemicals and Allied Products	1.21
Machinery (non-electrical)	1.14
Wholesale Trade	1.10
Stone, Clay and Glass	1.07
Transportation	1.03
Primary Metal	1.01
Elec. Mach., Equip and Supplies	.94
Lumber and Wood Products	.78
Repair Services	.71
Fab. Metal Products	.67
Agri., Forestry, and Fish.	.61
Mining	.61
Textile Products	.48
Contract Construction	.27
Real Estate	0
Motion Picture Amusement	0

<sup>a/</sup> Based on EEO-1 reports.

TABLE 6

NEGRO UTILIZATION AS PERCENT OF TOTAL, BY WHITE COLLAR  
OCCUPATIONS, ST. LOUIS SMSA, 1966 a/

Industry	Negro Employees (W.C.&B.C.) (Percent)	Negro White Collar (Percent)	Negro Officials Managers (Percent)	Negro Profes- sionals (Percent)	Negro Technicians (Percent)	Negro Sales (Percent)	Negro Clerical (Percent)
Agri., Forestry, & Fish.	3.7	.6	1.9	0	0	0	0
Mining	1.9	.6	0	0	13.3	0	0.4
Contract Construction	7.6	.3	0	0	0	0	0.8
Ordnance & Accessories	5.9	1.3	0	1.3	2.5	0	1.8
Food	12.6	4.2	1.1	.4	3.5	10.2	1.9
Tobacco Mfg.	42.9	12.5	0	0	0	0	12.5
Textile Prod.	30.1	.5	1.0	0	0	0	0
Apparel	11.1	2.4	1.7	0	0	0	3.8
Lumber & Wood	.7	.8	0	0	0	0	1.2
Furniture	19.0	2.5	0	0	0	0	4.7
Paper Prod.	8.6	1.2	1.1	0	2.9	0	1.7
Printing & Publishing	4.4	3.0	1.0	0.9	5.7	0.3	4.2
Chemicals	7.7	1.2	0.7	0.6	2.9	0.1	1.8
Rubber & Plastic	6.1	1.7	1.0	2.4	10.5	0	0.9
Leather	5.1	1.4	0	0	0	0	2.4
Stone, Clay and Glass	17.5	1.1	0.6	1.0	0.8	0	1.8
Primary Metals	17.0	1.0	0.7	0.9	0.9	0	1.5
Fabricated Metal	6.8	.7	0.4	0	1.2	0	1.0
Machinery	5.0	1.1	0.1	.2	1.5	0.7	2.0
Electr. Mach.	8.6	.9	0.2	.1	1.9	.6	1.7
Transportation Equipment	9.1	1.9	0.8	.7	1.8	0	3.7
Instruments	4.7	1.4	0.4	0	1.2	.5	2.5
Misc. Manuf.	4.0	1.7	0	2.8	12.0	0.7	2.4
Transportation	8.9	1.0	0.7	.3	.4	.2	1.4
Communication	2.9	2.2	0.3	.3	.4	0	3.1
Utilities & Sanitary Serv.	3.3	1.9	0.2	.4	.7	.9	4.0

TABLE 6 (Continued)

Industry	Negro Employees (W.C.&B.C.) (Percent)	Negro White Collar (Percent)	Negro Officials Managers (Percent)	Negro Profes- sionals (Percent)	Negro Technicians (Percent)	Negro Sales (Percent)	Negro Clerical (Percent)
Wholesale Trade	5.21	1.1	0.3	0	2.0	.4	1.9
Building Materials	15.2	2.5	0	0	0	4.5	0
Retail Trade	10.7	3.9	1.0	2.3	2.0	4.4	5.1
Finance	6.4	3.3	0.5	0	1.0	0	4.2
Insurance	3.5	3.0	1.8	0.2	1.2	3.6	4.0
Real Estate	9.9	0	0	0	0	0	0
Personal Services	59.7	12.9	14.0	0	0	0.8	23.1
Business Services	27.2	6.2	1.6	0.7	13.3	0	7.6
Repair Services	14.3	.7	0	0	0	0	1.5
Motion Pictures, Amuse. & Rec.	11.3	0	0	0	0	0	0
Medical Services	24.9	12.3	5.0	11.1	16.3	65.4	7.7
Educational Services	16.1	6.8	0.6	1.5	27.6	0	7.4
Misc. and Other Services	27.6	5.6	6.2	2.6	13.6	0	4.9
SMSA TOTAL	10.6	3.04	.89	1.89	7.50	3.60	3.31

a/ Based on EEO-1 reports.

TABLE 7

AVERAGE NUMBER OF WORKERS PER FIRM AND NEGRO UTILIZATION EXPRESSED AS A PERCENT OF TOTAL, BY BLUE COLLAR OCCUPATIONS, 39 INDUSTRIES, ST. LOUIS SMSA, 1966 a/

Industry	Ave. No. of Workers (W.C.&B.C.) (Number)	Percent				
		Negro Blue Collar	Negro Craftsmen	Negro Operatives	Negro Laborers	Negro Service Workers
Agri., Forestry, & Fisheries	86.4	5.6	0	0	13.0	0
Mining	81.9	2.6	.9	1.8	6.6	25.0
Contract Construction	84.0	8.9	.9	4.5	33.6	59.6
Ordinance & Accessories	774	7.3	1.2	4.1	16.9	9.8
Food	431	17.6	8.1	16.5	29.1	35.7
Tobacco Mfg.	246	43.9	0	25.5	72.0	0
Textile Prod.	281.2	36.9	18.0	36.2	48.9	100.0
Apparel	218.5	13.2	1.5	15.5	11.2	30.3
Lumber & Wood	33.2	0	0	0	0	0
Furniture	186.5	21.7	13.0	20.7	30.8	60.0
Paper Prod.	205.4	11.3	5.0	10.2	17.1	36.7
Printing & Publishing	270.7	5.4	.6	10.6	13.2	47.9
Chemicals	317.5	13.1	2.1	13.1	25.7	33.5
Rubber & Plastic	271.8	7.2	0	4.8	8.7	25.8
Leather	291.8	8.4	0.9	8.6	7.5	25.3
Stone, Clay & Glass	257.1	20.6	6.0	20.5	33.3	24.0
Primary Metals	604.4	20.7	6.5	21.0	37.6	23.9
Fabricated Metal	291.2	8.7	2.3	7.7	19.8	21.4
Machinery	296.6	6.5	1.7	6.6	14.6	20.3
Electrical Mach.	609.4	11.9	1.9	11.8	25.1	24.6
Transportation Equipment	3,449.5	13.7	5.4	15.0	38.6	38.9
Instruments	386.2	9.2	5.8	8.8	9.1	66.7
Misc. Manuf.	178.1	5.4	.8	2.5	16.6	52.6

TABLE 7 (Continued)

Industry	Ave. No. of Workers (W.C.&B.C.) (Number)	Percent				
		Negro Blue Collar	Negro Craftsmen	Negro Operatives	Negro Laborers	Negro Service Workers
Transportation	189.3	12.7	3.7	7.8	30.6	30.8
Communication	1,624.7	4.6	1.2	44.1	9.1	53.2
Utilities & Sanitary Service	254.2	4.4	.7	3.6	7.7	42.7
Wholesale Trade	53.7	13.9	2.1	9.4	26.5	16.3
Building Materials	131	36.0	16.2	13.6	51.9	33.3
Retail Trade	205.8	18.8	7.1	12.3	20.9	21.1
Finance	162.1	57.4	18.8	60.0	100.0	59.3
Insurance	67.1	35.7	18.8	33.3	0	39.7
Real Estate	32.7	13.7	0	0	28.3	0
Personal Services	191.6	71.7	73.5	74.1	69.7	47.3
Business Services	112.9	46.1	20.2	39.1	43.4	48.1
Repair Services	66.7	20.2	1.7	13.3	45.2	100.0
Motion Pictures, Amuse. & Rec.	59.8	13.8	3.6	21.1	2.1	16.1
Medical Services	539.4	38.3	9.3	30.3	65.0	38.0
Educational Services	2,115.5	57.8	5.8	32.6	27.5	72.7
Misc. and Other Services	132.2	56.5	22.2	44.4	64.1	58.5
St. Louis SMSA Participation Rate		15.98	3.82	14.01	28.13	33.50

a/ Based on EEO-1 reports.

TABLE 8

REGRESSION RESULTS OF PERCENT NEGRO OF TOTAL EMPLOYEES,  
39 INDUSTRIES, REGRESSED ON SELECTED INDEPENDENT VARIABLES

Independent Variable	Regression Coefficient	Standard Error	"t" Ratio
Negro white collar as a percent of total white collar	2.87	.36	7.95
Percent Negro apprentices	-.065	.07	-.93
Percent Negro white collar O.J.T.	-.053	.17	-.31
Percent Negro production O.J.T.	.0021	.07	.02
Average no. of workers in firm	-.000013	.000018	-.74
Percent white collar of total workers	-.18	.048	-3.7

Explained variation (percent) 72

N = 39 observations

TABLE 9

NEGRO UTILIZATION, 1,516 REPORTING ESTABLISHMENTS IN  
THE ST. LOUIS SMSA, 1966

Variable	Number	Mean	Median	Standard Deviation
Percent Negro of all Employees				
With Zeros	1,516	9.19	1.97	16.40
Without Zeros*	940	14.82	6.98	18.73
Negro Males in High Skilled Occupations Expressed As a Percent of All Males in High Skilled Occupations				
With Zeros	1,516	2.42	0	8.34
Without Zeros*	468	7.85	3.57	13.53
Negro Female in High Skill As a Percent of All Females in High Skill				
With Zeros	1,516	2.13	0	8.55
Without Zeros*	301	10.74	5.13	16.62
All Negroes in High Skill As a Percent of All Employees in High Skilled Occupations				
With Zeros	1,516	2.47	0	6.94
Without Zeros	574	6.51	3.16	10.05
Employees in High Skilled Occupations As a Percent of All Employees				
With Zeros	1,516	64.27	68.04	32.16
Without Zeros	1,510	64.52	68.15	31.97
Females As a Percent Of All Workers				
With Zeros	1,516	28.85	20.0	26.63
Without Zeros	1,375	31.82	25.0	26.23

\* The N count for the without zero group indicates that the variable in question must be greater than zero, i.e., only those firms which have Negroes are in this group.

SOURCE: EEO-1 Reports.

TABLE 9 (Continued)

Variable	Number	Mean	Median	Standard Deviation
Negroes in high skilled occupations as a percent of Negroes employed				
With Zeros	1,516	15.24	0	29.50
Without Zeros	576	40.39	26.5	35.85

TABLE 10

NUMBER OF EMPLOYEES AND PERCENT CHANGE, FOR INDUSTRIES IN  
ST. LOUIS, 1962-1966

SIC	1962 (no.)	1966 (no.)	Difference 1966-1962	Change (Percent)
Agric. Serv., Forestry, Fish.	755	1,149	394	52.2
Mining	2,543	2,366	- 177	- 6.7
Contract Construction	27,254	43,176	15,922	58.4
Manufacturing	246,956	290,664	43,708	17.7
Ordnance and Accessories	4,086	4,058	- 28	- .7
Food & Kindred Prod.	27,209	24,959	-2,250	- 8.3
Tobacco Manufactures	(D)*	(D)*		
Textile Mill Products	1,631	1,256	- 375	-23.0
Apparel and Related Prod.	13,281	13,782	501	3.8
Lumber and Wood Prod.	(D)*	1,649		
Furniture and Fixtures	4,536	4,026	- 510	-11.2
Paper and Allied Prod.	9,295	(D)*		
Printing and Publishing	14,232	15,483	1,251	8.8
Chemicals and Allied Prod.	20,930	18,539	-2,391	-11.4
Petroleum and Coal Prod.	5,493	(D)*		
Rubber & Plastics Prod. (n.e.c.)	2,401	3,887	1,486	61.9
Leather and Leather Prod.	7,300	8,704	1,404	19.2
Stone, Clay & Glass Prod.	8,485	10,294	1,809	21.3
Primary Metal Industries	(D)*	26,622		
Fabricated Metal Prod.	17,331	21,200	3,869	22.3
Machinery, Exc. Elec.	15,421	19,339	3,918	25.4
Electrical Machinery	17,118	16,480	- 638	- 3.7
Transportation Equipment	41,078	64,492	23,414	57.0
Instruments & Related Prod.	2,220	2,989	769	34.6
Misc. Manufacturing	4,908	4,233	- 675	-13.7
Transportation & Other				
Public Utilities	40,929	46,346	5,417	13.2
Local Passenger Transp.	3,796	3,768	- 28	- .7
Trucking & Warehousing	15,310	18,034	2,724	17.8
Water Transportation	1,355	1,511	156	11.5
Transportation By Air	1,818	2,635	817	44.9
Pipe Line Transportation	11	92	- 81	-88.0
Transportation Services	1,118	1,591	473	42.3
Communications	9,781	10,886	1,105	11.3
Elect., Gas & Sanitary Serv.	6,840	7,166	326	4.8
Administrative & Auxiliary	819	744	- 75	- 9.1
Wholesale Trade	48,137	51,320	3,183	6.6
Retail Trade	99,040	118,318	19,278	19.5
Building Materials & Farm Equipment	4,367	4,583	216	4.91

TABLE 10 (Continued)

SIC	1962 (no.)	1966 (no.)	Difference 1966-1962	Change (Percent)
General Merchandise	21,899	25,107	3,208	14.6
Food	15,421	17,241	1,820	11.8
Automotive Dealers & Service Stations	12,681	15,440	2,759	21.7
Apparel and Accessories	8,318	8,021	- 297	- 3.6
Furniture & Home Furnishings	4,407	(D)*		
Eating and Drinking Places	19,188	26,010	6,822	35.6
Miscellaneous Retail Stores	10,101	11,643	1,542	15.3
Administrative & Auxiliary Finance, Insurance, and Real Estate	2,658	(D)*		
Banking	39,328	44,681	5,353	13.6
Credit Agencies Other Than Banks	9,488	10,569	1,081	11.4
Security & Commodity Brokers & Serv.	5,852	7,577	1,725	29.5
Insurance Carriers	1,884	2,077	193	10.2
Insurance Agents, Brokers, & Service	9,343	10,371	1,028	11.7
Real Estate	3,032	3,430	398	13.1
Combined Real Estate, Insurance, Etc.	7,539	8,921	1,382	18.3
Holding & Other Investment Cos.	1,190	596	- 594	-49.9
Administrative and Auxiliary Services	501	841	340	67.9
Hotels & Other Lodging Places	499	299	- 200	-40.0
Personal Services	90,900	118,333	27,433	30.1
Miscellaneous Business Serv. Automobile Repair, Services, & Garages	6,295	8,045	1,750	27.8
Miscellaneous Repair Serv.	11,821	13,439	1,618	13.7
Motion Pictures	9,809	15,437	5,628	57.4
Amusement & Recreation Services, n.e.c.	3,560	4,215	655	18.4
Medical and Other Health Services	1,968	2,382	414	21.0
Legal Services	1,497	1,553	56	3.7
Educational Services	3,863	5,100	1,237	32.0
	25,061	31,367	6,306	25.2
	1,597	1,837	240	15.0
	7,854	13,631	5,779	73.6

TABLE 10 (Continued)

SIC	1962 (no.)	1966 (no.)	Difference 1966-1962	Change (Percent)
Museums, Botanical & Zoological Gardens	102	153	51	50.0
Nonprofit Membership Organizations	12,780	15,654	2,874	22.5
Miscellaneous Services	4,625	5,350	725	15.7
Administrative & Auxiliary	68	170	102	150.0
Unclassified Establishments	2,038	1,146	- 890	43.7

\* (D) denotes figures withheld to avoid disclosure of operations of individual reporting units.

SOURCE: County Business Patterns, U. S. Department of Commerce, 1962 and 1966.

## APPENDIX TABLE 1

CORRELATION COEFFICIENTS (r) OF SELECTED VARIABLES DEPICTING NEGRO  
UTILIZATION AMONG 39 INDUSTRIES, ST. LOUIS 1966

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	.																
2	.76																
3	.69	.65															
4	.13	.46	.27														
5	.06	.34	.11	.54													
6	.16	.49	.25	.88	.30												
7	.79	.88	.76	.16	.15	.17											
8	.76	.71	.59	.16	.29	.17	.68										
9	.73	.56	.86	-.01	-.02	.04	.74	.74									
10	.46	.33	.36	.01	.01	.05	.40	.57	.47								
11	.23	.87	.05	-.01	-.07	.04	.09	.24	.09	.84							
12	.02	-.10	-.06	-.01	.04	-.04	-.08	.01	-.05	.71	.90						
13	-.01	.02	.03	.07	-.08	.13	.02	-.08	-.10	-.06	-.07	-.07					
14	.14	.30	.31	.56	.29	.52	.10	.28	.12	.10	.03	-.07	.06				
15	-.04	-.04	-.04	.21	-.01	.27	-.09	-.09	-.13	-.12	-.05	-.12	.11	.34			
16	.16	.26	.21	.50	.12	.51	.14	.13	.09	-.01	-.02	-.15	.08	.36	.41		
17	-.05	.08	-.06	.09	.23	.02	.08	.03	-.08	.01	-.07	-.06	-.04	.01	.16	.47	
18	-.32	.04	-.02	.08	.20	.10	-.02	.20	.06	.10	-.07	-.09	-.19	.17	-.05	-.02	.13

Percent

1. Negro of all employees
2. Negro white collar of all white collar
3. Negro officials and managers
4. Negro professionals
5. Negro technicians

APPENDIX TABLE 1 (Continued)

Percent

6. Negro sales
7. Negro clerical
8. Negro blue collar
9. Negro craftsman
10. Negro operatives
11. Negro laborers
12. Negro service
13. Negro apprentices
14. Negro white collar O.J.T.
15. Negro production O.J.T.
16. Total Negro employees
17. Average number of workers per firm
18. White collar of total workers

APPENDIX TABLE 2

MEANS AND STANDARD DEVIATIONS OF SELECTED VARIABLES REFLECTING NEGRO  
UTILIZATION BY FIRMS FOR SELECTED INDUSTRIES ST. LOUIS 1966\*

Variable**	Mean*** (Total, N=1516)	St. dev. (Total, N=1516)	Mean (Group 58, N=17) Mining	St. dev. (Group 58, N=17) Mining	Mean (Group 59, N=83) Contract Constr.	St. dev. (Group 59, N=83) Contract Constr.	Mean (Group 60, N=250) Mfg. (durables)	St. dev. (Group 60, N=250) Mfg. (durables)
1	256.1	1104.7	80.7	80.1	84.1	94.0	586.46	2351.76
4	.153	.295	.167	.353	.087	.238	.126	.241
23	.005	.053			.011	.698	.015	.075
24	.004	.049					.002	.020
25	.011	.708			.008	.073	.025	.115
27	.092	.164	.075	.141	.084	.116	.110	.172
28	.288	.266	.127	.166	.060	.085	.171	.183
30	.024	.083	.013	.296	.013	.044	.025	.054
31	.187	.291	.148	.241	.208	.299	.198	.276
32	.021	.085			.002	.018	.014	.091
33	.103	.263	.058	.242	.132	.341	.064	.219
34	.025	.069	.011	.026	.013	.042	.023	.048
35	.184	.287	.159	.269	.228	.309	.187	.269
36	.642	.322	.691	.324	.731	.220	.492	.259
44	.715		.882		.301		.764	
45	.179		.117		.132		.160	
48	.345		.588		.638		.420	

APPENDIX TABLE 2 (Continued)

Variable	Mean (Group 61, N=266) Mfg. (non-durable)	St. dev.	Mean (Group 62, N=194) Trans., Communic., & Utilities	St. dev.	Mean (Group 63, N=397) Wholesale and Retail Trade	St. dev.	Mean (Group 64, N=149) Finance, Insur- ance & Real Est.	St. dev.
1	305.25	568.18	267.69	1066.27	117.48	466.91	101.27	189.38
4	.143	.254	.104	.264	.150	.303	.293	.420
23	.007	.071	.007	.073	.0007	.013		
24	.0009	.015			.004	.052	.017	.102
25	.017	.116			.007	.150		
27	.099	.149	.052	.128	.082	.152	.033	.120
28	.316	.256	.129	.164	.339	.272	.434	.210
30	.024	.059	.009	.036	.023	.100	.022	.116
31	.221	.273	.121	.239	.175	.300	.158	.334
32	.018	.065	.003	.014	.025	.089	.026	.117
33	.083	.214	.066	.237	.098	.243	.081	.267
34	.024	.061	.009	.034	.023	.060	.025	.116
35	.187	.250	.121	.240	.177	.290	.150	.325
36	.511	.273	.565	.323	.723	.334	.979	.075
44	.748		.685		.672		.818	
45	.150		.154		.247		.181	
48	.443		.391		.279		.094	

APPENDIX TABLE 2 (Continued)

Variable	Mean (Group 65, N=155) Services	St. dev.	Mean (Group 00, N=5) Agri. & Forestry	St. dev.
1	245.69	455.94	86.40	66.33
4	.177	.286	.200	.447
23	.001	.017		
24	.010	.077		
25	.013	.097		
27	.186	.242	.086	.143
28	.502	.308	.161	.192
30	.054	.119	.003	.007
31	.249	.323	.119	.216
32	.059	.119		
33	.273	.362	.037	.084
34	.059	.102	.002	.004
35	.287	.342	.122	.216
36	.629	.333	.470	.308
44	.825		.800	
45	.148		.200	
48	.219		.600	

APPENDIX TABLE 2 (Continued)

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\* Several SIC groups are combined:

Group 58/ Metal mining, anthracite mining, oil and gas extraction, and nonmetallic minerals.

Group 59/ General building contractors, heavy construction, and special trade contractors.

Group 60/ Ordnance and accessories, lumber and wood products, furniture and fixtures, stone-clay-glass products, primary metal, fabricated metal, machinery (except electrical), electrical equipment and supplies, transportation equipment, instruments, and miscellaneous manufacturing.

Group 62/ Railroad transportation, local and interurban passenger transit, trucking and warehousing, water transportation, transportation by air, pipe line transportation, transportation services, communication, and electrical-gas-sanitary services.

Group 61/ Food and kindred products, tobacco, textile mills, apparel, paper and allied products, printing and publishing, chemicals, petroleum and coal, rubber and plastics, and leather.

Group 63/ Wholesale trade, retail trade, retail general merchandise, food stores, automotive dealers and service stations, apparel and accessory stores, furniture and home furnishings, eating and drinking places, and miscellaneous retail stores.

Group 64/ Banking; credit agencies other than banks; security, commodity brokers and services; insurance carriers; insurance agents, brokers and service; real estate; combined real estate, insurance, etc.; holding and other investment companies.

APPENDIX TABLE 2 (Continued)

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Group 65/ Hotels and other lodging places; personal services; miscellaneous business services; auto repair, services, and garages; miscellaneous repair service, motion pictures; amusement and recreation services; medical and other services; legal services; museums, botanical and zoological gardens; nonprofit membership organizations; private households, and misc. service.

Group 00/ Agriculture and forestry.

\*\* Variable identification:

- 1 = firm size, expressed as the total number of employees
- 4 = percent Negro in high skilled occupations of all Negroes employed
- 23 = percent Negro in apprenticeship training of all apprentices
- 24 = percent Negro in white collar on-job-training of all white collar O.J.T.
- 25 = percent Negro in production on-job-training
- 28 = percent females of all employees
- 30 = percent Negro males of all males in high skilled occupations
- 31 = percent Negro males of all males in low skilled occupations
- 32 = percent Negro females of all females in high skilled occupations
- 33 = percent Negro females of all females in low skilled occupations
- 34 = percent Negro in high skilled occupations of all high skilled employees
- 35 = percent Negro in low skilled occupations of all low skilled employees
- 36 = percent employees of all employees employed in high skilled occupations
- 27 = percent Negro of all employees
- 44 = firm did not have arrangement with labor organization
- 45 = a no response regarding labor organization
- 48 = firms that are government contractors

APPENDIX TABLE 2 (Continued)

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\*\*\* To convert variables 4 - 48 to percents, move decimal point 2 places to the right.

Source: EEO-1 reports.

## S O U R C E S

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NEGRO EMPLOYMENT IN THE  
TEXTILE INDUSTRIES OF NORTH AND  
SOUTH CAROLINA

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## FOREWORD

From time to time the Equal Employment Opportunity Commission will publish studies of minority group employment patterns and opportunities in specified industries and areas, utilizing background material prepared the staff of its Office of Research and Reports or by consultants from the academic community, and also information obtained from the employer reporting system which it established in 1966 in cooperation with the Office of Federal Contract Compliance. This is the first such study to be published and it will soon be supplemented by an analysis of a sample of occupational data on EEO-1 reports filed by about 400 establishments in the textile mill products industry of the Carolinas.

The textile industry in the Carolinas was chosen as the subject of the initial report in this series because it is the largest source of manufacturing jobs in an area where Negroes comprise a substantial portion of the population; and because recent evidence, including that collected in the course of investigations of charges filed with the Commission under Title VII of the Civil Rights of Act of 1964, had revealed a significant improvement in employment opportunities for Negro workers in an industry which until the mid-1960's was cited for policies

historically excluding these workers, particularly Negro females, from the work force. It was believed that a verification of these trends and publication of the results of such a study would create greater awareness among Negro citizens that doors heretofore closed to them were opening, and would also stimulate employers and other forces in the community to greater efforts in utilizing the skills and services of persons of all races within the two States.

Dr. Donald D. Osburn, Assistant Professor of Economics at North Carolina State University at Raleigh, now a member of the University of Missouri faculty was asked by the Commission to prepare this background study of industry trends. Dr. Robert M. Fearn of North Carolina State provided various materials also utilized herein. Both were encouraged to express freely their professional judgment in the preparation of this study and the points of view or opinions stated in this document do not necessarily represent the official position or policy of the United States Government.

The Commission and this office are especially indebted to Dr. Phyllis Wallace, Acting Chief of the Technical Studies Division, who was instrumental in the selection of Dr. Osburn for this assignment, who worked closely with him in planning the study, and who contributed her sound judgment, keen insight -- and much of her time in recent weeks -- to its production in this form.

A note of of thanks is also due Christopher Visher, a summer employee of the Commission who has now resumed his studies at the Columbia University Law School, for this skillful editing and careful review of the manuscript.

Charles B. Markham  
Director  
Office of Research and Reports

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## SUMMARY OF FINDINGS AND CONCLUSIONS

1. South. Since 1940 the South has been trying to raise per capita income by increasing its industrialization. By 1964, though, per capita income was still only 77 percent of the U. S. average.

2. Carolinas. These states follow the economic pattern of the South as a whole. Despite the influx of high wage industries, per capita personal income of North and South Carolina was 77 percent and 67 percent, respectively, of the U. S. for 1965. This is due in part to the high concentration of workers in low wage textile employment: 383,700 persons, or 43.6 percent of the manufacturing work force, were engaged in textile mill production in 1965.

3. Textile industry. In terms of value added (value of shipment goods less total cost of materials) almost 43 percent of all textile mill production in the U. S. was located in these two states in 1963.

Nationally, the textile industry is a declining one, and even in the Carolinas, where it has shown regional growth, it is employing a declining share of total employment.

Since 1960, the influx of new industry has created a tight labor market and whites have been moving from textiles to higher paying industries. As a result, the textile mill products industry has had to raise wages and hire Negroes to meet its labor needs. Traditionally, however, the industry has been characterized

by low wages and near-total exclusion of Negroes.

The low wages, which are still among the lowest in the manufacturing sector, may be accounted for by:

- (a) the existence of an abundant labor supply, due largely to the use of women for many jobs in the industry;
- (b) the relatively little value added per employee. The industry could not afford to pay higher wages and still remain competitive; and
- (c) the lack of unionization (even now, only about 10 percent of the work force is organized).

Until as late as 1960, Negroes were almost wholly excluded from the industry, primarily because

- (a) the social cohesion of the small, mill town communities and the history of strike violence discouraged integration attempts;
- (b) in their own areas, mills were relatively high-wage employers and could attract all the white labor they needed; and

- (c) many jobs could be and were done by women, so there was almost always an ample labor supply available; owners would hire women before Negroes if at all possible.

Technological advances have brought many changes to the industry. Greater machine speed and efficiency allows mills to maintain the same output with fewer workers. Also greater sophistication of the machines has created a demand for workers with greater skill than was required before.

4. Implications for the future. The problems now are how to use the current tight labor market conditions to the best advantage of the Negro, how to prepare him for the higher skilled and higher paying jobs which are being created or are coming available, and how to protect him from general economic declines in textiles or in other industries. The following are among the steps which should be taken:

- (a) Encourage Negroes to continue their education and end the quality differential in their education and that of whites.
- (b) Encourage mobility:
  - 1. Occupational. This entails (a) better dissemination of job information and

(b) government action to increase Negro participation in vocational education courses.

2. Geographic. From agricultural to urban areas of the Carolinas. This can be encouraged by intensification of relocation programs.

## I. INTRODUCTION

The textile mill products industry accounts for almost 45 percent of all manufacturing employment in the Carolinas, yet, historically, Negroes have been almost wholly excluded from it. One of the most important findings of this paper, though, is that since 1960 there has been a marked change in this pattern. Tight labor market conditions, Federal legislation, and progressive state and Federal programs have all helped break down the barriers to Negro employment in textiles.

The purpose of this paper is to (1) identify some of the changes which have taken place in the textile industry, (2) indicate changes which are presently occurring or can be expected in the near future, and (3) explain how these changes have affected and can be expected to affect the Negro. The paper is particularly concerned with the effect of technological change on Negro employment opportunities. Changes in the textile mill products industry are placed in the context of overall economic changes in the South and in the Carolinas.

The conclusion summarizes some of the ways in which Negroes may be prepared to cope with the constantly changing labor demands which accompany new technology and explains why it is important that Negroes make employment gains in textiles, even though it is not a "growth" industry.

Throughout this paper the terms "Negro" and "nonwhite" are used interchangeably. In the South, 99.1 percent of all nonwhites were Negro and in North and South Carolina, combined, Negroes comprised 98.1 percent of the nonwhite population as of 1960.

## II. ECONOMIC GROWTH IN THE SOUTH

\*

The South, with its history of low incomes, proportionally large Negro population, and low educational standards, has lagged behind other sections of the U. S. in economic growth in terms of increases in per capita income. In 1964, the average annual per capita income in the South was 77 percent of the U. S. average -- \$1720 as opposed to \$2233. One scholar, Maddox, suggests that the South's retarded development resulted from forms of social and economic organization that led to shortages of well educated and skilled workers, to inadequate supplies of high quality capital, to a lack of up-to-date techniques, and to a paucity of innovating entrepreneurs. <sup>1/</sup>

Basically, four methods of resolving the problems caused by the region's backwardness have been proposed: (1) Revive agrarianism. Proponents of this solution emphasize the virtues of rural life and urge the return to a self-sufficient agriculture. (2) Modernize agriculture. Advocates of this technique were successful in gaining Federal intervention; the region's major commodities, tobacco, cotton, and peanuts now have restricted production quotas. (3) Encourage out-migration. (4) Industrialize.

-3-

\* The South includes the following states: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia.

Technological advances in the farm sector have decreased the demand for farm labor and have forced off-farm migration. However, the South has grown almost at the national rate and out-migration has as yet served to alleviate the region's economic problems only slightly.<sup>2/</sup> In fact, migration alone may not be an effective method of helping the low income families. W. H. Nicholls points out that there were counties in the Piedmont which had large-scale out-migration for more than a century yet continued to be characterized by large numbers of low-income families.<sup>3/</sup>

Also, migration as a means of decreasing income disparity may cost more, in terms of human capital lost, than it is worth. Hamilton, for example, has found from a study of migration during the 1950-60 decade that the largest groups of migrants included two groups, the very poorly educated and the well educated.<sup>4/</sup> These two groups were larger than the migrant group with a moderate amount of education. In addition, a larger percentage of well educated Negroes than of well educated whites migrated. This pattern of migration has made relatively unsuccessful the South's efforts to put its per capita income on a par with that of the rest of the United States. The exodus of educated youth of productive ages has hindered the South more than the migration of persons with very little education has helped it.

The shortcomings and failures of all other methods of reducing the income disparity between the South and the non-South have resulted in an increased emphasis on the fourth remedy, industrialization. World War II, which increased southern incomes by increasing industrialization and rapid out-migration, and by introducing large Federal disbursements for military purposes, set the stage for the South's "take off" toward economic development.

The transition of the South from a rural-agricultural to an urban-industrial orientation proceeded at a rapid pace during the forties and fifties, but the economic gap between the South and the rest of the country had not been closed by 1960. Nevertheless, at the end of the two decades, the South was committing a larger share of its resources to non-agricultural production than ever before. See Table 1 for percent change in employment by major industry groups, 1940-60.

