TEXTILE EMPLOYMENT FORUM

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

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January 12, 1967

9:00 o'clock A.M.

Auditorium

Mecklenburg Library

Charlotte

North Carolina

MR. STEPHEN N. SHULMAN, Chairman

MR. SAMUEL C. JACKSON, Commissioner

MR. RICHARD BERG, Commission Counsel

MR. CHARLES MARKHAM, Director of Research

Thereupon:

The following proceedings were had:

THE CHAIRMAN: Ladies and gentlemen, shall we get started? We are very privileged and honored to start this Textile Employment Forum. Honorable Standford Brookshire, the distinguished Mayor of Charlotte, has graciously consented to come here and give us a few words of welcome. So without further ado, I will introduce to you the Honorable Standford Brookshire, Mayor of Charlotte.

MAYOR BROOKSHIRE: Thank you, ladies and gentlemen. Mr. Chairman, members of the Commission, ladies and gentlemen; I think that we will all agree that this is a good day to be alive, especially if you happen to be in Charlotte, North Carolina, the Queen City.

I am pleased to be with you and to extend to you official greetings from the City and a warm and hearty welcome to the vibrant, blessed, growing, beautiful, friendly Queen City, a city that is intent on making both human and material progress, and a city that is giving some leadership throughout the south in the area of human progress.

For those of you who may be total strangers to Charlotte or first visitors here, I would like to characterize the City for you in a few words. Charlotte is a city that is large enough to be cosmopolitan in many respects, yet small enough to be friendly; old enough to possess rich traditions

and young enough to be strong and vibrant; rich enough to be generous and poor enough to embrace hard work; proud enough to hold its head high among sister cities and yet humble enough to lend an understanding and a helping hand not only to our own citizens but to those of the region which Charlotte serves; and with all, possessing a heart and a social conscience which embraces those interests and needs of citizens everywhere regardless of race, religion, economic or social status; believing that it is just as important to make human progress as it is to make material progress. And I indeed submit that we shall never make optimum progress in either without making corresponding progress in the other.

We are interested in not only equal opportunity for our citizens, we are interested in more and better opportunities for all of our citizens; because, after all, we can raise the level of citizens here only as we improve the lives of the individuals who comprise that citizenship. And it is important for our citizens all to have that opportunity and to encourage them to make the most of their individual lives, to be self respecting, self supporting contributing members of society instead of wards upon society. And so it is in the spirit of those words that I warmly welcome all of you here today, and I wish for you a very successful meeting in Charlotte. Thank you.

THE CHAIRMAN: Thank you very much, Mayor

Brookshire.

I would like to welcome you to this Textile Employment Forum on behalf of the Equal Employment Opportunity Commission. My name is Stephen N. Shulman; I am Chairman of the Commission. Here with me now is Mr. Samuel C. Jackson, my fellow Commissioner, who has coordinated the planning of this Forum for the Commission. The other Commissioner is Dr. Luther Holcomb, who is Vice Chairman, and who had planned to be with us throughout this Forum, but who has been forced by illness to delay his arrival. I am happy to say Dr. Holcomb will be with us later.

FOREWORD (cut)

The Equal Employment Opportunity Commission was created by Title VII of the Civil Rights Act of 1964, which makes it an unlawful employment practice to discriminate on the basis of race, color, religion, sex, or national origin. Title VII gives individuals who believe they have been unlawfully discriminated against the right to file complaints with the Commission, which in turn is required to investigate and attempt to resolve them.

In its first eighteen months of operation, which began on July 2, 1965, the Commission received 13,404 complaints. Eight hundred and sixty-nine of these came from North Carolina, and two hundred and fifty came from South Carolina.

In addition to the processing of complaints, the

Commission has sponsored a series of studies in various sections of the country, and covering diverse industries and companies, to the end of developing a body of knowledge on minority group employment and stimulating appropriate affirmative programs to provide increased opportunities for minorities. A group of studies in ten states and the District of Columbia was conducted for the Commission by Wayne State University as follows:

In Washington, D. C., the studies dealt with banking, savings and loan and insurance institutions;

In Louisville, Kentucky, they covered manufacturing, transportation, and banks;

In Massachusetts, railroads, buses, taxis, trucking, and airlines;

In Missouri, hotels, motels, restaurants, public utilities.

In New Jersey, public utilities;

In New York City, retail establishments;

Ohio, the machine tool and glass industry;

Wisconsin, brewery and other manufacturing;

Philadelphia, hospitals;

And Michigan, apprenticeship programs of the building and construction trades.

These studies show a low utilization of Negroes in nearly every case among the 533 companies covered, which

employ more than 386,000 workers. They also show that Negroes and other minority group members are usually confined to the lowest paying and most menial jobs.

Employers who made an effort to recruit minority workers succeeded in finding qualified applicants, these studies reveal, but only 40 percent of those questioned reported having taken such measures. Our Commission is now working with the state and local fair employment practice commissions in each of these areas in an effort to change this pattern.

A study ~~of the textile industry in the Carolinas~~ "Negro Employment in the Textile Industries of North and South Carolina" was prepared for the Commission by Dr. Donald Osburn, who at the time was at North Carolina State University in Raleigh and who now is at the University of Missouri. He had just completed a research effort involving migration of whites and Negroes to Greensboro and Winston-Salem, North Carolina, as part of a project supported by the Department of Commerce and conducted jointly by North Carolina State University and the Agricultural and Technical College at Greensboro.

Doctor Osburn's study also showed a low utilization of Negroes and a concentration in the low-paying jobs. It ~~brought out~~ indicated that the textile industry is the Carolinas' largest industry, which accounts for almost 43 percent of all United States textile mill production. Within these two states, almost 45 percent of all manufacturing jobs are in textiles.

In addition, the recent influx of new industry into this area has created a tight labor market. Doctor Osburn reported that textiles offers minorities a chance to move into the vacuum left by white workers leaving for higher-paying jobs. The official reporting forms filed by employers with the Commission reinforced this conclusion. They showed significant increase in the utilization of Negro workers in the industry.

In view of these circumstances, we thought a public forum on minority employment in the industry would be helpful. With the goal of realizing employment opportunities that would be developing, a broadly based exchange of information seemed in order. The forum was held in the Auditorium of the Mecklenburg Library Charlotte, North Carolina, January 12 and 13, 1967.

In addition to the employers, where the then will represented opportunities would develop, there were the home and the church, which provide motivation; the schools, which furnish training and skills; unions, which represent labor; human relations groups, which facilitate effective community action; civil rights organizations, which understand the problems of minorities; and interested state and local government agencies, which are close to the people and the firms concerned.

Beginning in November, prior to any public announcement of the forum, members of the Commission staff, by telephone and personal visit, sought the cooperation of representatives of all interested groups in the community and

carefully explained our purposes in sponsoring the forum. Ten of the larger textile employers in the Carolinas, their principal trade association, state and local government agencies, civil rights, human relations and educational organizations, and unions, were invited to send representatives as guest speakers.

We announced in advance certain ground rules in the dual interests of a meaningful dialogue and an equitable sharing of time. These ground rules stipulated:

Statements by the speakers ~~are~~ were limited to fifteen minutes, to be followed by an informal exchange between members of the Commission and the speaker not to exceed the time of the speaker's statement. The audience ~~will~~ was not be permitted to question the speaker.

There ~~will be~~ was a 30-minute discussion period at the end of each day. During this period, members of the audience ~~will be~~ were recognized for comments not exceeding three minutes in length.

The ground rules ~~which were previously~~ announced specifically provide that any public charge of discrimination against a specific individual, employer, union, or employment agency is out of order. Such charges ~~are~~ were considered to be inconsistent with the purposes of this public forum, and ~~are~~ were to be avoided in the interest of the confidentiality provisions of Title VII. Commission representatives ~~will be~~ were available to anyone wishing

to discuss such charges privately.

This forum will run from 9:00 A. M. to noon, and from 2:00 to 5:00 P. M. today and tomorrow. A period of 15 days following the close of the forum will be allowed for the submission of statements to the Commission in Washington.

I would like to express at the outset the Commission's gratitude to all of those who have cooperated so freely in making this forum possible. I would like again to thank Mayor Standford Brookshire, who has welcomed us to this city. I would like to thank the officials who have made the public library available for our use; and might I comment what a wonderful structure this is and how pleasant it is to have this forum in such pleasant surroundings. And finally, I would like to express my gratitude to each of our guest speakers who have made this forum possible.

I would like especially to acknowledge the contribution of Mr. David S. Coltrane, Chairman of the North Carolina Good Neighbor Council. Mr. Coltrane has served the State of North Carolina with distinction in important capacities for many years, and was selected for leadership of the Good Neighbor Council by Governor Sanford. He continues in this position as a member of the staff of Governor Moore. His advice and cooperation have been of great value to us in the planning and making of arrangements for this meeting. Later, we shall have the benefit of his counsel as a guest

speaker on the program. STEPHEN N. SHULMAN Chairman

Now at this stage, I would like to introduce to you Mr. Charles Markham, who is the Director of Research of the Commission, and who will lay out the order in which speakers will be called, and who will call the speakers throughout the course of the day.

I might also point out that immediately on my right is Mr. Richard Berg, who is acting as Commission Counsel.

Now, Mr. Markham.

MR. MARKHAM: Mr. Chairman, our speakers this morning, with one exception, will be members of the Commission staff; consistent with our view that this is an occasion for the sharing of information, our staff members will bring to you the relevant facts in the areas of their work. We will have statements from Research Division, from the Compliance Division, and a statement relating to the affirmative action programs, which are a part of our technical assistance effort.

In the afternoon session, we will have one speaker from each of the various segments of the community that are represented here. Generally speaking, they will be called in alphabetical order.

Tomorrow, we will have other invited speakers and those who have indicated they desire to be heard for a period longer than the three-minute period allowed in the public

discussion period at the end of the day. These speakers will likewise be heard in alphabetical order, unless because of conflicting engagements or travel schedules they have asked to be heard out of order.

The Commission representatives will speak from the rostrum here. All other speakers are requested to use the table in front of the rostrum. Each guest speaker at the conclusion of his statement will be questioned by the members of the Commission, the time period is to match the time of the preliminary statement. No question will be asked of the Commission representatives.

Our first speaker this morning is Dr. Donald Osburn of the University of Missouri, a consultant to the Commission and the author of a report on employment trends in the textile industry.

THE CHAIRMAN: Doctor Osburn.

DR. DONALD D. OSBURN: Today, I would like to review or summarize some of the pertinent findings in the report on Negro employment in the textile industries of North and South Carolina. The purpose of the paper is, first, to identify some of the changes which have taken place in the textile industry; second, to indicate changes which are presently occurring or can be expected to occur in the future; and, third, to explain how these changes have affected and can be expected to affect the Negro.

I want to briefly review some statistics of the economies of the Carolinas, the historical practices of the textile industry, the current status of the industry, the technological changes in the industry, and how the findings of this report may affect the future of the Negro.

As a basis for better understanding later comments, I will first present some basic statistics concerning the economies of North and South Carolina.

Number one, a high proportion of manufacturing activity is still concentrated in the textile mill products industry; textile mill workers accounted for almost 45 percent of North and South Carolina's combined manufacturing employment in 1965.

Number two, 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.

Number three, the Carolinas accounted for almost 43 percent of all textile mill production in the U. S. in terms of value added by manufacturing.

Number four, the 1960 Census of Population shows that thirteen percent of the employed in North Carolina and twelve percent in South Carolina were in the agricultural sector. In 1960, over 20 percent of the Negro labor force in the two Carolinas was employed in agriculture.

Historically, the textile industry has been

characterized by near-total exclusion of Negroes. This statement is documented by the research of Donald Dewey. This pattern existed as late as 1960, when non-whites represented 22 and 30 percent of total employment in North and South Carolina but only 3.9 and 5.2 percent of the textile employment.

A convenient way of comparing employment 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 labor force. This ratio or index provides 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.

In terms of indices of representation, the prior percentages - 3.9 and 5.2 - represented indexes of the magnitude of approximately eighteen.

However, we find that the historical pattern has changed, as is evident from a review of the current status of the industry. Since 1960, there have been marked changes in the textile industry. The Carolinas have experienced increased industrialization as the result of, one, new firms locating in the Carolinas, and, two, increased domestic economic growth.

These factors have created a current tight labor market. The lower wage rates in the textile industry has resulted in the textile firms losing white employees to higher paying industries such as machinery and chemicals. The figure reflects the wage differentials between the high and low wage industries (indicating), the purple being South Carolina in 1964, the orange North Carolina in 1965.

In the short run, a low wage industry such as the textile industry would have two primary alternatives to meet its labor demands in a tight labor market: First, increase wages to retain and draw new employees; and second, draw on the Negro labor force. The competitive nature of the textile mill products industry and the low value added per employee practically dictated that the industry turn to the Negro.

This hypothesis is supported by changes in the indexes of representation since 1960. By 1965, the industry's index for South Carolina had increased from 38 to 47, and there was an increase in North Carolina from 34 to 61.

The industry has experienced and is expected to experience even greater technological change in the next few years. It is expected to adopt labor-saving techniques of production.

An excellent summary of the specific details of such technology is presented in an article, "Technological Trends in Major American Industries," by Rose Zeisel of the

U. S. Department of Labor. Mrs. Zeisel states that automation has had and will have the following effects on employment in the industry:

One, requirements for operators will be cut back significantly by faster machines. This is important, because operators account for almost two-thirds of all textile jobs.

Two, there will be an increased demand for technical personnel. More engineers and technicians will be required.

Number three, the operator's job will become one of machine watching rather than tending. Such jobs require a more responsible employee.

And now in light of probable technological changes and the present tight labor market, it is appropriate for us to ask ourselves: One, how can the Negro be prepared for future opportunities in textiles and in other industries? And two, how can he best be prepared for declines in textile manpower demands and economic declines?

First, in the long run, the quantity and quality of Negro education must be improved.

Second, greater efforts should be made in disseminating information about job opportunities. Even when an employer ends his discriminatory hiring practices, the Negro is not benefitted unless he knows that a job is available. 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 job information network.

Third, greater efforts should be made to encourage Negroes to enroll in vocational training programs. This is very significant in that the skills required for production jobs can be mastered with six to eight weeks of training.

Fourth, geographical migration from labor surplus areas to the more viable growth centers in the Carolinas should be encouraged. Perhaps more resources should be allocated to relocation programs, such as the one initiated by the North Carolina Fund. The preferences of textile firms to locate in areas of surplus labor - that is, rural areas - has and will continue to aid the migration activity of people moving from agricultural occupations to industrial occupations. And also important, the costs of migration, not only direct costs but the psychic costs of moving from friends and relatives, will be held to a minimum.

The textile industry has aided the two Carolinas in their drive towards greater industrialization. The industry has been 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 been engaged in relatively unmechanized agricultural production,

thus allowing them to participate in an industrial society, and perhaps to move on to higher-paying jobs as the opportunities present themselves.

Hopefully, the textile industry will continue to serve the Negro as it has the white migrant.

MR. MARKHAM: Our next speaker is Dr. Phyllis Wallace, the Acting Chief of the Technical Studies Division of the Commission. She will be assisted by Miss Maria Beckles in her presentation, who is an economist on our Research staff. Doctor Wallace and Miss Beckles are the co-authors of the analysis of the data from our EEO-1 reporting system, copies of which are available in the lobby.

THE CHAIRMAN: Doctor Wallace.

DR. PHYLLIS A. WALLACE: The 1966 employment survey in the textile industry of the Carolinas provides independent data with which to examine the structure of the labor market and the status of Negro workers in this industry. These results have been substantiated through an exhaustive check with materials from many sources.

My presentation will attempt to identify the key factors which prevent Negro workers in this region from being fully accommodated within the expanding industrial sector of the Southern economy. The increase of job opportunities for Negroes in textiles is a significant step in the direction of the development of one of the major resources of the Carolinas.

The transition of the South toward a more modern industrial and urbanized way of life will be greatly influenced by the development of its human resources.

The study of Negro employment patterns in the textile industry is based on statistics collected from 406 textile establishments located in North and South Carolina. The Equal Employment Opportunity Commission, the Office of Federal Contract Compliance of the Department of Labor, and Plans for Progress jointly developed the EEO-1 Standard Form 100. The 406 establishments in the sample - 226 in North Carolina and 180 in South Carolina - are representative of the textile industry in this region.

According to the 1963 Census of Manufacturers data, there were 1,486 textile plants in the Carolinas. Roughly half of these plants employed more than 100 employees. Thus, the 745 units in this latter category represent the universe for the EEOC sample.

Statistical coverage under the joint reporting system included primarily establishments of over 100 employees, with certain exceptions for multi-establishment concerns and government contractors. On an establishment basis, the coverage is about 50 percent. The coverage ratio on the basis of total employment is higher because of the predominance of large-scale units.

More than 48 percent of all U. S. textile plants,

which employ over 500 persons, are in these two states. Half of the country's largest employers but only fourteen percent of the small plants are located in this region.

Almost one-third of the reporting establishments in the EEOC sample had over 500 employees and accounted for 70 percent of total and of Negro employment. Chart 1 denotes the size of textile employment in the Carolinas by type of specialty. Most of the large plants are engaged in weaving, as shown by the brown color - that is, 500 through 999, and over 1,000; and the smaller companies are engaged in knitting, as shown by the yellow color - under 100 and 100 to 250.

The North Carolina sample is based on selected replies from 226 establishments in 41 counties; and the South Carolina data are based on replies from 180 establishments in 32 counties. The criteria for selection were Negro population and textile mill employment in the county. Charts 2 and 3 show the counties in the sample, shows the North Carolina sample; these are the 41 counties included in the sample.

Employment data in the sample have been checked against information from many sources. For example, the South Carolina Department of Labor reported 8,220 Negroes employed in non-salaried jobs in the textile industry as of June 30, 1965. The EEOC sample shows 7,956 Negro textile workers in the first quarter of 1966.