The Negro population in the South during the 1940-60 period was marked by high mobility. Negro employment in agriculture declined by 960,000 as more efficient farming methods reduced the need for farm labor and industry offered comparatively high-paying alternative employment. Many Negroes migrated to the North rather than to southern urban centers. As a result, the South's share of Negro employment decreased from 71.6 percent of the total to 49.3 percent. By 1960, Negroes made up approximately 21 percent

TABLE 1

PERCENT CHANGE IN EMPLOYMENT BY MAJOR INDUSTRY GROUPS, WHITE AND  
NONWHITE, UNITED STATES, SOUTH AND NON-SOUTH, 1940-1960

REGION AND INDUSTRY	1940-1950			1950-1960			1940-1960		
	TOTAL	WHITE	NONWHITE	TOTAL	WHITE	NONWHITE	TOTAL	WHITE	NONWHITE
<u>UNITED STATES</u>									
All industries	24.5	25.0	19.9	14.5	14.4	15.4	42.5	43.0	38.3
Total, goods producing	17.8	18.9	8.0	1.2	2.6	-12.2	19.2	22.1	- 5.2
Agr., forestry, fisheries	-17.4	-14.7	-29.1	-38.0	-36.6	-45.3	-48.8	-46.0	-61.2
Manufacturing	37.8	34.9	93.2	19.9	20.1	17.8	65.3	62.0	127.5
Mining	1.8	3.0	-17.0	-29.6	-28.5	-51.3	-28.4	-26.4	-59.6
Construction	67.3	64.3	106.4	10.2	9.9	12.9	84.4	80.6	133.1
Total, service producing	31.1	31.1	30.9	20.6	20.0	25.7	58.2	57.4	64.5
Transp., comm., p. u.	40.3	38.5	65.8	1.5	1.6	.4	42.4	40.8	66.5
Trades	39.9	38.2	71.5	11.3	10.5	23.5	55.8	52.8	111.7
Fin., ins., real estate	30.5	30.8	23.5	40.2	41.0	22.2	82.9	84.6	51.0
Services	17.9	19.7	9.9	33.2	34.4	27.5	57.1	60.9	40.1
Government	41.9	35.9	211.3	27.4	24.3	64.8	80.8	68.9	412.9
Industry not reported	22.1	19.0	53.9	209.0	183.7	410.4	277.2	237.5	685.6
<u>SOUTH</u>									
All industries	19.0	27.1	- 2.1	13.6	18.3	- 2.6	35.2	50.4	- 4.7
Total, goods producing	3.3	9.8	-13.4	- 6.2	0.1	-27.6	- 3.1	9.9	-37.3
Agr., forestry, fisheries	-24.9	-21.9	-30.6	-46.0	-45.3	-47.4	-59.4	-57.3	-63.5
Manufacturing	40.7	42.1	33.9	33.5	40.3	1.2	87.8	99.4	35.6
Mining	23.5	29.0	-21.2	-12.9	-10.8	-41.2	7.4	15.0	-53.7
Construction	89.5	90.6	84.2	17.7	18.6	13.1	122.9	126.1	108.4
Total, service producing	39.0	49.0	12.4	29.1	32.2	17.9	79.5	97.0	32.5
Transp., comm., p. u.	52.4	56.9	33.4	10.9	14.6	- 7.5	69.1	79.8	23.3
Trades	56.2	55.8	59.2	21.2	22.1	15.2	89.3	90.2	83.4
Fin., ins., real estate	54.9	59.5	18.3	65.0	69.5	16.4	155.6	170.4	37.7
Services	19.6	38.4	-22.8	36.2	44.6	21.9	62.9	100.1	18.4
Government	47.3	41.4	172.8	38.8	38.7	39.2	104.5	96.2	279.8
Industry not reported	57.4	67.6	30.1	149.9	142.1	176.6	293.4	305.9	259.8

TABLE 1 (cont'd)

REGION AND INDUSTRY	1940-1950			1950-1960			1940-1960		
	TOTAL	WHITE	NONWHITE	TOTAL	WHITE	NONWHITE	TOTAL	WHITE	NONWHITE
<u>NON-SOUTH</u>									
All industries	26.5	24.4	75.6	14.8	13.3	40.7	45.2	40.9	147.0
Total, goods producing	24.4	22.0	114.2	4.1	3.4	18.6	29.4	26.2	153.9
Agr., forestry, fisheries-	9.8	- 9.8	-10.3	-31.3	-31.5	-24.6	-38.1	-38.3	-32.4
Manufacturing	33.2	33.6	197.6	17.0	16.3	30.9	60.5	55.3	289.6
Mining	- 6.7	- 6.4	-12.2	-38.4	-37.5	-61.4	-42.6	-41.6	-66.1
Construction	59.7	56.7	146.9	7.1	6.8	12.7	71.2	67.4	178.2
Total, service producing	28.8	27.1	58.9	17.9	16.8	34.2	51.9	48.4	113.2
Transp., comm., p. u.	37.2	34.6	112.5	- 1.1	- 1.6	7.6	35.6	32.4	128.8
Trades	35.5	33.9	86.5	8.2	7.2	32.2	46.6	43.5	146.5
Fin., ins., real estate	26.0	25.9	26.5	34.5	34.9	25.4	69.5	69.9	58.7
Services	17.3	15.8	32.7	32.1	31.8	34.6	55.0	52.7	78.6
Government	40.3	34.2	227.5	23.9	19.9	73.7	73.8	61.0	469.0
Industry not reported	12.5	9.0	98.3	231.3	196.7	695.9	272.9	223.5	1478.4

Derived from U. S. Census of Population: 1940, 1950, and 1960.

of the total population in the South and represented somewhat less than one fifth of its civilian labor force.

Negro employment in non-agricultural occupations in the South increased by 35.6 percent during the two decades of the forties and fifties, as opposed to 140.7 percent in the non-South, with major gains being made in manufacturing, construction, wholesale and trade, and government.<sup>5/</sup> The differences in rates of increases reflected the great migration of Negroes from the South. See Table 1. Manufacturing made large employment gains from 1940-50 but only moderate gains from 1950-60. By 1960, 23 percent of all white workers were employed in manufacturing industries, as compared with 14 percent of all Negro workers. Significant differences in the occupational classifications prevailed in that 44 percent of the white workers but only 9 percent of the Negro labor force were in white collar jobs.

The nonwhite shares of employment by major industry groups, which are reported in Table 2, reveal how Negroes are distributed among various employment alternatives. A convenient way of comparing shares held by Negroes is to calculate and compare indexes of representation. The index is computed by dividing the percentage of all workers in a given classification who are Negro by the percentage of Negroes in the total work force. This index provides

TABLE 2

a/

NONWHITE SHARES OF EMPLOYMENT BY MAJOR INDUSTRY GROUPS AND INDEX OF  
INDUSTRY REPRESENTATION, SOUTH AND NON-SOUTH, 1940-1960

REGION AND INDUSTRY	PERCENT NONWHITE			INDEX OF INDUSTRY REPRESENTATION		
	1940	1950	1960	1940	1950	1960
<u>UNITED STATES</u>						
All Industries	10.3	10.0	10.0	100.0	100.0	100.0
Total, goods producing	10.4	9.6	8.3	101.0	96.0	83.0
Agr., forestry, fisheries	18.5	15.8	14.0	179.6	158.0	140.0
Manufacturing	5.0	7.0	6.9	48.5	70.0	69.0
Mining	5.9	4.8	3.3	57.3	48.0	33.0
Construction	7.1	8.7	9.0	68.9	87.0	90.0
Total, service producing	10.3	10.3	10.7	100.0	103.0	107.0
Transp., comm., p. u.	6.6	7.8	7.7	64.1	78.0	77.0
Trades	5.1	6.3	7.0	49.5	63.0	70.0
Fin., ins., real estate	4.8	4.5	4.0	46.6	45.0	40.0
Services	18.5	17.3	16.5	179.6	173.0	165.0
Government	3.5	7.6	9.8	34.0	76.0	98.0
Industry not reported	8.9	11.2	18.5	86.4	112.0	185.0
<u>SOUTH</u>						
All industries	27.5	22.6	19.4	100.0	100.0	100.0
Total, goods producing	27.8	23.3	17.9	101.1	103.1	92.3
Agr., forestry, fisheries	34.2	31.6	30.8	124.4	139.8	158.8
Manufacturing	18.2	17.3	13.1	66.2	76.5	67.5
Mining	11.0	7.0	4.7	40.0	31.0	24.2
Construction	18.0	17.5	16.8	65.4	77.4	86.6
Total, service producing	27.2	22.0	20.1	98.9	97.3	103.6
Transp., comm., p. u.	19.0	16.6	13.8	69.1	73.5	71.1
Trades	13.1	13.4	12.7	47.6	59.3	65.5
Fin., ins., real estate	11.2	8.6	6.0	40.7	38.1	30.9
Services	45.5	36.9	33.1	165.5	163.4	170.6
Government	4.5	8.3	8.4	16.4	36.7	43.3
Industry not reported	27.2	22.4	24.8	98.9	99.1	127.8

TABLE 2 (cont'd)

REGION AND INDUSTRY	PERCENT NONWHITE			INDEX OF INDUSTRY REPRESENTATION		
	1940	1950	1960	1940	1950	1960
<u>NON-SOUTH</u>						
All industries	4.0	5.6	6.8	100.0	100.0	100.0
Total, goods producing	2.5	4.4	5.0	62.5	78.6	73.5
Agr., forestry, fisheries	2.7	2.7	3.0	67.5	48.2	44.1
Manufacturing	2.2	4.8	5.4	55.0	85.7	79.4
Mining	3.9	3.7	2.3	97.5	66.1	33.8
Construction	3.4	5.2	5.5	85.0	92.9	80.9
Total, service producing	5.3	6.5	7.4	132.5	116.1	108.8
Transp., comm., p. u.	3.4	5.2	5.7	85.0	92.9	83.8
Trades	2.9	4.0	4.9	72.5	71.4	72.1
Fin., ins., real estate	3.6	3.6	3.4	90.0	64.3	50.0
Services	9.0	10.2	10.4	225.0	182.1	152.9
Government	3.2	7.4	10.3	80.0	132.1	151.5
Industry not reported	3.9	6.9	16.6	97.5	123.2	244.1

a/

Derived from U. S. Census of Population: 1940, 1950, and 1960.

a uniform standard by which to compare the extent of Negro employment in different industries or areas or in the same industry or area but at different periods of time. For example, Negroes accounted for 13.1 percent of the manufacturing work force and 19.4 percent of all employment in the South in 1960. See Table 2. Therefore,  $\frac{13.1}{19.4} = 67.5$  is the index of representation for manufacturing. Parity would indicate that the share of employment held by Negroes in a given industry was exactly the same as the share of total employment held by Negroes. The indexes of representation of Table 2 show a significant increase in manufacturing employment in the non-South from 55.0 to 79.4 while in the South it remained about the same in 1960 as in 1940.

### III. STRUCTURE OF THE ECONOMY OF NORTH AND SOUTH CAROLINA

During the past decade the Carolinas have been especially successful in their efforts to become more industrialized. Lured by inducements such as low construction costs, favorable wage rates, large labor supplies, and expanding markets, new industries, especially machinery and chemicals, have poured into the region. See Table 3 for percent increase of new industrial growth in fourth quarter 1965 over 1964 for North Carolina.

In both states, however, a high proportion of manufacturing activity is still concentrated in the textile mill products industry; textile mill workers represented almost 45 percent of their combined manufacturing employment in 1965.

Between 1958 and 1963 manufacturing employment in North Carolina expanded an impressive 15.5 percent to give the state an insured work force of almost 540,000 persons. By the fourth quarter of 1965 insured manufacturing had reached 615,100 employees, 41.2 percent of whom were in textile mill production. See Tables 4 and 5 for manufacturing employment by industry for 1960-65. In terms of value added (value of shipment goods less total cost of materials), which is considered to be the best value measure

TABLE 3

NEW INDUSTRIAL GROWTH  
IN NORTH CAROLINA <sup>a/</sup>

	INSURED EMPLOYMENT FOURTH QUARTER, 1965 (thousands)	PERCENT INCREASE OVER FOURTH QUARTER, 1964 (percent)
All manufacturing <sup>b/</sup>	615.1	6.3
Textile Mill Products	253.2	6.0
Furniture and Fixtures	59.7	6.2
Apparel and Other Finished Goods	58.4	9.0
Food and Kindred Products	36.7	2.6
Tobacco Manufacturing	35.6	-11.0
Electrical Machinery and Equipment	31.4	17.2
Lumber and Wood Products	29.5	1.8
Non-Electrical Machinery	20.6	29.0
Chemical and Allied Products	18.5	11.6
Paper and Allied Products	15.1	4.1
Stone, Clay and Glass Products	12.6	6.8
Printing, Publishing and Allied Activities	11.3	5.2
All other Manufacturing	32.5	na

<sup>a/</sup>

Data from Bureau of Employment Security Research, Employment Security Commission of North Carolina, Insured Employment and Wage Payments (Raleigh: ESC of North Carolina, June 1966), Table C.

<sup>b/</sup>

Figures may not add due to rounding.

TABLE 4

ANNUAL AVERAGE  
INSURED EMPLOYMENT IN NORTH CAROLINA  
MANUFACTURING ESTABLISHMENTS, 1960-1965 <sup>a/</sup>

(Thousands)

INDUSTRY	YEAR					FOURTH
	1960	1961	1962	1963	1964	QUARTER 1965
All Manufacturing <sup>b/</sup>	507.3	504.6	529.4	539.8	560.3	615.1
Textile Mill Products	223.8	222.2	231.1	229.4	234.7	253.2
Furniture and Fixtures	44.9	44.4	47.7	50.0	54.3	59.7
Tobacco Manufacturing	33.6	33.6	34.7	34.1	32.8	35.6
Lumber and Wood Products	31.7	28.6	28.6	28.7	29.0	29.5
Food and Kindred Products	32.9	33.0	33.7	34.2	35.3	36.7
Apparel and Other Finished Goods	35.6	38.3	43.9	47.9	52.2	58.4
Electrical Machinery and Equipment	24.9	25.0	24.7	25.1	25.8	31.4
Paper and Allied Products	14.5	14.3	14.3	14.0	14.3	15.1
Chemical and Allied Products	13.0	13.2	14.4	16.3	16.5	18.5
Non-Electrical Machinery	11.7	11.5	12.6	14.1	15.2	20.6
Stone, Clay and Glass Products	na	na	na	na	na	12.6
Printing, Publishing and Allied Activities	na	na	na	na	na	11.3
All Other Manufacturing	40.9	40.7	43.7	46.2	50.1	32.5

<sup>a/</sup> Bureau of Employment Security Research, Employment Security Commission of North Carolina, Insured Employment and Wage Payments (Raleigh: ESC of North Carolina, various issues, 1960-1965).

<sup>b/</sup> Figures may not add to totals due to rounding.

TABLE 5

COMPOSITION OF MANUFACTURING EMPLOYMENT  
IN NORTH CAROLINA, 1960-1965 <sup>a/</sup>

(Percent)

INDUSTRY	YEAR					FOURTH
	1960	1961	1962	1963	1964	QUARTER 1965
All Manufacturing <sup>b/</sup>	100.0	100.0	100.0	100.0	100.0	100.0
Textile Mill Products	44.1	44.0	43.7	42.5	41.9	41.2
Furniture and Fixtures	8.8	8.8	9.0	9.3	9.7	9.7
Tobacco Manufacturing	6.6	6.7	6.5	6.3	5.9	5.8
Lumber and Wood Products	6.2	5.7	5.4	5.3	5.2	4.8
Food and Kindred Products	6.5	6.5	6.4	6.3	6.3	6.0
Apparel and Other Finished Goods	7.0	7.6	8.3	8.9	9.3	9.5
Electrical Machinery and Equipment	4.9	4.9	4.7	4.6	4.6	5.1
Paper and Allied Products	2.9	2.8	2.7	2.6	2.6	2.5
Chemical and Allied Products	2.6	2.6	2.7	3.0	2.9	3.0
Non-Electrical Machinery	2.3	2.3	2.4	2.6	2.7	3.3
Stone, Clay, and Glass Products	na	na	na	na	na	2.0
Printing, Publishing and Allied Activities	na	na	na	na	na	1.8
All Other Manufacturing	8.1	8.1	8.2	8.6	8.9	5.3

<sup>a/</sup>

Bureau of Employment Security Research, Employment Security Commission of North Carolina, Insured Employment and Wage Payments (Raleigh: ESC of North Carolina, various issues, 1960-1965).

<sup>b/</sup>

Figures may not add to totals due to rounding.

for comparing the relative economic importance of manufacturing among industries and geographic regions, North Carolina's \$4,168 million of value added by manufacturing in 1963 represented a 50 percent increase over 1958.

North Carolina's manufacturing activity is highly concentrated in the Central Piedmont. Forty-eight percent of the state's manufacturing employment is concentrated in the ten largest industrial counties; i.e., Guilford, Forsyth, Mecklenburg, Gaston, Cabarrus, Catawba, Alamance, Buncombe, Davidson, and Iredell, nine of which are in the Central Piedmont. During 1958-1963 the less industrialized counties with labor surpluses and lower wages experienced greater relative growth in manufacturing employment while the large manufacturing centers of the Piedmont had the greatest absolute gains.<sup>6/</sup>

Between 1958 and 1963, manufacturing employment in South Carolina increased 15.8 percent, with a work force of 267,898 engaged in manufacturing activities by 1963. By 1964, employment in manufacturing had increased to 276,300, with 49.4 percent employed in textile mill products. Value added in South Carolina in 1963 amounted to \$2,117 million, an increase of 56 percent over 1958. Of this total, \$937 million was contributed by the textile mill products industry and \$334 million by chemical and allied

products industries. See Tables 6 and 7 for manufacturing employment by industry.

Although both North and South Carolina have a larger proportion of their work forces in manufacturing than does the nation as a whole, average weekly factory earnings (\$75.67 and \$76.67, respectively, in 1963) lagged considerably behind averages for the nation (\$114.02) and for the South Atlantic Region (\$90.67). The industrial composition in the manufacturing sector was primarily responsible for the wage lag; the textile industry, with its below average wage structure, provided about 45.5 percent of the manufacturing employment in 1965 in these states, as compared to a national average of 5.1 percent.<sup>7/</sup> By 1965 the per capita personal income of North and South Carolina was 77 percent and 67 percent, respectively of the U. S. average.

Though there have been significant declines in agricultural employment in these states, as in the South as a whole, both still have a sizeable number of persons in agriculture. According to the 1960 population census data, 13 percent (204,888) of the employed in North Carolina and 12 percent (94,036) in South Carolina were attached to the agricultural sector. Recent statistics from the U. S. Department of Agriculture showed 462,000 workers on farms in these two states for 1965.<sup>8/</sup>

TABLE 6

ANNUAL AVERAGE INSURED EMPLOYMENT IN SOUTH CAROLINA  
MANUFACTURING ESTABLISHMENTS, 1960-1964<sup>a/</sup>

INDUSTRY	YEAR				
	1960	1961	1962	1963	1964
	(Thousands)				
All Manufacturing	243.5	244.1	258.6	267.9	276.3
Textile Mill Products	131.4	130.6	133.8	134.7	136.4
Food and Kindred Products	11.4	11.7	11.8	11.7	11.7
Tobacco Manufacturing	1.4	1.6	1.6	1.6	1.6
Apparel and Kindred Products	31.1	31.4	34.2	37.2	38.6
Lumber and Wood Products	16.5	15.2	15.5	15.1	15.0
Furniture and Fixtures	3.3	3.4	3.7	3.7	3.8
Paper and Allied Products	8.2	8.3	8.6	9.2	9.7
Printing, Publishing, and Allied Activities	3.4	3.5	3.5	3.6	3.6
Chemicals and Allied Products	12.8	13.6	15.1	15.8	16.2
Rubber and Miscellaneous Plastic Products	-	-	1.3	1.4	1.6
Stone, Clay and Glass Products	6.8	6.7	7.2	7.5	8.1
Primary Fabricated Metal Products	3.0	3.1	4.3	3.5	5.2
Machinery, (except Electrical)	5.6	5.3	6.2	8.5	10.0
Electrical Machinery	3.6	4.1	6.0	6.8	7.3
Transportation Equipment	.7	.7	.7	.9	1.1
Professional, Scientific, and Controlling Instruments	1.0	1.0	1.8	2.3	2.4
All other Manufacturing	2.9	3.5	3.1	3.2	3.6

<sup>a/</sup> Research and Statistics Section, South Carolina Employment Security Commission, Average Monthly Covered Employment, Total Annual Payroll and Employing Units by Counties in South Carolina, Columbia, South Carolina (various issues 1960-1964).

TABLE 7

COMPOSITION OF MANUFACTURING EMPLOYMENT  
IN SOUTH CAROLINA, 1960-1964 <sup>a/</sup>

INDUSTRY	YEAR				
	1960	1961	1962	1963	1964
	(percent)				
All Manufacturing	100.0	100.0	100.0	100.0	100.0
Textile Mill Products	54.0	53.5	51.7	50.3	49.4
Food and Kindred Products	4.7	5.2	4.6	4.4	4.2
Tobacco Manufacturing	.6	.6	.6	.6	.6
Apparel and Kindred Products	12.8	12.9	13.2	13.9	14.0
Lumber and Wood Products	6.8	6.2	6.0	5.6	5.4
Furniture and Fixtures	1.4	1.4	1.4	1.4	1.4
Paper and Allied Products	3.7	3.4	3.3	3.4	3.5
Printing, Publishing, and Allied Activities	1.4	1.4	1.4	1.3	1.3
Chemicals and Allied Products	5.2	5.6	5.8	5.9	5.9
Rubber and Miscellaneous Plastic Products	-	-	.5	.5	.6
Stone, Clay and Glass Products	2.8	2.7	2.9	2.8	2.9
Primary Fabricated Metal Products	1.2	1.3	1.7	1.3	1.9
Machinery, (except Electrical)	2.3	2.2	2.4	3.2	3.6
Electrical Machinery	1.5	1.7	2.3	2.5	2.6
Transportation Equipment	.3	.3	.3	.3	.4
Professional, Scientific, and Controlling Instruments	.4	.4	.7	.8	.9
All Other Manufacturing	1.2	1.4	1.2	1.2	1.3

a/

Research and Statistics Section, South Carolina Employment Security Commission, Average Monthly Covered Employment, Total Annual Payroll and Employing Units by Counties in South Carolina, Columbia, South Carolina (various issues 1960-1964).

#### IV. TEXTILE MILL PRODUCTS INDUSTRY

##### A. GENERAL CHARACTERISTICS

The textile mill products industry, (Standard Industrial Classification 22), includes weaving, knitting, dyeing and finishing, manufacture of yarn and thread, floor covering and miscellaneous textile goods. According to the 1963 Census of Manufactures, the Carolinas accounted for almost 43 percent of all textile mill production in the United States in terms of value added by manufacturing. In 1965, 383,700 persons in the Carolinas, or 43.6 percent of manufacturing employees, were engaged in textile mill production.

From 1960 to 1964, employment in the textile mill products industry in North and South Carolina increased by 5.0 and 3.8 percent, respectively. Fourth quarter 1965 figures for North Carolina show a 6 percent expansion over the previous year. These increases are due in part to increased military demands and increased civilian demands caused by general economic growth. They also reflect the impetus given the industry by the elimination in 1964 of the two-price cotton plan, an export subsidy marketing policy which had given foreign textile manufacturers approximately an eight cents per pound advantage in purchasing raw cotton, thus enabling them to increase their share of domestic and world markets.\*

\* The two-price system was ended by extending the benefit of lower prices to domestic buyers.

While the two-price cotton plan had been in effect, it had encouraged structural changes in the industry; mergers of smaller companies with larger ones increased during this period, larger firms tended to diversify, and all firms tended to turn to man-made fibers. As a result, removal of the restrictions left the industry in a relatively strong competitive posture.

B. WAGES

Wages in the textile industry have been and continue to be among the lowest of any industry in the manufacturing sector. In 1964, for example, the average annual wage in textiles was \$3767 in South Carolina and \$3912 in North Carolina. By comparison, chemical workers in North Carolina made \$6000 in the same year. The industry's occupational mix, the relatively small degree of unionization, the relatively small additions to value from processing, and an abundant labor supply have all played a part in keeping wages down. Increased industrialization, however, has created greater competition, in the labor market and in 1966 a round of wage increases for southern textile workers spread rapidly throughout the South.\*

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\* Burlington Industries and J. P. Stevens announced pay increases on May 6, 1966, that averaged about five percent increase in wage and fringe benefits.

#### C. OCCUPATIONAL MIX

In 1960, approximately 15 percent of textile mill workers were white collar employees and the rest were blue collar and service workers engaged in occupations which did not require a high degree of skill or training. See Table 8. At that time, most blue collar workers were concentrated in the "operatives and kindred workers" category, which accounted for 67.3 percent of all textile employment. It is likely, however, that a more recent analysis of occupational mix would show that under the impact of new technology, to be discussed shortly, technicians presently comprise a larger proportion of the work force.

#### D. UNIONISM

In North and South Carolina, respectively, only 6.7 and 7.9 percent of all employees in non-agricultural establishments were members of labor unions as of 1964. This is in marked contrast to states like Michigan and New York, in which approximately 39 percent of all non-agricultural employees were unionized as of the same year. Fewer than 35,000 textile workers, or less than 10 percent of textile mill employment in these states are organized. The lack of unionization is due to the combined hostility of mill owners and local community leaders. The former see unionization as a threat to their economic position, and the latter see it as

TABLE 8

OCCUPATIONAL MIX OF TEXTILE MILL INDUSTRY, 1960 <sup>a/</sup>

<u>OCCUPATION</u>	<u>PERCENT OF TOTAL</u>
<u>WHITE COLLAR</u>	<u>14.86</u>
Professional, technical and kindred workers	1.87
Managers, officials and proprietors	3.75
Clerical and kindred workers	8.16
Sales workers	1.08
<u>BLUE COLLAR</u>	<u>83.01</u>
Craftsmen, foremen and kindred workers	10.91
Operatives and kindred workers <sup>b/</sup>	67.29
Laborers, except farm and mine	4.81
Service Workers	2.13
Total	100.0

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<sup>a/</sup> Source: Bureau of Labor Statistics.

<sup>b/</sup>

Bus and tractor drivers	.58
Spinners	4.62
Weavers	5.69
Knitters	5.16
Sewers and stitchers	6.01
All other operatives	45.0
(delivery men, checkers, material handling)	

a disruptive force, associating strikes, mill closings, and the economic hardships which follow with the advent of unionism in a community. Faced with opposition from both the community and the mill, union attempts at organization have met with little success. The largest textile union, the Textile Workers Union of America, will only demand an election if two-thirds of the employees at a mill have signed union cards -- yet it frequently fails to gain even a majority of the votes once the election is held. Unions blame these failures on coercive campaigns waged against them by management and the community. The themes of these campaigns suggest that the election of the union may cause a mill to close. Reports of mill closings elsewhere after the election of a union are widely circulated and lend credibility to the positions taken by the mill owners. Stories of cases where workers were dismissed apparently because they supported unions combine with these reports to discourage worker support of unions.

In the two years ending February 28, 1966, the Textile Workers Union of America spent approximately one and a half million dollars on organization in the Carolinas. During that time 15 elections (14,092 employees eligible) were held, and only four (4,135 employees eligible) were won.<sup>10/</sup>

Because they have had so little power, unions have not been primarily responsible for raising wages. Greater unionization might bring higher wages generally, but it might not necessarily benefit the Negro in the long run.

Dewey has suggested that unions have an adverse effect on opportunities for Negro advancement, because the more successful a union is in securing higher wages, job security, and better working conditions, the more likely it is that the unionized jobs will attract white workers. Where there is an ample supply of white labor, an employer has little incentive to hire Negroes.<sup>11/</sup>

In addition, Rapping states that imposed seniority rules may disadvantage nonwhites who are relatively recent arrivals from agriculture to the industrial center. He also believes that since the political processes of unions are white controlled, union determination of job allocations during periods of declining employment is bound to affect the interests of nonwhites adversely.<sup>12/</sup>

#### E. HISTORICAL PRACTICES

Historically, the textile mill products industry has been characterized by near-total exclusion of Negroes. This pattern was maintained until as late as 1960, when nonwhite represented, respectively, 21.7 and 30.0 percent of total employment in North and South Carolina but only 3.9 and 5.2 percent of textile employment

in the respective states, giving textiles an index of representation of less than 20, one of the lowest of any industry in the manufacturing sector. Only electrical machinery had a lower representation figure. See Table 9. In addition, Donald Dewey found in a study of textile mills made in 1950-51 that even though the majority of the work force in the industry is female, almost no Negro women were employed, that Negroes were confined to unskilled and service occupations, and that no Negroes had white collar or supervisory positions.

Dewey has suggested three reasons why the textile industry was so successful in excluding Negroes from its ranks, even though the racial prejudices of its workers were probably no different from those of Southern workers generally.

First, in their own areas, mills were relatively high-wage employers and attracted an ample supply of white job applicants as a result.

Second, in 1950, though the era of the company-owned town was past, mill workers still lived in closely-knit communities. The unique social cohesion and cultural isolation, together with the history of strike violence in this industry, discouraged employers from attempting to integrate their work forces.

\* Indexes of representation computed on the basis of aggregate employment reflect considerable over-representation in agriculture. If the base of Negro employment in manufacturing is used, the textile industry still ranks near the bottom.

TABLE 9

PERCENT DISTRIBUTION OF NONWHITE EMPLOYMENT OF TOTAL EMPLOYMENT BY  
INDUSTRIAL CLASSIFICATION AND INDEXES OF REPRESENTATION, 1960

INDUSTRY	SOUTH CAROLINA		NORTH CAROLINA	
	% NONWHITE OF TOTAL	INDEX OF REPRESENTATION	% NONWHITE OF TOTAL	INDEX OF REPRESENTATION
Total employed	30.0		21.7	
Agriculture	61.2	204.0	37.5	172.8
Forestry and Fisheries	27.5	91.7	13.6	62.6
Mining	40.6	135.3	13.2	60.8
Construction	33.8	112.7	20.6	94.9
Manufacturing	14.7	49.0	11.4	52.5
Furniture, and lumber and wood products	60.0	200.0	25.4	117.0
Primary metal industries	48.4	161.3	24.2	111.5
Fabricated metal industries (incl. no spec. metal)	14.3	47.7	11.1	51.9
Machinery, except electrical	10.4	34.7	6.1	28.1
Electrical machinery, equipment, supplies	3.8	12.7	3.1	14.2
Motor vehicles and motor vehicle equipment	8.6	28.7	6.6	30.4
Transportation equipment, except motor vehicles	22.8	76.0	11.5	53.0
Other durable goods	28.3	94.3	21.6	99.5
Food and kindred products	33.3	111.0	22.7	104.6
Textile mill products	5.2	17.3	3.9	18.0
Apparel and other fabricated textile products	7.6	25.3	4.8	22.1
Printing, publishing, and allied products	6.2	20.7	7.5	34.6

TABLE 9 (cont'd)

INDUSTRY	SOUTH CAROLINA		NORTH CAROLINA	
	% NONWHITE OF TOTAL	INDEX OF REPRESENTATION	% NONWHITE OF TOTAL	INDEX OF REPRESENTATION
Chemical and allied products	14.4	48.0	15.6	71.9
Other nondurable goods (incl. no spec. manufacturing)	18.9	63.0	22.2	102.3
Railroad and railway express service	24.2	80.7	20.0	92.1
Trucking service and warehousing	26.1	87.0	15.0	69.1
Other transportation	35.1	117.0	20.8	95.8
Communications	4.0	13.3	3.2	14.7
Utilities and sanitary service	29.2	97.3	22.2	102.3
Wholesale trade	18.4	61.3	15.0	69.1
Food and dairy products stores	11.7	39.0	10.2	47.0
Eating and drinking places	37.9	126.3	28.6	131.8
Other retail trade	14.7	49.0	10.7	49.3
Finance, insurance, and real estate	5.0	16.7	6.5	30.0
Business services	8.4	28.0	8.5	39.2
Repair services	17.2	57.3	13.0	59.9
Private households	92.4	308.0	84.8	390.8
Other personal services	43.0	143.3	35.9	165.4
Entertainment and recreation services	32.8	109.3	29.7	136.9
Educational services: Government	38.0	226.7	30.2	139.2
Private	27.2	90.7	24.8	114.3
Welfare, religious, and nonprofit membership organizations	21.2	70.7	19.1	88.0
Hospitals	35.0	116.7	26.5	122.1
Other professional and related services	9.2	30.7	8.4	38.7
Public administration	11.6	38.6	9.6	44.2
Industry not reported	39.0	130.0	27.5	126.7

Derived from: Census of Population: 1960, General Social and Economic Characteristics, North Carolina, Final Report PC(1) - 34C; Census of Population 1960, General Social and Economic Characteristics, South Carolina, Final Report PC(1) - 42C.

Third, and most important, women were capable of performing most textile mill jobs and were an accepted part of the work force. Rather than risk racial friction, then, an employer who faced labor shortages preferred, if at all possible, to hire white women rather than Negroes to meet his needs. Both the preference for white women over Negro men and the abundance of female labor were conclusively established by the South Carolina statistics. Thus, from 1940 to 1945 the proportion of textile employment in South Carolina going to white males declined from 62 percent to 51.8 percent while the employment of white women in this period rose from 34 percent to 43.1 percent. The employment of Negro men in these years rose only from 3.9 to 5.1 percent.<sup>13/</sup>

F. CURRENT STATUS

Since 1960, though, there have been marked changes in the textile mill products industry's employment practices and wage scales. The success of programs to attract industry to the Carolinas has created a current tight labor market and textiles have been losing white employees to the new, higher paying industries, such as machinery and chemicals, which have moved into the area.

A low wage industry had three alternatives in this situation to meet its labor needs: increase its wages, draw on the Negro

labor force, or increase its efficiency by improved technology. The competitive nature of the textile mill products industry in the world and domestic markets and the low value added per employee given the present state of technology practically dictated that it turn to the Negro.

Social as well as labor market changes have been responsible for the wider range of employment opportunities now open to the Negro in this and other industries. By increasing the extent to which governmental regulations prohibiting racial discrimination in employment cover employment alternatives, Federal legislation and progressive state and Federal programs have reduced the chance that a worker will be able to "escape" multiracial associations. As a result, despite the continued existence of racial prejudice, firm managers have not faced high turnover costs when they attempted to integrate their establishments.

The industry's new employment practices are clearly reflected in its index of representation. By 1965, the industry's index for South Carolina had increased from 38 to 47, with the index for Negro females rising from 12 to 30. While such industrial data are not available for North Carolina, an approximate index,

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\* A report in the Monthly Review of the Federal Reserve Bank of the Fifth District (April 1966), indicates that the value added per man hour is \$4.00 per hour in textiles, and estimated at over \$15 per man hour in the tobacco and chemical industries.

based on EEO-1\*data from 10 counties, shows a significant increase in the index for all Negro workers from 34 in 1960 to 61 in 1965. See Table 10. These changes reflect in a dramatic manner, shifts in the demand for labor and in the hiring practices within the industry.

These are promising statistics, but they cannot be evaluated without taking into consideration two other aspects of the textile products industry. First, national employment in the industry is declining. National textile mill employment was 919.3 thousand in 1965, a decline of 6.3 percent since 1957. Declining exports, expanding imports, and changing technology were primarily responsible for the change. The rate of decline as a result of reduced unit labor requirements and mill shutdowns may be offset, though, by expanding textile demand over the next five years.

Even in the Carolinas, despite the industry's rising employment and increased payrolls, the textile mills products have been responsible for a declining percentage of the total manufacturing employment. Thus, from 1960 to 1964, the industry's share of total manufacturing employment fell from 44.1 to 41.2 percent in North Carolina and from 54.0 to 49.4 percent in South Carolina. There is no indication that this trend will change.

\*Equal Employment Opportunity (Employer Information Report EEO-1).

TABLE 10

INDEXES OF REPRESENTATION FOR NONWHITE WORKERS EMPLOYED  
IN THE TEXTILE INDUSTRY, NORTH CAROLINA AND SOUTH CAROLINA,  
1950, 1960, and 1965 <sup>a/</sup>

STATE AND YEAR	TEXTILE MILL	APPAREL	TEXTILE MILL AND APPAREL
North Carolina			
1950 Census			
female			
all workers	28.3	33.1	28.3
1960 Census			
female	15.6	77.3	29.5
all workers	34.2	42.1	35.1
1966 <sup>b/</sup>			
female	9.5		
all workers	60.5		
South Carolina			
1950 Census			
female			
all workers	28.6	40.6	29.7
1960 Census			
female	20.0	159.0	68.2
all workers	35.4	51.7	38.1
1960-61 Dept. of Labor <sup>c/</sup>			
female	12.3	124.5	55.1
all workers	37.5	56.6	41.7
1964-65 Dept. of Labor			
female	29.7	132.9	71.9
all workers	46.6	71.4	51.8

<sup>a/</sup> The indexes are computed by dividing the percentage of nonwhites in manufacturing into the percentage of Negroes in textile mill, apparel, or combined.

<sup>b/</sup> Index computed from data for 10 North Carolina counties.