In North Carolina, ten counties accounted for

almost half of the textile mill employment.

Employment based on the EEO-1 reports in the textile mills of the Carolinas totaled 194,047 of which 7.2 percent were Negro men and 1.4 percent Negro women. The total Negro employment was 16,719 workers. Chart 4 shows that for every ten Negro workers, one and three-fourths were female and eight and one-fourth were males. In other words, there were five times as many Negro men as women.

In 1966, Negroes accounted for 8.6 percent of all employees in the Carolina textile industry. This is almost double the rate for 1960, which was 4.4 percent. It should be noted that Negroes make up about - make up approximately 25 percent of the civilian labor force of the Carolinas.

The textile employment patterns revealed in these reports are consistent with the occupational mix patterns for the industry - that is, a concentration of blue collar employment with workers predominantly in the operative skills. Chart 5 shows the percent of workers in each occupational category for total employment and for Negro employment, so that the first chart would be percent of employees in each occupational group, for a total employment. The second chart would be percent of Negroes in each occupational group. And the third would be Negroes as a percent of your total employment, which as we've indicated was the 8.6 percent.

White collar employment in the EEOC sample was

13.9 percent; blue collar employment was 84 percent; and service workers were 2.1 percent of total employment. Among Negro employees, 99 percent were blue collar and service workers, the majority of which were operatives and laborers.

Generally, the reports from the 406 textile establishments revealed few Negroes in skilled crafts and white collar occupations. We might just look again at Chart Number 2. Craftsmen represented 15.4 percent of total employment, but the Negro participation was only 2.3 percent of all craftsmen. White collar employment for the Negro worker was 1.1 percent of total employment. Negroes were heavily concentrated in the laborer and service occupations.

The next five charts show total and Negro employment by occupations and textile specialty. And so this would be for your weaving mills in the two Carolinas, the large white graph indicating total employment and the colored portion the percent for the Negro employment, so that for white collar, craftsmen, operatives, laborers, and service workers in the weaving mills, these are the numbers.

In the knitting mills, here again the same relationship, white collar, craftsmen, operatives, laborers, and service workers. In the dying and finishing mills of the Carolinas, again you will see the same pattern that is repeated, for white collar, craftsmen, operatives, laborers, and the concentration in the blue collar category. For floor

covering mills in the two Carolinas, you see the pattern would be about the same. And finally, for your yarn and thread mills in the Carolinas.

What does this occupational stratification mean in terms of wages earned? In a recent survey of wages in the cotton textile industry for the Carolinas, the U. S. Bureau of Labor Statistics reported median hourly earnings of $1.73 for males and $1.62 for females in North Carolina, and $1.82 for males and $1.69 for females in South Carolina. Janitors and hand truckers, two occupations where Negroes are likely to predominate, averaged $1.47 an hour, and weavers averaged $2.00 an hour.

I would like to discuss briefly the participation of women and the role of Negro women in the textile industry. We need to know more about both the economic and non-economic dimensions of the blue collar world. My presentation is limited to a discussion of some of the economic factors.

The national average for female participation in this industry was 44 percent in July 1966. In 1960, women were 43 percent of all employees in the Carolina textile industry. Almost two-fifths of the total number of textile workers in our sample are female. More than three-fourths of the 75,000 women in the Carolina textile survey are employed as operatives, a semi-skilled category. The next largest group, accounting for eleven percent of the female

employees, is office and clerical workers.

In the postwar period, the textile industry has provided blue collar jobs for an abundant supply of white females. Recent studies show that labor force participation ratios for this group increased significantly during the 1950-1960 decade, and will continue to increase in the future.

Negro women have not participated in these employment opportunities. As late as 1960, over half of the non-white women in the Carolinas were employed in personal services and about five percent were in manufacturing industries.

Based on data from our sample, Chart 7 shows that there are 27 white female workers for each Negro woman worker. Less than four percent of the women workers in the EEOC sample are Negroes. There are only 2,792 Negro female employees as compared with about 14,000 Negro male textile workers.

Three-fourths of the Negro women workers are operatives, with the largest representation in the weaving sector. The predominance of operatives among Negro females is consistent with the general occupational grouping of female workers.

Doctor Osburn notes that with the influx of new, higher-paying industries in this region, white workers have left textiles. It is likely that the egress from textiles to

higher paying jobs in electronics and chemicals differs for males and females. As white males leave the industry, Negro males may move in to fill their positions. Statistics published by the South Carolina Department of Labor show that between 1961 and 1965, employment of Negro male textile workers increased 38 percent, as compared with a five percent increase for white male production workers.

We are aware of the long-run prospects for this industry and that a high level of economic activity in the United States is a key determinant of equality of employment opportunity. Within this framework, minority group workers can be absorbed into the labor market.

We also know that Negro workers in the past have not participated fully in economic growth until after the slack has been taken up by white workers. The problem of how to translate potential productivity into actual productivity through the efficient use of human and capital resources requires bold and imaginative programs for a rapidly developing southern economy.

THE CHAIRMAN: Thank you, Doctor Wallace.

MR. MARKHAM: Our next speaker is a guest speaker who asked to be heard early because he has to catch a plane very shortly, Doctor Vivian W. Henderson, President of Clark College in Atlanta, Georgia; Chairman of the Task Force on Employment at the White House Conference; formerly a visiting

Professor of Economics at North Carolina State University in Raleigh.

THE CHAIRMAN: Doctor Henderson, we are delighted that you could come, and we are happy to have you here.

DOCTOR VIVIAN W. HENDERSON: I would like to say to the audience that I have taken advantage of Chairman Shulman's invitation to sit at the table. I am a recent migrant from the hospital; and I am really not quite up to par. I should also like to say that I appreciate very much your giving me the opportunity to speak early. I do have a long-standing engagement in another city and I have to catch an 11:30 plane.

Mr. Chairman, members of the Equal Employment Opportunity Commission, ladies and gentlemen, I am pleased to share in these hearings. Whatever insight I may possess regarding Negro employment problems I am pleased to have the opportunity to share them with you in the interest of furthering objectives of equality of access and equality of opportunity for Negro Americans.

I place before you a statement which I admit is incomplete; and I should like to have the privilege of completing my recommendations - not verbalizing them at this point, but putting them in writing within the fifteen-day period as provided for in the ground rules.

I am President of Clark College in Atlanta,

Georgia. I come before the Commission, however, more in the capacity of an economist than as a college president. Most of my professional life has been devoted to research, writing, and concerns with economic and employment problems of Negroes in the South and in the United States.

At the outset, I should like to say that I applaud the decision of the Commission to explore the textile industry in these hearings. The textile industry in the South has an extremely poor record on Negro employment. The industry has a vicious history of outright exclusion and sheer discrimination regarding Negroes from the work force in the various plants. The only manufacturing industry, in my judgment, that parallels the textile industry - and this can be supported by data - in terms of Negro exclusion from employment in the South is apparel, an allied industry.

Likewise, I applaud your decision to concentrate on the Carolinas in these hearings. Textiles make up an important source of manufacturing employment in the Carolinas. Patterns revealed for the Carolinas will have important implications for other parts of the South, including Georgia and East Tennessee, where textiles also comprise a significant source of employment and income for the people of the area.

Employment opportunity for Negroes in textiles in the Carolinas and in the South has been and continues to be

quite limited. All-white plants are the rule rather than the exception in East Tennessee, Southwest Virginia, North and South Carolina, Georgia, Alabama, and Mississippi; and this is the case in places where Negroes make up a significant part of the population.

To the extent that Negroes have been able to achieve employment in textiles in the South, such employment is confined to a limited number of plants. Now we have had data showing that there has been some progress - and we are very proud and happy that there has been some progress - but it is to the point regarding the limited number of plants and the location of employment that I should like to address the major portion of my remarks.

Relationships between plant size, location and sources of labor supply in terms of rural and urban workers - these relationships are often obscured by statistical aggregates that deal with the industry as a whole. I must confess that these remarks I shall make regarding these relationships do not enjoy the advantage of having been derived from perfect data. I believe that the data is sufficient to establish a point regarding these relationships.

According to recent data provided by the Census of Manufacturers, there are 1,486 textile plants in North and South Carolina, employing some 380,000 persons. Of the 1,486 plants, 50 percent employ less than 100 workers each;

70 percent employ less than 250 workers each. Thus, approximately 266,000 of these workers are spread over about 1,020 relatively small plants of less than 250 employees; and approximately 180,000 of these workers are spread over 750 even smaller plants with less than 100 employees.

A significant proportion, if not most, of the textile plants in the South are located in small towns and cities and in rural non-farm areas. It is also important to note that a basic source of labor supply for textiles is rural non-farm persons. Likewise, non-farm employment for persons who make up the rural non-farm population is often confined to one or two plants in such industries as textiles and apparels. But access to textile employment by Negroes in rural non-farm areas is very limited. Employment of rural non-farm Negroes then is one of the serious aspects of Negro employment problems in the South and in the Carolinas, and in particular, in the rural non-farm areas that tend to attract textile plants.