<sup>c/</sup> The indexes for the 1960 census and the Department of Labor statistics differ because census data were classified as nonwhite while the Department of Labor designated Negro workers. The Department of Labor Statistics had 18,982 fewer employees listed in manufacturing. Also, only non-salaried personnel were given in the annual reports of the Department of Labor of the State of South Carolina.

Second, the industry is working hard to increase productivity by improving its technology. Some of the advances which have already been made and some which are anticipated are the subject of the following section.

## V. TECHNOLOGICAL CHANGE IN THE TEXTILE INDUSTRY

Technological change is an integral part of the process of economic growth. Scholars, however, disagree as to the general effect of such change on minority group employment alternatives.

Some maintain that the more new jobs there are the better, since many newly created jobs have no race or sex stigma attached to them. As a result, employers are able to fill them by considering cost alone and the problem of racial discrimination is reduced to more manageable, economic terms; it becomes possible to talk in terms of dollars and cents rather than in terms of abstract moral obligations.

On the other hand, many argue that technological change works against minority groups. New technology tends to raise the skill level of the manpower needed in many industries and to bring higher wages and better working conditions. Minority group members cannot get the jobs, though, because they cannot compete with the better educated and more highly skilled majority group members who are also attracted to them. What is more, in some industries, among them textiles, technological change has tended to introduce improvements which have reduced labor requirements. Thus, over the long run, fewer jobs will be generated in textiles than in other industries, since the greater efficiency of new equipment will enable the mills to maintain output with relatively fewer workers.

Information in the remainder of this section was taken almost exclusively from an article written by Mrs. Rose Zeisel of The Bureau of Labor Statistics and published in Technological Trends <sup>14/</sup> in Major American Industries. Her article tends to indicate that automation has brought or is bringing the following changes to the textile industry:

1. Faster machine speeds. As an example of the extent to which machine speeds have increased, carding and drawing machines now operate at speeds which are, respectively, four and six times faster than those of ten years ago. Lower unit labor requirements have been a result of the greater output per machine and the need for far fewer machines per plant to maintain the same output.

2. Improved conveyer systems and pneumatic chutes. Improvements in conveyer and pneumatic chute systems may improve process flow and reduce materials-handling operations. More widespread adoption of mechanical transfer of goods between the many discrete textile processes is significant, since materials handling comprises five to fifteen percent of production costs. Mechanized handling is particularly important in improving process flow in the older multistory mill, and in handling heavy machine packages, which are twice as heavy as earlier ones. Pneumatic stock conveyance, a more advanced method which moves stock by air, also greatly increases productivity but is costly and still limited in use.

3. Built-in maintenance. Maintenance requirements have been reduced by built-in maintenance devices. Central lubrication and sealed antifriction bearings, for example, result in less downtime, lower unit costs, and improved quality. It is claimed that roller bearings on new drawing frames require oiling only once every three years during overhaul, as compared with once a week on older models.

In one of the mills built most recently, all production machines are equipped with an automatic lubrication system in which oil enters through lines in the floor and is pumped to lubrication points on each machine once every minute. Only a few mills are utilizing central lubrication so far, but the outlook is for gradually increased adoption of this technique of saving maintenance labor.

4. Automated cleaning devices. Cleaning may constitute as much as twenty percent of total labor costs in yarn mills. High speed machinery intensifies the cleaning problem. One solution increasingly being adopted is the installation of suction devices on the machine at points of discharge. In addition, a traveling monorail cleaner, which automatically blows residue off machine frames, vacuums the floor and pneumatically carries the waste to the waste room is increasing mill efficiency.

A potentially useful process, still limited to a few of the newest plants, is the system of total air cleaning. This system forces the air down from overhead ducts, carrying the lint laden air with it to ducts under the floor. The air is filtered of waste and returned to the overhead ducts. The system increases plant efficiency, but is said to be too costly for the average mill.

5. Electronic instrumentation. Stop motion devices and continuous automatic inspection, recording, and controlling instruments which replace visual scanning or other slower methods of inspection, reduce downtime and permit more efficient quality control. An electronic device, for example, used in the winding operation, photoelectrically detects defects in the yarn and automatically stops the winder for their removal.

Some of the newer electronic devices activate machine changes when a defect is detected. For example, yarn thickness is controlled by a photoelectric cell on a drawing machine which detects the difference in light passing through the yarn and signals an electromagnetic clutch which adjusts the machine accordingly. Mechanical and electronic counters and central monitoring systems are being utilized increasingly for cost and quality control. An electronic monitoring system, for example, which records the performance of every loom on a central console, visually and in

printed reports, is now economically feasible but will be limited to the newest mills.

6. Computers. A 1965 McGraw-Hill survey of large companies revealed that 56 percent of the textile companies reported computer installations. Major uses included accounting, inventory control, and production planning.

The first computer control system for use with a production process was installed in 1964 in a finishing plant. Uses in finishing involve continuous analysis of processing data for control of continuous bleaching and dyeing operations, and dye color matching to determine the cheapest combination of dyestuffs to match colors. Until quite recently, color matching was achieved largely by trial and error.

7. New textile products. Fiber and product innovations such as easy-care finishes, stretch yarns, laminated and coated fabrics, and nonwoven fabrics may open new markets or displace more conventional fabrics. By 1973 "new" textile products (those developed in the last ten years) may constitute 35 percent of total sales, as opposed to 22 percent in 1963. Some nonwovens (needlepunch and bonded) bypass spinning, weaving, and knitting processes and have much lower labor requirements than woven fabrics.

8. Continuous automatic manufacture. An advanced system of continuous manufacturing in use in Japan is being introduced for the first time into one or two mills in the United States now under construction. This system integrates all operations from bale opening through carding (eliminating picking) into one continuous system, and links together roving, spinning, and winding operations, utilizing automatic bobbin doffing machinery. Automatic doffing (removal of full bobbins), one of the most time-consuming operations in a conventional mill, is now commercially feasible in the United States. Claims of expected increases in output per man-hour in this type of mill range from seventy percent to one hundred percent above the conventional mills. Flexibility, however, is reduced, and therefore this system probably will be best suited to mills with high specialized production. By 1970, such automated continuous spinning mills still will be rather limited.

Mrs. Zeisel's article indicates that automation has had or will have the following effects on jobs:

1. All textile occupations will be affected. Requirements for operators will continue to be cut back significantly by faster machines, etc. This is important because operators, together with spinners and weavers, account for about two-thirds of all textile jobs. Installation of new high-speed cards and spindles

in one mill, for example, reduced requirements for card tenders by twenty-five percent and spinners by thirty percent. Unskilled labor, only a small proportion of total jobs, will continue to be reduced by improved materials handling and mechanized cleaning and oiling devices. Some newly modernized mills report reductions of twenty-five percent in unskilled jobs over the past five years. In some new mills, not a single person is employed to haul materials.

Mechanization of cleaning will reduce tasks previously performed by a machine tender, freeing him for more skilled duties. For example, with the newest system of total air cleaning, a card tender's cleaning duties occupy ten to fifteen percent of his time instead of the sixty-five percent spent in conventional mills. Skilled maintenance jobs are also reduced by built-in maintenance features and reduction in number of machines. Only one picker fixer, for example, is required to service fourteen new pickers; on older models one was required for ten.

2. Demand for technical personnel will increase. More engineers and technicians will be needed. An air conditioning system in a large mill, for example, may require seven to eight technical employees. The larger mills employ instrument mechanics so that immediate qualified servicing can be available. More quality control and waste control engineers will also be required in the future.

3. Machine operators will have new functions. The operator's job is becoming one of machine watching rather than machine tending. Although operators will be more concerned with patrolling than with operations requiring manual dexterity, many industry experts believe that the highly complex textile machinery requires a more responsible employee.

4. More formal training will be necessary. Formal training programs for operating and maintaining equipment increasingly are replacing traditional methods of learning on the job as an assistant. Textile machinery manufacturers now provide more training programs, particularly for maintenance men and technicians. Loom fixers, for example, may be trained for three weeks at the loom factory. With machinery manufacturers' cooperation, mills may maintain training equipment and qualified personnel within their own premises.

## VI. IMPLICATIONS FOR THE FUTURE

This paper has sought to show that since 1960 the textile mill products industry has had to abandon its exclusionary hiring practices as whites were attracted to higher paying industries and its need for labor grew and that striking gains in Negro employment have been the result. Other pertinent aspects of the industry, in summary, are that nationally its employment figures are shrinking, that even in the Carolinas it is employing a declining share of total employment, that its manpower needs are being decreased as new technology increases efficiency and productivity, and, finally, that the skill level required by jobs in the industry will increase.

Negro movement into the vacuum left in a low wage industry by white workers leaving for higher paying industries fits into a general trend Hiestand has described, in a study of growth rates in occupational fields, majority and minority employment trends, and income trends. His findings tend to show that although Negro men can advance, considerably in an absolute sense and even significantly in a relative sense, their long run occupational advancement, when compared with the long run occupational advancement of whites, tends to be relatively slow because their gains are tied, in large measure, to prior gains by whites. Negroes tend to advance most rapidly, then,

when general economic advances open up new positions for whites. Hiestand's study also tended to show that, conversely, Negroes were harder hit than whites by severe economic declines. <sup>15/</sup>

The economics of this type of differentiation in employment is straightforward. Where there are two easily identifiable populations with different mean levels of skill, and a loose labor market, employers will use race as an effective, low-cost device for selecting the more qualified worker. Since Negroes are not given the opportunity to learn skills, they become locked into their position at the bottom of the occupational ladder. Under tight labor market conditions, though, employers have more incentive to hire and train Negro job applicants and to upgrade Negro employees.

The principal questions then become those of how the Negro can benefit most from present tight labor market conditions, how he can be prepared for future opportunities in textiles and in other industries, and how he can be spared the consequences of declines in textile manpower demands and economic declines generally.

As a long run goal, the extent and quality of Negro education must be improved. Lack of equal educational opportunities for Negroes is one of the most serious effects of discrimination. In North Carolina, the differential is about two years, while in

South Carolina it is more than four years. See Table 11. But Negro students have also had an educational handicap as a result of the quality differential in white and Negro schools; the same number of years of schooling has not represented equal educational achievement.

There is much that can and should be done immediately, though. These efforts would include disseminating information about job opportunities, urging geographic and occupational mobility, and encouraging greater Negro participation in available vocational training programs.

Even when an employer ends his discriminatory hiring practices, whether voluntarily or not, the Negro is not benefited unless he knows that a job is available. And, since most job information is transmitted informally from employed persons to friends or relatives who are looking for jobs, Negroes continue to suffer from past discrimination by being excluded from the information network. The following quotation from Lurie and Rayack elaborates upon this problem and makes it clear why greater efforts must be made to inform Negroes of employment opportunities:

TABLE 11

YEARS OF SCHOOLING OF POPULATION 25 YEARS OLD AND OVER,  
BY RACE AND STATE, 1960

STATE	MEDIAN YEARS OF SCHOOL COMPLETED		PERCENT WHO HAD COMPLETED LESS THAN 5 YEARS OF ELEMENTARY SCHOOL		PERCENT WHO HAD COMPLETED 4 OR MORE YEARS OF HIGH SCHOOL	
	WHITE	NONWHITE	WHITE	NONWHITE	WHITE	NONWHITE
United States	10.9	8.1	6.7	23.5	43.1	21.3
Non-South			5.5	14.0	44.2	28.4
South			10.5	33.5	39.6	13.8
Alabama	10.2	6.5	9.4	36.0	36.5	12.8
Arkansas	9.5	6.5	10.6	36.4	33.2	9.7
Florida	11.6	7.0	5.3	31.7	47.4	14.5
Georgia	10.3	6.1	10.3	39.7	38.8	11.5
Kentucky	8.7	8.2	13.1	23.7	28.3	18.2
Louisiana	10.5	6.0	13.5	40.9	41.0	10.4
Mississippi	11.0	6.0	7.1	39.7	42.2	7.6
North Carolina	8.9	7.0	12.2	31.9	37.1	14.7
Oklahoma	10.7	8.6	7.6	20.0	42.0	23.9
South Carolina	10.3	5.9	11.6	41.3	38.9	9.9
Tennessee	9.0	7.5	12.5	27.8	33.2	14.2
Texas	10.8	8.1	12.0	23.6	42.0	20.8
Virginia	10.8	7.2	9.3	29.5	43.0	16.3

Sources: U. S. Census of Population, 1960, Series PC (1)C, Table 47.

Our research shows that most jobs are obtained by workers of both races using informal methods of job search -- direct plant application and information obtained from relatives and friends. Informal search however, operates more effectively for white workers since their friends and relatives are already integrated within all levels of the occupational structure. The contacts that the job-seeking Negro must rely upon are, on the other hand, concentrated in the poorer-paying, less desirable occupations. The dependence of Negroes upon the kind of information available from friends or relatives tends to perpetuate the existing patterns of employment. Furthermore, in making direct application to plants, Negroes will tend to go to those firms where they have reason to believe there are 'Negro jobs.' <sup>16/</sup>

In addition to providing jobs for those who are unemployed, better job-availability information is necessary to reduce the economic waste involved when workers migrate to new jobs. The effect of migrating without appropriate job information was quantified in a recent study of migration undertaken by this author. Using foregone earnings (number of days not paid between jobs times the rate of pay in job prior to the move) as a measure of economic loss, it was found that the average foregone earnings for those migrants who experienced such costs was approximately \$450 for both races. About 22 percent of the white and 53 percent of the nonwhite migrants incurred foregone earnings as a result of their move. <sup>17/</sup>

Though the need, especially among the nonwhite population, for better job information is clear, it is likely that the criteria used by the Employment Security Commission to refer labor to new and expanding industries operate to the disadvantage of the Negroes. In North Carolina, for example, quarterly estimates of referable workers available for staffing new and expanding industry are prepared by the local office of the Employment Service for each of the state's 100 counties. The estimated number of resident workers considered to be available in each county for production jobs in new or expanding industries include only those individuals who already possess production job skills and only those persons, ordinarily under 45 years of age, who are deemed to be adaptable, trainable and referable for manufacturing jobs (emphasis added).

As a correlative to better job information, relocation programs should be initiated or intensified. The North Carolina Fund, a private agency headed by former Governor Sanford, has already established a pilot program to relocate the unemployed and underemployed from rural-agricultural counties to more viable areas. Under this program, the underprivileged are actively sought out and told of employment opportunities in various industrial growth areas. Their moving expenses are paid and extensive counseling

services are provided during the first few weeks after relocation to discourage return migration and to make the transition to a new environment easier.

Finally, government programs must be developed to encourage Negroes to enroll in vocational training courses so they may compete for a larger share of jobs in textiles and in the manufacturing sector generally. Negroes must be given equal opportunities to develop marketable skills so that the identification of skill with race is eliminated. Vocational training schools were initiated in 1957-58 in North Carolina and are operated on an integrated basis, but they have experienced problems in recruiting Negroes into vocational courses. Professor Maddox states that in 1963-64 only 8 percent of the enrollees in North Carolina's industrial and training centers were Negro. The low participation rate may be due to (1) previous and expected future discrimination in industrial employment and/or (2) counseling by Negro educators who favor "professional" or liberal arts training.<sup>18/</sup>

Traditionally, the Negro has not prepared for jobs in business and industry; Maddox notes that of 9,966 graduates of seventy Negro colleges, approximately fifty-four percent had majored in education. Programs established more recently under the MDTA (Manpower Development and Training Act) and ARA (Area Redevelopment Act), however, seem to have had better rates of Negro participation;

the latest report showed that 34.9 percent of the total trainees were nonwhite. It also showed that 32 percent of the trainees were Negro whereas Negroes comprised only 21.7 percent of the civilian labor force in North Carolina in 1960.

Vocational training programs should be instituted so that Negroes may compete for a larger share of jobs within the textile industry and for skilled occupations in other industrial firms. As new training programs are established to meet new manpower demands, efforts should be made to insure that Negroes are aware of changing manpower needs and are encouraged to participate in new training or "retreading" programs.

The textile mill industry may serve as a training ground for Negroes in the future as it has for whites in the past. Though the industry has low pay scales, and some have argued that the region would be better off if such low wage industries did not exist,\* employment in this industry does provide a medium through which workers can move from an agricultural to an industrial way of life. The industry teaches skills to workers who have previously engaged in unmechanized agricultural production, thus allowing them to participate in an industrial or at least non-agricultural society, and perhaps to move on to higher paying jobs

\* The lower wages for nonwhite workers in the South Carolina textile mill products reflects in all probability the skill differential between Negro and white workers rather than wage discrimination (unequal pay for equal work). See Table 12.

TABLE 12

AVERAGE ANNUAL EARNINGS OF WAGE WORKER, BY  
INDUSTRY, RACE AND SEX<sup>a/</sup>  
SOUTH CAROLINA, 1964

(DOLLARS)

INDUSTRY	RACE AND SEX			
	NEGRO		WHITE	
	MALE	FEMALE	MALE	FEMALE
Food and Kindred Products	2875	1312	3903	2450
Textile Mill Products	3538	2750	4385	3776
Apparel and Other Finished Products Made from Fabrics and Similar Materials	2904	2455	3671	2669
Lumber and Wood Products Except Furniture	2520	2181	3514	2642
Furniture and Fixtures	3195	3020	3539	4156
Paper and Allied Products	4577	3950	6301	4034
Printing, Publishing and Allied Industries	3112	1957	5049	3094
Chemicals and Allied Products	2978	1261	4711	3014
Petroleum, Refining and Related Industries	2328	502	4607	3455
Stone, Clay and Glass Products	3148	1724	4420	2891
Primary Metal Industries	3665	2974	4765	3402
Fabricated Metal Except Ordnance Machinery and Transportation Equipment	3681	2516	3961	3013
Machinery Except Electrical	3351	3283	4179	3667
Electrical Machinery and Supplies	3260	3890	3975	2903
Transportation Equipment	3295	1850	3585	3356
Professional, Scientific and Controlling Instruments, Photographic and Optical Goods	2649	2699	4284	3187
Miscellaneous Manufacturing Industries	2598	2506	3938	3126
Electric, Gas and Sanitary Services	3002	571	5572	4315

<sup>a/</sup> Derived from Thirtieth Annual Report of the Department of Labor of the State of South Carolina.

as the opportunities present themselves.

This thesis is supported by findings of Norsworthy who has examined the mobility of workers and the role of industrial urban growth of communities. He found that textile employment as well as residence in a small industrial community was an intermediate step of a mobility process which over two or three generations typically moved families from agriculture to fully urban type occupations.<sup>19/</sup> Under the impetus of programs to increase education, mobility, and training the industry may continue to serve this function for the Negro.

## APPENDIX H

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APPENDIX I

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OFFICE OF RESEARCH AND REPORTS  
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NINE CITY MINORITY GROUP EMPLOYMENT PROFILE

Research Report 1967-19-A  
August 6, 1967

This is the first analysis of the official reports (EEO-1) filed by employers covered under Title VII of the 1964 Civil Rights Act.

Title VII, which EEOC administers, bans discrimination in employment based on race, color, religion, sex or national origin.

This preliminary analysis shows the pattern of minority group employment in the nine metropolitan areas where the Commission has field offices and where the population is over 500,000.

It covers employer reports from these nine standard metropolitan statistical areas (SMSA) and details of the fifteen industries with the largest number of employees in each area.

The nine metropolitan areas are Atlanta, Chicago, Cleveland, Kansas City (Mo.), Los Angeles, New Orleans, New York, San Francisco and Washington, D. C.

The EEO-1 reporting form was jointly developed by EEOC, the Office of Federal Contract Compliance of the Department of Labor and Plans for Progress. Filing is required of all private employers with 100 or more employees and of holders

of Federal government contracts of \$50,000 or more with 50 or more employees. Each employer covered is required to submit annually to the Joint Reporting Committee in Washington statistics on total employment, occupation, sex and ethnic origin (Negro, Oriental, American Indian and Spanish American).

The figures released today cover 1966 reports. They refer to employment reported to the EEOC on the EEO-1 form and not to the total persons employed in the areas and industries listed.

In view of the high response rate to the EEO-1 survey (exceeding 90 percent of multi-establishment national firms), the Commission considers the areas and industries analyzed to be a representative sample of employment.

The analysis reveals a fairly consistent minority employment picture in the North, South, East and West. Negroes and Spanish speaking Americans, the two largest minority groups, are largely under-represented in the labor force and generally heavily concentrated in the lowest paying blue collar jobs.

Those industries which do employ somewhat higher percentages of minority white collar workers place them in the lower paying categories of sales, clerical and technician positions.

The statistical data of this initial report for nine areas covers more than five million employees. The labor markets range from predominantly white collar to heavily blue collar.

Attached for each of nine areas are:

1. An EEO-1 employment profile.
2. A table listing the top fifteen industries, Negro and Spanish American employment, and percentages of these workers in various job classifications.
3. A table showing the occupational mix for minority group workers (a breakdown of white collar and blue collar job categories).

The preliminary analysis was completed through computer print-outs of the EEO-1 forms. Analyses of other covered employers by cities and states will be released later.

**Attachments**

ATLANTA STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(5 counties - Cobb, Fulton, Clayton,  
DeKalb, Gwinnett)

Employment Profile

Based on EEO-1 data, Negroes represent:

15.2 percent of the total employment of 221,021.

2.3 percent of the total 106,859 white collar jobs.

(83.0 percent of the Negro white collar workers are  
in lower paying sales and clerical jobs.)

6.4 percent of the total 27,248 craftsmen's jobs.

33.8 percent of the total 86,914 blue collar jobs  
excluding craftsmen.

The top 15 industries in terms of employment represent  
71.1 percent of the total SMSA employment. See table for  
industries.

TOP FIFTEEN (15) INDUSTRIES IN THE ATLANTA SMSA, 1966<sup>(a)</sup>

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W.C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	Total Blue * Collar	Negro Blue * Collar	% Negro* B.C.
Retail Trade General	22,920	2,946	12.9	16,574	615	3.7	592	67	11.3	5,754	2,264	39.3
Communication	17,960	567	3.2	12,911	339	2.6	4,773	32	0.7	276	196	71.0
Wholesale Trade	16,566	1,568	9.5	12,200	152	1.2	818	107	13.1	3,548	1,309	36.9
Transportation Equipmt.	14,364	1,897	13.2	2,702	37	1.4	803	49	6.1	10,859	1,811	16.7
Food & Kindred Prod.	11,417	2,833	24.8	4,425	157	3.5	1,159	199	17.2	5,833	2,477	42.5
Railroad Trans.	9,820	1,967	20.0	3,357	30	0.9	2,789	79	2.8	3,674	1,858	50.6
Air Travel	9,317	406	4.4	5,217	25	0.5	2,121	1	--	1,925	380	19.7
Insurance Carriers	9,108	188	2.1	9,047	151	1.7	14	--	--	47	37	78.7
Textile Mill Products	8,248	1,060	12.9	1,682	32	1.9	842	18	2.1	5,724	1,010	17.6
Motor Freight & Warehousing	7,160	950	13.3	1,628	9	0.6	385	15	3.9	5,174	926	17.9
Educational Services	7,042	1,463	20.8	4,735	189	4.0	299	4	1.3	2,008	1,270	63.2
Food Retailing	6,235	767	12.3	626	1	0.2	701	33	4.7	4,908	733	14.9
Paper & Like Products	5,864	880	15.0	1,789	26	1.5	1,117	122	10.9	2,958	732	24.7
Apparel & Finished Prod.	5,828	889	15.3	710	31	4.4	1,099	102	9.3	4,019	756	18.8
Banking	5,233	333	6.4	4,884	106	2.2	11	--	--	338	227	67.1
TOTAL	157,082	18,714	11.9	82,487	1,900	2.3	17,523	828	4.7	57,045	15,986	28.0
Atlanta SMSA <sup>(a)</sup>	221,021	33,622	15.2	106,859	2,460	2.3	27,248	1,744	6.4	86,914	29,418	33.8
15 Industries % of SMSA	71.1	55.7		77.2	77.2		64.3	47.5		65.6	54.3	

(a) Based on EEO-1 Reports

\* Excludes craftsmen

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE ATLANTA SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
	%	%	%	%	%	%	%
<u>ATLANTA</u>							
NEGRO	33,622	2,460	168	121	129	513	1,529
% of column total	15.2	2.3	0.8	1.0	2.2	2.3	3.1
ORIENTAL	108	70	4	28	9	4	25
% of column total	0.0	0.0	0.0	0.2	0.1	0.0	0.0
AMER. IND.	187	109	19	7	11	52	20
% of column total	0.0	0.1	0.1	0.0	0.1	0.2	0.0
SPAN. AMER.	477	300	21	77	35	31	136
% of column total	0.2	0.2	0.1	0.6	0.6	0.1	0.2
TOTAL	221,021	106,859	18,962	11,658	5,794	21,933	48,512

	BLUE COLLAR	(breakdown of blue collar)			
		Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%
NEGRO	31,162	1,744	10,334	9,909	9,175
% of column total	27.2	6.4	21.7	49.4	47.2
ORIENTAL	38	5	24	5	4
% of column total	0.0	0.0	0.0	0.0	0.0
AMER. IND.	78	42	10	20	6
% of column total	0.0	0.1	0.0	0.0	0.0
SPAN. AMER.	177	32	64	28	53
% of column total	0.1	0.1	0.1	0.1	0.2
TOTAL	114,162	27,248	47,472	20,032	19,410

<sup>a/</sup> Based on EEO-1 Reports

CHICAGO STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(6 counties - Cook, DuPage, Kane, Lake,  
McHenry and Will)

Employment Profile

Based on EEO-1 data, Negroes represent:

13.5 percent of the total employment of 1,304,825.

4.7 percent of the total 586,810 white collar jobs.

(79.6 percent of the Negro white collar workers are in lower paying sales and clerical jobs.)

7.1 percent of the total 164,062 craftsmen's jobs.

24.7 percent of the total 553,953 blue collar jobs excluding craftsmen.

The top 15 industries in terms of employment represent 70.1 percent of the total SMSA employment. See table for industries.

## TOP FIFTEEN (15) INDUSTRIES IN THE KANSAS CITY SMSA, 1966 (a)

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W. C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	Total Blue* Collar	Negro Blue* Collar	% Negro* B.C.
Transportation Equipt.	15,733	1,177	7.5	2,819	50	1.8	959	9	0.9	11,955	1,118	9.3
Elect. Mach., Equipt. and Supplies	15,611	947	6.1	4,812	53	1.1	2,037	5	0.2	8,762	889	10.1
Retail Trade Gen'l. Merchandise	13,236	751	5.7	9,838	233	2.4	366	11	3.0	3,032	507	16.7
Food and Kindred Prod.	12,360	1,591	12.9	3,993	36	0.9	1,388	177	12.8	6,979	1,378	19.7
Wholesale Trade	10,218	386	3.7	6,861	43	0.6	573	14	2.4	2,784	326	11.7
Medical Services	9,953	2,627	26.4	5,347	788	14.7	191	30	15.7	4,415	1,809	41.0
Insurance Carriers	9,838	158	1.6	9,728	130	1.3	20	-	-	90	28	31.1
Printing and Publishing	8,485	398	4.7	4,717	81	1.7	1,371	9	0.7	2,397	308	12.8
Machinery Not Electrical	7,642	330	4.3	2,671	13	0.5	1,311	33	2.5	3,660	284	7.8
Railroads	6,817	1,001	14.7	1,315	23	1.7	3,197	220	6.9	2,305	758	32.9
Fabricated Metal Prod.	5,824	303	5.2	1,820	21	1.2	1,128	38	3.4	2,884	244	8.5
Chemicals, etc.	5,713	202	3.5	3,426	23	0.7	448	7	1.6	1,839	172	9.3
Elect., Gas and Sanitary Services	5,364	111	2.1	2,688	15	0.6	1,352	23	1.7	1,324	73	5.5
Food Retailing	5,053	368	7.3	984	16	1.6	420	4	1.0	3,649	348	9.5
Primary Metals Industry	4,965	615	12.4	1,160	9	0.8	1,446	130	9.0	2,359	476	20.2
Total	136,811	10,965	8.0	62,179	1,534	2.5	16,207	710	4.4	58,434	8,718	14.9
Kansas City SMSA (a)	205,748	18,223	8.9	92,038	1,962	2.1	21,811	1,157	5.3	85,819	15,104	17.6
15 Industries % of SMSA	66.5	60.2		67.6	78.2		74.3	61.4		68.1	57.7	

(a) Based on EEO-1 Reports.

\*EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE CHICAGO SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
	%	%	%	%	%	%	%
<u>CHICAGO</u>							
NEGRO	175,814	27,508	1,430	1,549	2,651	2,810	19,068
% of column total	13.5	4.6	1.3	2.0	5.0	3.1	7.3
ORIENTAL	5,884	3,776	225	1,680	850	117	894
% of column total	0.4	0.6	0.2	2.1	1.5	0.1	0.3
AMER. IND.	1,934	533	60	53	80	108	232
% of column total	0.1	0.0	0.0	0.0	0.1	0.1	0.0
SPAN. AMER.	47,178	4,945	387	529	793	434	2,802
% of column total	3.6	0.8	0.3	0.6	1.4	0.4	1.0
TOTAL	1,304,825	586,810	105,455	78,660	53,601	88,668	260,426

(breakdown of blue collar)							
		BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers	
	%	%	%	%	%	%	%
NEGRO		148,306	11,573	65,169	44,326		27,238
% of column total	20.6		7.0	20.2	31.0		30.4
ORIENTAL		2,118	339	701	424		654
% of column total	0.2		0.2	0.2	0.2		0.7
AMER. IND.		1,401	281	646	366		108
% of column total	0.1		0.1	0.2	0.2		0.1
SPAN. AMER.		42,233	4,447	21,169	13,301		3,316
% of column total	5.8		2.7	6.5	9.3		3.7
TOTAL		718,015	164,062	321,558	142,831		89,564

<sup>a/</sup> Based on EEO-1 Reports

CLEVELAND STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(4 counties - Cuyahoga, Geauga, Lake and Medina)

Employment Profile

Based on EEO-1 data, Negroes represent:

11.2 percent of the total employment of 381,627.

3.2 percent of the total 157,319 white collar jobs.

(64.3 percent of the Negro white collar workers are  
in lower paying sales and clerical positions.)

5.0 percent of the total 64,091 craftsmen's jobs.

21.5 percent of the 160,217 blue collar jobs  
excluding craftsmen.

The top 15 industries in terms of employment represent  
74.9 percent of the total SMSA employment. See table for  
industries.

(a)

TOP FIFTEEN (15) INDUSTRIES IN THE CLEVELAND SMSA, 1966

INDUSTRY	Total Employment	Negro Employment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W.C.	Total Crafts-men	Negro Crafts-men	% Negro Crafts	Total* Blue Collar	Negro* Blue Collar	% Negro* Blue Collar
Trans. Equipmt.	50,240	6,218	12.4	11,926	205	1.7	9,908	285	2.9	28,406	5,728	20.2
Primary Metal Industries	35,052	6,550	18.7	8,854	117	1.3	6,744	502	7.4	19,454	5,931	30.5
Machinery Not Electrical	28,704	1,688	5.9	9,772	180	1.2	8,901	321	3.6	10,031	1,187	11.8
Fabricated Metal Prod.	27,998	2,737	9.8	8,457	108	1.3	6,282	398	6.3	13,259	2,231	16.8
Elec. Mach. Equip. & Supplies	25,870	1,843	7.1	9,388	131	1.4	4,099	162	4.0	12,383	1,550	12.5
Medical Services	18,016	5,736	31.8	10,264	1,213	11.8	227	22	9.7	7,525	4,296	57.1
Chemicals, etc.	16,432	843	5.1	8,477	87	1.0	1,895	65	3.4	6,060	691	11.4
Wholesale Trade	14,869	990	6.7	9,876	168	1.7	1,091	126	11.5	3,902	696	17.8
Railroad Trans.	13,086	803	6.1	4,657	32	0.7	4,564	247	5.4	3,865	524	13.6
Communication	12,894	718	5.6	9,307	541	5.8	3,186	80	2.5	401	97	24.2
Retail Trade Gen'l Merchandise	12,038	994	8.3	8,958	345	3.9	443	22	5.0	2,637	627	23.8
Printing & Publ.	8,555	526	6.1	4,276	74	1.7	916	22	2.4	3,363	430	12.8
Air Transportation	8,326	482	5.8	2,209	52	2.4	528	12	2.3	5,589	418	7.5
Food & Kindred Prod.	7,346	702	9.6	3,249	111	3.4	738	73	9.9	3,359	518	15.4
Motor Freight & Warehousing	6,545	204	3.1	1,500	7	0.5	451	11	2.4	4,594	186	4.0
<b>TOTAL</b>	<b>285,971</b>	<b>31,034</b>	<b>10.9</b>	<b>111,170</b>	<b>3,371</b>	<b>3.0</b>	<b>49,973</b>	<b>2,348</b>	<b>4.7</b>	<b>124,828</b>	<b>25,110</b>	<b>20.1</b>
Cleveland SMSA <sup>(a)</sup>	381,627	42,708	11.2	157,319	5,012	3.2	64,091	3,181	5.0	160,217	34,515	21.5
15 Industries % of SMSA	74.9	72.7		70.7	67.3		78.0	73.8		77.9	72.7	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE CLEVELAND SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
%	%	%	%	%	%	%	%
<u>CLEVELAND</u>							
NEGRO	42,708	5,012	381	283	1,139	622	2,587
% of column Total	11.1	3.1	1.2	1.3	6.8	2.5	4.1
ORIENTAL	546	388	20	256	56	12	44
% of column Total	0.1	0.2	0.0	1.1	0.3	0.0	0.0
AMER. IND.	297	96	8	6	20	15	47
% of column Total	0.0	0.0	0.0	0.0	0.1	0.0	0.0
SPAN. AMER.	1,496	323	23	101	35	59	105
% of column Total	0.3	0.2	0.0	0.4	0.2	0.2	0.1
<b>TOTAL</b>	<b>381,627</b>	<b>157,319</b>	<b>31,646</b>	<b>21,727</b>	<b>16,657</b>	<b>24,734</b>	<b>62,555</b>

	%	(breakdown of blue collar)				
		BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%	%
NEGRO		37,696	3,181	17,893	6,928	9,694
% of column Total	16.8		5.0	17.2	24.0	34.6
ORIENTAL		158	34	75	15	34
% of column Total	0.0		0.0	0.0	0.0	0.1
AMER. IND.		201	24	89	38	50
% of column Total	0.0		0.0	0.0	0.1	0.1
SPAN. AMER.		1,173	204	628	273	68
% of column Total	0.5		0.3	0.6	1.0	0.2
<b>TOTAL</b>		<b>224,308</b>	<b>64,091</b>	<b>103,429</b>	<b>28,794</b>	<b>27,994</b>

<sup>a/</sup> Based on EEO-1 Reports

KANSAS CITY STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(6 counties - Cass, Clay, Jackson, and Platte in  
Missouri; Johnson and Wyandotte in Kansas)

Employment Profile

Based on EEO-1 data, Negroes represent:

8.9 percent of the total employment of 205,748.

2.1 percent of the total 92,038 white collar jobs.