One of the phenomena regarding migration of Negroes from rural areas that people overlook is the fact that a sizeable part of the migration does not end in the city. The Negro rural population is no longer predominantly a farm population. Much of it is rural non-farm.

The number of Negroes living in rural non-farm areas of the South increased from 1.7 million in 1940 to

3.1 million in 1960, a gain of 1.4 million, or a gain of 45 percent. In North Carolina, the proportion of the Negro population in the State living in rural non-farm areas increased from 20 percent to 37 percent in the 20-year period; in South Carolina, it increased from 19 to 44 percent.

Now this is the point I want to make. With these changes in Negro rural residents from rural farm to non-farm, and the fact that all this Negro migration does not end in the city, a basic question arises regarding employment opportunities for rural non-farm Negroes. This question takes on added significance with the observable fact that many textile plants locate in places where the rural non-farm population provides an important source of labor supply.

I tried to get a handle on this, on how Negroes fare regarding plants that locate in rural non-farm areas. It is not easy to come by such information. The best that I could do was come up with data on employment proportions of Negro and white workers in selected industries by character of residence of the worker. I want to repeat that: employment proportions of white and Negro workers in selected industries by character of residence of the worker.

I discovered that industrial patterns of employment for urban and for rural non-farm workers showed considerable similarity in the United States as a whole. For example, about 28 percent of both urban and rural non-farm

residents in the United States were employed in manufacturing in 1960. In the South, on the other hand, 29 percent of white rural non-farm workers were employed in manufacturing, compared with 22 percent of the whites in urban areas.

The lower proportion in urban areas suggests perhaps a greater opportunity in and perhaps dependence upon manufacturing for employment for southern rural non-farm persons than for southern urban persons. Perhaps the nature of urban commerce and personal and business services may account for this difference. Similarly, the proportion of Negro rural non-farm residents employed in manufacturing was greater than the proportion of Negro urban residents, 19 and 14 percent respectively. In other words, I am trying to show here a greater dependence upon manufacturing employment of those persons who live in rural non-farm areas than persons who live in urban areas. And I've said simply that the nature of urban commerce may account for this difference and the fact that plants tend to locate in these areas; and they become one-mill or one-plant towns. This may account for the difference, once they leave the farm.

Now the import of all of this is that with these kinds of data, we get an entirely different picture when this procedural analysis is applied to the textile industry. Textiles and apparels accounted for 895,00 or 26 percent of all manufacturing employment in the South in 1960. Well over

one-half, 56 percent, of the workers in these two industries came from rural areas. Large proportions are females. Very few were Negroes, and even fewer are Negro females.

In 1960, Negroes made up 21 percent of all employed rural non-farm persons in the South and 12.8 percent of all rural non-farm persons employed in manufacturing. However, they made up only 3.8 percent of the 280,000 rural non-farm persons employed in textiles; they made up only 2.2 percent of all rural non-farm residents employed in apparels. In other words, while 56 percent of the workers in textiles and apparels in the South came from rural areas, only 3.8 percent of the Negroes in these areas found access to employment in textiles and 2.2 percent found employment in apparels.

Now I admit that this is not perfect data, but I do think that there is a story here.

Growth in the Negro rural non-farm population in the South and in the Carolinas is an important trend in the population distribution. Undoubtedly, migration from rural farm areas by Negroes will continue as demand for farm labor decreases and Negroes seek better economic and social opportunity off of the farm. The important lesson for the South and for the Carolinas and for the industry, the various industries, the manufacturing industries, is this: As population in and around cities expands, rural non-farm areas

could possibly become significant places of residence for off-farm migrants if these population increases in rural non-farm areas are complemented by increases in employment opportunities.

And the significant part of this in the Carolinas is to be oriented around the textile industry, because of the dominance of this industry as a manufacturing industry.

To further indicate the unfavorable experience of Negroes with employment opportunity in textiles, 1960 data will be useful. At that time, textiles had the poorest record of Negro employment as a proportion of total employment of all manufacturing industries. Only electrical machinery was slightly lower. Whereas Negroes made up 22 percent of all employed workers in North Carolina and 39 percent of all employed workers in South Carolina, they made up only four percent and five percent of the textile workers in the two states, respectively. I used the data provided by Doctor Wallace.

The data provided by Research suggests that Negroes make up at present about 8.6 percent of the workers. This was based on a survey of 194,000 employees, which was 51 percent of all of the textile employees. The one point I want to make on the procedure employed by Doctor Wallace is that this data was confined to those counties which had, I think, seven percent or more Negro population. This is good.

This no doubt gives a clearer picture in one respect as to the access of Negroes to textile employment.

One of the critical factors about plant location in the South is that many textile plants, as well as others, locate in all-white areas - or as near to it as they can - to avoid the question of Negro employment. Thus, Negro exclusion is still an important factor in the decision-making process.

The most glaring characteristic of textile employment has to do with Negro females - this has already been alluded to - and the qualitative aspects of employment. Negro females are virtually excluded from employment in the textile industry. Yet, this is an industry in which about 50 percent of all employees are females. Negro females, however, make up only 1.4 percent of the total work force and only 3.7 percent of all of the female employees.

Then too, if a Negro somehow manages to get a job in textiles, if he gets through the door, he finds himself in menial tasks and in dead-end situations. Negro employment in textiles is almost exclusively confined to semi-skilled and unskilled jobs. These are important problems. Just as important are problems of promotion and work arrangements.

We know there are many reasons for the poor record of Negro employment in textiles. I understand that the textile industry has refused to participate in this forum. I

don't know whether it's a fact or whether it's simply a rumor. But I think it's unfortunate if they have refused to participate. If they've got something good to show, they ought to come here and present it and put it on the table, because their record is poor. They ought to present everything they can to offset the poor record and show that they are moving forward.

In a paper prepared for the Commission by Doctor Donald Osburn, emphasis was placed on three reasons for Negro exclusion from the textile industry:

Social cohesion of small mill town communities and the history of strike violence discouraged integration attempts. I don't know about the strike violence; I don't know about the social cohesion; but I do know the town that I grew up in in Bristol, Tennessee, there's no history of strike violence and cohesion was not that prominent. It was a sheer matter of racial discrimination.

He suggests further: In their own areas, mills were relatively high-wage employers and could attract all the white labor they needed. This in and of itself is a statement of racial discrimination.

Many jobs could be done 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.

While all of the points made by Doctor Osburn are

valid, the fact is - what he does not bring out in the paper as strong as I think he should - is that they are all variables of one dominating factor and under which they can all be subsumed: racial discrimination in employment.

To correct the situation requires not just education and training. So often we say education and training, and this puts the burden on the back of the Negro. We know he needs education and training; there is no issue here. But this is not where the whole burden rests.

More than anything else, what is required are practices by employers which lend themselves to providing the greatest access possible for Negroes to find their way into textile employment, affirmative action, plans for progress, if you please. All of these are important parts of the progress by which Negroes will be attracted; and in particular, much must be done to open doors for rural non-farm Negro workers in textile plants located in the areas that I have mentioned.

In too many cases, where change has come in textiles as with other areas of employment, companies, for example, have sought Negroes with college degrees to do the work of elementary school graduates. They have been unwilling to give Negroes the same access to mistakes and training as they have whites.

One of the basic problems, employment problems, Negroes face is with non-college bound youth - those who do

not find their way into college. These who have finished high school, they are too sophisticated to work in a white person's kitchen, and a textile mill in their small town or place won't have them.

Let me just cite two or three things I think could be done to bring about improvement of the situation. I think the concept and program of the North Carolina Good Neighbor Council is a good one. As Mr. Coltrane, my friend, knows, I would like for it to be stronger in many instances, but it is a good program. I don't know what their experience has been with the textile industry in these smaller towns that I have been referring to. But I should like to call for a greatly expanded program of the Good Neighbor Council, and to the extent possible, some organization along industry lines. A special council for the textile industry may be set up. The experiment of the North Carolina Good Neighbor Council started about four or five years ago has developed into a useful device. I hope it can be expanded.

I think, very importantly, number two, that Negroes must be given a better shot at on-the-job training. In too many instances, they are looking for the "instant Negro." White women have all of the opportunity in the world to go on the job and make mistakes, have on-the-job training, and qualify for the job.

In the case of the Negro, he's got to bring his

qualifications with him. I should like to call for a much larger on-the-job training in the textile industry.

I should also like to say that the federal government in its program ought to be more careful in terms of their contract offers. Certainly, this question of locating plants in an all-white areas and avoiding the question of Negro employment ought to be considered when contracts are being let. I think more ought to be done to use the contract compliance provision to try to bring about equal employment opportunities in the textile industry.

Number four, I'm not opposed to establishing some rule-of-thumb guidelines on Negro employment in this industry. Sometimes the word "quota" is a bad word, but somehow or other we have got to establish the fact that these industries have got to make affirmative progress; they have got to move forward.

And then some consideration ought to be given to some rule-of-thumb guidelines which lend themselves, if you please, to a quota arrangement or some percentage arrangement regarding Negro employment.