(69.0 percent of the Negro white collar workers are  
in lower paying sales and clerical jobs.)

5.3 percent of the total 21,811 craftsmen's jobs.

17.6 percent of the total 85,819 blue collar jobs  
excluding craftsmen.

The top 15 industries in terms of employment represent  
66.5 percent of the total SMSA employment. See table for  
industries.

TOP FIFTEEN (15) INDUSTRIES IN THE KANSAS CITY SMSA, 1966 (a)

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W. C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	Total Blue* Collar	Negro Blue* Collar	% Negro* B.C.
Transportation Equipt.	15,733	1,177	7.5	2,819	50	1.8	959	9	0.9	11,955	1,118	9.3
Elect. Mach., Equipt. and Supplies	15,611	947	6.1	4,812	53	1.1	2,037	5	0.2	8,762	889	10.1
Retail Trade Gen'l. Merchandise	13,236	751	5.7	9,838	233	2.4	366	11	3.0	3,032	507	16.7
Food and Kindred Prod.	12,360	1,591	12.9	3,993	36	0.9	1,388	177	12.8	6,979	1,378	19.7
Wholesale Trade	10,218	386	3.7	6,861	43	0.6	573	14	2.4	2,784	326	11.7
Medical Services	9,953	2,627	26.4	5,347	788	14.7	191	30	15.7	4,415	1,809	41.0
Insurance Carriers	9,838	158	1.6	9,728	130	1.3	20	-	-	90	28	31.1
Printing and Publishing	8,485	398	4.7	4,717	81	1.7	1,371	9	0.7	2,397	308	12.8
Machinery Not Electrical	7,642	330	4.3	2,671	13	0.5	1,311	33	2.5	3,660	284	7.8
Railroads	6,817	1,001	14.7	1,315	23	1.7	3,197	220	6.9	2,305	758	32.9
Fabricated Metal Prod.	5,824	303	5.2	1,820	21	1.2	1,128	38	3.4	2,884	244	8.5
Chemicals, etc.	5,713	202	3.5	3,426	23	0.7	448	7	1.6	1,839	172	9.3
Elect., Gas and Sanitary Services	5,364	111	2.1	2,688	15	0.6	1,352	23	1.7	1,324	73	5.5
Food Retailing	5,053	368	7.3	984	16	1.6	420	4	1.0	3,649	348	9.5
Primary Metals Industry	4,965	615	12.4	1,160	9	0.8	1,446	130	9.0	2,359	476	20.2
Total	136,811	10,965	8.0	62,179	1,534	2.5	16,207	710	4.4	58,434	8,718	14.9
Kansas City SMSA (a)	205,748	18,223	8.9	92,038	1,962	2.1	21,811	1,157	5.3	85,819	15,104	17.6
15 Industries % of SMSA	66.5	60.2		67.6	78.2		74.3	61.4		68.1	57.7	

(a) Based on EEO-1 Reports.

\*EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE KANSAS CITY SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	WHITE COLLAR	(breakdown of white collar)				
			Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
	%	%	%	%	%	%	%
<u>KANSAS CITY</u>							
NEGRO	18,223	1,962	124	197	506	195	940
% of column total	8.9	2.1	0.7	1.9	6.6	1.1	2.4
ORIENTAL	278	184	3	77	54	18	32
% of column total	0.1	0.2	0.0	0.8	0.7	0.1	0.1
AMER. IND.	615	204	38	15	6	62	83
% of column total	0.3	0.2	0.2	0.1	0.1	0.3	0.2
SPAN. AMER.	2,945	608	53	58	43	74	380
% of column total	1.4	0.7	0.3	0.6	0.6	0.4	1.0
TOTAL	205,748	92,038	16,949	10,194	7,611	17,813	39,471

	%	BLUE COLLAR	(breakdown of blue collar)			
			Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%	%
NEGRO		16,261	1,157	6,186	2,708	6,210
% of column total	14.3	4.1	11.9	18.9	32.0	
ORIENTAL		94	26	30	7	31
% of column total	0.1	0.1	0.1	0.0	0.2	
AMER. IND.		411	81	135	102	93
% of column total	0.4	0.3	0.3	0.7	0.5	
SPAN. AMER.		2,337	408	921	596	412
% of column total	2.1	1.5	1.8	4.2	2.1	
TOTAL		113,710	27,891	52,039	14,360	19,420

<sup>a/</sup> Based on EEO-1 Reports.

LOS ANGELES STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(Los Angeles County)

Employment Profile

Based on EEO-1 data, Negroes represent:

6.9 percent of the total employment of 1,035,496.

2.8 percent of the total 528,306 white collar jobs.

(64.1 percent of the Negro white collar workers are in lower paying sales and clerical jobs.)

4.1 percent of the total 161,365 craftsmen's jobs.

14.5 percent of the total 345,825 blue collar jobs excluding craftsmen.

Spanish Americans represent:

9.7 percent of the total employment of 1,035,496.

4.0 percent of the total 528,306 white collar jobs.

(68.3 percent of the Spanish American white collar workers are in lower paying sales and clerical jobs.)

9.9 percent of the total 161,369 craftsmen's jobs.

18.5 percent of the total 345,825 blue collar jobs excluding craftsmen.

The top 15 industries in terms of number employed represent 68.1 percent of the total SMSA employment. See table for industries.

(a)

TOP FIFTEEN (15) INDUSTRIES IN LOS ANGELES SMSA, 1966  
(TABLE 1)

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W. C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	*Total Blue Collar	*Negro Blue Collar	*% Negro Blue Collar
Electrical Mach. Equipmt. & Supplies	152,897	7,736	5.1	92,155	1,628	1.8	20,788	938	4.5	39,954	5,170	12.9
Transportation Equip.	124,898	8,328	6.6	49,720	732	1.4	34,449	1,735	5.0	40,729	5,861	14.4
Wholesale Trade	39,075	1,347	3.4	25,825	423	1.6	2,994	62	2.1	10,256	862	8.4
Retail Trade-General Merchandise	58,860	4,411	7.5	45,649	2,392	5.2	2,319	130	5.6	10,892	1,889	17.3
Medical Services	35,625	4,828	13.6	21,129	1,793	8.5	520	19	3.7	13,976	3,016	21.6
Misc. Business Serv.	44,498	5,602	12.6	27,179	943	3.5	5,239	392	7.5	12,080	4,267	35.3
Food & Kindred Prod.	34,420	2,408	7.0	12,912	249	1.9	4,184	289	6.9	17,324	1,870	10.8
Machinery; Not Elec- trical	33,895	1,841	5.4	13,914	183	1.3	9,100	326	3.6	10,881	1,332	12.2
Electrical, Gas & Sanitary Services	31,101	2,625	8.4	16,171	775	4.8	8,078	214	2.6	6,852	1,636	23.9
Fabricated Metal Prod.	28,881	1,696	5.9	7,698	53	0.7	8,174	345	4.2	13,009	1,298	10.0
Educational Services	27,068	1,601	5.9	22,473	817	3.6	895	15	1.7	3,700	769	20.8
Insurance Carriers	26,023	1,406	5.4	25,428	1,315	5.2	71	4	5.6	524	87	16.6
Food Retailing	24,684	1,515	6.1	3,760	60	1.6	1,878	38	2.0	19,046	1,417	7.5
Communications	22,400	395	1.8	14,058	276	2.0	6,991	58	0.8	1,351	61	4.5
Instruments Inc. Watches & clocks	20,455	468	2.3	10,505	79	0.8	3,373	46	1.4	6,577	343	5.2
<b>TOTAL</b>	<b>704,780</b>	<b>46,207</b>	<b>6.6</b>	<b>388,576</b>	<b>11,718</b>	<b>3.0</b>	<b>109,053</b>	<b>4,611</b>	<b>4.2</b>	<b>207,151</b>	<b>29,878</b>	<b>14.4</b>
Los Angeles SMSA <sup>(a)</sup>	1,035,496	71,410	6.9	528,306	14,541	2.8	161,365	6,628	4.1	345,825	50,241	14.5
15 Industries % of SMSA	68.1	64.7		73.6	80.6		67.6	69.6		59.9	59.5	

\* EXCLUDES CRAFTSMEN

(a) BASED ON EEO-1 REPORTS

(a)

TOP FIFTEEN (15) INDUSTRIES IN LOS ANGELES SMSA, 1966  
(TABLE II)

INDUSTRY	Total Employ- ment	Sp.Am. Employ- ment	% Sp.Am. Empl.	Total White Collar	Sp.Am. White Collar	% Sp.Am. W.C.	Total Crafts- men	Sp.Am. Crafts- men	% Sp.Am. Crafts	*Total Blue Collar	*Sp.Am. Blue Collar	* % Sp. Am. B. C.
Electrical Mach. Equipmt. & Supplies	152,897	10,966	7.2	92,115	2,244	2.4	20,788	1,698	8.2	39,954	7,024	17.6
Transportation Equip.	124,898	9,633	7.7	49,720	1,103	2.2	34,449	2,356	6.8	40,729	6,174	15.2
Wholesale Trade	39,075	3,400	8.7	25,825	882	3.4	2,994	314	10.5	10,256	2,204	21.5
Retail Trade Gen'l Merchandise	58,860	5,090	8.6	45,649	2,941	6.4	2,319	278	12.0	10,892	1,871	17.2
Medical Services	35,625	2,669	7.5	21,129	897	4.2	520	27	5.2	13,976	1,745	12.5
Misc. Business Serv.	44,498	2,203	5.0	27,179	750	2.8	5,239	321	6.1	12,080	1,132	9.4
Food & Kindred Prod.	34,420	6,302	18.3	12,912	444	3.4	4,184	733	17.5	17,324	5,125	29.6
Mach. Not Electrical	33,895	2,850	8.4	13,914	401	2.9	9,100	806	8.9	10,881	1,643	15.1
Electrical, Gas and Sanitary Services	31,101	1,431	4.6	16,171	634	3.9	8,078	346	4.3	6,852	451	6.6
Fabricated Metal Prod.	28,881	5,634	19.5	7,698	315	4.1	8,174	1,409	17.2	13,009	3,910	30.1
Educational Services	27,068	818	3.0	22,473	430	1.9	895	40	4.5	3,700	348	9.4
Insurance Carriers	26,023	2,072	8.0	25,428	1,965	7.7	71	6	8.5	524	101	19.3
Food Retailing	24,684	1,489	6.0	3,760	114	3.0	1,878	134	7.1	19,046	1,241	6.5
Communications	22,400	723	3.2	14,058	389	2.8	6,991	299	4.3	1,351	35	2.6
Instruments Including Watches & Clocks	20,455	1,085	5.3	10,505	306	2.9	3,373	225	6.7	6,577	554	8.4
TOTAL	704,780	56,365	8.0	388,576	13,815	3.6	109,053	8,992	8.2	207,151	33,558	16.2
Los Angeles SMSA (a)	1,035,496	100,792	9.7	528,306	20,895	4.0	161,365	16,034	9.9	345,825	63,863	18.5
15 Industries % of SMSA	68.1	55.9		73.6	66.1		67.6	56.1		59.9	52.5	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE LOS ANGELES SMSA, 1966 <sup>a/</sup>

<u>SMSA</u>	<u>Total Empl.</u>	<u>(breakdown of white collar)</u>					
		<u>WHITE COLLAR</u>	<u>Off. Mgrs.</u>	<u>Prof.</u>	<u>Technic.</u>	<u>Sales Workers</u>	<u>Clerical</u>
<u>LOS ANGELES</u>	%	%	%	%	%	%	%
NEGRO	71,410	14,541	744	1,636	2,850	1,958	7,353
% of column Total	6.8	2.7	0.8	1.4	4.7	2.7	3.7
ORIENTAL	18,786	10,878	730	3,302	1,988	453	4,405
% of column Total	1.8	2.0	0.8	2.8	3.2	0.6	2.2
AMER. IND.	2,765	832	130	91	135	78	398
% of column Total	0.2	0.1	0.1	0.0	0.2	0.1	0.2
SPAN. AMER.	100,792	20,895	1,852	2,039	2,731	2,609	11,664
% of column Total	9.7	4.0	21.	1.7	4.5	3.7	6.0
<b>TOTAL</b>	<b>1,035,496</b>	<b>528,306</b>	<b>86,502</b>	<b>116,631</b>	<b>60,497</b>	<b>70,008</b>	<b>194,668</b>

(breakdown of blue collar)

	<u>BLUE COLLAR</u>	<u>(breakdown of blue collar)</u>			
		<u>Craftsmen</u>	<u>Operatives</u>	<u>Laborers</u>	<u>Service Workers</u>
	%	%	%	%	%
NEGRO	56,869	6,628	22,459	11,628	16,154
% of column Total	11.2	4.1	11.4	16.0	21.0
ORIENTAL	7,908	2,081	2,724	1,323	1,780
% of column Total	1.5	1.2	1.3	1.8	2.3
AMER. IND.	1,933	606	797	344	186
% of column Total	0.3	0.3	0.4	0.4	0.2
SPAN. AMER.	79,897	16,034	35,893	20,216	7,754
% of column Total	15.7	10.0	18.2	28.0	10.0
<b>TOTAL</b>	<b>507,190</b>	<b>161,365</b>	<b>196,264</b>	<b>72,345</b>	<b>77,216</b>

<sup>a/</sup> Based on EEO-1 Reports

NEW ORLEANS STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(4 parishes - Jefferson, Orleans,  
St. Bernard and St. Tammany)

Employment Profile

Based on EEO-1 data, Negroes represent:

20.1 percent of the total employment of 145,470.

3.0 percent of the total 65,242 white collar jobs.

(61.0 percent of the Negro white collar workers are  
in lower paying sales and clerical jobs.)

10.2 percent of the total 25,045 craftsmen's jobs.

44.8 percent of the total 55,183 blue collar jobs  
excluding craftsmen.

The top 15 industries in terms of number employed represent 65 percent of the total SMSA employment. See table for industries.

TOP FIFTEEN (15) INDUSTRIES IN THE NEW ORLEANS SMSA, 1966<sup>(a)</sup>

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W.C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	Total Blue * Collar	Negro Blue * Collar	% Negro* B.C.
Food & Kindred Prod.	9,925	3,770	38.0	2,489	75	3.0	1,050	163	15.5	6,386	3,532	55.3
Communication	9,920	423	4.3	7,312	181	2.5	2,319	19	0.8	289	223	77.2
Transportation Equipmt.	9,104	1,400	15.4	1,289	11	0.9	4,149	246	5.9	3,666	1,143	31.2
Retail Trade General Merchandise	8,229	1,097	13.3	5,980	225	3.8	431	44	10.2	1,818	828	45.5
Crude Petroleum & Natural Gas	7,689	74	1.0	3,617	31	0.9	1,758	4	0.2	2,314	39	1.7
Water Transportation	7,060	2,159	30.6	2,269	42	1.9	494	86	17.4	4,297	2,031	47.3
Misc. Business Serv.	6,471	1,230	19.0	3,818	148	3.9	301	30	10.0	2,352	1,052	85.5
Wholesale Trade	6,318	1,253	19.8	3,750	50	1.3	537	73	13.6	2,031	1,130	55.6
Food Retailing	5,358	1,076	20.1	589	22	3.7	323	7	2.2	4,446	1,047	23.6
Elec., Gas, & Sanitary Service	5,352	398	7.4	2,162	9	0.4	1,387	46	3.3	1,803	343	19.0
Medical Services	5,094	2,050	40.2	3,065	567	18.5	116	17	14.7	1,913	1,466	76.6
Apparel & Finished Prod.	3,789	1,809	47.7	557	36	6.5	1,830	904	49.4	1,402	869	62.0
Stone, Clay, & Glass Prod.	3,599	1,197	33.3	744	12	1.6	927	181	19.5	1,928	1,004	52.1
Railroad Transportation	3,302	779	23.6	704	6	0.9	1,052	5	0.5	1,546	768	49.7
Bldg. Construction	3,286	962	29.3	1,171	55	4.7	1,035	141	13.6	1,080	766	70.9
TOTAL	94,496	19,677	20.8	39,515	1,470	3.7	17,709	1,966	11.1	37,271	16,241	43.6
New Orleans SMSA <sup>(a)</sup>	145,470	29,204	20.1	65,242	1,938	3.0	25,045	2,567	10.2	55,183	24,699	44.8
15 Industries % of SMSA	65.0	67.4		60.6	75.9		70.7	76.6		67.5	65.8	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE NEW ORLEANS SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
%	%	%	%	%	%	%	%
<u>NEW ORLEANS</u>							
NEGRO	29,204	1,938	140	152	463	257	926
% of column Total	20.0	3.0	1.2	1.4	5.8	3.0	3.4
ORIENTAL	206	114	5	51	32	4	22
% of column Total	0.1	0.1	0.0	0.4	0.4	0.0	0.0
AMER. IND.	106	82	9	17	28	8	20
% of column Total	0.0	0.1	0.0	0.1	0.3	0.0	0.0
SPAN. AMER.	2,097	875	63	115	215	94	388
% of column Total	1.4	1.3	0.5	1.0	2.7	1.1	1.4
TOTAL	145,470	65,242	11,128	10,607	7,942	8,467	27,098

(breakdown of blue collar)

	%	BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers
		%	%	%	%	%
NEGRO		27,266	2,567	7,320	9,421	7,958
% of column Total	34.0		10.2	29.0	65.5	51.0
ORIENTAL		92	9	67	2	14
% of column Total	0.1		0.0	0.2	0.0	0.0
AMER. IND.		24	8	7	5	4
% of column Total	0.0		0.0	0.0	0.0	0.0
SPAN. AMER.		1,222	304	537	139	242
% of column Total	1.5		1.2	2.1	1.0	1.5
TOTAL		80,228	25,045	25,187	14,369	15,627

<sup>a/</sup> Based on EEO-1 Reports

NEW YORK STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(5 counties - New York City, Nassau,  
Rockland, Suffolk, Westchester)

Employment Profile

Based on EEO-1 data, Negroes represent:

10.0 percent of the total employment of 1,465,732.

5.7 percent of the total 951,809 white collar jobs.

(76.5 percent of the Negro white collar workers are  
in lower paying sales and clerical jobs.)

5.8 percent of the 139,326 craftsmen's jobs.

22.3 percent of the 374,597 blue collar jobs ex-  
cluding craftsmen.

Spanish Americans represent:

5.7 percent of the total employment of 1,465,732.

2.6 percent of the 951,809 white collar jobs.

(77.9 percent of the Spanish American white collar  
workers are in lower paying sales and clerical  
jobs.)

4.5 percent of the total 139,326 craftsmen's jobs.

14.1 percent of the total 374,597 blue collar jobs  
excluding craftsmen.

The top 15 industries in terms of number employed represent  
66.8 percent of the total SMSA employment. See table for  
industries.

(a)

TOP FIFTEEN (15) INDUSTRIES IN THE NEW YORK SMSA, 1966  
(TABLE 1)

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W. C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	*Total Blue Collar	*Negro Blue Collar	*% Negro Blue Collar
Retail Trade												
General Merchandise	99,157	11,916	12.0	78,865	7,132	9.0	2,027	111	5.5	18,265	4,673	25.6
Communication	89,247	9,139	10.2	69,168	8,278	12.0	16,848	323	1.9	3,231	538	16.7
Banking	86,601	5,613	6.5	80,874	5,084	6.3	375	6	1.6	5,352	523	9.8
Wholesale Trade	83,983	3,689	4.4	70,594	1,891	2.7	4,002	326	8.1	9,387	1,472	15.7
Medical Services	83,060	23,899	28.8	48,091	8,034	16.4	1,706	405	23.7	32,263	15,460	47.9
Insurance Carriers	75,234	4,241	5.6	72,031	4,055	5.6	488	8	1.6	2,715	178	6.6
Misc. Business Serv.	71,367	8,192	11.5	52,178	3,372	6.5	1,863	122	6.5	17,326	4,698	27.1
Electrical Mach., Equipmt. & Supplies	65,817	6,697	10.2	36,868	1,035	2.8	7,480	489	6.5	21,469	5,173	24.1
Chemicals, etc.	62,596	3,674	5.9	45,456	1,022	2.2	3,121	184	5.9	14,019	2,468	17.6
Printing & Publ.	58,020	3,001	5.2	36,375	1,197	3.3	11,424	414	3.6	10,221	1,390	13.6
Trans. Equipmt.	48,096	3,596	7.5	24,121	437	1.8	13,186	712	5.4	10,789	2,447	22.7
Food & Kindred Prod.	45,814	2,718	6.1	24,247	698	2.9	3,159	152	4.8	18,408	1,928	10.5
Air Transportation	39,105	1,776	4.5	23,458	492	2.1	6,435	343	5.3	9,212	941	10.2
Security & Commodity Brokers, Dealers Exchanges & Serv.	35,819	1,207	3.5	35,230	1,199	3.4	74	2	2.7	515	66	12.8
Electrical, Gas & Sanitary Serv.	35,171	1,702	4.8	17,546	411	2.3	9,266	465	5.0	8,359	826	9.9
TOTAL	979,087	91,180	9.3	715,102	44,337	6.2	81,454	4,062	5.0	181,531	42,781	23.6
New York City SMSA (a)	1,465,732	146,490	10.0	951,809	54,707	5.7	139,326	8,089	5.8	374,597	83,694	22.3
15 Industries % of SMSA	66.8	62.2		75.1	81.0		58.5	50.2		48.5	51.1	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

(a)

TOP FIFTEEN (15) INDUSTRIES IN THE NEW YORK SMSA, 1966  
(TABLE 2)

INDUSTRIAL CLASSIFICATION	Total Employment	Span. Amer. Empl.	% Sp. Am. Empl.	Total	Sp. Am.	%	Total	Sp. Am.	%	*Total	Sp. Am.	* %
				White Collar	White Collar	Sp. Am. W.C.	Crafts-men	Crafts-men	Sp. Am. Crafts.	Blue Collar	* Blue Collar	Sp. Am. B. C.
Retail Trade General Merchandise	99,157	4,088	4.1	78,865	2,619	3.3	2,027	72	3.6	18,265	1,397	7.6
Communication	89,247	904	1.0	69,168	757	1.1	16,848	51	0.3	3,231	96	3.0
Banking	86,601	4,053	4.7	80,874	3,795	4.7	375	6	1.6	5,352	252	4.7
Wholesale Trade	83,983	2,258	2.7	70,594	1,309	1.9	4,002	110	2.7	9,387	839	8.9
Medical Services	83,060	7,338	8.8	49,091	2,266	4.6	1,706	203	11.9	32,263	4,869	15.1
Insurance Carriers	75,234	2,120	2.8	72,031	1,925	2.7	488	12	2.5	2,715	183	6.7
Misc. Business Serv.	71,367	3,509	4.9	52,178	1,689	3.2	1,863	66	3.5	17,326	1,754	10.1
Electrical Mach. Equipmt. & Supplies	65,817	4,824	7.3	36,868	507	1.4	7,480	383	5.1	21,469	3,934	18.3
Chemicals, etc.	62,596	2,540	4.1	45,456	1,011	2.2	3,121	131	4.2	14,019	1,398	10.0
Printing & Publishing	58,020	2,419	4.2	36,375	788	2.2	11,424	297	2.6	10,221	1,334	13.1
Transportation Equipment	48,096	1,836	3.8	24,121	152	0.6	13,186	391	3.0	10,789	1,293	12.0
Food & Kindred Prod.	45,814	2,073	4.5	24,247	438	1.8	3,159	132	4.2	18,408	1,503	9.2
Air Transportation	39,105	1,394	3.6	23,458	707	3.0	6,435	232	3.6	9,212	455	4.9
Securities & Commodities Brokers, Dealers and Exchanges	35,819	796	2.2	35,230	757	2.1	74	3	4.1	515	36	7.0
Electrical, Gas & Sanitary Serv.	35,171	514	1.5	17,546	159	0.9	9,266	138	1.5	8,359	217	2.6
<b>TOTAL</b>	<b>979,087</b>	<b>40,666</b>	<b>4.2</b>	<b>716,102</b>	<b>18,879</b>	<b>2.6</b>	<b>81,454</b>	<b>2,227</b>	<b>2.7</b>	<b>181,631</b>	<b>19,560</b>	<b>9.2</b>
NYC SMSA (a)	1,465,732	83,679	5.7	951,809	24,649	2.6	139,326	6,302	4.5	374,597	52,728	14.1
15 Industries % of SMSA	66.8	48.6		75.2	76.6		58.5	35.3		48.5	34.5	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE NEW YORK SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
	%	%	%	%	%	%	%
<u>NEW YORK</u>							
NEGRO	146,490	54,707	2,571	3,626	6,648	4,345	37,517
% of column Total	10.0	5.7	1.6	2.5	9.0	3.6	8.1
ORIENTAL	7,571	5,563	374	2,158	897	330	1,804
% of column Total	0.5	0.5	0.2	1.4	1.2	0.2	0.3
AMER. IND.	938	355	56	45	25	42	187
% of column Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SPAN. AMER.	83,676	26,469	1,562	2,019	2,257	2,209	18,422
% of column Total	5.7	2.7	1.0	1.3	3.0	1.8	4.0
TOTAL	1,465,732	951,809	155,072	144,752	73,464	118,862	459,659

	%	(breakdown of blue collar)				
		BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%	
NEGRO		91,783	8,089	24,835	21,258	37,601
% of column Total	17.8	5.8	16.0	25.8	27.2	
ORIENTAL		2,008	590	620	167	631
% of column Total	0.3	0.4	0.4	0.2	0.4	
AMER. IND.		583	73	81	127	302
% of column Total	0.1	0.0	0.0	0.1	0.2	
SPAN. AMER.		57,207	6,302	20,816	14,244	15,845
% of column Total	11.1	4.5	13.4	17.3	11.5	
TOTAL		513,923	139,326	154,698	82,121	137,778

<sup>a/</sup> Based on EEO-1 Reports

SAN FRANCISCO STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(5 counties - Alameda, Contra Costa, Marin, San Mateo,  
and San Francisco County and City)

Employment Profile

Based on EEO-1 data, Negroes represent:

8.0 percent of the total employment of 409,035.

3.0 percent of the total 219,902 white collar jobs.

(72.4 percent of the Negro white collar workers are  
in lower paying sales and clerical jobs.)

4.5 percent of the total 54,997 craftsmen's jobs.

17.7 percent of the total 134,136 blue collar jobs  
excluding craftsmen.

Spanish Americans represent:

6.7 percent of the total employment of 409,035.

2.9 percent of the total 219,902 white collar jobs.

(75.3 percent of the Spanish American white collar  
workers are in lower paying sales and clerical jobs.)

6.3 percent of the 54,997 craftsmen's jobs.

13.2 percent of the 134,136 blue collar jobs exclud-  
ing craftsmen.

The top 15 industries in terms of total employment repre-  
sent 63.9 percent of the total SMSA employment. See table  
for industries.

(a)

TOP FIFTEEN (15) INDUSTRIES IN THE SAN FRANCISCO SMSA, 1966  
(TABLE 1)

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W.C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	*Total Blue Collar	*Negro Blue Collar	*% Negro Blue Collar
Retail Trade & General Merchandise	26,481	1,631	6.2	21,024	956	4.5	687	44	6.3	4,759	631	13.3
Food & Kindred Prod.	26,192	2,113	8.1	1,008	133	1.3	2,759	171	6.2	13,345	1,809	13.5
Wholesale Trade	22,599	774	3.4	16,314	165	1.0	1,837	68	3.7	4,448	541	12.2
Educational Serv.	19,986	1,611	8.1	16,781	780	4.6	586	19	3.2	2,619	812	31.0
Misc. Business Serv.	16,689	3,413	20.5	7,098	418	5.9	392	92	23.5	9,199	2,903	31.6
Medical Services	16,463	2,907	17.7	9,220	566	6.1	323	37	11.5	6,920	2,304	33.3
Communication	16,425	922	5.6	12,486	766	6.1	3,675	109	3.0	264	47	17.8
Air Travel	16,296	759	4.7	7,338	130	1.8	5,829	143	2.5	3,129	486	15.5
Insurance Carriers	16,611	688	4.1	16,257	615	3.8	28	--	--	326	73	22.4
Electrical Mach. Equipmt. & Supplies	15,660	717	4.6	7,462	76	1.0	1,940	51	2.6	6,258	590	9.4
Fabricated Metal Products	14,197	968	6.8	3,363	33	0.9	3,482	161	4.6	7,052	774	11.0
Banking	14,106	685	4.9	13,615	629	4.6	45	4	8.9	444	52	11.7
Water	13,329	3,649	27.4	3,087	51	1.7	994	192	19.3	9,248	3,406	36.8
Trans. Equipmt.	13,400	1,984	14.8	2,766	100	3.6	3,068	473	15.4	7,566	1,411	18.6
Railroad	12,953	999	7.7	5,600	99	1.8	3,154	71	2.3	4,199	829	19.7
TOTAL	261,387	23,820	7.1	143,419	5,517	3.8	28,799	1,635	5.7	79,776	16,668	20.9
San Francisco SMSA <sup>(a)</sup>	409,035	32,897	8.0	219,902	6,630	3.0	54,997	2,483	4.5	134,136	23,784	17.7
15 Industries % of SMSA	63.9	72.4		65.2	83.2		52.4	65.8		59.5	70.1	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

(a)

TOP FIFTEEN (15) INDUSTRIES IN THE SAN FRANCISCO SMSA, 1966  
(TABLE II)

INDUSTRY	Total Employ- ment	Sp. Am. Employ- ment	% Sp.Am. Empl.	Total White Collar	Sp. Am. White Collar	% Sp.Am. W.C.	Total Crafts- men	Sp.Am. Crafts- men	% Sp.Am. Crafts	*Total Blue Collar	*Sp.Am. Blue Collar	* % Sp.Am. B.C.
Retail Trade & General Merchandise	26,481	1,300	4.9	21,024	782	3.7	687	49	7.0	4,759	469	9.8
Food & Kindred Prod.	26,192	3,385	12.9	1,008	324	3.2	2,759	397	14.4	13,345	2,664	20.0
Wholesale Trade	22,599	865	3.8	16,314	318	1.9	1,837	97	5.3	4,448	450	10.1
Educational Serv.	19,986	267	1.3	16,781	168	1.0	586	18	3.1	2,619	81	3.1
Misc. Business Serv.	16,689	1,822	10.9	7,098	251	3.5	392	38	9.7	9,199	1,533	16.7
Medical Services	16,463	758	4.6	9,220	198	2.1	323	14	4.3	6,920	546	7.9
Communication	16,425	220	1.3	12,486	180	1.4	3,675	33	0.9	264	7	2.6
Air Travel	16,296	507	3.1	7,338	136	1.9	5,829	165	2.8	3,129	206	6.6
Insurance Carriers	16,611	941	5.7	16,257	869	5.3	28	2	7.1	326	70	21.5
Electrical Mach. Equipmt. & Supplies	15,660	722	4.6	7,462	122	1.6	1,940	123	6.3	6,258	477	7.6
Fabricated Metal Prod.	14,197	1,851	13.0	3,363	89	2.4	3,482	306	8.8	7,052	1,456	20.6
Banking	14,106	945	6.7	13,615	868	6.4	45	4	8.2	444	73	16.4
Water	13,329	784	5.9	3,087	109	3.5	994	33	3.3	9,248	641	6.9
Transportation Equip.	13,400	1,565	11.7	2,766	110	4.0	3,068	261	8.5	7,566	1,194	15.8
Railroad	12,953	740	5.7	5,600	129	2.3	3,154	149	4.7	4,199	462	11.0
TOTAL	261,377	16,672	6.4	143,419	4,653	3.2	28,799	1,689	5.9	79,776	10,330	12.9
San Francisco SMSA (a)	409,035	27,498	6.7	219,902	6,382	2.9	54,997	3,456	6.3	134,136	17,660	13.2
15 Industries % of SMSA	63.9	60.6		65.2	72.9		52.4	47.9		59.5	58.5	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE SAN FRANCISCO SMSA, 1966 <sup>a/</sup>

SMSA	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
%	%	%	%	%	%	%	%
<u>SAN FRANCISCO</u>							
NEGRO	32,897	6,630	270	435	1,063	959	3,903
% of column Total	8.0	3.0	0.7	1.0	5.7	2.8	4.3
ORIENTAL	12,616	7,535	523	1,619	864	451	4,078
% of column Total	3.0	3.4	1.3	4.0	4.6	1.3	4.4
AMER. IND.	1,269	359	56	37	38	70	158
% of column Total	0.3	0.1	0.1	0.0	0.2	0.2	0.1
SPAN. AMER.	27,498	6,382	553	505	516	864	3,944
% of column Total	6.7	2.9	1.4	1.2	2.7	2.5	4.3
TOTAL	409,035	219,902	37,495	39,963	18,451	33,269	90,724

	%	(breakdown of blue collar)				
		BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%	
NEGRO		26,267	2,483	7,146	7,203	9,435
% of column Total	13.8	4.5	11.0	24.0	23.8	
ORIENTAL		5,081	1,043	1,259	675	2,104
% of column Total	2.6	1.8	2.0	2.2	5.3	
AMER. IND.		910	213	344	123	230
% of column Total	0.4	0.3	0.5	0.4	0.5	
SPAN. AMER.		21,116	3,456	8,502	4,821	4,337
% of column Total	11.1	6.2	13.1	16.0	11.0	
TOTAL		189,133	54,997	64,594	30,064	39,478

<sup>a/</sup> Based on EEO-1 Reports

WASHINGTON, D.C. STANDARD METROPOLITAN STATISTICAL AREA (SMSA)  
(District of Columbia, Montgomery County, Md., Prince Georges County, Md., Alexandria City, Va., Fairfax City, Va., Falls Church City, Va., Arlington County, Va., Fairfax County, Va.)

Employment Profile

Based on EEO-1 data, Negroes represent:

22.0 percent of the total employment of 264,925.

8.4 percent of the total 155,735 white collar jobs.

(67.2 percent of the Negro white collar workers are in lower paying sales and clerical jobs.)

10.7 percent of the total 28,014 craftsmen's jobs.

51.9 percent of the total 81,176 blue collar jobs, excluding craftsmen.

The top 15 industries in terms of number employed represent 68.4 percent of the total SMSA employment. See table for industries.

Washington SMSA figures do not include Federal or other government employees. Government -- Federal, state and local -- is the largest single employer in the area.

TOP FIFTEEN (15) INDUSTRIES IN THE WASHINGTON, D. C., SMSA, 1966 <sup>(a)</sup>

INDUSTRY	Total Employ- ment	Negro Employ- ment	% Negro Empl.	Total White Collar	Negro White Collar	% Negro W.C.	Total Crafts- men	Negro Crafts- men	% Negro Crafts	Total Blue * Collar	Negro Blue * Collar	% Negro* B.C.
Retail Trade General Merchandise	24,154	4,583	19.0	18,055	1,686	9.3	879	90	10.2	5,220	2,807	53.8
Misc. Business Serv.	18,199	3,402	18.7	13,267	903	6.8	650	96	14.8	4,582	2,403	52.4
Educational Serv.	16,734	3,996	23.9	13,591	1,978	14.6	645	116	18.0	2,498	1,902	76.1
Communication	13,990	1,782	12.7	9,905	1,347	13.6	3,577	120	3.4	508	315	62.0
Food Retailing	13,135	2,765	21.1	2,032	107	5.3	1,299	154	11.9	9,804	2,504	25.6
Medical Services	12,093	4,031	33.3	7,475	1,218	16.3	208	35	16.8	4,410	2,778	63.0
Misc. Services	11,008	1,523	13.8	9,666	688	7.1	207	46	22.2	1,135	789	69.5
Construction - Spec. Trade Contractors	10,021	2,336	23.3	1,326	27	2.0	5,599	568	10.1	3,096	1,741	56.2
Wholesale Trade	10,617	1,493	14.1	7,274	253	3.5	949	125	13.2	2,394	1,115	46.6
Nonprofit Membership Organizations	9,180	1,285	14.0	8,002	527	6.6	82	21	25.6	1,096	737	67.2
Eating & Drinking	9,178	5,522	60.2	1,925	278	14.4	148	58	39.2	7,105	5,186	73.0
Insurance Carriers	8,500	754	8.9	8,235	595	7.2	24	1	4.2	241	158	65.6
Hotels, Rooming Houses, Camps, Etc.	8,215	3,854	46.9	2,175	270	12.4	435	148	34.0	5,605	3,436	61.3
Printing & Publishing	8,198	943	11.5	3,975	265	6.7	2,444	60	2.5	1,779	618	34.7
Elec.Mach.Eqpmnt.& Sup.	7,862	548	7.0	5,331	176	3.3	585	42	7.2	1,946	330	17.0
<b>TOTAL</b>	<b>181,084</b>	<b>38,817</b>	<b>21.4</b>	<b>112,234</b>	<b>10,318</b>	<b>9.2</b>	<b>17,731</b>	<b>1,680</b>	<b>9.5</b>	<b>51,419</b>	<b>26,819</b>	<b>52.2</b>
Washington SMSA <sup>(a)</sup> 15 Industries	264,925	58,212	22.0	155,735	13,132	8.4	28,014	2,989	10.7	81,176	42,091	51.9
% of SMSA	68.4	66.7		72.1	78.6		63.3	56.2		63.3	63.7	

(a) BASED ON EEO-1 REPORTS

\* EXCLUDES CRAFTSMEN

OCCUPATIONAL MIX FOR MINORITY GROUP WORKERS IN THE WASHINGTON, D. C. SMSA, 1966 <sup>a/</sup>

	Total Empl.	(breakdown of white collar)					
		WHITE COLLAR	Off. Mgrs.	Prof.	Technic.	Sales Workers	Clerical
%	%	%	%	%	%	%	
<u>WASHINGTON, D.C.</u>							
NEGRO	58,212	13,132	900	1,411	1,990	2,157	6,674
% of column Total	22.0	8.4	3.7	4.5	11.9	8.5	11.4
ORIENTAL	1,333	995	47	416	244	38	250
% of column Total	0.5	0.6	0.2	1.3	1.5	0.1	0.4
AMER. IND.	402	141	38	19	22	20	42
% of column Total	0.2	0.1	0.2	0.1	0.1	0.1	0.1
SPAN. AMER.	2,396	1,395	65	316	179	152	683
% of column Total	0.9	0.9	0.3	1.0	1.1	0.6	1.2
TOTAL	264,925	155,735	24,125	31,181	16,688	25,372	58,369

	%	(breakdown of blue collar)				
		BLUE COLLAR	Craftsmen	Operatives	Laborers	Service Workers
	%	%	%	%	%	
NEGRO		45,080	2,989	9,586	8,523	23,982
% of column Total	41.3	10.7	37.2	61.9	57.6	193
ORIENTAL		338	33	91	21	115
% of column Total	0.3	0.1	0.4	0.2	0.5	625
AMER. IND.		261	53	25	68	115
% of column Total	0.2	0.2	0.1	0.5	0.3	625
SPAN. AMER.		1,001	116	201	59	625
% of column Total	0.9	0.4	0.8	0.4	1.5	41,658
TOTAL		109,190	28,014	25,756	13,762	41,658

<sup>a/</sup> Based on EEO-1 Reports

34  
OFFICIAL REPORT OF THE PROCEEDINGS  
BEFORE THE

EQUAL EMPLOYMENT  
OPPORTUNITY COMMISSION

TUESDAY, JUNE 20, 1967

9-30 A. M.

Pages: 13

Federal Steno  
1522 K. St. N.W.  
Washington, D.C.

Ronald Tette

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4 EQUAL EMPLOYMENT  
5 OPPORTUNITY COMMISSION  
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9 TUESDAY, JUNE 20, 1967  
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12 1800 G STREET, N.W.  
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15 WASHINGTON, D.C.  
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19 TIME: 9:30 a.m.  
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22 REPORTED BY:

23 RONALD J. TETTE  
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CHAIRMAN SHULMAN: On behalf of the Equal

Opportunity Commission, I welcome you to this Hearing. I am Stephen N. Shulman, Chairman of the Commission.

We are holding this Public Hearing as required by Section 709 (c), Title 7 of the Civil Rights Act of 1964. Due notice of the Hearing was published in the Federal Register on May 25, 1967. The purpose of this Hearing is to afford an opportunity for interested persons to give their views on an amendment to the Commission's proposed Recordkeeping regulations covering Apprenticeship Programs.

This proposal amends an earlier proposal which was published in the Federal Register on February 14, 1967 and was the subject of the Public Hearing on March 21, 1967. Specifically the Recordkeeping regulation as originally proposed applies to Joint Labor Management committees controlling apprenticeship programs and to employers and Labor Organizations in the construction industry operating apprenticeship programs other than a joint-labor management program.

The proposed amendment extends the coverage of the Recordkeeping regulation to all employers and labor-organizations subject to Title 7. I want to make it clear that this extension of coverage is the soul purpose of the Public Hearing. The Hearing has not been called to engage in further public discussion in the proposed apprenticeship

1 program EEO-2 or the proposed labor-organization EEO-3,  
2 both of which were discussed fully at our Public Hearing  
3 on March 21.

4 At this point I should like to introduce my fellow  
5 Commissioners and also members of the Commission Staff who  
6 will be available to answer questions. On my right is Dr.  
7 Luther Holecomb, Vice-Chairman of the Commission. On my  
8 left is Samual C. Jackson, Commissioner.

9 Seated immediately next to me on the right is  
10 Charles Markum, a Director of research. Next to him is  
11 Ken Holebert, acting general counsel and next to him,  
12 Herbert Hammerman, Chief of the Report Section.

13 In order to facilitate our discussion we will  
14 use the following procedure. Mr. Markum will explain the  
15 scope and background of the proposed amendment to the  
16 recordkeeping proposal and will summarize the written  
17 statements submitted by persons unable to be present at  
18 this hearing.

19 A half hour question and answer period will follow  
20 and questions can be put to Mr. Markum and other members  
21 of the staff who have participated in the development of  
22 this regulation. This period will be followed by statements  
23 of those who wish to be heard. First, those of you who  
24 have given advance notice of their desire to speak will be  
25 heard in alphabetical order, then others will be recognized

1 from the floor. Statements will be limited to 15 minutes  
2 for each person.

3           Following this hearing, the commission will  
4 deliberate on the views expressed today and make whatever  
5 modification of the proposed recordkeeping regulations  
6 indicated. The proposal will then be presented to the  
7 Bureau of the Budget for the approval. If approved, the  
8 regulation will be issued in official form. The proposed  
9 effective date of the recordkeeping regulation is July 2,  
10 1967. At this time I would like to introduce Mr. Markum.

11           MR. MARKUM: Thank you. Mr. Chairman, Ladies and  
12 Gentlemen, this regulation is proposed under Section 709 (c).  
13 The first sentence of Section 709 (c) authorizes the  
14 Commission to adopt recordkeeping and reporting requirements  
15 as may be reasonable, necessary or appropriate for the  
16 enforcement of Title 7.

17           The regulation is specifically authorized under  
18 Section two of 709 (c) which says the Commission shall by  
19 regulation require each employer, labor-organization and  
20 joint labor management committee subject to this Title  
21 which controls an apprenticeship or other training program  
22 to maintain such records as are reasonably necessary to  
23 carry out the purposes of this Title, including, but not  
24 limited to a list of applicants who wish to participate in  
25 such a program including the chronological order in which  
such applications were received.

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We have interpreted this to be a mandatory statement on the part of Congress that we shall adopt such a regulation. This regulation was originally proposed for the hearing March 21. The coverage extended to joint apprenticeship committee and employers in the construction industry to operating unilateral programs.

This was the scope of the EEO-2 report form. Subsequent to that hearing and in the course of statements received pursuant to the hearing, the point was made that Congress didn't make any exceptions in this statement 709 (c) and that if we were going to follow the mandate of Congress then we should extend the regulation to all persons subject to the Title which control apprenticeship programs and that is the reason for the hearing today.

There has been one change in the proposal since March 21. That is the person required to make the record as additional method of recordkeeping here, that of maintaining the chronological list. It will be acceptable for the Committee, Apprenticeship Committee to retain formal application and to make a notation on this comparable to that that would be shown on the chronological list.

There has been one statement submitted for the record from M. R. Felkner, Director of Personnel Operations of the Douglas Aircraft Company. Mr. Felkner states that the requirement of keeping this information for a period of five years appears to be an unwarranted and expensive

1 administrative burden.

2 It says further that it appears to be no valid  
3 reason that apprenticeship records should be considered  
4 any differently than any other employment records, that they  
5 are to be retained for five, two, one year or the standard  
6 six months for Section 1602.14 of the regulation.

7 Finally it says, the period of record retention  
8 should be consistant with the six months statute of limita-  
9 tion in Title 7.

10 Now, the purpose of the two year rule is that  
11 two years was the recordkeeping requirement under the  
12 Secretary of Labor's regulation, applicable to register  
13 apprenticeship program. The staff is prepared to recommend  
14 a change in the preservation period for these records.  
15 Instead of five years, we propose that in the case of those  
16 persons required to file for EEO-2 that they keep the  
17 record information two years or for the apprentice period  
18 of a successful applicant, whichever is longer.

19 That is, an applicant is successful, but drops  
20 out of the program after a year or 18 months. Then his  
21 name may be stricken from the list or the application form  
22 may be disposed of. The other requirement with respect to  
23 those not required to file EEO-2 would remain the same.

24 Now, the reason for distinction for people,  
25 between people to file EEO-2 and those who are not is that

1 assuming that EEO-2 is adopted, the notation on this list  
2 or on these forms will serve as a basis in future years for  
3 compellation on the information proposed to be filed on  
4 EEO-2 and we believe in the long run this will simplify  
5 the reporting procedure for those subject to it.

6 I don't think I have anything further at this  
7 time.

8 CHAIRMAN SHULMAN: Thank you Mr. Markum. Mr.  
9 Markum will be open to question now for a half hour period  
10 if any of you have them, and I would appreciate it, if any  
11 of you do, please state your name at the outset so that  
12 the reporter can keep an orderly track of the proceedings.

13 Does anyone have a question of Mr. Markum at  
14 this point?

15 MR. RICE: My name is Jerry Rice. Do I understand  
16 you correctly in saying for those not required to file  
17 EEO-2 you will leave the requirements as stated?

18 MR. MARKUM: Two year maximum.

19 MR. RICE: I didn't attend the March 21 hearing,  
20 perhaps there are other. Could you state in a sentence  
21 why your original proposal was so limited?

22 MR. MARKUM: Well, the original proposal was  
23 presented in the connection with the reporting program  
24 under EEO-2 and the EEO-2 report as proposed at that time  
25 extended to joint apprenticeship committees and to employers

1 and unions and construction industry with unilateral  
2 programs.

3 MR. RICE: Did the general council think that  
4 this was in compliance with the statute as you apparently  
5 don't think it is now?

6 MR. MARKUM: Well, the general council at that  
7 time has approved the proposal presented, but the point  
8 that was made with respect to extended coverage was consider-  
9 ed well taken and consistant with the requirement of the  
10 statute.

11 MR. RICE: Perhaps it's not germaine, but I can't  
12 resist the temptation to ask, is the sex here, does it  
13 indicate any conclusion to the May hearing?

14 CHAIRMAN SHULMAN: The answer to that question,  
15 it is not germaine and it doesn't indicate any conclusion.  
16 Any other questions?

17 MR. ERWIN: Fred Erwin. I would like to ask  
18 essentially the same question, but carry it just a little  
19 further. I was disturbed by that last paragraph, the last  
20 sentence which would setup different basis of retaining  
21 these application records. I see no justification for  
22 it, particularly in view of what you did with the first  
23 paragraph when you made the coverage standard across the  
24 board.

25 I would like to ask, what is the justification,

1 if there is any for excusing those who do not file the EEO-2  
2 from keeping applications on the same basis as those who  
3 do? It seems to me that bottom paragraph at the very least  
4 should be changed the way you outlined the change that you  
5 are considering.

6 That was the point I was going to bring out later,  
7 but I think that would be only fair.

8 MR. MARKUM: Well, the reason for the distinction  
9 has always been that those who are required to file a  
10 report presumably would need records or some method of  
11 identifying apprentices for a period of four or five years.  
12 Those who are not required to report would observe the  
13 two year rule that is applicable at least to all registered  
14 programs under the Secretary of Labor's regulations.

15 We have felt that maintaining the list would  
16 simplify the reporting procedure in the long run and that  
17 if there is a report in EEO-2 four or five years from now,  
18 the person who fills it out will look at this list and be  
19 able to submit his statistics on that basis without having  
20 to conduct a visual survey at job sites all over the  
21 jurisdiction.

22 That is the only distinction and the only reason  
23 for the distinction between periods of preserving the  
24 records.

25 MR. ERWIN: It doesn't seem to me like that

1 justifies it though because as I understand it, EEO-1 is  
2 to be changed next year, so that essentially the same  
3 information would come in from unilateral programs.

4 Likewise EEO-3 would bring in the same information. You  
5 would get the same kind of records I would think.

6 MR. MARKUM: Well, in that event the regulation  
7 could be changed to say, those who file apprenticeship  
8 information on EEO-1 or three shall keep the information  
9 for two years or the period of a successful applicant  
10 apprenticeship, whichever is longer, but I don't think  
11 we can cross that bridge yet.

12 MR. ERWIN: Would there be any objection to  
13 actually using the same statement that you gave the two  
14 years or the period of apprenticeship or whichever is  
15 longer in that last sentence?

16 MR. MARKUM: I would not personally object to  
17 making it consistent, but those who don't have to file  
18 the report might object because they would have to keep  
19 records several years longer under that or to maintain  
20 these records.

21 MR. LYONS: Carl Lyons. With respect to this  
22 point that has just been made, I think that it is important  
23 to require recordkeeping or the keeping of records that are  
24 actually going to be used or needed for a specific purpose  
25 than to have consistency and for my point of view it doesn't

1 make a whole lot of difference if they are all consistent,  
2 just to see that the purpose is met and used. I think this  
3 should be the criteria.

4 CHAIRMAN SHULMAN: Does anyone else have a  
5 question?

6 MR. PRINCE: I'm George Prince. If I may, I  
7 would like to ask Mr. Markum the question, if it is the  
8 intent of the act in the preservation of records and  
9 maintaining a chronological list that the referred to persons  
10 conducting unilateral programs will be required to meet  
11 the same conditions as those that are covered in joint  
12 labor management programs?

13 MR. MARKUM: Do you mean the provision with  
14 respect to the furnishing of a detailed description of the  
15 manner persons have chosen?

16 MR. PRINCE: Yes.

17 MR. MARKUM: Well, I would say the law, the  
18 general council perhaps should be heard on this issue, but  
19 it seems to me that this requirement should be proposed  
20 across the board, not select out one group for furnishing  
21 such description.

22 MR. PRINCE: This was the intent of the question.  
23 I felt it should be applied.

24 CHAIRMAN SHULMAN: Any other questions?

25 (NO RESPONSE)

1 CHAIRMAN SHULMAN: Well, I commend you on your  
2 expeditedness with which you have allowed us to proceed  
3 and we can now hear whatever statements there are.

4 Mr. Markum, were there any persons who gave  
5 advance notice?

6 MR. MARKUM: Mr. Croncinwits of the Washington  
7 Publishing Association wrote that his group is interested  
8 in participating. I don't know if this means a submission  
9 of a statement or one of attendance.

10 CHAIRMAN SHULMAN: Is he here? No, well, I  
11 guess we have proceeded through that. Is there anyone  
12 here who desires to make a statement?

13 MR. ERWIN: I had planned to on the only objection  
14 I had, but I did check with Mr. Markum and I have a few  
15 cleanup items that he thought were well to mention in the  
16 first paragraph. Spanish speaking American, I believe the  
17 word speaking probably should be taken out of there in  
18 connection with some other understanding on that same  
19 score.

20  
21 It is rather limited. Whether he speaks Spanish  
22 is not the item, it is his origin. Just below that about  
23 three or four lines the word proposed in front of instruc-  
24 tions. As I say, these are just clean up items, that  
25 should probably be taken out and then the section 6(c) is  
now in connection with the current version, if I may use

1 that, for the instruction of EEO-2, would be -- That is  
2 the jist if Charlie will go along, I would be very happy.

3 CHAIRMAN SHULMAN: Thank you very much. Are  
4 there any other statements?

5 (NO RESPONSE)

6 CHAIRMAN SHULMAN: Well, that completes the  
7 agenda for this Public Hearing. As I indicated in my  
8 opening statement we will deliberate on these many views  
9 that have been expressed today and make any indicated  
10 modification and then submit forms to the Bureau of the  
11 Budget.

12 Thank you very much and the hearing is now  
13 concluded.

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18 (WHEREUPON THE HEARING CAME TO A CLOSE)  
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EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
1800 G Street, N.W.  
Washington, D.C. 20506

In the matter of:  
Proposed Employer Reporting System

Room 1242, Office of  
Equal Employment Opportunity  
Commission  
1800 G Street, N.W.  
Washington, D.C.

THURSDAY, December 16, 1965

A public hearing on the proposed Employer Reporting  
System was held, commencing at 10:00 o'clock, a.m.,  
before:

HON. F. D. ROOSEVELT, JR.,  
Chairman

and

DR. LUTHER HOLCOMB, Vice Chairman

RICHARD GRAHAM, Member

MRS. AILEEN HERNANDEZ, Member

SAMUEL JACKSON, Member

PRESENT:

HERMAN EDELSEERG, Executive Director

1                   CHAIRMAN ROOSEVELT: Good morning ladies and  
2 gentlemen and my fellow Commissioners. I welcome you to the  
3 E.E. C. on behalf of the Equal Employment Opportunity  
4 Commission.

5                   (THIS STATEMENT OF CHAIRMAN ROOSEVELT IS AS  
6 FOLLOWS:)

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STATEMENT OF EUGENE MATTISON  
PLANS FOR PROGRESS

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MR. MATTISON: I would like to state that the staff of Plans for Progress, of course, does not speak for any or all of its 318 member companies. So my remarks here are relating to the Plans for Progress staff's efforts in this regard and our opinion regarding it.

We were very pleased to have had the opportunity to work with the staff of the Commission and with the office of Federal Contract Compliance in working up this form.

This joint effort resulted in establishing a form, as Mr. Roosevelt has told you, which continues the same identical statistical reporting form and procedures which we have been engaged in for the last several years, through Plans for Progress reporting.

We think that this is desirable, to continue this, because it results in no change of procedure for reporting, and we think that it does permit, also, longer range statistical comparisons which appear to us to be desirable.

CHAIRMAN ROOSEVELT: Thank you very much, Mr. Mattison.

Ed, where are you?

Ed Sylvester, who is the Director of the Office of Federal Contract Compliance.

I would now like to recognize our Director of Research, Mr. Charles Markham who will offer some exhibits

1 for the record which have been sent in to us by interested  
2 parties and others and then, in accordance with the procedural  
3 rules that have been circulated, Mr. Markham will be available  
4 for one half hour of questioning from all of you here, and  
5 of course, from members of the Commission.

6 So at this point, I recognize Mr. Markham but  
7 before I start with Mr. Markham, I must make a brief state-  
8 ment that unfortunately, in about 20 minutes, because of a  
9 long standing previous commitment, I will not be able to  
10 continue for the rest of this hearing, although I hope I  
11 will be back for part of it later on, and when I leave, I  
12 will ask the Vice Chairman, Dr. Holcomb, to take over as  
13 Chairman of the hearing.

14 Mr. Markham.

15 STATEMENT OF CHARLES MARKHAM  
16 DIRECTOR OF RESEARCH

17 MR. MARKHAM: Thank you, Mr. Chairman.

18 At this time, I will offer for the record, 33 written  
19 statements that have been received by our office in response  
20 to the notice in the Federal Register.

21 MR. ROOSEVELT: Charlie, may I interrupt for one  
22 minute? In my rush to get started with the hearing, I  
23 neglected -- and I apologize for my neglect -- to introduce  
24 my fellow Commissioners, so that not only you who have not  
25 had a chance to meet them will know who they are; but if  
you have any specific questions to address to any of them,

1 you will know who is who, and so I would like to start  
2 by introducing Mrs. Ailene Hernandez -- and it is spelled  
3 "A - i - l - e - n - e" not "E - i - l". We almost had to get  
4 a special ruling of the Attorney General to reverse the  
5 original incorrect spelling.

6 Commissioner Dick Graham on my far right.

7 On my far left, is Commissioner Sam Jackson;  
8 and my Vice-Chairman, Dr. Luther Holcomb.

9 Go ahead, Mr. Markham.

10 MR. MARKHAM: I offer 33 written statements filed  
11 pursuant to the Notice in the Federal Register.

12 CHAIRMAN ROOSEVELT: They will be included in  
13 the record.

14 MR. MARKHAM: They are available here for inspec-  
15 tion during any recess. They will continue to be available  
16 for inspection in the Office of Research of the Commission.

17 I might just briefly summarize the statements  
18 received. This will not be taken out of the halfhour.

19 From business groups, we have received six statements.  
20 I think I can only characterize these statements as being  
21 generally opposed or generally favorable. It would take too  
22 long to go into the nuances of each statement; but generally  
23 opposed are statements from the following organizations.

24 The firm of John W. Eckelman and Sons of Lancaster,  
25 Pennsylvania; The High Point, North Carolina, office of

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Snelling and Snelling; the Pennsylvania Newspaper Publishers Association; The Boise Cascade Corporation, Boise, Idaho; Miller and Payne, Lincoln, Nebraska; The First National Bank of St. Louis.

Statements generally in favor of the proposed form have been received from the United States Rubber Company; Owen Mathison; R.C.A.; Minnesota Mining and Manufacturing; Burroughs Corporation; American Telephone and Telegraph; Douglas Aircraft Company; Kayser Industries; Inland Steel and Lockheed Aircraft.

There are three letters in which the organizations take the position that there should be no reporting requirements imposed in states with fair employment practice laws. These are the Illinois State Chamber of Commerce; the Chamber of Commerce of the United States; The National Retail Merchants Association.

These letters take other positions, also, but they did draw this particular distinction.

Four other letters from business groups make specific comments about parts of the proposal without appearing to take the stand favorable or unfavorable, with respect to the entire proposal.

In some of them, they have made alternate suggestions for reporting of establishments. These would be the National Restaurant Association; Cooper Tire and Rubber Company; Council of State Chambers of Commerce; and the

1 American Retail Federation.

2 We had some letters from State F.E.P. Commissions.  
3 One that is generally opposed is the New Mexico State Com-  
4 mission.

5 Those generally in favor are the Commissions or  
6 State Agencies in Nevada; the Executive Director of the  
7 Illinois Commission, speaking for himself, but not for the  
8 Commission; Utah, Ohio, and Kansas.

9 There is a petition in favor of the reporting  
10 system by a group of twelve citizens from Los Angeles,  
11 California.

12 As is indicated in the rules which have been placed  
13 on every seat, the record will remain open for one week from  
14 today, for further statements.

15 We will proceed now to questions, for a period of  
16 one half hour. I will do my best to answer the question. I  
17 may refer it to a member of our General Counsel staff, if it  
18 is a complicated legal problem or may ask some other staff  
19 member present to answer, if that seems appropriate.

20 CHAIRMAN ROOSEVELT: At this point, I think it  
21 is appropriate for me to introduce one or two of the  
22 members of the senior staff, as some of you may have  
23 questions to direct to them.

24 First, I would like to introduce our Executive  
25 Director, Mr. Herman Edelsberg.

1 Then I would like to introduce our General Counsel,  
2 Charles Duncan, right behind me and the Deputy General  
3 Counsel, Dick Berg. Of course, Charles Markham is the  
4 Director of Research. He will call on any other members  
5 of the staff if they have particular detailed information  
6 which may be helpful to answering any of your questions.

7 So, Charles, rather than the Chair conducting  
8 the questioning, at this point, I suggest that you direct  
9 your questions directly to Mr. Markham and he will recognize  
10 you in turn.

11 We will begin the 30 minute period. It is now  
12 28 minutes after 10:00.

13 MR. JONES: My name is Jones. I am consultant  
14 for Inter-Relations. When would a Government contractor with  
15 a contract between \$10,000 and \$50,000 not report, in  
16 accordance with the Executive Order, to the Federal  
17 Office of Contract Compliance, but rather, would report  
18 instead, to the E.E.O. Commission under Title VII?

19 MR. MARKHAM: If he has 100 or more employees,  
20 he would report as a Title VII employer.

21 MR. HIGGS: Bill Higgs, with the Student  
22 Nonviolent Coordinating Committee.

23 I have a couple of questions which may be naive  
24 questions, since I have not had a chance to look at too much  
25 here.

1           First, what is going to be the availability of  
2 the information that is filed by the different companies?

3           I mean, are the forms, themselves, going to be  
4 made available to the public?

5           If so, where?

6           In what form?

7           Is the information going to be collected together  
8 in gross figures? If so, in what way?

9           In other words, we need to get at the impact of  
10 this information, it seems to me, and the form in which we  
11 can get it and the speed in which we can get it; all are  
12 very relevant questions.

13           That is the first question.

14           MR. MARKHAM: The form of an individual employer  
15 will not be available to the public. I think the General  
16 Counsel might enlighten us as to the scope of which this  
17 form could be shown, or the information shared.

18           I will answer the balance of the question but if  
19 the General Counsel wants to be heard, further, I will be  
20 glad to hear from him.

21           MR. DUNCAN: Go ahead. After you, Mr. Markham.

22           MR. MARKHAM: However, we will place the informa-  
23 tion from all of these forms on computers and we will be  
24 able to get print-outs, and we will be able to publish statis-  
25 tics on an industry basis or an area basis or an occupational

1 category basis in such a way that no individual employer's  
2 report would be obvious; and this information, I should think,  
3 would be very desirable desirable to make public, to any  
4 agency operating in our field, to groups of businessmen  
5 that we might call together to develop a program of affirma-  
6 tive action.

7 I would say it would be extensive publication  
8 of the details of the system without disclosing any particular  
9 employer's figures.

10 MR. DUNCAN: I have nothing further.

11 MR. HIGGS: Mr. Chairman, I don't think that  
12 particularly answered all my question.

13 MR. DUNCAN: If I understand Mr. Higg's question,  
14 Section 709-E prohibits the Commission from making public,  
15 "information" obtained pursuant to Section 709.

16 I would interpret that to mean that the Commission  
17 would not make public -- indeed, could not make public --  
18 copies of particular report forms submitted by individual  
19 employers. None-the-less, as Mr. Markham indicated, since  
20 we are authorized to make studies; to make reports; to engage  
21 in an affirmative action on a technical assistance program,  
22 certainly summaries of such reports and data derived therefrom  
23 and inferences based thereon, would and could be made  
24 public.

25 Does that answer your question?

1 MR. HIGGS: I still, if I may pursue this, because  
2 I think it is very important: What I am trying to get at is,  
3 first, for example, you take the country as a whole. You take  
4 all southern states. This information -- there is no question  
5 -- it seems to me, this would be valuable. In other words,  
6 information for example, for the State of Alabama; the State  
7 of Mississippi; and then you get down to, say, Hinds County,  
8 in Mississippi, where Jackson is, and statistics compiled  
9 from all the plants in that county. Now, it seems to me that,  
10 frankly, this information is very valuable, and also should  
11 be available.

12 MR. DUNCAN: I am suggesting to the extent you  
13 have gone so far, that information would be made available  
14 but not in the form of the particular reports that employers  
15 in those counties submitted.

16 MR. HIGGS: In other words, anything beyond the  
17 particular reports, anything more general than that,  
18 should be made available.

19 MR. DUNCAN: As a general rule, I would say yes.

20 MR. HIGGS: Thank you.

21 CHAIRMAN ROOSEVELT: Did you have another question?

22 MR. HIGGS: Yes, I did have another question.

23 Now, as I understand it, under the O.E.O., or  
24 rather, under the Commission rules, regulations, these forms,  
25 of course, being required, are from companies with 100

1 employees or more. In other words, the companies which ori-  
2 ginally come within the coverage of the Act; and I understand  
3 it further, that you are not requiring reporting from firms  
4 that do not come within the coverage of the Act the first  
5 year.

6 MR. MARKHAM: We cannot require reports from a firm  
7 not covered by the Act, no.

8 MR. HIGGS: Well, that is a question I want to  
9 raise.

10 As I recall -- It has been a long time--I go back  
11 into that -- that I read through the Act, which is my fault.  
12 It seems to me that reporting could be required, even the  
13 regulation could not be gone into of the different firms, at  
14 an earlier period. That is, from the enforcement provisions  
15 going into effect.

16 Now, if this is so, it seems to me that it might  
17 well be wise to extend this down at least to sampling from  
18 firms with lower than 100 employees.

19 MR. MARKHAM: Well, my recollection of the  
20 definition of an employer in the statute is that an employer  
21 is specifically defined four different ways in four different  
22 years.

23 During the current year, an employer is -- as  
24 used in the title -- an employer with 100 or more employees.  
25 So anything in the other parts of the statute, that gives us

1 the right to require reports of employers, would be limited  
2 until July 2 of next year, to employers with 100 or more.

3 MR. HIGGS: I just recall there was a distinction  
4 that was not true for all sections in the reporting exceptions  
5 but I am not certain of that.

6 MR. DUNCAN: No. Again, our authority to require  
7 reports at all, is found in Section 709(c). It says there,  
8 every employer subject to this title; it is fairly clear  
9 we would only ask it of employers who are subject to the  
10 title, and as Mr. Markham points out, it does go down, so  
11 it will include employers of 25 or more starting in 1968.

12 CHAIRMAN ROOSEVELT: May I just make a comment?  
13 I don't want to leave an impression that the General Counsel  
14 may have given, that automatically, as the coverage under the  
15 Act goes down from 100 to 75 or to 50, to 25, that automatically,  
16 the Commission must require reporting from the broader group  
17 each year. This is not just a question of desire. It is  
18 also a question of budgeting, of having the funds necessary  
19 to process, and then analyze the reports that will be received,  
20 and I want to point out that although the coverage and the  
21 definition of an Employer under the Act, beginning next  
22 July 1, will drop to 75, I don't want to leave the impression  
23 that the Commission automatically must and will require  
24 reports the second go-around from all employers of 75  
25 or more employees.

1 This is a question that will be decided in the 1968 budget  
2 and will be subject to review at that point. It is possible,  
3 if the funds are limited, that we might continue to require  
4 reports only from employers with 100 or more employees. So  
5 I just don't want to leave the impression that we will auto-  
6 matically go down. It will depend each year on what the  
7 budget permits us to do.

8 MR. LAYTON: William Layton, United States  
9 Department of Agriculture.

10 My question is: Will Federal contracting agencies  
11 continue to receive copies of the individual reports as in  
12 the case of SF-40, and that is subsequent to the preparation  
13 of print-outs.

14 What is likely to be the time factor here, as far  
15 as the transmittal of these reports to the contracting  
16 agency?

17 MR. MARKHAM: The report would be filled out in  
18 triplicate. One copy would be made available to the Office  
19 of Federal Contract Compliance. I presume they would make  
20 the individual report available to the contracting agency.  
21 If I am wrong, Mr. Sylvester can correct me.

22 There again, the time factor in the Federal  
23 contracts situation could best be answered by that office.  
24 I don't know their procedure completely.

25 MR. SYLVESTER: Let me just say for those who are

1 interested in the Government contract side of this, this  
2 joint effort does not anticipate any change insofar as the  
3 contracting agencies are concerned, and if anything, I would  
4 expect that we should be able to give more rapid service by  
5 this joint effort.

6 MR. LAYTON: I had not heard any mention of  
7 SF-41. That is to be eliminated, I understand.

8 Is it felt that the EEO-1 will fully cover the  
9 construction contracting area?

10 MR. SYLVESTER: SF-41 is being eliminated and  
11 it is not contemplated that this current form will fully  
12 cover the construction end of it.

13 MR. PEARSON: Did you expect to put out further  
14 guide lines as to what kind of jobs fall in under Section V,  
15 Craftsmen's Skill?

16 For instance, there seems to be a wide variation  
17 of opinion on this in the rubber industry. I believe a  
18 tire maker is one considered to be one of the highest skilled  
19 jobs; yet he hardly qualifies as having had an extensive  
20 period of training. In the electronics industry, inspec-  
21 tion is a very much of a key job and highly paid; yet the  
22 matter of training again could hardly be called extensive.

23 I wonder if you are going to give any more guide-  
24 lines to these occupational categories?

25 MR. MARKHAM: The description of the job category

1 in the instructions, was taken directly from Standard Form 40.  
2 I feel sure that if special problems arise in a given  
3 industry of this kind that we would be willing to consider  
4 the problem and issue guide lines that would be helpful  
5 to employers who are faced with the problem of interpreting  
6 these descriptions.

7 So the answer to your question is yes, there  
8 would be, if of course, we are advised what the problems  
9 are.

10 MR. PARKER: A. B. Parker, State Capitol Life  
11 Insurance Company, Raleigh, North Carolina.

12 Where there is a parent company employing  
13 more than 100 persons, of course we understand the record  
14 will be required not later than March 31, 1966; but where  
15 this parent company has a subsidiary or affiliate company  
16 with less than 100 employees, will a report, a second  
17 reporting, be required for that company?

18 If so, when? Or, for reporting services,  
19 will it have to be included with the parent company's  
20 report?

21 MR. MARKHAM: There would be. There is a require-  
22 ment in the case of a covered employer that he file reports  
23 for all his establishments. If the establishment, other  
24 than the parent, has more than 50 employees, the report  
25 must be filed for that establishment.

1           If there are establishments with less than 50  
2 employees, he may file an individual report for each of  
3 those establishments, or combine them on a state-wide basis,  
4 at his option.

5           Does that answer the question?

6           At the same time as the other parent company report  
7 is filed, and under the present proposal, there must be a  
8 consolidated report for the entire company, which would involve  
9 adding up the totals of all the establishment reports.