And finally, I think that we all recognize that the nature of the public policy as it is presently on the books is that we are trying to get at this problem through a complaint-oriented procedure. As well as we may be able to do, as well as we may be able to get complaints - despite the

number that was reported by Chairman Shulman this morning - I think that we can only attack this problem and reach success when we start dealing with patterns of exclusion, patterns of employment, and not just solely complaints upon which we must rely.

Mr. Chairman, I have done the best I could to make some positive statements; and I appreciate very much having the opportunity to appear before you.

THE CHAIRMAN: Doctor Henderson, thank you. We appreciate your having been able to come, having just gotten out of the hospital. If you will, we'd like to ask you a few questions.

I think that I myself would like to hear a little more regarding the economics of the movement from rural non-manufacturing to rural manufacturing, but not in the textiles area. I was wondering what that phenomena is.

DR. HENDERSON: I will try to say what I can. This is a cumbersome area. First of all, as you can probably imagine, you have to really deal with the question of plant location, why plants locate where they do, the motivations; and there are all sorts of hypotheses about this.

For example, in the movement of plants from New England to the South, one hypothesis is they moved in order to take advantage of a low-cost docile labor force; they were avoiding unions and this kind of a thing. I do know this,

that your manufacturing employers in particular I'm talking about now, they relocate where there is a supply of labor, in the economic sense, a supply being here, it brings to the work force certain qualifications; and this is true, for example, with any of your electronics and automobiles and your heavy industries.

But the difference between the textile industry and some of your other kinds of industries, like automobiles and electrical machinery, is that the technological requirements are not that great. In other words, with two to three weeks of on-the-job training, most people can qualify and do the job. In most of the jobs that are in these plants, they recruit white women, for example, and two to three weeks training is all that is necessary in order for them to qualify for the job.

Now all I am saying is that this whole question of rural non-farm residents and the sources of employment, that most of the Negroes have to travel into the urban areas, into the city, into the heart of the city 25 and 30 miles away. Now many whites do this too, but they do it because they have an option; Negroes do it because they can't do any better. All I'm saying is they travel into the city to take advantage of the jobs in the manufacturing plants in the city or the service types of industries in the city, commerce and the like, simply because they cannot

get a job out there where they are living.

So I don't know if that has any bearing on the question, but this is what I'm really getting at here, is the fact there really are no options. The options are limited in comparison with other people. I think that what has to be done in further research and further inquiry, in order to really get at the heart of this problem, is you cannot take the aggregate statistics provided by Burlington Industries or some of these other firms - I'm just using that; I'm not accusing them; I'm just using that as an example - these large firms, and draw conclusions about progress of Negroes in textiles. I think you're going to have to look at it plant by plant where they are located in these rural non-farm areas. In Greenville, South Carolina, there are plants over there where Negroes can't get past the front door except as a maid or janitor. These are textile plants. You go over there at 4:00 o'clock in the afternoon, which I have done, and observe the work force leaving. You will find 200 white women coming out at 4:00 o'clock and 200 Negro women coming out at 4:15; and you - well, anyway---

THE CHAIRMAN: Well, I do think that I ought to point out that the reason why our statistics are presented in the manner we have is because it would be desperately inappropriate for us as a Commission to state

publicly the employment statistics of any particular plant in any particular location. As you know, confidentiality is required by the statute itself.

I take it your point is that in the deliberations that we go through in the Commission as to what might be done, we ought not be guided by the gross figures as figures pertaining to a particular location?

DR. HENDERSON: I'm not criticizing the data; it's useful. I'm not criticizing that. I'm simply trying to provoke the Commission to a point that they have to get at patterns of employment in individual plants, and I know your data does reflect some of this. I am simply saying that one of the things that we are overlooking in this whole Employment Opportunity bit, we are overlooking what's happening to Negroes in rural non-farm areas. And this is a critical factor because these are the people who constitute a sizable part of our population. One of the reasons they do it is because they don't have access to plants such as those in the textile industry that locate in those areas for the express purpose of taking advantage of its labor supply which is available.

THE CHAIRMAN: Mr. Jackson, would you like to ask some questions?

MR. JACKSON: Looking at the time, Mr. Chairman, I think I will defer mine. The Doctor has indicated that

he's going to provide us with additional information, and perhaps my questions will be answered when he gives the additional information.

THE CHAIRMAN: All right. Well, I'd like to ask just one more question myself.

What do you see as the role of the school systems in vocational education in this area?

DR. HENDERSON: I don't want to be misunderstood on my point about educational training. I don't think there's any issue that this is an extraordinarily important part of the process of bringing about corrections in this area of providing more qualified Negroes. Our vocational educational programs in the Carolinas need to be adjusted so they can provide certain basic skills. I think that Doctor Osburn made a very good point earlier today that most of the skills that are needed are not the manipulative skills necessarily, but simply those of reading, writing, expressing, and ability in exercising good judgment. So I think both the general education and vocational education are important to this end.

But the fact is when you look out to where the employees come from to these plants - this is the hypothesis I may not be able to defend - a sizable portion of them don't come out of vocational and technical programs. They are people recruited in the neighborhood who are available;

they might have been out of school for eight or ten years, and they are put on the job and get on-the-job training and they qualify in that process. Now when it comes to the Negro, he's got to go through vocational and technical training. Now vocational and technical training plays an important role; I don't want to play that down by any means. The only thing that I worry about is that education and training becomes the scapegoat; it becomes the avenue by which we channel these things to keep from getting at the real issue that there are many dumb whites, poorly-qualified whites, who are employed - and this is where the real discrimination comes - but they won't employ the dumb and poorly-qualified Negroes. So we don't want to discriminate between equally smart and equally dumb. Equally smart and equally dumb. I'm serious about this. Because it's the white person with limited qualifications, you see---

THE CHAIRMAN: A single standard.

DR. HENDERSON: Yes. Opportunity with options. You see, a Negro doesn't have those options; and it's in this area in this kind of business right here that I'm talking about where it's prevalent, where it happens. I'm arguing really that you should give the same option to the limited qualified Negro as you do to the limited qualified white.

Now, for example, the student at Clark College

who's in the upper ten percent of his class, he doesn't have any problem about a job. What is he going to look at some textile industry for, unless he chooses it? He's got eight or ten job offers. From the top down to maybe the 80th percentile, he has two or three good job offers. These are the alternatives. But what about that youngster who finishes high school? If we really mean business about educational training, that guy has something to offer; and it's this fellow who is caught in the trap of limited opportunities in this kind of an industry.

As I said in my two points of recommendation - I don't want to belabor this point - but the kind of program that the Good Neighbor Council did, somehow we've got to get these industry people to understand this particular point, recruiting in the high schools, going out with affirmative action programs to get these Negroes and bring them into the maze of employment.

I don't think we have to rely on a tight labor market to do that. That's the other point I want to make. Now certainly Mr. Osburn's point about a tight labor market is good, and I subscribe to all of this, how it impersonally does bring about certain changes. But as soon as the tight labor market is over, what happens to the Negro? He's the first one they fire. So the tight labor market doesn't solve the problem; it's only a temporary kind of injection.

It's only to the extent that they are going to take Negroes, make them a permanent part of the work force, give them seniority, let them be promoted, upgraded, give them mobility, that we're really going to have a chance to get at this problem.

THE CHAIRMAN: Let me ask you one final question, if I may. Do you think the solution would be better through a state-wide effort of the type that the Good Neighbor Council of North Carolina is, through a two-state effort, or through individual community efforts, or through a combination of all?

DR. HENDERSON: Well, obviously a combination of all. I think we need all of these tactics. I'll be quite frank with you, I'm a little ambivalent on this whole question - well, the whole question of State FEPC, for example. I'm not too hep on the South in some ways, and yet sometimes I think it would be a useful device. But I think that voluntary efforts, insofar as they really are in good faith, you know, certainly this is what we'd like to have; and this has been demonstrated in many firms. They have demonstrated what you can do through a voluntary program.

But I still argue that in this instance, the textiles, the very nature of their location - and this is the first point made by Mr. Osburn - in the small mill towns,

their fear that they cannot bring Negroes in side by side with whites, the failure of the firms to adopt a firm stand and implement policy from the top, it is a failure in this respect that continues this kind of situation that I am talking about. So I would argue for both your expanded state-wide efforts with more vigorous application of the Good Neighbor Council principles, to give it more staff to try to work with these firms in an educational program, as well as through affirmative action and procedures of the national program in terms of contract compliance and E.E.O.C. procedures, the complaint procedures, trying to get at the patterns of employment, as well as our local groups, trying to get them to see the question that I always try to bring in: that if you don't want to see it from a moral point of view, at least see it from an economic point of view.

THE CHAIRMAN: Well, Doctor Henderson, we are most appreciative of your coming, and I understand you have to go and catch a plane. As I say, feel free to take advantage of our 15-day period.

DR. HENDERSON: Thank you, sir.

THE CHAIRMAN: The suggestion has just been made to me by our able, distinguished, and obviously understanding Commissioner Jackson that a break might be in order. As a result, we will have a five-minute break.