10          MR. LA TORRE: Marion LaTorre, Research Institute  
11 of America.

12          When Mr. Roosevelt said before, about companies --  
13 I am referring to Commissioner Roosevelt, Chairman -- that  
14 the companies with less than 100 employees may be subject  
15 to reporting requirements if the budget permits, now, if  
16 this does happen, would this be automatic or would there  
17 be another hearing? In other words, what would happen?

18          Suppose now, companies with 75 employees do come  
19 in? What is the next step?

20          MR. MARKHAM: There would be another hearing because  
21 we define "Employer" in our instructions, I think, as one  
22 with 100 or more employees. So if we -- if the Commission  
23 proposed to include those of 75 or more, we would have to  
24 call a public hearing and get the approval of the Budget  
25 Bureau under the Federal Reports Act.

1 MR. MONTGOMERY: Montgomery, A.C.F. Industries,  
2 New York.

3 Mr. Markham, when do you expect these final EEO-1  
4 forms to be ready to be handed out to industry and business?

5 What date?

6 MR. MARKHAM: Well, the record here will remain  
7 open for a week. The Commission will then consider the  
8 statements made in the record.

9 The Budget Bureau must still give its approval  
10 of the reporting system and the form. The forms must  
11 be printed and a final regulation must be published in the  
12 Register.

13 I can't give any exact prediction on that, as  
14 far as the EEOC is concerned. I presume your company has  
15 been filing under the Government Contract Program.

16 MR. MONTGOMERY: And Plans for Progress.

17 MR. MARKHAM: And Plans for Progress. Their  
18 part of the form of course, is not subject to public hearing  
19 but it would depend on the Budget Bureau approval of the  
20 revision.

21 We hope that it will be fairly soon. That is  
22 the best I can say.

23 MR. MONTGOMERY: A parallel question might be,  
24 if it is not ready in time for the completion by industry  
25 to meet this March 31 date, have you any consideration for

1 extending the due date?

2 This has been a problem for big companies to get  
3 all this information together.

4 MR. MARKHAM: Well, I would recommend to the  
5 Commission that an extension -- in that circumstance -- be  
6 granted. I cannot speak for the Commission nor can I speak  
7 for the Plans for Progress Program or the Government  
8 Contract Program.

9 MR. GRANNINGER: Granninger, Atomic Energy Commis-  
10 sion.

11 Is there no expectation that the government  
12 contractors will file shortly after the first of the year on  
13 the old Form 40 or the old EEO-10 form?

14 MR. MARKHAM: May I defer to the Government  
15 Contract representative on that question?

16 MR. SYLVESTER: Yes. Perhaps I can answer that,  
17 and a little bit of the previous question.

18 The Bureau of the Budget advises us that they  
19 expect that our submission for revision will be available,  
20 will be ready and approved by the end of this month, which  
21 means that hopefully by mid-January, these forms ought  
22 to be available. However, in order to insure against  
23 some unforeseen incident, we have published in the Federal  
24 Register a notice that in the event the form is not avail-  
25 able, the government contractors would continue to report

1 on SF-40 and the Plans for Progress would continue on their  
2 form.

3           ING CHAIRMAN HOLCOMB: Are there any further  
4 questions to Mr. Markham?

5           MR. SEARS: My name is Sears.

6           I have a question. Again, I don't want to belabor  
7 the point about establishments. Does this include separately  
8 incorporated divisions of a company?

9           Does a parent company have to report -- both  
10 parents have to report for both their interests in a joint  
11 venture?

12           MR. MARKHAM: May I ask Mr. Hammerman, who is  
13 our Chief of Reports, to answer that question?

14           MR. HAMMERMAN: Well, I believe that we have not  
15 really discussed this question and I believe the experience  
16 in the past has been that reporting has been on a basis  
17 of the Employer identification under Social Security; and  
18 I think that unless there is a legal interpretation other-  
19 wise, at the present time we will continue on those terms.

20           MR. HIGGS: I take it then that Civil Rights  
21 organizations could request this information from you?  
22 That is not the specific information but I mean in terms  
23 of geographical areas and so forth, that we discussed  
24 earlier, after it comes in, and since I take it this is  
25 going to be on a computer as I understand it, so it will

1 be fairly easy to supply the different statistics.

2 Is that correct?

3 MR. MARKHAM: That it would be --

4 MR. HIGGS: In other words, since you do have  
5 the information in a computer, it would not be like requir-  
6 ing -- if you asked for particular geographic areas and so  
7 forth, it would not be like you have to put a whole lot of  
8 your staff there to figure all this stuff up. It would not  
9 be that complex an operation.

10 MR. MARKHAM: In other words, if you wanted to  
11 know the employment patterns in a certain city, your question  
12 is, could a Civil Rights organization ask the Commission to  
13 provide that information.

14 MR. HIGGS: Yes.

15 MR. MARKHAM: And you suggest, because of the  
16 computer, it would be rather quickly obtainable.

17 MR. HIGGS: I would think that. I am asking you  
18 that.

19 MR. MARKHAM: I think it might be rather  
20 quickly obtainable, but as far as I know, there would be  
21 no legal prohibition against making public a set of  
22 statistics that did not identify an employer. Whether  
23 we would do so is a matter of policy that I think the  
24 Commissioners would want to consider.

25 MR. HIGGS: I just raised the question. It seems

1 to me it is very important.

2 MR. MARKHAM: But I know of no legal objection  
3 why a general statement of employment statistics in an  
4 area would not be available. It is a policy matter.

5 ACTING CHAIRMAN HOLCOMB: Any other questions?  
6 If not, the time is rapidly expiring on Mr.  
7 Markham.

8 Mr. Markham, may I suggest that you introduce  
9 members of your staff who are present, so each and every  
10 one can see them?

11 MR. MARKHAM: Well, Mr. Hammerman is our Chief  
12 of Reports.

13 We have two young ladies right here on what  
14 was the front row, with the red and white time cards.

15 Would you stand please?

16 Beverly Kissinger here, next to the aisle, and  
17 Betty Reynolds next to her.

18 Dr. Phyllis Wallace is our Chief of Technical  
19 Studies, who is in the room.

20 Is Mrs. Marshall here, or Miss Payne?

21 ACTING CHAIRMAN HOLCOMB: They are working!

22 MR. MARKHAM: They are minding the store.

23 ACTING CHAIRMAN HOLCOMB: Thank you very much,  
24 Mr. Markham; and we have no desire to suppress any question  
25 but in light of time we will move now toward the hearing.

1 but may I make an announcement that, to those of you who  
2 are members of the Press, there will be releases available  
3 outside the door.

4 Does someone have a comment back there?

5 Mr. Al Sweeney is here at the front, who is  
6 from the Office of Public Affairs, and like, I am sure, Mr.  
7 Gale or any member of that staff, will be happy to be  
8 of assistance to any of you during the day.

9 Now, may I add my personal word to those of  
10 Chairman Roosevelt's welcome to each of you here. I would  
11 apologize to those of you who are standing. If we had known  
12 you were coming, we would have baked a cake, but we could  
13 not anticipate the attendance, but we do regret any incon-  
14 venience that anybody may be experiencing, and we trust  
15 that as we continue through the day, that each will endeavor  
16 to speak where everyone in the room can hear you.

17 You have met each member of our Commission.  
18 You are mindful that this Commission was created by an  
19 Act of Congress. Each Member of the Commission was appointed  
20 by the President, and of course, approved by the Senate.  
21 So we do sit equally and so we have decided that by  
22 alphabetical order, that each member of the Commission  
23 would preside over a portion of this hearing. For the  
24 remainder of the morning, Commissioner Graham will  
25 preside; then beginning at 1:30, Commissioner Hernandez

1 will convene the hearing. A little bit later, Commissioner  
2 Jackson will conclude it.

3 So at this time, I turn it over to Commissioner  
4 Graham.

5 COMMISSIONER GRAHAM: Mr. Markham has a question  
6 to ask of you.

7 MR. MARKHAM: I just wanted to say we have had, I  
8 think, three requests from persons who are listed as speakers  
9 who have conflicting engagements or planes to catch. If  
10 we could just take a moment to rearrange the order of  
11 appearances.

12 COMMISSIONER GRAHAM: As you noted in those  
13 instructions, those of you who cannot speak in the order  
14 listed on this sheet that was on your chair when you came in,  
15 should now notify us and we will change this arrangement.

16 Do you have a tentative change now?

17 MR. MARKHAM: Well, if there is no objection,  
18 from the first speaker -- Mr. Davies, I believe -- and Mr.  
19 Rilling, we might call the three persons first who have  
20 indicated that they have other engagements or have a plane  
21 to catch.

22 The Construction Industry group as a rule, will  
23 be heard at 1:30.

24 If there is no objection to that procedure,  
25 I think we could accommodate these three gentlemen now.

1 COMMISSIONER GRAHAM: Okay.

2 Mr. Holmes of the National Urban League will  
3 be our first speaker.

4 STATEMENT OF ADOLPH HOLMES

5 NATIONAL URBAN LEAGUE

6 MR. HOLMES: On behalf of the Urban League,  
7 we are pleased to participate in this particular hearing, on  
8 what we consider to be a very significant portion of the  
9 implementation of the regulations, insofar as it pertains  
10 to equal employment.

11 It would seem to us that first, the collection  
12 of data has to be uniformly applied across the board;  
13 and second, that it should be not according to sample but  
14 a complete enumeration on those reporting.

15 There are many reasons for this, and I will try  
16 to just deal with two.

17 First, that it does a company good to know  
18 what its employment picture happens to be on a factual  
19 basis as opposed to a sampling basis, because samples some-  
20 times do not reflect the true picture and we all know what  
21 you can do with statistics if you collect them the way  
22 you want them to reflect what it happens to be.

23 So that first, therefore, it does allow a  
24 company to know where it is.

25 Secondly, it also allows for those companies who

1 are trying to comply with the thing that is correct,  
2 whether it be because of the law or not, to find out where  
3 they have to go.

4           Therefore, in terms of education, for you to find  
5 out what occupational trends happen to be, if we know what  
6 the employment records are, and we know the things that  
7 are necessary for training, and certainly, other elements  
8 on the Federal Government and Labor Department and its  
9 manpower development and training programs. If we are  
10 trying to live up to the Manpower Act of 1946, we would  
11 have to know where shortage occupations have to be, for  
12 those who are unemployed; and the kind of training neces-  
13 sary to get them to be employed.

14           Another aspect of this then, has to deal  
15 secondly with particularly, the minority group youngsters.

16           It is the kind of image that he must find as  
17 he seeks self identification. Now, the question also is  
18 raised many times, and particularly in our organization,  
19 as to where are the job opportunities? Where are the skill  
20 requirements? What training, therefore, is necessary.

21           If we want to talk about equality of opportunity  
22 in its truest sense, then these two things as they apply  
23 for employment, must be equal.

24           The reporting system therefore, insofar as that  
25 is concerned, will allow for this kind of activity. It is

1 my own personal opinion, and I think I reflect that of our  
2 agency, that perhaps the reporting system does not go far  
3 enough. It does not ask for the kind of questions that were  
4 alluded to earlier here, that Mr. Sylvester referred to,  
5 that is not anticipated.

6  
7 I think it is a question in a hearing, as to  
8 whether or not the overall application of that which is  
9 asked for, applies not only to those this year who are  
10 doing for 100, but the extent to which the law itself does.  
11 If we are going to have to be concerned with, we will do  
12 things in order to satisfy a budget, then I think we lose  
13 the idea and the reason why we are doing the thing.

14 Therefore, it would seem that we apply all the  
15 necessary ingredients to collect the data, to apply it;  
16 to interpret it properly and disseminate it to those where  
17 it becomes important to use in order to effectuate the  
18 change. If we get concerned about what we leave out,  
19 because of a budgetary item, we may wind up with no more  
20 than we have, and that is not the intent and purpose of  
21 such a reporting system.

22 Now, a second part that I would like to deal with  
23 of course, is the dissemination of information. Now, the  
24 question was raised earlier here and certainly this is one  
25 concern of ours, as to who gets the information. There  
seems to be some objection on the part of some, as to

1 whether Civil Rights organizations would get the informa-  
2 tion. I think it is more important that the community  
3 itself gets the information, so a community knows where it  
4 happens to be.

5 I think that the rapid dissemination of informa-  
6 tion not only to the Compliance people, who have to report,  
7 who are subject to some sort of violation, or some sort of  
8 penalty; but more importantly, that we look at where we  
9 are and where this country itself wants to go. So it is  
10 important in that sense then that we report the information  
11 to a community as it looks at itself and the things it has  
12 to do.

13 I think this will be far more important than to  
14 single out any particular segment of the community, trying  
15 to use the information to the detriment of anybody concerned.

16 Lastly, we would think that if the reporting system  
17 is to be effective, the question really comes on a state-  
18 wide application of the data, because many companies have  
19 in various locations, small operations. It would be more  
20 important to have it at a local rather than on a state-wide  
21 basis. State-wide bases at times, leave one to conclude that  
22 everything is rosy across the state when necessarily, it is  
23 not.

24 We believe very strongly that this should be  
25 evaluated as we consider the reporting and the dissemination

1 of the information, that it would be more local in order that  
2 it be more useful to the things that the data is being applied  
3 to.

4 We appreciate this opportunity to express our  
5 point of view, as to whether we believe the reporting  
6 system is necessary, valid, in its use; and some of our views  
7 about how it can be disseminated.

8 Thank you very much.

9 COMMISSIONER GRAHAM: Thank you, Mr. Holmes.

10 Mr. Holmes, could you stay? There is a five minute  
11 period allotted for questions to you from the floor.

12 MR. BATES: Robert Bates, Civil Service Commission.

13 Is it your opinion, Mr. Holmes, that the informa-  
14 tion on the report form should be submitted to anyone who  
15 wants the information?

16 You mentioned disseminating information on a  
17 local basis. I am wondering if you mean that the people  
18 in a community should be given an opportunity to know  
19 what the employment picture is in a particular industry  
20 or business in the community.

21 Should individual reports, in other words, be  
22 furnished to the general public, or disseminated to people  
23 who are interested in the employment picture in an individual  
24 company?

25 MR. HOLMES: I understand the question raised, and

1 if I, in any way, suggested that I feel if X company is  
2 the one that is told, I do not mean that at all.

3 I am more concerned with the patterns of  
4 what it is within the total community. I think there are  
5 discriminatory factors that should be utilized in the  
6 dissemination of information, but I believe that it behooves  
7 the Commission, or wherever its representation is, to dis-  
8 seminate that kind of information on what it is by an indus-  
9 try, not by a specific company.

10 Does that answer your question?

11 COMMISSIONER GRAHAM: Mr. Edelsberg?

12 MR. EDELSEBERG: I am Mr. Edelsberg.

13 Mr. Holmes, will you tell us the organization  
14 and function of your Urban League, for the record?

15 MR. HOLMES: The Urban League is a 55-year old  
16 Social Service Agency founded in 1910. Its primary purpose  
17 is, to express it in today's terms, to equalize the life's  
18 chances of minority group citizens in America.

19 It deals in four specific areas: Housing;  
20 Youth Centers and Education; Health and Welfare Centers;  
21 and Job Development and Employment.

22 I deal with that which deals with job development  
23 and employment.

24 COMMISSIONER GRAHAM: Thank you, sir.

25 The next speaker who has asked permission to

1 speak now, in view of an earlier departure, is Mr. Dwight  
2 Zook, the Corporate Director of Personnel Service;  
3 Commissioner of the California F.E.P.C.

4 Mr. Zook.

5 STATEMENT OF DWIGHT ZOOK, CORPORATE DIRECTOR  
6 OF PERSONNEL SERVICES  
7 AND  
8 COMMISSIONER, CALIFORNIA F.E.P.C.

9 MR. ZOOK: Thank you. I am Dwight Zook, the  
10 Corporate Director of Personnel Services, for North American  
11 Aviation.

12 What I have to say here represents the views of  
13 my company; not necessarily the views of Plans for Progress  
14 companies or any other companies. Naturally, I also  
15 represent to a large degree the attitude of the California  
16 Fair Employment Practice Commission but I would like to say  
17 that my views do not result from my being on that Commission.  
18 Rather, I think I am on that Commission because of my views,  
19 and I don't feel that they have changed since I have been on  
20 the Commission.

21 I have been with North American Aviation for 25  
22 years, and I feel that I represent the general policy of  
23 the company.

24 I agree with the statement made by Eugene  
25 Mattison of the Plans for Progress staff.

I agree with the preliminary statement by Mr.

1 Sylvester of the Contract Compliance Section, and I also  
2 agree generally with the statements made by Adolph Holmes  
3 of the National Urban League.

4 Now, my statements are influenced not only by  
5 the interest of my company in efficient and good business  
6 but also by the strong commitment of my company in promoting  
7 equal opportunity.

8 As was stated earlier by Eugene Mattison, we too  
9 are happy with the proposed form because it combines a form  
10 for the three different agencies, that we certainly have  
11 contact with and have to report to and work with.

12 We are happy with it because it ties in well with  
13 previous forms and there won't be any burden as far as we  
14 are concerned in changing our procedure and it will be  
15 helpful in making historical comparisons.

16 We think that making reports is a very basic  
17 part of good business. We do it for all other phases of  
18 business and certainly it should also be applied as far  
19 as promoting equal opportunity in order to give top manage-  
20 ment information to verify that practices are carrying out  
21 the policy established by top management.

22 I further say that few companies -- in fact,  
23 I know of almost none, including my own --- kept  
24 racial statistics prior to the requirement of it; made  
25 them on such a confidential basis prior to the time that

1 the law required it. So that actually, the incentive  
2 to make these reports both internally as well as the  
3 reports for the government, tend to follow the requirement  
4 by the government, which I think is all to the good.

5 I would like to comment just briefly on the matter  
6 of sampling.

7 Mr. Holmes commented on this. I think the  
8 principal point here is that the Federal contracting companies  
9 are already doing it and this covers a large portion of  
10 American industry. They are doing it on almost a 100 percent  
11 basis with the exception of the smaller contractors, and the  
12 principal advantage is the motivating factor involved in the  
13 reporting. If you have to report, you kind of want  
14 to make an improvement in your performance, and I think we  
15 have seen the history of this throughout the history of  
16 reporting racial statistics to government agencies.  
17 Without any complaints, or without any contact on the  
18 part of the government, the individual companies have been  
19 motivated to improve their performance in this area, merely  
20 following the reporting, as the reporting began.

21 We had some very interesting experience in the  
22 Aero/Space Industry. I believe it was when the President's  
23 Committee first made the requirement, where we opened up  
24 new opportunities in categories that had not been opened  
25 before, merely because we were required to report in these

1 categories.

2 I think on the matter of sampling, that if there  
3 is an interest to save ---and certainly the budget will be  
4 limited -- that the sampling might be done as the income  
5 tax is sampled. We all have to turn in reports, but we  
6 know that not all of the income tax reports are completely  
7 or exhaustively reviewed. But we never know whether it is  
8 going to hit us or somebody else. So the effect of the  
9 sampling review is very effective in that instance, and I  
10 think it can be in this instance.

11 I think it is absolutely necessary, in measure,  
12 to determine not only the current status of equal opportunity,  
13 industry by industry, and area by area, but it is very  
14 necessary to determine progress, which we all are very  
15 interested in.

16 I am a little amazed at the interest of some  
17 people in the Civil Rights movement wanting to take the  
18 color blind approach but I think it is very idealistic  
19 and unrealistic. The typical person that does the dis-  
20 criminating, knows very well what the race of the person  
21 is. He is usually the first line supervisor or the  
22 employment interviewer, but the policy maker in large  
23 organizations, does not know. He needs a report.

24 As I say, staff members don't need racial  
25 information to practice discrimination but top management

1 needs information to eliminate the practice of discrimination.

2 We already heard that the McCone Commission has  
3 recommended that all employers over a minimum amount be  
4 required to make reports to the California State FEPC  
5 and this grew out of a problem of getting this information  
6 from employers during the McCone investigation. The McCone  
7 Commission itself was unable to get a great deal of informa-  
8 tion that would have been very important to them in document-  
9 ing the status of progress in the field of promoting equal  
10 opportunity or the reverse, the status of discrimination  
11 in the State of California.

12 I think that racial reporting, racial statistics,  
13 are very important to an affirmative action program. As  
14 I indicated earlier, the reporting tends to follow rather  
15 than precede government regulation. I think even the so-  
16 called voluntary action tends to follow rather than precede  
17 government regulation. I think we need both but the  
18 government requirement tends to encourage voluntary action.

19 I believe that reporting and not record keeping,  
20 should be the emphasis; whether a company keeps a record  
21 makes no difference as long as they have the ability to  
22 report. In case of small companies, they can make  
23 a visual check once a year and make the report with no undue  
24 burden.

25 Large companies, of course, will have to include

1 it in their regular business systems. And I also believe  
2 that safeguards can be built into the system so that we  
3 can protect against abuse.

4 I would like to just quote from a recent statement  
5 that I made on the subject.

6 "Reporting of racial data is extremely important  
7 to affirmative action programs. Such programs could not get  
8 off the ground, much less survive, without pattern surveys.  
9 To discontinue the keeping of racial records or racial  
10 reporting, would only protect the usual discriminators;  
11 the foreman or first line supervisor, or the employment  
12 interviewer. Such persons don't need statistics to tell  
13 them the race of the applicant. They can observe first hand.  
14 Thus only top management and governmental regulating bodies  
15 are inconvenienced by the lack of racial records and reports.  
16 It would seem to me that after all these years of successful  
17 experience we have had in reporting racial data under Plans for  
18 Progress, Federal contracts, State F.E.C.s and various  
19 affirmative action programs, we should not regress to the  
20 unrealistic position of pretending to be color blind. Race  
21 is a fact. Discrimination is a fact. Racial pattern is a fact  
22 and to analyze and evaluate these facts, we need documenta-  
23 tion."

24 By the way, that was the position of the McCone  
25 Committee.

1           For these reasons, I strongly recommend that  
2 this Commission establish procedures that will encourage  
3 record keeping and reporting of racial data in line with  
4 the intent of Section 709-C of Title VII. Of course, we  
5 should make certain that race identification is kept separate  
6 from any records used for personnel decisions. We should  
7 also give due consideration for efficiency and general  
8 confidentiality.

9           The reporting of racial background should not be  
10 restricted to the post-employment situation, necessarily.  
11 Present employment data is also necessary and should be  
12 reported if it is relevant and necessary in determining  
13 patterns of discrimination, provided of course, that the  
14 identity of the individual is not divulged, and that  
15 such information is not used to discriminate on the basis  
16 of race, creed, color, or national origin.

17           My company and other companies, have made  
18 tallies of the intake at the employment office and find it  
19 very valuable in determining whether recruiting efforts  
20 and procedures are adequate. Many times, we do not have  
21 an intake that we should have in particular areas, and it  
22 causes us to correct the situation. There is no problem  
23 in these cases, because there is no identification as far  
24 as individuals are concerned.

25           There is no pre-employment inquiry, and there

1 is no embarrassment on the part of the individual applicant  
2 that is concerned.

3 That concludes my statement. I am available for  
4 questions.

5 MR. PEARSON: Pearson from Polaroid Corporation.

6 Is it your understanding that California pass  
7 a local reporting provision; that it then -- the California  
8 reports -- would preempt the field and the EEOC, the field  
9 level, would not request reports from California companies?

10 MR. ZOOK: I think that is a question you have  
11 to refer to the Commission. Mine would only be an  
12 opinion. I would hope that would be true, being in  
13 California.

14 COMMISSIONER GRAHAM: Well, it is stated that  
15 if the information that would be obtained by such a report  
16 is substantially the same as requested in Form 40, it  
17 would satisfy. If it did not, we would ask that the  
18 information provided on such a report, be sent to us in a  
19 copy but with notations providing the additional information  
20 called for on a Form 40.

21 Incidentally, other members of our staff here,  
22 who hear replies made by one or more of us, who would like  
23 to add something, are certainly free to do so.

24 Thank you very much, Mr. Zook.

25 The third person who asked to speak in advance

1 of the regular schedule is Mr. Higgs of the Student Non-  
2 Violent Coordinating Committee.

3 STATEMENT OF WILLIAM HIGGS  
4 STUDENT NONVIOLENT COORDINATING COMMITTEE

5 MR. HIGGS: Mr. Chairman and members of the Equal  
6 Employment Opportunity Commission, I am William Higgs,  
7 Director of the Washington Human Rights Project, and I am  
8 testifying for Marion S. Barry, Jr., Director of the  
9 Washington office of the Student Nonviolent Coordinating  
10 Committee. This is Mr. Barry's testimony on behalf  
11 of the Student Nonviolent Coordinating Committee.

12 STATEMENT OF MARION S. BARRY, JR.

13 As you know, we in the Student Nonviolent  
14 Coordinating Committee are greatly concerned and involved  
15 in trying to eradicate discrimination, segregation and poverty  
16 throughout this country, and certainly no area is more  
17 important than that of equal job opportunities for Negroes,  
18 poor people, and women.

19 We would like to offer our comments on the proposed  
20 employer reporting requirements. First, let me say that we  
21 welcome the Commission's proposals and they come at a most  
22 needed time. Generally we agree with the Commission, but  
23 we would like to comment specifically on some of the pro-  
24 posals.

25 We would like to begin with the most controversial  
area -- record keeping by employers. In their proposed

1 regulations, the Commission says that "Employers may acquire  
2 the information necessary for completion of items 5 and 6  
3 of form EEO-1 either by visual surveys of the work force  
4 or at their option, by the maintenance of post-employment  
5 records as to the identity of employees." We don't  
6 feel that the Commission goes far enough. The Commission  
7 should not allow an option, but should require, particularly  
8 those companies that have automated equipment to keep post-  
9 employment records by race. It would be a simple matter to  
10 keep the records separate from the personal records. We  
11 know that this head count method is not nearly accurate  
12 enough. Not only is it costly, but in this day and age, and,  
13 with Negroes ranging in color from jet-black to snow-white  
14 --- how can one always tell who is a Negro?

15           Furthermore, it is impossible all of a sudden to  
16 become color blind after 300 years of color consciousness.  
17 If we are to make progress, we have to know exactly where  
18 we are and not where we think we are. Companies have to  
19 make a conscious effort to make up for the past injustices.  
20 There are companies that want to do this and they should be  
21 encouraged to do so.

22           I know there are those who say that, "Oh, we can't  
23 go back to the old days when race on an application or post-  
24 employment record kept a Negro from advancing." They also  
25 say this is what will happen now. This is ridiculous ---

1 there is no comparison. In the old days there was no way  
2 for a Negro to get justice in employment. There were very  
3 few state FEPC's and certainly no Federal Equal Employment  
4 Opportunities Commission to try to help solve discrimination  
5 problems. I would agree that racial records should not be  
6 kept unless they are used in a positive way, that is, to see  
7 where discrimination exists and where it doesn't. And then,  
8 of course, the necessary steps should be taken to eliminate  
9 it.

10 The previous gentleman commented on that. Essen-  
11 tially, we agree with what he said. It is the local situa-  
12 tion -- it is the company that is going to know far more as  
13 to the racial complexion of its employees; whereas people  
14 such as the Commission and Civil Rights organizations  
15 and others, people interested in this information, and in  
16 the general statistics of the information who obviously,  
17 are not going to be able to have it. The origin of  
18 the idea of not putting race on an application form, and  
19 this sort of thing, came about when you have for example,  
20 in the south, in Mississippi and Alabama, where you have  
21 people registered to be voters. They put either "W" for  
22 "White", or "N" for "Negro", so that when they start putting  
23 them on a jury box, they can decide -- they can put all the  
24 whites on there.

25 Of course, they have a more complicated system for

1 doing it now but at any rate, that is the origin of that sort  
2 of thing, and those reasons, obviously, do not apply. The  
3 opposite applies.

4 Also, the keeping of post-employment records by  
5 race makes it much easier to investigate. What would an  
6 investigator do if he went to a large GM or GE plant and  
7 had to go around and do a head count with company employers?  
8 Just think -- thousands of employees to head count. Not only  
9 is this a waste of valuable time, but again, it is not an  
10 accurate method.

11 In addition, it is pure poppycock to think that  
12 just the absence of race on a form keeps employers from  
13 discriminating. We only have to look at our Federal Govern-  
14 ment. It stopped using race and stopped keeping records and  
15 requiring photos many years ago, but is there no discrimina-  
16 tion? The answer is a loud no. One only has to look at a  
17 recent report prepared by the U.S. Civil Service Commission  
18 on "The Study of Minority Group Employment in the Federal  
19 Government." The employment figures are appalling. Agencies  
20 such as the Selective Service System, Interstate Commerce  
21 Commission, and the Federal Home Loan Bank Board, have no  
22 Negroes employed in GS 12-18 or other agencies such as the  
23 Department of Justice and the Department of Agriculture, which  
24 have miserable equal employment records in these grade levels.

25 We know that companies can discriminate if they

1 want to. Very seldom is a person hired without a personal  
2 interview or very seldom is he promoted without the recom-  
3 mendation of the foreman or supervisor. Surely they know the  
4 race of a person. Therefore we think it is necessary for  
5 companies to realize it is to their advantage to take positive  
6 action in this area. They can no longer do it only because  
7 it is the law, but because it is profitable and because it is  
8 the right thing to do.

9 Now to the reporting form itself. We think that  
10 the 13 items asked are sufficient at this time. But we would  
11 like to comment on a few of them.

12 Since the Commission is new and is developing the  
13 necessary machinery to process the large number of employment  
14 records, we think that the 9 job categories under 5A are pro-  
15 bably sufficient at this time. However, we would urge the  
16 Commission to consider a more detailed breakdown of the  
17 job categories that would include questions about salaries  
18 in certain job areas. We say this because it is not enough  
19 to know that Negroes and women are employed in certain  
20 categories, but we need to know if Negroes are making the  
21 same amount of money as a white person with equivalent  
22 qualifications. In some instances, labor unions do not  
23 tolerate this separate pay scale, but there are discriminatory  
24 unions who just don't care. And of course, non-union  
25 employees are often at the mercy of employers who consciously

1 pay less to Negro workers than to white workers. We know that  
2 a more detailed breakdown would require a more sophisticated  
3 reporting system but with the sophisticated electronic equip-  
4 mment that is now available -- and I understand it is in use  
5 here -- we are sure this problem could be overcome.

6 Item Number 9 is very important in that the  
7 Commission needs to know what labor organizations are involved  
8 with the company or unit -- for we know all too well how  
9 unions have passed the buck to the company and the company  
10 passed the buck back to the unions. We also know that a  
11 number of labor unions which are themselves discriminatory  
12 make up a large part of the problem. The Commission needs  
13 to know who the real culprits are.

14 We greatly welcome item number 10. We support  
15 the Commission whole heartedly in asking for information about  
16 the employee facilities. We know there are many companies  
17 in the South that still have separate rest rooms, lunchrooms,  
18 etc., for Negro employees while professing not to dis-  
19 criminate in employment against Negroes.

20 We would like to comment too on proposed instruc-  
21 tions accompanying the form. We agree completely with the  
22 Commission in requiring employers to file a report for each  
23 reporting unit and all employees of the company in the 50  
24 States and the District of Columbia as well as a consolidated  
25 report. This is an absolute necessity. There are many  
companies that have good hiring records in the north or in

1 some states or at some units but not at others, particularly  
2 in the South. We know of many companies that fit in this  
3 category. The Commission needs to know exactly how a speci-  
4 fic unit looks. There is no other way to do it except by  
5 requiring information on individual units in every state.  
6 If the Commission is really going to enforce Title VII  
7 it must require this.

8 The Commission is requiring every company with a  
9 force of 100 or more employees to file a reporting form.  
10 This, too, is a necessity.

11 We have heard that some people feel that the  
12 Commission should not require all companies to file a form  
13 but should take random samplings. This is not only  
14 ridiculous but absurd. Discrimination is not a random thing  
15 or just here or there but all over. Discrimination is not  
16 a statistic and can not be handled that way. We are  
17 talking about human beings. Furthermore, we reject the  
18 argument that this is too much paperwork. This too, is  
19 ridiculous. If men can devise ways of having Gemini 6 rendez-  
20 vous with Gemini 7, surely a little problem such as this  
21 can easily be solved.

22 We need to know about every company. Therefore,  
23 the Commission is right in insisting that every company  
24 fill out a reporting form.

25 We would also like to argue that the employment

1 eventually include a device for measuring future job needs  
2 in expanding industries and skilled labor positions. We  
3 understand that the Bureau of Labor Standards presently makes  
4 some kind of assessment of job needs which presumably are  
5 used by manpower development programmers to launch specific  
6 training programs. Still, we know that there are instances  
7 where individuals participate in MDTA programs and cannot  
8 find jobs to utilize their new skills and that there are  
9 only a few MDTA programs designed to train minority groups  
10 in highly skilled job categories. It appears to us that  
11 EEOC should play an increasing role, in conjunction with  
12 the Department of Labor, in designing programs to increase  
13 minority group employment which go much further than simply  
14 investigating and conciliating specific complaints of dis-  
15 crimination.

16 Finally, we would urge the Commission to use the  
17 records to find patterns of discrimination in certain companies  
18 or industries. We would further urge the Commission to file  
19 commissioner suits where such patterns exist.

20 Of course, the provisions are in the law,  
21 where a Commission can file a very, very broad scale  
22 suit, if necessary, where such patterns may appear, for  
23 example throughout the south; and of course, let me also  
24 add in regard to those suits, as I read the law, if the  
25 Attorney General comes in and files a very broad suit,

1 it can be done very quickly and very fast, without the  
2 delays that might be consequent in other types of procedures.

3 In addition, the Commission must maintain and  
4 strengthen its determination to enforce Title VII. If the  
5 records gathered by the Commission are going to gather dust,  
6 then there is no need to require them.

7 And furthermore, we would urge the Commission  
8 to seek additional strengthening legislation and money so  
9 that it may do its job more effectively.

10 Now, I have a couple of comments in addition  
11 to the prepared statement which will take just about 60  
12 seconds.

13 COMMISSIONER GRAHAM: Yes.

14 MR. HIGGS: Thank you very much, Mr. Chairman.

15 We certainly support what the gentleman from  
16 the Urban League has said very well, that not only, of  
17 course, your Civil Rights organizations have the informa-  
18 tion as to their particular county or city or whatever it  
19 may be in terms of those industries and plants there but  
20 also, the community should have them where the community  
21 may not be to some degree, synonymous with the Civil Rights  
22 organization. Obviously, both of those elements should  
23 definitely be in consideration here.

24 I might add that several of us went to the  
25 Office of Education before their regulations went out in

1 terms of compliance, and we knew they were going to have  
2 problems enforcing all these things statistically with  
3 all these forms coming in and this sort of thing. We sug-  
4 gested at that time, way in advance, that these forms be made  
5 available. Of course, in this case, it would be the general  
6 statistical information could be made available to the local  
7 communities so they can help with the policing because they  
8 know best. They are the ones who suffer from it.

9 COMMISSIONER GRAHAM: That is the time, but there  
10 will be some questions. You may definitely get the rest  
11 of this in.

12 MR. HIGGS: Could I beg you for 30 seconds?

13 COMMISSIONER GRAHAM: Surely.

14 That is a question.

15 MR. HIGGS: All right. Of course, we are having  
16 just too many problems, the Student Nonviolent Coordinating  
17 Committee thinks, with Civil Rights Acts that are not being  
18 enforced, and we really have to look at the enforcement.  
19 We have the legislation; let's enforce that legislation.

20 We would hope that very effective posting require-  
21 ments would come out very soon from the Commission for all  
22 the plants so everybody will know what their rights are. It  
23 is a little different from the reporting. We also would think  
24 the forms should include the statement, as the income tax  
25 form does, about criminal penalties for false reporting.

1           COMMISSIONER GRAHAM: I think if we are going to  
2 keep to our schedule, through the rest of the day, we  
3 should stop at the end of the allotted period. That is  
4 another 40 seconds. There is one question I know, which  
5 Mr. Markham has.

6           MR. MARKHAM: If I understand you correctly,  
7 you say that the Commission should require the keeping of  
8 records of racial identity, whether on automatic data  
9 processing or not. If, as you say, the visual survey is  
10 inaccurate, how would you propose gathering this informa-  
11 tion for the purpose of putting it on a record?

12                   How would the employer gather this information  
13 to maintain such a record?

14           MR. HIGGS: I think what Mr. Barry means by that  
15 is to actually have a specific form from which this report  
16 is made in the office, which is kept up. In other words,  
17 they have something written down; they cannot just say,  
18 "We visually report it", but I mean they have a form there,  
19 where they keep these records -- say each month or so.

20           MR. MARKHAM: Does he suggest that the employee  
21 be asked what his race is, if there is a question? If it  
22 is not obvious?

23           MR. HIGGS: Well, of course --

24           MR. MARKHAM: Or would they make a visual survey  
25 and record their impression on the card? That was not clear

1 from your statement.

2 MR. HIGGS: I think the former is -- as I say,  
3 that part in particular is Mr. Barry's presentation, but  
4 I think the form is what he has in mind; that the employee  
5 himself have an opportunity at least to either check or to  
6 originally, initially, give that designation. That is personal  
7 to him, really.

8 MR. CIRCLE: Circle, Belcher Oil Company.

9 In your statement, you used the words, "We need  
10 to know about every company."

11 I assume this is the S.N.C.C. that needs this  
12 information. For what purpose would you need it?

13 MR. HIGGS: Well, I think prior discussion has  
14 made it clear, but I think that the antecedent should be  
15 spelled out. What it means to say is the Commission.

16 MR. CIRCLE: Then the terminology should be  
17 the Commission rather than "we", is that right?

18 MR. HIGGS: Where are you referring?

19 MR. CIRCLE: That is on page five, the third  
20 paragraph.

21 MR. HIGGS: Let me spell that out; maybe that  
22 would be helpful to you.

23 We, obviously, would like specific information  
24 to be able to get it on every company in the country. I  
25 think it is quite clear from the statute that the specific

1 report from each company is not available. I think that is  
2 what the statute says. So I think we probably have to read  
3 this as saying, that the Commission needs to know about  
4 every company and should insist that it fill out a reporting  
5 form, and then that it should make this information available  
6 in specific form. That is, above the level of the individual  
7 report. I think prior discussion clarified that.

8 MR. CIRCLE: On a company basis? I think this  
9 has been discussed before, it should not be on an individual  
10 company basis.

11 MR. HIGGS: The law says individual company reports  
12 are not available. This is in the law.

13 MR. CIRCLE: Thank you.

14 COMMISSIONER GRAHAM: Further questions?

15 If not, thank you very much, Mr. Higgs.

16 MR. HIGGS: Thank you very much, Mr. Chairman.

17 It has been a real pleasure.

18 COMMISSIONER GRAHAM: The next person on our  
19 schedule -- and we now begin on the regular schedule --  
20 is Mr. Davis of the American Telephone and Telegraph  
21 Company. Mr. Davis?

22 Mr. Davis is not here. We will then move to Mr.  
23 Rilling, who represents the District of Columbia Commission  
24 on Human Rights. Although the Construction Industry Joint  
25 Conference is shown as the next representative, they will

1 appear -- several members of this body -- directly after  
2 lunch.

3 STATEMENT OF PAUL RILLING, EXECUTIVE DIRECTOR  
4 DISTRICT OF COLUMBIA COMMISSION ON HUMAN RIGHTS

5 MR. RILLING: Mr. Chairman, Members of the Commission,  
6 I am Paul Rilling, Executive Director of the District of  
7 Columbia Commission on Human Rights.

8 My statement will be brief, and I hope, to the  
9 point.

10 The District Commissioners Council on Human  
11 Relations, the administering agency for the District of  
12 Columbia Equal Employment Opportunity regulation, strongly  
13 supports and endorses the proposed nation-wide employer  
14 reporting system being considered here today.

15 The proposed reporting form and procedures seem  
16 to us to be simple and practical. This system will eliminate  
17 duplicate reporting requirements for employers now reporting  
18 to Federal contracting authorities, or to Plans for Progress  
19 by extending the coverage of reporting to all employers  
20 covered by Title VII.

21 The system will add greatly to our present  
22 knowledge about the patterns of minority employment throughout  
23 the country. We have just one concern about the coverage of  
24 the reporting requirement and that relates to the limitations  
25 of reporting by government contractors to those who subcontract

1 or contract amounts to \$50,000 or more, for most circum-  
2 stances; \$100,000 or more if solely for commercial supplies  
3 and raw materials.

4 We think this would be a good opportunity to re-  
5 examine this limitation, carried over from the reporting  
6 requirements of the old Committee, and that there is no  
7 particular reason why all companies covered by the non-dis-  
8 crimination requirements under government contracts, should  
9 not be covered also by these reporting requirements.

10 Our agency has a particular interest in this  
11 reporting system. For the District of Columbia, the EEO  
12 regulation does not provide for such reports. It simply states  
13 that employers covered by both Title VII and the District  
14 regulation, shall submit to us, any reports that may be  
15 required by the Equal Employment Opportunity Commission.  
16 Action by this Commission therefore, is important to  
17 an effective effort at the local level here in Washington.

18 We believe that a reporting system is basic to  
19 the effective implementation of Title VII and of our  
20 local EEO regulation.

21 The experience of 20 years of FEP legislation  
22 at the state and local level demonstrates that equality  
23 of opportunity cannot be achieved through the processing  
24 of complaints alone. Complaints come in a random fashion.  
25 They do not necessarily reflect the major problem areas in

1 employment. A nationwide reporting system will provide vital  
2 information about our problems and our progress. It will enable  
3 business and government to develop an affirmative action prog-  
4 ram to come to grips with specific situations which may be  
5 limiting employment opportunity in certain industries or  
6 occupational categories.

7 If you follow the pattern of FEP administration  
8 at the state and local level, you will probably devote most  
9 of your staff resources to the handling of individual  
10 complaints. Your most effective progress however, we  
11 suggest, will come through the treatment of general problems,  
12 pattern problems, wherever they may be found. For this  
13 effort, specific employment information is essential.

14 Thank you.

15 COMMISSIONER GRAHAM: Thank you, Mr. Rilling?

16 Questions?

17 (None)

18 Thank you very much, sir.

19 Our next speaker is Mr. J. Godfrey Butler,  
20 Vice President of the District of Columbia Transit Company.

21 MEMBER OF AUDIENCE: Mr. Butler is delayed on a  
22 hearing of his own on a fare increase, and unable to present  
23 his statement.

24 COMMISSIONER GRAHAM: All right.

25 Our next speaker is Mr. Morris Friedson, who is

1 Personnel Director of Drug Fair.

2 Is Mr. Friedson here?

3 MEMBER OF AUDIENCE: Mr. Friedson is not here this  
4 morning, and there is no speaker for Drug Fair in his behalf.

5 CHAIRMAN GRAHAM: Following that, Mr. Emanuel  
6 Muravchek of the Jewish Labor Committee. He will be here  
7 this afternoon.

8 Mr. Willis Bullard, of Kelly Girls.

9 STATEMENT OF WILLIS BULLARD (PRESIDENT)  
10 OF KELLY GIRLS

11 MR. BULLARD: I have heard some criticism from  
12 some people that the Commission does not have enough authority  
13 in the way of enforcement. I would like, however, to thank  
14 the Commission for giving me a promotion to the presidency  
15 of Kelly Girls Service. I am sure that the Chairman of the  
16 Board and the President and the Executive Vice President  
17 who are back in Detroit, will be quite interested when they  
18 see this list of appearances and you may be sure that I  
19 am going to destroy my copy before I return.

20 I want to say this as a preliminary matter. I  
21 have no comment to make upon sex. I think I am the first  
22 one today to have used that three-letter word. We do  
23 of course, when we send out a Kelly Girl, it is going  
24 to be a real shock to some customer when he finds a man  
25 appearing as a Kelly Girl!

I am here not only representing Kelly Girls Service

1 but also a number of other so-called temporary business  
2 services. I think that perhaps just very briefly, I might  
3 describe how we operate.

4 We are essentially contractors of personnel, and  
5 our business is to operate it pretty much on this basis.  
6 This is true, I think, of all of the temporary services.  
7 Naturally, before we hire someone, we have to look them  
8 over. They have to come in to our office and they have to  
9 pass certain tests: typing, clerical tests, shorthand,  
10 bookkeeping, or whatever the particular skill may be. Based  
11 upon those skills, we then assign them to our customers,  
12 and right now, I will say to you that if any of you have  
13 any friends who would like a job, we will be glad to see  
14 them, regardless of race, color, religion or again, sex.

15 After that first interview, except for an up-  
16 dating of the records as far as skills are concerned,  
17 where for instance, a girl or man has maybe increased their  
18 proficiency in shorthand, or proficiency in typing, of what-  
19 ever it may be, and requests an upgrading of her classifica-  
20 tion, except for that, it is pretty much done over the  
21 telephone.

22 Now, to show you the difficulties which we  
23 encounter, in the year 1965, just one company that I  
24 represent, will employ more than 100,000 different people  
25 and it is obviously -- with that volume -- impossible for

1 us to make a visual inspection for the purpose of this  
2 reporting requirement due to the fact that most of the work  
3 that we do is done on the premises of a customer.

4 Now, we may have several dozens, or even hundreds  
5 of Kelly employees on an assignment with a particular customer.  
6 Also, we have thousands of customers where there is perhaps  
7 one Kelly girl employee assigned. The result is that, as  
8 I say, it would be impossible for us to make the visual  
9 determination of race.

10 Now, the various temporary services, such as Kelly,  
11 are considered by all of the legal authorities to be employers.  
12 So that we are quite different and distinct from an employ-  
13 ment agency. That has been held by the Internal Revenue  
14 Service for the purposes of Social Security withholding,  
15 by the various State Unemployment Compensation Commis-  
16 sions, by the Attorney Generals of a number of states,  
17 and by one State Supreme Court decision.

18 Now, I would assure the Commission that we want  
19 to cooperate and every organization in the industry that  
20 I know of, is very anxious to cooperate. We are not  
21 interested in what color the applicant may be. We are  
22 interested in whether or not the applicant can do a job which  
23 will result in repeat business from the customer for our  
24 company, and as I said, we are in a very tight labor market  
25 as all of you know and we are now out beating the bushes

1 trying to get qualified people.

2 Now, we do have this problem: because of the  
3 fact that our assignments are done over the telephone; due  
4 to the fact that in order for us to tell whether a particular  
5 person has the required skills, we, and I think all of the  
6 other temporary services, dispatch by means of an applica-  
7 tion form which is in the personnel file. We have to match  
8 up the skill with the skill which is required by the customer.  
9 We have to match up the area. For instance, in a city  
10 like New York or Los Angeles, you cannot assign a girl  
11 to a customer that is across town. It just is not possible  
12 to do that. The result is that we have never quoted, nor  
13 shown race. We have shown sex in some cases where we have  
14 male stenographers, but we have not shown any coding for  
15 race due to the fact that we are operating in some 40-odd  
16 states, and in a great many of them, there are Fair Employ-  
17 ment Practice laws which prohibit what we always understood  
18 until recently, was any designation of race, which we now  
19 understand, prohibits only a pre-employment inquiry or  
20 record.

21 However, because of the method by which we have  
22 to operate, what would normally be a post-employment record,  
23 in our case; while technically the person may be an  
24 employee, it is a continuing assignment type of thing.  
25 So that I think the most analagous thing would be the matter

1 in the case of an upgrading or a promotional type of thing.

2 Now, I think that the only thing I want to leave  
3 with the Commission, outside of my mentioning sex, would  
4 be that I think that the regulations as they are proposed,  
5 are adequate. I would not want to see any regulation which  
6 would require a head count, for the reasons I have men-  
7 tioned, and further, I would like to see the Commission  
8 keep the discretion to treat individual industries a  
9 little different, such as in our case, in the case of  
10 the industry I am here representing. And I think that you  
11 do have that discretion under your proposed Paragraph  
12 - Section 1602.13, unless the word "identity" means an  
13 actual name and designation of race.

14 Now, it says that employers may acquire the  
15 information necessary for completion of items 5 and 6 of  
16 form EEO-1, either by visual surveys of the work force, or,  
17 at their option, by the maintenance of post-employment  
18 records as to the identity of employees where the same is  
19 permitted by state law.

20 That is where I hope that the Commission will  
21 interpret that to mean that they have discretion to make  
22 variations in these requirements.

23 That concludes my statement, Mr. Chairman.

24 COMMISSIONER GRAHAM: Any questions?

25 I might ask one -- or answer one, if you would

1 ask, and that is that Section 4(c)6 of the proposed  
2 rule making here, does say that if your business or your  
3 industry has a special problem similar to that of Mr.  
4 Bullard, that if you will submit to the Commission a  
5 specific proposal on how you can -- how reporting would  
6 best apply to your particular business or industry --  
7 the Commission will be very receptive to such suggestions.

8 MR. HAMMERMAN: Mr. Bullard, I understand that  
9 when you say you want to have discretion, are you implying  
10 that you want to have discretion to make a tally?

11 MR. BULLARD: Yes, that is true. What we have in  
12 mind is keeping a tally of all applicants, and those that  
13 are assigned, which will I think, give the Commission the  
14 information it wants; at the same time, it will permit us  
15 to keep records which will not get us into trouble with the  
16 various State Commissions and at the same time, will, I  
17 think, result in getting our own management to work this  
18 problem out.

19 Again, someone else who spoke before me, mentioned  
20 the question that sometimes there is a difference between  
21 policy at the top level, and practice at the level of the  
22 first line supervisor; and that is, I think, an educational  
23 thing, which not only Government can help with, but it is  
24 an educational thing which each of us in our own companies  
25 must tackle, and solve and we attempt to do that. We

1 have asked for various reports from our managers, from our  
2 various branches, in addition to those that are required  
3 by Government, which makes them grumble because they  
4 don't like the extra work but at the same time, we are  
5 trying to keep tabs on them.

6 For instance, we have reported on Form 40 for  
7 the last several years and we were not too satisfied with  
8 the results of the reporting which we filed in the early  
9 part of 1964, as a result of which, we went through the same  
10 procedure that would be required for the filing of Form  
11 40 in the early part of 1965, even though that was not  
12 required to be filed with what was then the President's  
13 Committee. But I think that it is an educational process,  
14 not only from the standpoint of government, but also an  
15 educational process from the policy making level down to  
16 the man on the firing line. That is not very apt saying  
17 that -- on the firing line -- I guess.

18 Any further questions?

19 (None)

20 Thank you very much.

21 COMMISSIONER GRAHAM: Thank you very much, Mr.

22 Bullard.

23 The next speaker will be Mr. Frechman from the  
24 National Employment Association.  
25

1 STATEMENT OF BERNARD FRECHTMAN, ESQ.,  
2 NATIONAL EMPLOYMENT ASSOCIATION

3 MR. FRECHTMAN: My name is Bernard Frechtman.

4 I am General Counsel for the National Employment Association.  
5 It could not really have been planned better, that I should  
6 follow Mr. Bullard, although it occurred alphabetically.

7 The National Employment Association represents  
8 thousands of fine employment agencies throughout the  
9 United States. As of right now, the record keeping require-  
10 ments as proposed by the EEOC do not include the permanent  
11 employment agencies within these requirements. However,  
12 there are hundreds of temporary services that are operated  
13 either in conjunction with private employment agencies,  
14 and side by side with them in the same offices, as well  
15 as independent agencies, temporary services, that do not  
16 reach the scope or the size or the volume of business, as  
17 represented by the Kelly Girls, Man Power, Employers  
18 Overload, and some of the others with which you are all  
19 familiar.

20 The suggestion that Mr. Bullard makes in keeping  
21 a talley, I think, is going to create a problem which  
22 will not satisfy his request that the temporary services  
23 be able to comply with the requirements of EEOC and  
24 simultaneously not get into trouble with the state agencies.

25 It is impossible, as a practical matter, for any

1 kind of a calculation or talley to be made at the time that  
2 an applicant becomes a registrant, and prior to the first  
3 time that that registrant goes out and actually sits down  
4 at a desk to do a job without being in violation of the law  
5 which prevents you and prohibits your making a pre-employment  
6 inquiry.

7 Any kind of a mark, any kind of a record, any kind  
8 of a coding that would indicate the racial characteristics  
9 of an applicant or even a registrant, until such time as  
10 that person is actually engaged in employment and on the pay-  
11 roll of the temporary service, that person, and any inquiry  
12 made of that person, as to racial characteristics, and  
13 any record made of that person, as to racial characteristic,  
14 would be a pre-employment inquiry forbidden by the law.

15 As a matter of fact, this question was dealt with  
16 in the State of New York some four years ago when a  
17 temporary service was accused of violating the statute --  
18 the State statute -- together with the employer-user,  
19 both of whom were respondents in the case, the accuser  
20 being an applicant or registrant for employment, and as  
21 a result of the case, a statement was made by the Commission  
22 which appears in their report of progress for 1961, in  
23 which they noted their disapproval of the practice by a  
24 temporary office service, of coding, as in this case, but  
25 whether you did it in coding or whether you made a clear

1 characterization it would not make any difference. A coding  
2 is registration card, and making it possible to identify  
3 its registrants by color, and the ruling of the investigating  
4 Commissioner was deemed to be of such industry-wide interest  
5 that it was widely publicized within the industry and  
6 made clear that its application in this particular case,  
7 was also applicable to the entire industry.

8 Now, I have not comewithout a suggestion to the  
9 Commission in this connection. Although for all purposes,  
10 the temporary services have been defined as being Employer for  
11 Minimum Wage and for Withholding taxes and for Unemployment  
12 Compensation, and for Workmen's Compensation and for Social  
13 Security, and for all of the other myriad of agencies or laws  
14 under which they fall, they do not, however, do the one  
15 important item that really makes them truly an Employer.  
16 They do not have the direction and control over the actual  
17 operation of that particular registrant. I use "registrant"  
18 for the distinctive purpose between the person who is  
19 actually on your payroll, as opposed to the individual  
20 on the temporary service payroll when it comes into your  
21 office to relieve some of your seasonal or other problems.  
22 That individual is under your direction when that applicant  
23 is working. So in effect, as a practical purpose, the  
24 temporary service is really obtaining employment opportunities  
25 for work. They are providing work for individuals and they

1 are providing you with individuals. Functionally, except  
2 for the other markings of being an Employer, they are doing  
3 really nothing more than that which an employment agency  
4 does and I am suggesting to the Commission, that for the  
5 purposes of record keeping, the temporary services be  
6 specifically excluded on the basis of this functional defi-  
7 nition of what they do because there is an inherent danger  
8 in permitting any kind of record keeping of racial characteris-  
9 tics at the outset of the employment of the temporary employee.

10 In the first place, there is a serious question  
11 as to whether or not they would be in violation of other  
12 state laws and you may very well and very easily place them  
13 in the position where they are going to have to ignore one  
14 or the other of these requirements; and I dare say, it would  
15 be readily apparent as to which one they are going to deal  
16 with first, and it is of course already clear in the State  
17 of New York, that temporary services may not make this  
18 kind of record.

19 Incidentally I might say that the record --  
20 when they refer to maintaining this record --- they are refer-  
21 ing to it even after the so-called employment, and as a  
22 continuing relationship because at any time during this  
23 employment, so-called, or registration, as Mr. Bullard said,  
24 this particular employee or registrant is called on the  
25 telephone and has sporadic employment, and I would suggest

1 that this kind of record keeping would violate the intention  
2 of what is attempting to be accomplished here by the  
3 Commission, unless -- and this is a big unless -- there is a  
4 turn-about in the conception of record keeping requirements  
5 in the pre-employment period, and as I recall, during the  
6 White House Conference, this was a veryhotly debated issue  
7 and apparently at this point has at least been resolved in  
8 establishing a principle for the time being, that is, I  
9 assume, of not making, not permitting a pre-employment  
10 inquiry. Because my own feeling in this connection, and  
11 my own judgment that inevitably, in the function in which  
12 the temporary service operates, this kind of record -- be  
13 it by talley or be it by direct record, would inevitably lead  
14 to discrimination in the process of employment, and my  
15 suggestion is that until such time as this is clarified  
16 and the Commission embarks on a different philosophy, that  
17 the temporary services be treated functionally, as operat-  
18 ing in the pre-employment area, as employment agencies.

19 Questions, Mr. Chairman?

20 COMMISSIONER GRAHAM: Any questions from the  
21 floor?

22 COMMISSIONER HERNANDEZ: Mr. Frechtman, did I  
23 understand you to say that you felt thateven a talley in  
24 which the talley was not made on the basis of the individual  
25 concerned, was in violation of Title VII?

1 MR. FRECHTMAN: Yes. I would say yes.

2 COMMISSIONER HERNANDEZ: Where the talley was  
3 not made on the individual's name?

4 MR. FRECHTMAN: I don't see how you can -- first  
5 of all, that the talley would be that of an applicant,  
6 and not an employee, because it would be somebody who is  
7 walking in the door and it would be prior to even considera-  
8 tion for employment, and I think this would be interpreted --  
9 I was not referring to Title VII. I was referring to the  
10 state laws. This is where the problem will emanate --  
11 from the state law.

12 COMMISSIONER HERNANDEZ: It did not emanate in  
13 California, obviously, because the California State re-  
14 quired or asked the State Employment Agencies there, the  
15 local ones, the private ones, to make such a talley. So  
16 obviously, the State of California is not interpreting its  
17 law to mean that that individual talley, as long as it is  
18 not related to a person's name, is in violation of the law  
19 at this time.

20 MR. FRECHTMAN: Well, Commissioner, of course,  
21 you would know much better about the particular California  
22 law. However, I am going to disagree with you none-the-less.  
23 The fact is that under any of the state laws, including  
24 New York, they may require or request for educational and  
25 statistical purposes, for any limited period of time, this

1 kind of inquiry and when this is so requested and required  
2 there is no violation of the law. However, when it becomes  
3 an actual day-in and day-out practice, I don't think that  
4 the Commission would embark on this kind of a practice,  
5 because then it would lead to the very thing that we are  
6 trying to prevent.

7           In New York, as in some of the other states,  
8 I have discussed this with some Commissioners in other  
9 states, there have been limited studies made where they will  
10 take a segment of the employment agency industry or the tem-  
11 porary service industry, and they will say: "For the next  
12 90 days, we want you to maintain the following statistics  
13 for us", and then they will utilize them in the educational  
14 process. Or they may, as the result of a cease and desist  
15 order, or as a result of a conciliation agreement -- and this  
16 is of course, clearly not in violation of the law --- but  
17 the fact that you would require the temporary services to do  
18 it as a regular practice, will undoubtedly and inevitably  
19 lead to its utilization for discriminatory purposes.

20           MR. BUTLER: Mr. Frechtman, may I ask you if you  
21 are familiar with the mail service, bookkeeping systems  
22 that a number of smaller organizations utilize, where they  
23 mail their records in and the bookkeeping is handled by  
24 a third party who is hired, shall we say.

25           Anyway, do you see any conflict if a prospective

1 employee was given a form, getting certain information on that  
2 employee and mailed to a third party for statistical tabula-  
3 tion but such records not being available to the persons  
4 having responsibility for hiring, firing, upgrading, and so  
5 forth? The so-called personnel functions within an agency?

6 MR. FRECHTMAN: If I understand what you are saying,  
7 you are suggesting that at the time that the applicant is  
8 registered, that he be given a form that would be addressed,  
9 let's say, to the Commission.

10 MR. BUTLER: Right.

11 MR. FRECHTMAN: Or to some other independent  
12 agency, in which they would, if employed, send, in response  
13 to the form, their racial characteristic, --

14 MR. BUTLER: And such other relevant data as the  
15 form might require, but for this purpose, yes.

16 MR. FRECHTMAN: Well, subject to the reservation  
17 as to the other relevant data --

18 MR. BUTLER: Well, let's eliminate that.

19 MR. FRECHTMAN: Offhand, I don't see a  
20 violation of law.

21 MR. DUNCAN: Either State, or the purposes for  
22 which the Commission is holding this hearing.

23 MR. FRECHTMAN: I cannot think of one offhand.  
24 I can think of a number of philosophical reasons for not  
25 doing it but under the law, I cannot think of one directly.

1 MR. BUTLER: Let me throw in another question  
2 related to this.

3 Suppose that same inquiry were directed to a  
4 different department, the Computer Department of Mr. Zook's  
5 North American, for example.

6 MR. FRECHTMAN: We really went through this at  
7 great length, as you recall.

8 MR. BUTLER: Yes. I do. That is why I am raising  
9 this question.

10 MR. FRECHTMAN: While we talk of this in terms  
11 of gigantic operation, with remote statistical and data  
12 processing departments, this sounds very good, and  
13 it sounds as though it can be readily accomplished,  
14 and I understand that Kelly Girls has a Statistical  
15 Department, but they also do a rather considerable  
16 volume of business and perhaps some of the others do, but  
17 when you get down to the hundreds of small temporary  
18 services that are operated by way of three or four or five  
19 people in Personnel, with a Bookkeeping Department that  
20 sits right next to them, and a permanent employment agency  
21 sitting at the very next desk, no further away than I am  
22 from you, that we no longer are talking about this in  
23 theory; in practice it just will not work.

24 MR. BUTLER: That is why I asked you the question,  
25 that I did, about this third party.

1 MR. FRECHTMAN: Yes. That would of course, be  
2 something else. You recall the suggestion at the White House  
3 Conference was that a separate numerical talley be made to  
4 correspold to applications and that numerical talley be  
5 placed in a desk drawer some place or down in the basement  
6 or somebody else's desk. We all know that this will not  
7 work out. At least, I feel it will not work.

8 COMMISSIONER HERNANDEZ: Mr. Frechtman, if the  
9 problems of legality were worked out, as you see them, in  
10 your own mind, would you consider it desirable for employ-  
11 ment agencies to make such reports?

12 MR. FRECHTMAN: Absolutely not!

13 COMMISSIONER HERNANDEZ: There is a philosophical  
14 problem on your part. It is not just the legality that  
15 bothers you.

16 MR. FRECHTMAN: The only contention I made here  
17 is the law. As far as I am concerned, the law is quite  
18 clear in terms of the pre-employment inquiry.

19 Philosophically, you know that my feeling is the  
20 same. I think it would do nothing more than to initiate  
21 and to condone a type of discrimination that we are trying  
22 to prevent. I don't say, incidentally, that possibly in  
23 the future, we will get to the point where it doesn't make  
24 any difference. As of right now, my own feelings and my  
25 own judgment, predicated on my knowledge of the industry

1 throughout the country, I would say that this is just not a  
2 good idea.

3 COMMISSIONER GRAHAM: Thank you very much, Mr.  
4 Frechtman.

5 Is there anyone here who would otherwise be  
6 scheduled to speak here this morning, but who did not do so  
7 because he was not here when his name was called, and would  
8 now like to speak?

9 If not, we will recess at 12:15 rather than  
10 12:30 and resume again at 1:30.

11 (Whereupon, at 12:15 o'clock, p.m., the hearing  
12 was recessed until 1:30 o'clock, p.m., on the same  
13 day.)

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## AFTERNOON SESSION

(1:30 p.m.)

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3 COMMISSIONER HERNANDEZ: On the record.

4 If you will notice on your instruction sheet,  
5 at this time we are allocating an hour to the Construction  
6 Industry Joint Conference. The three gentlemen who will be  
7 speaking for that group, have just assured me they will  
8 take far less than the hour. I said it didn't matter to  
9 me; I was sure the audience would appreciate that.

10 After their presentation, there will be 15  
11 minutes for questions, so you may hold your questions until  
12 the full presentation has been made by the three gentlemen.

13 To start off, we have Mr. Robert L. Higgins  
14 who will speak for the Construction Industry Joint  
15 Conference.

16 STATEMENT OF ROBERT L. HIGGINS  
17 CONSTRUCTION INDUSTRY JOINT CONFERENCE

18 MR. HIGGINS: We had planned to be here at 2:00  
19 o'clock. We are making a few revisions in the statement,  
20 so that the statement will be delivered to the Commission  
21 this afternoon, but primarily, the C.I.J.C. representing  
22 the major employers' groups in the construction industry,  
23 are interested only in two sections of this reporting form;  
24 Section 8 and Section 9. And the only problem we find there  
25 is that we feel that in 8 and 9 both, the question should  
be a question of "yes" or "no".

1           The other additional information here is not  
2 going to help the Commission to any great degree. It is  
3 just general information. It would be a very burdensome  
4 thing upon the contractors, particularly those who do  
5 business with a number of unions, in a number of areas.

6           Bear in mind, you are going to have thousands  
7 and thousands of these reports. You are putting these  
8 people to the bother of getting this information that really  
9 means nothing, in the sense, if there is a problem which  
10 they are involved in, the investigators are going to go out  
11 and have to get this information anyway. The information  
12 other than what is on here, is not going to be of too much  
13 value; it may be extraneous or out of date. So in our  
14 opinion, "yes" or "no" and at the time there is a problem,  
15 the thing to do is then we get that information by referral  
16 arrangement and then all the pertinent information that  
17 may be needed can be secured. At that point of course, the  
18 C.I.J.C. is willing and able to give as much help as possible.

19           We think in the instance of the Apprenticeship  
20 Committee information, that in that instance, they have a  
21 good bit of information at the Bureau of Apprenticeship  
22 Training anyway. If there is any additional information  
23 that should be funnelled through the B.A.T. which we are  
24 sure would cooperate with everyone involved, and everyone  
25 interested at the time that it would be needed.

1           But to put all those thousands and thousands  
2 of duplications and to put the contractors to that effort,  
3 and then not needing this information --- we hope of course,  
4 there won't be too many problems or any problems, as a matter  
5 of fact, in this area but when there are, we hope there  
6 will be very few, if there are, and all this other additional  
7 information would have to be gotten anyway.

8           In our opinion, it is just a burdensome thing  
9 to put the addresses and names on here at this time. We  
10 feel that these questions 8 and 9 should be just "yes" and  
11 "no" and then the additional information can be acquired  
12 at the time that a problem has arisen in one area.

13           Now, that is really all we have to say about the  
14 form. Mr. Donovan wants to speak for the National  
15 Constructors Association, with additional remarks for that  
16 organization, and Mr. Charles Mehl will follow him.

17           So I will quit at that point.

18           COMMISSIONER HERNANDEZ: Thank you, Mr. Higgins.

19                   STATEMENT OF JOHN J. DONOVAN  
20                   DAVIES, HARDY & SCHENCK  
21                   NATIONAL CONSTRUCTION ASSOCIATION

22           (The statement of Mr. Donovan is as follows):  
23  
24  
25

1 COMMISSIONER HERNANDEZ: Thank you, Mr. Donovan.  
2 Speaking for the Associated General Contractors  
3 is Mr. Charles J. Mehl.

4 STATEMENT OF CHARLES J. MEHL  
5 ASSOCIATED GENERAL CONTRACTORS

6 MR. MEHL: Members of the Commission, we are  
7 here to cooperate with you. We hope that the statement of  
8 C.I.J.C. is constructive. We agree substantially with  
9 all of it.

10 I have just talked with Mr. Higgins about one  
11 portion that we questioned, and wanted to supplement,  
12 which will be taken out of the official statement.

13 We do want to express again, our hope that you  
14 understand the problem in the hiring hall, as between the  
15 Commission and the N.L.R.B. The contractors do not  
16 necessarily have control over the situation, and we agree  
17 that the seeking of the information by the Commission can  
18 best be handled by the contractor by answering "yes" or  
19 "no", with regard to whether they operate under  
20 a hiring hall or their apprenticed programs.

21 In addition, our Chapter -- our 130 Chapters ---  
22 stand willing and able to furnish additional information  
23 with regard to apprenticeship programs or hiring halls.

24 Thank you.

25 COMMISSIONER HERNANDEZ: Thank you very much.  
26

1            Obviously they have taken far less than their  
2 allotted hour and there is time for questions.

3            I believe Mr. Markham had one. You may direct  
4 it to any one of the individuals.

5            MR. MARKHAM: Well, I should preface my questions by  
6 stating what perhaps has not been made clear, at least  
7 in the hearing, as to the purpose of these two questions.

8            We have proposed, or propose, a reporting system  
9 for joint apprenticeship programs and for unions, which in  
10 the words of the Commission's policy statement, effectively  
11 control the hiring process.

12           The principal purpose of these two questions  
13 is to in effect, give the Commission a master list of  
14 the groups that would be reporting when these other two  
15 reports systems are finally developed. So in order to  
16 satisfy the Commission's needs on this score, I would  
17 like to obtain the reaction here of the industry  
18 representatives, to two alternative versions of this form.  
19 Of course, we can discuss it with you more fully later, but  
20 I wonder if they might at least consider, and if they  
21 could give some reactions here, to this suggestion:

22           If the employer would fill out or give this  
23 information only one year -- in other words, once an  
24 employer files this report and gives us these names  
25 and addresses and so forth, I would suggest then, thereafter,

1 that he might not be required to give that information.

2 The second alternative suggestion, again, to which  
3 I would like a reaction, if it is possible, is would it  
4 help matters any if the arrangements in existence on a given  
5 date, during the reporting period, were listed, rather than  
6 having every arrangement or finished program you contributed  
7 to, throughout the year -- just those on projects that  
8 are in existence on, say, during the month of March or  
9 on the final day, whichever day or week the report  
10 is made up.

11 MR. HIGGINS: Maybe I could answer you by making  
12 a couple more alternatives.

13 Why wouldn't it be well for you to secure --  
14 if they say yes or no -- you know they participate in one  
15 of these programs; then without almost exception, they would  
16 be participating in the A.F. of L., C.I.O. program in that  
17 city. There is very little chance of any other program  
18 outside of a few instances.

19 However, would not be well then to give  
20 you -- if this is all you want to know -- what programs  
21 are there. They say yes or no. We could give you a list  
22 or work up a list through C.I.J.C. of every program that  
23 exists in the country.