(Whereupon, a short recess was taken.)

THE CHAIRMAN: All right, we will resume.

Mr. Markham, will you indicate who the next speaker will be?

MR. MARKHAM: We will return now to the presentation by the staff of the Commission. Mr. Kenneth Holbert, Acting Director of the Office of Compliance.

MR. KENNETH HOLBERT: Mr. Chairman, Mr. Commissioner, ladies and gentlemen, historic differences in consideration afforded American citizens based upon race, color, sex, national origin, and religion resulted in the enactment of Title VII of the Civil Rights Act of 1964, which became effective July 2, 1965. The Equal Employment Opportunity Commission, an independent commission of the United States Government, has responsibility for the administration and enforcement of Title VII. Operating under a comparatively new statute, the Commission seeks to eliminate discriminatory employment practices.

Section 703(a) of Title VII of the Civil Rights Act of 1964 states that it will be an unlawful practice for an employer to discriminate against an individual regarding employment on the basis of his race, color, religion, sex, or national origin. The same prohibitions apply to representatives of employees, such as employee unions or employee associations. The statute covers not only the initial hiring, but all terms and conditions of employment.

The purpose of this statement is to describe the Commission's experience with the textile industry and the procedures employed by the Commission in carrying out its responsibilities under Title VII of the Civil Rights Act of 1964, to seek compliance with this statute on the part of employers, when complaints are filed alleging actions or acts of discrimination prohibited under the law.

Of the grounds which may be asserted in filing complaints under Title VII, racial discrimination is the principal allegation. The Commission has received from Carolina citizens, both North and South, a total of 1,119 complaints. These were filed against a variety of industries, including the textile industry. The records of the Office of Compliance of the Commission indicate that approximately one-fourth, or 260 complaints, contained assertions of discriminatory practices involving textile industry employees.

Details of cases before the Commission may not be discussed by any of its employees; therefore, in order to describe the Commission's experiences in processing complaints involved in the textile industry, a statistical analysis is helpful.

Upon receipt of a complaint, the complaint is analyzed by the Commission. Twenty-two of the 260 complaints were rejected by the Commission; 18 were filed by North Carolina charging parties and four by South Carolina charging

parties. Of the 260 complaints filed against textile industry employers, 225 were filed by North Carolina citizens and 35 were filed by South Carolina citizens. 215 complaints were filed by Negro charging parties who were North Carolina residents and 31 by Negro charging parties who were South Carolina residents. Complaints were filed by 15 males from North Carolina, and 24 by South Carolina males, making a total of 39 complaints involving male charging parties. The remainder of the complaints are from 220 female charging parties. All but 11 female charging parties were residents of North Carolina; thus 85 percent of the charges were filed by female persons. Of all charges received involving the textile industry, 75.4 percent or 197 were properly filed and within the jurisdiction of the Commission.

Let us look for a moment at the characteristics of the charging parties; what was their race, their sex, their grievance. Negroes accounted for 97.9 percent of the charging parties. The basis of the charge in 185 out of 197 filed was failure or refusal to hire. The great bulk of the charges were brought by Negro women who sought employment in an industry from which they felt traditionally excluded. Thus, Donald Dewey concluded in his "Selected Studies of Negro Employment in the South," women were capable of performing most textile mill jobs and were an accepted part of the work force. Rather than risk racial

friction, an employer who faced labor shortages preferred, if at all possible, to hire white women rather than Negro women to meet his needs. In fact, some employers indicated that they had never employed Negro women before the establishment of the Commission.

Almost all of the remaining 15 percent of the charging parties filing complaints were Negro males. A few Negro men have been hired previously by the textile industry, generally in service jobs. It is interesting to note that the primary basis of charges filed by Negro men alleged discrimination in conditions of work, such as unequal pay, unequal application of seniority, discharge, layoff, and segregated facilities. Only a few Negroes applied for positions as clericals or production workers, positions normally requiring prior training.

127 charging parties sought the position of industrial trainees. These Negroes, mainly women, wanted an equal opportunity to learn the trade. The testing methods for qualification as an industrial trainee varied greatly from mill to mill. Some use the State Employment Securities Commission exclusively. Some employ personnel officers who administer both intelligence and dexterity tests.

It was frequently stated by employers that the Employment Securities Commission did not refer Negro applicants to them. We suggest that these employers may

wish to determine if all qualified applicants for employment are being referred, since it appears that these employers make no effort to determine if all qualified applicants were referred for consideration.

The Commission has adopted guidelines on the subject of testing which have been printed in a convenient pamphlet available for general distribution to assist employers in complying with Title VII in the implementation of the testing program. The guidelines provide the tests may not be used as a device to exclude employees on the basis of race. The guidelines further provide that the tests should be employed as one of the selection devices to be utilized by an employer in the event that the tests selected are professionally developed. The Commission asserts that a professionally-developed ability test means one which fairly measures the knowledge or skills required by the particular job or class of jobs that the applicant seeks.

From the Osburn report you have learned that women are generally capable of performing most textile mill jobs. When the charging parties sought employment as textile mill workers, the positions generally requiring low skill or no skill, they are denied employment, according to the allegations. They sought employment as industrial trainees, as production workers, and as clerical workers.

They also included in many of their complaints an allegation that the State Employment Service discriminated against them by failing to refer them to employers where their skills and abilities could be properly utilized.

We have determined that 125 complaints in North Carolina and two complaints in South Carolina were related to the charging parties' efforts to secure an industrial trainee position. We have determined that 25 percent in North Carolina and two in South Carolina were related to the charging parties' efforts to secure an industrial trainee position. We have determined that 25 complaints in North Carolina and two in South Carolina involved efforts by charging parties to secure positions as production workers. We have determined that nine complaints in North Carolina and none in South Carolina involved efforts by charging parties to secure positions as clerical workers. 34 charging parties, ten in North Carolina and 24 in South Carolina, apparently did not indicate the kind of position they sought.

Paradoxically, when we examined our records on investigation, we note that only one complaint alleged discrimination on the basis of religion. Only three complaints alleged discriminatory discharge. One alleged discrimination in promotion. 21 alleged discriminatory conditions of work, and two alleged discrimination on the application of seniority provisions. Only two complaints

indicated the involvement of a union, but 72 complaints involved the relationship of the State Employment Service in the hiring process. Currently 27 complaints, six in North Carolina, 21 in South Carolina, are under investigation.

Section 706(a) of Title VII of the Civil Rights Act of 1964 provides that the Commission shall make an investigation of the charge filed by an individual. The Commission has carried out its responsibility under this section by assigning skilled and competent investigators to determine through investigation the facts in each of the charges brought to the Commission alleging discrimination.

As provided by the statute, following the completion of investigation of complaints filed against the textile industry in North and South Carolina, 170 complaints were forwarded to the Commission with the attendant investigation reports to determine if there was reasonable cause to believe that the complaints were true. In 110 of the complaints the Commission did not make a finding of reasonable cause to believe the charges were true. Although in many charges discrimination could not be technically found because of the charging parties' allegations, the Commission still has three complaints under consideration, and it has determined reasonable cause to believe the charges were true and appropriate in 57 of the complaints.

A large number of cases were filed with the

Commission in the summer and early fall of 1965, immediately following the effective date of Title VII. The Commission, in its first months of operation, found difficulty in perfecting the procedures established. Those procedures presented to charging parties for the first time a statute which might serve as a means for ending the traditional job classifications for Negro citizens in the Carolinas; that is, domestic, agricultural employment, common labor, and service occupations.

Confronted with an overwhelming number of complaints, the Commission was required to borrow investigators from other Government agencies who were not trained specifically in the investigation procedures of this Commission. The results of their initial efforts frequently were inadequate to either prove or disprove the alleged acts of discrimination; and these cases were returned for further investigation in order to resolve the doubt properly against the respondent.

As provided in Section 706(a) of Title VII, if the Commission shall deem after such investigation that there is reasonable cause to believe that the charge is true, the Commission shall endeavor to eliminate any such alleged unlawful employment practice by informal means, methods of conference conciliation and persuasion.

Sixteen reasonable cause findings were rendered

by the Commission, involving 57 charging parties. The complaints of the 57 charging parties which were involved in probable cause findings were set forth in these decisions. Conciliation efforts resulted in 27 charges being successfully completed. One case represented a failure of conciliation, and 35 charges are currently in conciliation with the reasonable expectation of adjustment in some of the cases.

In order to conclude a conciliation agreement, it is necessary that the employer charged with discrimination and the citizen charging an act of discrimination sign a written statement involving the issues presented. As a part of the written conciliation agreement, specific adjustment must be provided for the charging party. An example of this form of adjustment includes acceptance of employment applications from the charging parties by the charged employer, placement of the charging party by the employer, granting of training to the charging parties by the employer as a preliminary step in the employment process, elimination of working shifts based upon the assignment of race.

In broader scope, the conciliation agreement provides for affirmative action on the part of the company to interrupt unlawful and discriminatory practices, affirmation of equal opportunity personnel practices by the company, affirmative recruiting efforts which are designed

to acquaint the minority community with employment opportunities of the respondent company and the curtailment of distinctions affecting the terms and conditions of employment on the part of the employee.

The Commission has sought to understand the problems represented by charging parties and employers during the course of its investigation and conciliation of the complaints received under Title VII. Employers have generally responded in a cooperative manner to the Commission representative. We have sought to understand the problems which an investigation or conciliation imposes upon a respondent employer. Nevertheless, the Commission is commanded by Section 706(a) to make an investigation of the charge and to endeavor to eliminate any alleged unlawful employment practices by the methods of conciliation conferences described.

In conclusion, the Commission has sought to carry out its statutory responsibilities and is continuing to do so.

THE CHAIRMAN: Thank you, Mr. Holbert.

Mr. Markham.

MR. MARKHAM: Our final speaker, Mr. Donald Hollowell, our Regional Director in Atlanta.

THE CHAIRMAN: I might point out, in the event that this is not perfectly clear, that the Atlanta Region

is the region that covers this area of the country, so Mr. Hollowell is not only a qualified Director, he is our local Director.

MR. DONALD L. HOLLOWELL: Thank you.

Mr. Chairman, Mr. Jackson, Mr. Markham, ladies and gentlemen: The Commission has planned this two-day Forum to cover all aspects of equal employment.

My subject for discussion is affirmative action.

While some employers may feel that the Commission has concentrated on investigating and conciliating complaints, this is not entirely the case.

We have spent considerable time and effort in seeking solutions to the problems of recruitment, training, and apprenticeship programs and in testing and upgrading, to help bring about the change required under Title VII.

In some instances we have found employers sincerely seeking to comply with Title VII, but they report qualified minority group members are in scarce supply. Others have proved, however, that where there is a will there is a way.

In Chicago, for example, more than 216 employers banded together in 1965 to form the Chicago Merit Employment Committee. Non-white employment among these firms rose by 14,000 in the past year, according to a year-end report. This is affirmative action.

Our Commission offers guidelines and a "how to" program for setting up an effective community-wide equal employment council, based on the most successful of many industry efforts in this area.

An intensive recruitment drive undertaken by General Dynamics at its Quincy, Massachusetts, plant is another example of community effort. With the NAACP acting as a catalyst, the program brought company personnel together with some 87 community leaders representing civic, religious, community rights, civil rights, and welfare groups. The drive took only 30 days of preparation, and produced 273 applicants from the area's minority neighborhoods during the company-sponsored "Job Opportunity Week" last August. Many were hired right on the spot, ~~gentlemen~~ and ladies, others were referred to the plant for further interviews to classify their special skills, and still others were signed up for on-the-job training by a manpower developer of the U. S. Department of Labor. During the year 1966, General Dynamics' Quincy plant placed 988 workers in on-the-job training programs at a cost to the Federal Government of $730.00 per trainee, an investment that will soon be returned to the Government in tax revenues. This, ~~I think,~~ is affirmative action.

The Commission offers the services of a manpower developer to help expedite Federal funds for on-the-job

training programs.

An example is the contract between the U. S. Labor Department's Manpower Development and Training Administration and a southern pipe plant. This was the result of a Commission conciliation agreement. Fifty-five employees were registered for a pre-bid training program, the kind of training employees need to bid on better jobs. Fifty-one of these were minority trainees. A class in millwright training enrolled 30 employees; 18 of these were minority trainees. In addition, some 46 employees registered in on-the-job training on the employees' own time; 42 of these were minority trainees. ~~Now~~ prior to this, all of these men were in dead-end jobs. A Negro blacksmith helper in this same plant received training for the position as blacksmith, and has since been promoted to that job.

Later this month a contract will be signed in Washington, D. C., to train some 18 minority bakers for a company which is opening five new bakery shops in the area. This is the result of the Commission's efforts in bringing the company together with the manpower developer after the Commission discovered the company's expansion plans. The Commission has persuaded another company to establish a basic education program at company expense for some 120 laborers forced out of their jobs because of automation, in order that they may enter job training for new jobs

elsewhere.

I say to you, ladies and gentlemen, that it is a distressful kind of thing for a strapping 200-pound man to go in and tell his wife and family that he has been replaced by a transistor; and I say that making an effort at trying to train these people so that they can get into the stream of job training and on into new jobs is certainly affirmative action.

In other instances industry and business have joined with civil rights, religious, and community leaders to put on a "Job Fair," usually a two-day centralized recruitment effort to meet industries' growing needs. In Detroit, for example, 15,000 applicants appeared for interviews; 5,000 of them got jobs.

The Commission offers a program based on successful fairs and staff assistance to carry out this project in cooperation with local officials and business groups.

The eminently respected businessman's organization, the National Association of Manufacturers, is traveling the country, urging business and industry leaders to take advantage of NAM's many programs to help fill their manpower needs. One of these, called MIND, M-I-N-D, Methods of Intellectual Development, tried and proved successful by the NAM on an experimental basis, is

gaining new clients nationwide. The program demonstrates that industry can upgrade its work force by helping workers improve their basic reading and arithmetic skills. Only recently Corn Products Company of Argo, Illinois, in cooperation with the NAM, completed its first class of 38 employees, which raised the employees' level of achievement by an average of three and a half grades in reading and in arithmetic.

I think possibly this is perhaps something that Doctor Henderson was talking about when he talked about the fact that in some of these many jobs that they have in the textile industry, the kind of experience and training that might be had by a college or even a high school graduate may not be necessary. But if we can get the kind of input that we get in training and arithmetic and in reading and, as was said, in judgment, I think this too is the kind of affirmative action that is needed.

Incidentally, this achievement took only 73 hours of class work. The company has told the Commission that it was so impressed with the results that it has already scheduled two more in-plant classes to include a high percentage of the plant's minority work force - and this, incidentally, using plant personnel as voluntary instructors.

The National Association of Manufacturers is

happy to furnish information and cooperation in these kinds of projects.

Now permit me, if you will, to mention just a few other examples. The New York Life Insurance Company, for instance, which launched a special in-plant stenographic development program in July of 1964, and graduated 28 qualified stenographers, mostly Negroes and Puerto Ricans, has continued the program ever since and finds it's good for the company, as well as helping the disadvantaged to qualify.

In Connecticut the Aetna Life and Casualty Company started its third "Operation Start" program this month in cooperation with the Urban League of Greater Hartford. This eight-week stenographic and clerical training program for women from disadvantaged areas in the community, is producing qualified secretaries and typists, most of whom remain in the company as steady and valuable employees. Of course, I say if we had an opportunity as the enforcers of Title VII to make our recommendations, we would ask that they not just limit those to women. If there were some young men who also applied, I think they should also be included.

At least five employers in the area followed Aetna's plan, involving some 200 men and women in company-sponsored training programs.

Standard Oil of California, among many, is re-evaluating its testing procedures, based on the Commission's Guidelines on this subject.

In neighboring South Carolina, the Columbia Community Relations Council's Employment Guidance Center has an all-round affirmative action program. The Council recruits minority group members using minority group recruiters, and working in minority group neighborhoods. To help place applicants in jobs commensurate with their skills and education, the Council has a professional job counseling service, comprehensive pre-employment conditioning, in-depth interviews with both applicants and employers, and job-related testing procedures.

The Council has placed minority personnel in positions as supervisors, receptionists, in responsible jobs in insurance and financial institutions, and as secretaries and clericals, where once the doors were closed.

The Director of the program, Mr. Howard Follman, a businessman on leave, credits "changing minds, changing times, and changing hearts" for the success of the Council's program. But whatever it is, he told the Commission ~~—and I quote—~~ "It's just plain darn good business." This program is funded by the Federal Office of Economic Opportunity and the Department of Labor.

Now this is not to imply that there has been no

progress made in the textile industry.

One company, for example, has agreed that it will move Negro employees into openings in its new addition in February 1967 and integrate them into the mending and pairing departments as well as into the shipping and printing departments. The same company has agreed to seek out qualified Negro applicants for positions in office jobs as vacancies arise, as the result of a conciliation agreement.

Others have discontinued the use of application forms that seek information in violation of Title VII, and they have racially integrated all plant facilities and have agreed to offer specific jobs to Negro women applicants who have filed charges of discrimination.

In two recent instances the companies have agreed that all of the charging parties will be permitted to file applications and will be considered for openings for which they qualify as they occur, while one has agreed to hire individual charging parties immediately.

This is encouraging progress, but it is progress as a result of the complaint procedure and of the conciliation process.

There is other evidence of progress in textiles and in the rest of the industrial South, but it is limited progress in terms of the more significant affirmative action.

Aggressive recruitment of minority men and women in the minority community and placement in all capacities for which they are qualified, or are qualifiable through training, would be further evidence of the employers' willingness to improve the employment picture in the textile industry.

It is this kind of affirmative action that produces positive results, results which business leadership itself has said is good for business and good for the community.

Our statutory responsibility, ladies and gentlemen, mandates the Commission to protect the individual right of all those covered by Title VII, through the complaint procedure.

Our efforts here today, however, are in behalf of encouraging and assisting in the kinds of affirmative action that will eliminate the cause of these complaints.