24 If John Doe says he is participating in one,  
25 and he is from such and such area, it is obvious, almost

1 obvious, that he is participating in the program. We will  
2 give you a list of all the programs in the industry in the  
3 nation. I think that is what Mr. Mehl was suggesting, that  
4 we could give you a list of all the programs, you know, up  
5 to date, at one time, both apprenticeship programs and the  
6 hiring arrangement. Maybe that would satisfy and then  
7 you see, with the yes and no answer, you would know --  
8 there would be a rare exception, but almost none.

9 COMMISSIONER JACKSON: Is this something that would  
10 be likely to change from year to year?

11 MR. HIGGINS: There is very little change. Some  
12 of the contractors would change, where they are no longer  
13 participating in the Union program. Some would be out of  
14 business. We have quite a turn over in a competitive  
15 business, but if they are still in business, and you have  
16 a problem, the chances are they are in the same system  
17 they have been in for years, with some small percentage  
18 of changes.

19 MR. HAMMERMAN: Do you have anything to offer  
20 on the subject of hiring?

21 MR. HIGGINS: We could give you the same informa-  
22 tion, We can work out an arrangement with the industry,  
23 to give you the names of the hiring situation in every trade  
24 in every city, I am quite sure. I know we can in the  
25 particular industry I represent. I am sure they could. Mr.

1 Mehl offered that in his comment.

2 MR. MARKHAM: Well, in view of the fact that there  
3 may be other industries where apprenticeship programs are  
4 involved, and hiring halls are involved, without your special  
5 problems, what would be your reaction to submitting a workable  
6 suggestion as an alternative proposal, which the Commission  
7 would accept as a special rule, as provided in the instruc-  
8 tions, without deleting these two questions altogether?

9 MR. HIGGINS: I did not go into detail in this,  
10 because, you know, we are going to submit this statement  
11 this afternoon; but in there, we are suggesting in the  
12 apprenticeship part of it, that we acquire this information.  
13 Of course, you are going to have a reporting system anyway,  
14 but through the B.A.T., we can get it that way. So we  
15 would participate and cooperate through that avenue.

16 We can do the same thing with the hiring hall  
17 arrangement and with an understanding through the  
18 Committee and C.I.J.C., I am sure we would get all the  
19 information that is available for you.

20 MR. MARKHAM: What I am suggesting, really, is  
21 that may we take your discussion today to be the beginning  
22 of a proposal for a special procedure, as is required,  
23 then a request that the two questions be knocked out, even  
24 though they may apply to other industries without these  
25 problems.

1 MR. DONOVAN: May I say, it was our intention  
2 to address our remarks only to the construction industry.  
3 We are not that familiar with the problems in other  
4 industries, to attempt to speak for them. Our suggestion  
5 is here is that we have unusual problems, and I can  
6 assure you that we would be more than pleased to work out  
7 with you a reporting program so that you would not get,  
8 for example, 30 duplicate reports, that just on our behalf,  
9 that each of the N.C.A. members engaged in Sacramento con-  
10 tribute to whatever apprenticeship programs are in Sacra-  
11 mento. You get 30 from us. I don't know how many more  
12 from these people.

13 MR. MARKHAM: I just felt the record should show  
14 that.

15 MR. HIGGINS: We would be glad to sit down and discuss  
16 any method of acquiring the necessary information. The only  
17 thing we are trying to avoid is duplication, hundreds and  
18 hundreds of times, you getting the same information, when  
19 you really want it once.

20 COMMISSIONER HERNANDEZ: Another question from  
21 Commissioner Graham.

22 COMMISSIONER GRAHAM: Yes. I do have a question.  
23 It is this: That I see in your statement that you don't  
24 want to ask of the local Apprenticeship Board, what the  
25 status is of the selection process, even though you have  
been contributing funds to this

1 MR. DONOVAN: We were speaking for the N.C.A.  
2 alone.

3 COMMISSIONER GRAHAM: I will give you the whole  
4 thought; you may answer it at once.

5 MR. DONOVAN: Surely.

6 COMMISSIONER GRAHAM: A number of people  
7 recognize that there is discrimination in employment in  
8 the construction industry, but it is very difficult to  
9 determine really, where this begins; whether it is from  
10 the point of labor or of the employer. That if you were  
11 better informed of the operation and the practice of the  
12 local apprenticeship groups, is the thought that you might  
13 say no, we will not make our contribution if the local  
14 program is being run in a way that is contrary to what  
15 we believe.

16 MR. HIGGINS: As I understand --- and he may  
17 want to add to it --- he was speaking for the N.C.A.  
18 contractor who is a little unique in the sense that they  
19 travel practically all the time. What he was trying to  
20 say, as I understood it, they were only in there for a  
21 short period of time. They did one job and they got out.  
22 Now, as long as there is no problem and they are not  
23 participating as members of the local committee and this  
24 sort of thing, unless there is a problem, you see,  
25 they don't feel it is necessary to get into all of this

1 detail of the local Committee operation. However, if  
2 there is a problem, they they are forced to. He is  
3 speaking for that type of contractor and that type, only.

4 MR. DONOVAN: Let me say further, if, for  
5 example, there were some occasion to inquire, we certainly  
6 cannot say we would not inquire, but as I recall the question,  
7 that is not even what is asked here. What we are asked  
8 to provide is information on the names of the Committee  
9 members; the address of the local organization; and what  
10 happens in most cases is, with respect to our company, as  
11 my friend here pointed out, travel. We will arrive in a  
12 given area, and the company doing the job, will ask, "What  
13 is the contribution required for the Apprenticeship Program?"  
14 He will be told, "It is two cents per man hour for the  
15 carpenters." If, in a given month, he has 1,000 hours  
16 of employment of carpenters, he sends \$20.00 to the  
17 Apprenticeship Club. His only relationship to the fund  
18 is the obligation to contribute. He doesn't even have a  
19 legal standing to appoint the members. He has no legal  
20 control over the operations of the Apprenticeship Program.

21 This is the situation we are in. There are  
22 others locally, who control them, who operate them, and who  
23 determine who qualifies. So that I don't know now, how  
24 we could even pursue this beyond writing a letter to  
25 someone and saying, "What do you do?" And our point is

1 that these people will report directly to you, so that a  
2 report to us duplicated to you, simply adds 30 or 40  
3 more duplicate reports of what you would otherwise have  
4 directly.

5 COMMISSIONER GRAHAM: Well, perhaps what we  
6 could ask you for then would be a suggestion as to how you  
7 could see that your funds do not go to support programs  
8 which are contrary to the policies that you believe in.

9 MR. DONOVAN: This is something we have to  
10 address ourselves to independently. Currently, it is  
11 the matter of information, that we don't have.

12 MR. HIGGINS: Following that, I think if we  
13 do what we were talking about before, in getting this  
14 information through the B.A.T., in detail, I think you  
15 will have all the information you need.

16 Now, if a problem comes up of course, they they  
17 would get involved as a contractor but think you have  
18 the information you are asking for, if we do what we are  
19 talking about, through the B.A.T., in gathering whatever  
20 information the Commission wants.

21 COMMISSIONER HERNANDEZ: Are there questions from  
22 anyone else in the room?

23 MR. HAMMERMAN: Well, I understand that there  
24 are several apprenticeship programs that are not registered  
25 with the B.A.T. Now, isn't that true of your industry as

1 well?

2 MR. HIGGINS: Not to my knowledge, no.

3 MR. HAMMERMAN: You say that every apprenticeship  
4 program in the construction industry is registered with  
5 the B.A.T.?

6 MR. HIGGINS: There are some, certainly, that  
7 are not registered.

8 MR. HAMMERMAN: Then my question is, how are we  
9 to get this information about those apprenticeship programs?

10 MR. HIGGINS: If, in the C.I.J.C. we are  
11 getting this information, I would assume the C.I.J.C. would  
12 supply you with information of the programs that were not.  
13 We can arrange that, I am sure, don't you think, Charles,  
14 without any problem?

15 MR. MEHL: Yes, and if the liaison between the  
16 states is good enough, you can get it from the states.

17 MR. HAMMERMAN: One more related question.

18 What proportion of the industry is not tied  
19 in with your organization?

20 MR. HIGGINS: Well, there are -- I will read  
21 to you who is participating and this is the vast majority  
22 of the contracting group. We have of course, the N.C.A.  
23 and the A.G.C. here. I represent the Electrical Contractors;  
24 Home Builders; the Mechanical Contractors Association;  
25 Sheet Metal and Air Conditioning Contractors; Painter and

1 Decorator Contractors and the Mason Contractors are new  
2 members of the C.I.J.C. So these contractors, I would  
3 just guess, represent the employment of 75 or 80 percent  
4 of the industry, and we could still bear in mind, in the  
5 C.I.J.C., I believe all but one of the International Unions  
6 are part of this. I am sure, in their cooperation, in the  
7 instance where the employers are not members, they would  
8 cooperate in getting the information anyway, Under C.I.J.C.  
9 itself, we represent practically all of the employees through  
10 the joint participation.

11 MR. MEHL: I might add that we have approximately  
12 8,000 members in Associated General Contractors. I doubt  
13 if there are very many contractors who have any formalized  
14 apprenticeship program. It is not affiliated with us,  
15 one way or the other. It could be,

16 COMMISSIONER HERNANDEZ: Are there any further  
17 questions?

18 (None)

19 Thank you.

20 I will call now on any of those who were not here  
21 this morning when their names were called.

22 Is a representative of Chesapeake and Potomac  
23 Telephone here?

24 (No response)

25 The District of Columbia Transit Company?

1 (No response)

2 Drug Fair?

3 (No response)

4 Jewish Labor Committee?

5 MEMBER OF AUDIENCE: He will be here at 3:00.

6 COMMISSIONER HERNANDEZ: Is Mr. Atkinson of the  
7 National Construction Association here?

8 MR. DONOVAN: I spoke for him.

9 COMMISSIONER HERNANDEZ: They have "Construction".  
10 It should be "Constructors".

11 Myles Standish of the Philadelphia Chamber  
12 of Commerce?

13 (No response)

14 Mr. Levin of the Philadelphia Commission on  
15 Human Relations?

16 STATEMENT OF RICHARD J. LEVIN  
17 PHILADELPHIA COMMISSION ON HUMAN RELATIONS

18 (The statement of Mr. Levin is as follows):  
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1 COMMISSIONER HERNANDEZ: Thank you very much,  
2 Mr. Levin. Are there any questions to be directed to  
3 Mr. Levin?

4 (None)

5 Are there any people not listed on the program  
6 who desire to be heard today?

7 (None)

8 I would like to call upon Mr. Pearson of the  
9 Polaroid Corporation.

10 STATEMENT BY HENRY G. PEARSON, MANAGER  
11 PERSONNEL SERVICES-POLAROID CORPORATION

12 MR. PEARSON: Some of what I have to say will  
13 be a reiteration of what you heard today but even so, I think  
14 it is worth repeating.

15 My experience with the reporting comes through  
16 both being a representative government contractor, and  
17 also being involved in a voluntary affirmative action  
18 program in the Commonwealth of Massachusetts for the last  
19 two years; and this program, of which I will leave a  
20 record here, does require besides affirmative action in  
21 recruiting and training, advancement, also requires  
22 annual reports and the reports are the same format as  
23 the Form 40, printed on a piece of paper, and also  
24 requiring that a percentage be computed in the right  
25 hand side.

1           The program is administered under the aegis  
2 of the Government of the Commonwealth but it is administered  
3 by four trade associations; the Associated Industries of  
4 Massachusetts; the Greater Boston Chamber of Commerce; the  
5 Cambridge Chamber of Commerce; and the Greater Springfield  
6 Joint Civic Agencies, which is the Chamber of Commerce  
7 for that area in the western part of the State.

8           The two other programs of this nature that  
9 require reporting, are in Chicago and in Rhode Island.

10          There are four reasons why I feel very strongly  
11 that I want to testify on behalf of this EEO-1 form that  
12 we are discussing today, and why I think it is going to be  
13 a very useful part of the program.

14          First of all, as Mr. Holmes said this morning,  
15 it is a tremendous educational device for the company, that  
16 has never been through this thinking before, and awakening of  
17 what the problem is. I will not forget my own experience  
18 at Polaroid when we got that first Form 40 and saw it, and  
19 up to that time, we had never talked about these things. It  
20 was not to be talked about, how many Negroes we had in the  
21 company.

22          It was very convenient to dodge the problem,

23          When the Executive Order 10925 required us to  
24 fill out this form, we had to go through this exercise; then  
25 we saw for the first time, what was right under our nose,

1 We had to admit it, and seeing these statistics,  
2 we were able to show them to top management, and top management  
3 was able for the first time, to start showing them to its  
4 own staff members.

5 Now, secondly, a report is a regular technique  
6 that businessmen have for getting at the root of any  
7 problem, whether it is a poor safety record or poor quality  
8 or poor quantity or low sales; the businessmen think in  
9 terms of statistics. So it is really not unusual, when  
10 he wants to get over the hurdle, if he can count the  
11 Negroes in the company, to look at the program and say,  
12 "Now, we will do something about it." He has in this  
13 report, the tool to get started because he can talk  
14 it over with his personnel employment people. He can  
15 talk it over with his department heads. If they are  
16 low on Clericals, they can say, "Let's go out and do better  
17 in that regard". If he has no Engineers, he can say, "Look,  
18 we have no engineers. Let's start doing something about it."  
19 So it is indeed a springboard for action and a very useful  
20 one.

21 Thirdly, as has been pointed out so well here  
22 today, the data, when it is collected by EEOC will  
23 certainly form an invaluable source of information..  
24 When they collect this by the middle of next year, they  
25 can see the patterns of employment by race and by sex,  
by plants, by companies, by industries, by cities and states

1 and counties and even larger areas. It will be invaluable  
2 in determining the progress or lack of progress by these  
3 different breakdowns.

4 I also think that we, as employers, and representa-  
5 tives of Government, too, owe it to the Negro citizens and  
6 voters and the Civil Rights groups, to be able to come back  
7 and report to them what is going on under the Civil Rights  
8 Act of 1964, Title VII. It is well advertised, but what  
9 are we going to be able to say as to what it has accomplished  
10 a year from now. I think that reports will, indeed, be  
11 useful.

12 I know from my own experience that we found  
13 this was the case in the first year of the Massachusetts  
14 Plan for Equal Employment Opportunity. We had at least  
15 20 companies that had come in at the beginning of the plan  
16 and which had a 12-month period in which to report, twice;  
17 and there was a period in 1964, when, because of defense  
18 cutbacks, there were serious lay-offs.

19 Our statistics from those 20 companies, employing  
20 about 100,000 employees, was about equally divided between  
21 the white and blue collar; it showed as we predicted, that  
22 employment had gone down in these 20 companies by 5 percent  
23 over all, but that Negro employment in these companies  
24 had held stable, and then, when we went to look at why  
25 this was, we saw although the Negro blue collar did go down

1 as the sampling did, nevertheless, the white collar went  
2 up by 29 percent. So that these 20 companies that filed  
3 these reports, what they had been doing, they were able to  
4 offset the losses of Negro blue collar by hiring in the  
5 white collar area. This was a fact. This was something  
6 we could tell the Civil Rights groups and the minority groups  
7 in the State, as to what was being done by the companies  
8 in this program.

9 I think the same thing will hold true of the  
10 companies reporting to EEOC.

11 Finally, fourth and finally, I think that having  
12 these companies, the 60,000 that are going to have to report,  
13 is going to make it very much easier for voluntary equal  
14 opportunity programs throughout the country to make some  
15 headway. As I understand it, this Commission is encouraging  
16 the formation of these opportunity programs in 60 cities  
17 throughout the country and I know from experience that if you  
18 are able to go to a company, and they have already gone  
19 through this process of bringing this thing to light and look-  
20 ing at their problem, it will be much easier to enroll them  
21 in a formal program of how they can improve their situation.

22 So these are my four reasons for testifying  
23 on behalf of the reporting system.

24 Thank you.

25 COMMISSIONER HERNANDEZ: Thank you very much, Mr.

1 Pearson.

2 I would like to turn the meeting over, at this  
3 point, to my fellow Commissioner, Samuel Jackson.

4 COMMISSIONER JACKSON: Thank you, Mrs. Hernandez.

5 Does anyone have questions of Mr. Pearson?

6 Perhaps -- unfortunately -- at the end of the  
7 day the question run out.

8 There may be some of you who are here that did  
9 not send in a request to testify, and I would like to give  
10 some testimony or make a statement. I think this would give  
11 us a good time to hear from any of you who did not send in  
12 a request to speak but would like to, on any aspect of  
13 the reporting system.

14 Is there anyone here in that category?

15 Mr. Robert McKenzie, of the Technical Assistance  
16 Section.

17 STATEMENT OF ROBERT MC KENZIE  
18 TECHNICAL ASSISTANCE SECTION

19 MR. MC KENZIE: I would like to say that we are  
20 delighted with the response that we have heard today, to  
21 our reporting system. Being in the Office of Technical  
22 Assistance, and involved with the part of the statute  
23 that requires us to go out and promote and educate  
24 people on fair employment practices and Title VII, it is  
25 of the utmost importance that we get this information that  
we are requesting.

1                   So I would like to say for the Office of  
2 Technical Assistance that we are delighted with the  
3 response.

4                   Thank you.

5                   COMMISSIONER JACKSON:     Does anyone else care  
6 to make any statement of any kind?

7                   Are there any questions that you may want to  
8 ask of Mr. Markham and his staff now, as a result of  
9 the testimony that you have heard?

10                  Mr. Markham, you would agree to answer some  
11 more questions, would you not?

12                  MR. MARKHAM: Surely.

13                  MR. AICHER:     Aicher, of the Brewers Association.

14                  When is it contemplated that the first report  
15 will be required?

16                  MR. MARKHAM: March 31.

17                  MR. AICHER: That is assuming the Budget  
18 will approve the form, and so forth and so on?

19                  MR. MARKHAM: Yes.

20                  COMMISSIONER JACKSON: There is a question in the  
21 rear.

22                  MR. BARTLEY: Albert Bartley.

23                  I noticed in the instructions, one word is  
24 not defined. That is the word "establishment."

25                  COMMISSIONER JACKSON: Mr. Hammerman, will you help

1 us on that?

2 MR. HAMMERMAN: We don't have of law, yet.  
3 Establishment has been defined by many other agencies of  
4 the government for their own purposes. I know the Fair  
5 Labor Standards Act defines Establishment.

6 Establishment is a place of business in a particular  
7 location, generally. Now, that is different from the concept  
8 of reporting units.

9 MR. BARTLEY: It is an ingredient.

10 MR. HAMMERMAN: Right. Right. I would say that  
11 generally speaking, I know there are problems that come up.  
12 Let me put it as clearly as I can, generally, that generally,  
13 a place of business in a particular location is an establish-  
14 ment. Now, if you happen go have a place of business on one  
15 corner, and diagonally across the street, you have another  
16 place of business, that raises questions which I am not  
17 prepared to answer at this time.

18 MR. BARTLEY: That was the situation I was thinking  
19 of. One other question while I am on that, if I may,

20 In the definition of officials, as distinct from  
21 the other categories, is it fair to say in summary, that  
22 it is relatively close to the concept of a supervisor  
23 for N.L.R.B. purposes or is that a broader concept or a  
24 narrower concept?  
25

1 MR. HAMMERMAN: I am not personally sufficiently  
2 cognizant with the definition of supervisor to give  
3 you a definitive answer on that. I think it is probably  
4 true.

5 MR. BARTLEY: That might be a good working  
6 principle?

7 MR. HAMMERMAN: Yes. I would say that the  
8 definition of Manager and Official that we have used  
9 here, is identical with the definition that was used for  
10 the last two or three years in Standard Form 40 for  
11 government contractors, with one slight change, and it  
12 is identical with the last definition that was used by  
13 Plans for Progress.

14 MR. BARTLEY: Well, I have no experience with  
15 either of those. It is a top problem, here, which I  
16 think is important to all of us, that we come up with  
17 some kind of a basic proposal, so that you understand  
18 what we are telling you.

19 I just want to get some kind of a working rule.

20 MR. HAMMERMAN: I think that as these questions  
21 arise from time to time, we will have to come out with  
22 interpretative explanations.

23 MR. MARKHAM: I think the definition of supervisor  
24 under the N.L.R.B., is -- if I recall it, somewhat more  
25 --- a great deal more specific than this. I would say  
26 generally, it would be the same group of people.

1 MR. BARTLEY: There are different terms, I knew  
2 that. I really am looking for the wording.

3 MR. MARKHAM: As I recall, from my brief  
4 exposure to labor laws, there are a number of criteria that  
5 are involved in determining a supervisor and I think just  
6 off the top of my head, I would say it would be the same  
7 group.

8 MR. BARTLEY: Thank you.

9 MR. ZOOK: I think it is pretty well defined  
10 here in the definition here, but also there is quite a bit  
11 of history in the Fair Labor Standards Act in defining  
12 exempt supervisory personnel, and the N.L.R.B. Act, too.

13 MR. BARTLEY: Unfortunately, an N.L.R.B. supervisor  
14 is not necessarily a Fair Labor Standards Act supervisor,  
15 and vice versa.

16 MR. ZOOK: Well, I am just saying, we have not  
17 found a great deal of difficulty under these Acts.

18 MR. LELAND: Wilbur Leland. In addition to  
19 those covered by EEOC, having more employees, there are  
20 of course, other employers who will be covered under  
21 Title VI of the Civil Rights Act. We have been working  
22 with Mr. Markham with the hope that we may use similar  
23 reporting system for our employers, and I think I might  
24 say that the Small Business Administration and the  
25 Appalachian Assistance Commission have a similar problem.

1           The only problem I see related here entirely to  
2 your program, is: exactly the way in which data we might  
3 collect for our own purposes, or the form that we use,  
4 which will be identical with yours, would be worked in;  
5 whether you would want to work it into national statistics  
6 in your overall supporting system. If you do, then I  
7 think the form would be a place in which those covered by  
8 Title VI could be identified if they were not also covered  
9 under any of the three other categories.

10           Do you think this is something we can work out  
11 with you?

12           MR. MARKHAM: Do you propose to use the same form  
13 that would be used by the Commission?

14           MR. LELAND: That is right. We would use the form,  
15 or the employer would be asked to. He would be under  
16 no different requirements than he would be under the other  
17 two programs.

18           MR. MARKHAM: Would you have a separate form or  
19 would you ask him to send you a copy of the form that he  
20 sends to us?

21           MR. LELAND: Our present thinking is, really,  
22 that we will get this through surveillance interviews, rather  
23 than through a mail request for compliance report, for  
24 the reason we will be a relatively smaller number of  
25 employers that would be covered by our program --- probably

1 on a quarterly basis through personal visits and by  
2 representatives through appointment.

3 If it would be desirable to include this business  
4 in the national reporting, then we would want to have that  
5 done at the same time, and under the same conditions that you  
6 have listed.

7 MR. MARKHAM: Well, I think we will certainly want  
8 to coordinate our our programs; and certainly with an effort  
9 to avoid any burdens on employers, any duplication of burdens.

10 COMMISSIONER JACKSON: Are there other questions?

11 MR. BATES: Robert Bates, Civil Service Commission.  
12 Has any system been devised yet for the distribution of the  
13 new forms to the employers; and will there be a duplication  
14 on the part of the contracting agencies and the Commission,  
15 in sending the same form to the same contractors, with  
16 the EEOC also just sending forms out to all employers in the  
17 country?

18 MR. MARKHAM: Well, I think our plan will be to send  
19 a copy in the same manner that we sent the poster last summer  
20 to all covered employers. I have not considered this  
21 subject with the Office of Federal Contract Compliance.  
22 We would want to avoid duplication. I think the problem  
23 of isolating out of our mailing, those who are government  
24 contractors, would not be very feasible to do. It would  
25 cost more than going ahead and printing and mailing a form

1 to everybody.

2 MR. HAMMERMAN: We could cover all contractors  
3 of 100 or more in our mailing. The only problem then would  
4 be to get a mailing to those contractors who have 50 or more  
5 employees and not 100.

6 COMMISSIONER JACKSON: Are there any other questions?

7 While we are waiting for the two other persons  
8 scheduled for 3:00 o'clock, if there are no other questions,  
9 I am sure the reporter could perhaps use a brief respite.

10 Are there any other statements. Does anyone want  
11 to make a statement?

12 MR. ZOOK: Will there be a uniform poster for  
13 all programs?

14 COMMISSIONER JACKSON: Posters are not my department.  
15 Maybe there is somebody who can answer that.

16 MR. EDELSEBERG: We are trying to develop with  
17 the Office of Federal Contract Compliance and Plans for  
18 Progress, a uniform poster for each of the employers  
19 covered by any one of the three programs.

20 MR. ZOOK: I don't quite understand the previous  
21 statement. Did you say you were going to send them to all  
22 employers, including the Federal contractors? Does that  
23 mean that the contract compliance group is not going to  
24 send the questionnaires out? They will all come from you?

25 MR. MARKHAM: Well, there would be some who would

1 be covered under our mailing with 100 or more employers. It  
2 would seem to me the simplest procedure for us would be to  
3 send out 50 or 60 thousand, whatever the number is, to  
4 all employers over 100 and for Federal Contract Compliance  
5 to send out the same number that they would ordinarily send.  
6 The only problem is and employer will get two, and if he  
7 gets two, he can throw one in the wastebasket.

8 MR. ZOOK: In other words, the Federal contractor  
9 will get two forms and my company and similar companies  
10 will be instructed what to do -- to throw one in the waste-  
11 basket?

12 COMMISSIONER JACKSON: I can assure you that we  
13 will make every effort to handle this mechanical problem.  
14 I think this is a mechanical problem, and the OFCC is  
15 one floor below, and I am sure to the extent we can avoid  
16 duplication, that we will do this.

17 We view it as a mechanical problem, and  
18 I think that it can be handled without the massive problem that  
19 we envision here. So you just give us a little time. I am  
20 sure that can be handled.

21 MR. ZOOK: I am not bringing it up as a major  
22 problem, but just as a reminder, because we have had  
23 duplications in the past. It is just something to keep in  
24 mind.

25 MR. MARKHAM: I think it would be more wasteful

1 to match the two lists together, than to proceed as I  
2 just suggested.

3 MR. HAMMERMAN: We have not discussed this particular  
4 question. It is a question of detail and we may -- whether  
5 we wind up having duplication or not, depends upon the  
6 mechanics of the situation. It may be not feasible for  
7 instance, to subtract out, if it was decided, say, to send  
8 the Contract Compliance Form in the same way as it was sent  
9 before. It might not be feasible actually, to track them  
10 out from the major list, in which case, there might be some  
11 duplication.

12 COMMISSIONER HERNANDEZ: If some of you do get  
13 duplicate forms, it says very clearly up at the top,  
14 that you send out the form in triplicate. If you get two,  
15 I am sure American business has a lot of resourcefulness,  
16 and I am sure they will think of throwing the other one  
17 away.

18 COMMISSIONER JACKSON: Any other questions?

19 COMMISSIONER HERNANDEZ: Mr. Edelsberg says  
20 give it to a needy family!

21 MR. LA TORRE: Will you give these to the Press  
22 or would you prefer to hold these over?

23 COMMISSIONER JACKSON: We have this interval.  
24 I assume we may as well. Are you prepared for that now?

25 MR. MARKHAM: Surely.

1 MR. LA TOREE: I have two questions.

2 One relates to this. I was surprised, personally,  
3 that there has been no controversy here, and obviously,  
4 this was shared by the Chairman, Mr. Roosevelt, who  
5 said we have not anticipated in this meeting, it will  
6 be free from controversy.

7 Now, it was, with the exception of some requests  
8 for technical deletions in the form itself.

9 Now, do any one of you Members attach any  
10 significance to this?

11 This is for publication.

12 Do you think this is a new horizon now, a new  
13 thinking on the part of businessmen, or just a silent  
14 opposition, say, that has decided it is useless to say  
15 anything to the EEOC.

16 COMMISSIONER HERNANDEZ: I would address myself  
17 to the first half, and let the people in the room speak  
18 to the second half, if they choose.

19 I would like to feel that it is because there  
20 is recognition in this day and age, that there is a  
21 necessity to know more about the area of discrimination  
22 than we apparently do. This is a feasible and well  
23 designed way of doing it.

24 COMMISSIONER JACKSON: I would only add to it  
25 that I believe that the experience of both Plans for

1 Progress and the OFCC and its predecessor, the President's  
2 Committee on Equal Opportunity, has established sufficient  
3 basis for justification for this program and that  
4 persons who asked, employers who have been complying with  
5 either of those programs for quite some time have had many  
6 of their questions satisfied by those who have had experience  
7 in using these forms.

8 MR. EDELSBERG: May I try another answer to your  
9 question?

10 I think there are two premises on which this  
11 Commission proceeds. The first is the fact of discrimination  
12 in the American economy. Some of it deliberate, long  
13 standing; some of it almost unwitting, arising out of  
14 institutional patterns.

15 The second premise is, that there is a large  
16 measure of good will in American industry among the American  
17 employers, willing to do something about these long standing  
18 abuses and I think we see here today an expression of that  
19 second premise.

20 MR. LA TORRE: May I ask Question No. 2?

21 COMMISSIONER JACKSON: Yes.

22 MR. LA TORRE: When you distributed the form,  
23 I think, in your press release, the Commission did not make  
24 specific what it would do with the information once these  
25 forms went out.

1 Do you have any plans in mind now as to -- well,  
2 once you gather this information, you find gaps here and  
3 gaps there as to what you will go ahead with.

4 Do you have any ideas as to what kind of programs  
5 you would like to put into effect?

6 COMMISSIONER JACKSON: Of course, your question spans  
7 two areas of our operation. One relates to what our  
8 technical assistance program would do in follow-up of  
9 its activities, and the other suggests what the Research  
10 office would do, once the data is in and correlated, and the  
11 studies that will be made as a result of it.

12 Charles, would you want to talk briefly about  
13 some of the suggestions that you have in regard to Research?

14 MR. EDELSBERG: I think I would stand on the  
15 statement made. He says, without speculating about  
16 additional uses, those are the general outlines. I thought  
17 we would stand on Mr. Roosevelt's statement.

18 MR. MARKHAM: Mr. Edelsberg suggested we would  
19 stand on Mr. Roosevelt's statement this morning, without  
20 speculating as to any particular use.

21 I think in the question period this morning,  
22 there were some questions raised by Mr. Higgs, who was  
23 seated up here in front. We gave some suggestions then,  
24 as to the uses to which the information might be put.

25 I think one example would be the program that

1 our Technical Assistance Division is working up, of setting  
2 up councils in what -- 60 cities, is it? We certainly would  
3 want to supply these groups with the information  
4 we would get on the employment patterns within those 60  
5 cities. That is an example of it.

6 MR. MC KENZIE: One of the ways we will make  
7 use of this information is to identify problem areas,  
8 be it community or industry. Then, rather than waiting  
9 for complaint problems, to go to these industries and call  
10 them together and tell them what other industries like theirs  
11 are doing in this field and we found in the past when we have  
12 done this, it has been very beneficial and enlightening,  
13 and it will be particularly beneficial when the industry  
14 itself is armed with the facts so that they can see their  
15 own profile.

16 We know that we can help to solve this problem on  
17 a broader scale if we have this information, because the  
18 name of the game is Jobs.

19 COMMISSIONER JACKSON: Why don't we take a 10-  
20 minute recess and see if the speakers are here at that  
21 time.

22 (Brief recess)

23 COMMISSIONER JACKSON: If I could have your  
24 attention? I will call the meeting back to order.

25 Is there anyone out in the corridor who should

1 should be in?

2 Is there anyone here from Drug Fair?

3 (No response)

4 Is there anyone here from the Jewish Labor  
5 Committee?

6 (No response)

7 The D.C. Transit Company?

8 (No response)

9 MR. MARKHAM: Mr. Hammerman is checking on the latter  
10 two to see where they are; if they are coming.

11 COMMISSIONER JACKSON: You are reminded in regard  
12 to the instructions that were given to you this morning,  
13 that the record will be held open for one week following  
14 this hearing, so if any of you who have made statements,  
15 or did not make statements, who would like to make state-  
16 ments, or want to make additions to your statements, you  
17 would have one week to prepare this statement and send it  
18 in, and it will be considered by the Commission before  
19 any final action is taken. So we would want to remind  
20 you of that prerogative of yours.

21 MR. DUGAN: My name is Dugan. I am from the  
22 Life Insurance Management Association. The question is  
23 this: I am fairly sure that there are a number of  
24 companies who have been or who may just have become,  
25 government contractors, and they will probably learn

1 about this from the EEOC and the question is: The provisions  
2 for filing differently or getting rulings on exceptions,  
3 and so on, would that necessarily be decided by the government  
4 contracting agency rather than EEOC, or who do you go to?

5 MR. MARKHAM: We had a joint -- we had proposed  
6 to establish a joint reporting committee. There will be  
7 one representative from each agency, whose Chairmanship  
8 will rotate every six months, I believe. There will be  
9 a permanent secretary who will not be a member of the  
10 committee. A request for a special procedure or an inquiry  
11 of any kind would come to that committee which would then,  
12 if it were strictly a Commission matter, the Commission  
13 would pass on it and give the answer or whatever action  
14 was indicated.

15 If it were a question or a problem arising under  
16 the Federal Contract Program, the Committee would pass it  
17 on to Mr. Sylvester's office; then they would be in touch  
18 with the person who wrote in.

19 MR. DUGAN: I see. Thank you.

20 MR. MARKHAM: I might add, the form when mailed in,  
21 would come to the Committee, and would be parceled out in  
22 the same fashion. We will have one copy that will be  
23 kept by the Joint Reporting Committee and the second copy  
24 would go -- there would be one copy going to the computer  
25 people and that would leave one other copy. The Federal

1 contracting people would get a copy of the form if the  
2 employer indicated that he was a government contractor.

3 COMMISSIONER JACKSON: D.C. Transit is going to  
4 send a statement.

5 A call has been made, whether a representative of  
6 the Jewish Labor Committee is going to arrive. We should  
7 know within a matter of a minute or so, as to whether that  
8 person will get here.

9 I might say again, that the Commission is very  
10 happy to have had you here for the participation that you  
11 made. Certainly, it helped us an awful lot in forming what  
12 final opinions we will have and what policies we will make  
13 in the matter of record keeping.

14 I would hope that you would take the opportunity  
15 to visit our offices while you are here; feel free to go  
16 into any of the offices and discuss what the operations of  
17 each of them are. We think it would be useful to you, and  
18 certainly, we believe that it would be helpful to our  
19 personnel working in each office.

20 We invite you to do that while you are here this  
21 afternoon.

22 We have just been informed that the representative  
23 of the Jewish Labor Committee will not be here either, but  
24 he will submit a statement. He sent a wire.

25 Unless there are any other observations by anyone --

1 Commissioner Hernandez, do you have anything to say?

2 COMMISSIONER HERWANDEZ: No.

3 COMMISSIONER JACKSON: Mr. Markham?

4 MR. MARKHAM: I think I talked enough today. I  
5 hope so, anyway.

6 COMMISSIONER JACKSON: If there are no further  
7 observations then, we will declare the hearing adjourned.

8 Thank you again.

9 (Whereupon, at 3:15 o'clock, p.m., the hearing  
10 was adjourned.)

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