Thank you very much.

THE CHAIRMAN: Thank you, Mr. Hollowell.

I think that Mr. Hollowell's presentation completes those that will be made by members of the Commission staff; is that right, Mr. Markham?

MR. MARKHAM: That is right.

THE CHAIRMAN: Is it possible that Mr. Coltrane, who was originally scheduled for this afternoon, will be

able to speak this morning?

MR. MARKHAM: Our next speaker will be Mr. D. S. Coltrane, Chairman of the North Carolina Good Neighbor Council.

Mr. Chairman, I would like to add a personal note of appreciation here to Mr. Coltrane from our staff for his invaluable assistance to us in establishing contact with members of the Good Neighbor Councils and with the interested agencies of the state government and in extending invitations to attend and speak at the Forum. We greatly appreciate Mr. Coltrane's assistance.

THE CHAIRMAN: Mr. Coltrane, we are very happy to have you as a speaker; and may I echo Mr. Markham's comments by saying that I have heard for some significant time now how helpful you've been, and we are most appreciative. Thank you very much.

MR. DAVID S. COLTRANE: Thank you very much.

Mr. Chairman, Members of the Equal Employment Opportunities Commission, Representatives of the Textile Industry, Representatives of Civil Rights Organizations, Ladies and Gentlemen:

As a representative of State Government, I first desire to bring greetings from the Governor of North Carolina, the Honorable Dan K. Moore. This area of Equal Employment is one in which the Governor has expressed keen

interest. You may all be assured of the Governor's interest in this Conference and the employment of qualified people, irrespective of race.

I, too, desire to join with Mayor Brookshire and others in welcoming you to Charlotte, and those of you who are from outside of the State, in welcoming you to North Carolina, which is really the heart of the textile industry.

The topic assigned to me is "The North Carolina Good Neighbor Council." I shall, therefore, address myself to the objectives and purposes of the Council as they may relate primarily to the textile industry and to an Equal Employment Program.

The North Carolina Good Neighbor Council will celebrate its fourth birthday on Wednesday of next week, January 18. Speaking in Chapel Hill on January 18, 1963, our former Governor, the Honorable Terry Sanford, announced that by Executive Order he was establishing the North Carolina Good Neighbor Council and that the Council would have a two-fold mission: one, to encourage employment of qualified people irrespective of race; and, second, to urge youth to become better trained and qualified for employment.

In connection with this announcement, our former Governor said, and I quote, "Reluctance to accept the Negro

in employment is the greatest single block to his continued progress and to the full use of the human potential of the nation and its states." In addition, Governor Sanford said, "I believe this should be done, can be done, and will be done by North Carolina people because it is right morally and because economically we cannot afford to do otherwise." End of quotation.

After carefully evaluating the situation, Governor Moore on July 16, 1965, announced continuation of the Council. Governor Moore, however, broadened our scope of operations to include practically all areas of Human Relations. The objectives and purposes of the Council as announced by Governor Moore are:

To study problems in the area of human relations;

To promote equality of opportunity for all citizens;

To promote understanding, respect, and good will among all citizens;

To promote channels of communication;

To encourage the employment of qualified people without regard to race;

To encourage youth to be better trained and qualified for employment;

And, finally, to enlist the cooperation and assistance of all State and local governmental officials in

the attainment of the objectives of the State Council.

The Council, when first established, consisted of 28 members, 14 whites and 14 Negroes. Governor Moore has increased the membership of the Council from 28 to 56 members, consisting of 33 whites, 22 Negroes, and one Indian. They are all men and women of stature coming from every section of the State from Elizabeth City in the East to Asheville in the West.

In addition to the State Council, there are more than 75 local councils throughout the State. The State Council has a close working relationship with all of these local groups.

The program of the State Council is a voluntary, low-pressure one. We have no statute to enforce. So let me emphasize the fact that it is a low-pressure voluntary program.

We should bear in mind that the race problem was not solved by the passage of the Civil Rights Act of 1964 nor by the Voting Rights Act of 1965. It is a problem that cannot be solved by legislation alone. In many respects it is a long-range program that will require time, patience, tolerance, and hard work.

The State's non-white citizens, one-fourth of our total population, approximately 1,200,000, have a great impact on the socio-economic development of the State. Race

relations will have a tremendous impact on the future development of every section of the Carolinas.

In the history of race relations, the years 1954 and 1964 stand out as turning points. The intervening years may be viewed as a period of confusion and paradoxes. It was a decade of hope and promise for Negro Americans. Yet it brought much frustration. In terms of the legal status of the Negro in the United States, it was a decade of phenomenal change.

During the past few years, many North Carolinians have come to realize that a wide socio-economic and educational gap separates a majority of our Negro citizens from white North Carolinians or South Carolinians, and that in many cases our Negro citizens are consigned - as was well illustrated here this morning - to minimum jobs, poor housing, inadequate food and clothing, and in general to a substandard type of living.

North Carolinians have accepted the Civil Rights Act of 1964 in a peaceful and law-abiding manner. A great majority of our citizens are beginning to realize that for moral, patriotic, and economic reasons, we must strive for greater equality for all of our citizens. In announcing continuation of the Good Neighbor Program, Governor Moore said, and I quote, "North Carolinians long have been known for their common sense, cooperative approach to our common

problems." The Governor further said, "I am convinced that our people want continued progress in human relations and are willing to make all reasonable efforts to achieve this goal."

Now what are the factors that tend to promote unemployment and poverty?

First, Negroes are trapped in inherited poverty. They lack training and skills. Their poverty tends to cripple their capacity for development.

The second factor is the devastating effect of long years of slavery and a century or more of oppression, hatred, and injustice.

We must not overlook the fact that in many of our schools, Negroes have historically been denied equal opportunities for vocational and technical training, and I might say for general education as well. There existed a feeling that they should not be trained for jobs unless there were job opportunities. But, on the other hand, Negroes could not be employed because they did not possess the necessary skills. The Negro, therefore, has been caught in a vicious circle. This, however, is a New Day. The Negro, now by statute, has a chance.

What will he do with the opportunity? What will we whites do to help him take advantage of the opportunity now afforded him?

Jobs are the fulcrum on which Negro progress rests. Jobs for Negroes with a future have been limited. Job discrimination is the most serious single issue underlying the problems of the Negro. Vice President Humphrey has asserted that the nation must be as "ingenious" in pursuing job equality as some persons have been in trying to perpetuate discrimination. "It takes persuasion, persistence, and patience," Mr. Humphrey said.

Government, Federal, State, and local government, working hand in hand with industry, should do everything practicable to implement an Equal Employment program. By expanding employment opportunities for minority groups, an industry can materially help to reduce social unrest, encourage new investment in the area, and promote the prosperity and growth of the community.

There is perhaps a lack of communication between the Negro community and business. It appears to be the attitude of business that it is not its role to take a firm stand, leaving the issue largely to government and Civil Rights organizations.

The Negro, generally speaking, has not seen an opportunity for himself in industry. The result has been that the majority of qualified and better educated have sought governmental or professional jobs. Negroes who have the ambition and financial means to attend college

prepared themselves for the professions such as medicine, law, the ministry, education, and social work. The better-educated Negroes have been turned away by industry so frequently in the past that they became uninterested in even applying for such jobs.

We have practiced discrimination in employment to such an extent that prior to the sixties, 90 percent of the engineering graduates at A & T College of Greensboro had to go out of the State to get a job, and that was after we had spent ten, twelve, or fifteen thousand dollars in helping him get an education.

What is needed is an Equal Employment Policy that has the declared and unqualified support of the top executive of the business organization. Top management should furnish the leadership to make the Equal Employment Policy a reality. There are many "Plans for Progress" companies where top management has committed the corporation to an active integration program, where notable results have been achieved; and some of those companies are right here in North Carolina. There are many "Plans for Progress" companies where Negroes who formerly held low-level jobs have been upgraded through a "skilled trade" training program.

Traditionally, there has been very little contact between business and the Negro community. With

Civil Rights groups pressing for affirmative action, the business world is being forced to deal with this problem. There are many companies who have taken the lead in integration; however, such cases have been all too few, basically because integration has been a problem for which industry has not felt a responsibility. Consequently, there has been little done at the industry level.

Perhaps the most effective way to develop an appreciation for the Negro's situation is to establish communication with the leaders of the various groups in the Negro community. Without this kind of contact, it is difficult to understand the motivations and actions of the various Negro groups or individuals. Without contact, a personnel man cannot fully understand the Negro's attitudes and actions.

Through proper communication, a company can expect to receive more applicants, demonstrate social and moral responsibility, and gain insight into the integration movement. A working relationship built on personal contact will prove profitable to both industry and to the Negro community.

Today there is a great demand for labor. The textile industry is or may be facing a labor shortage. If all companies were to actively seek out Negro employees, there would not be enough to go around. There is one major

reason for this situation in a community or society that has not had an equal employment policy. The employment doors have been closed, but now they are open - or at least partially open - but all too few of our Negroes are not sure that they are open; consequently, they are slow to train and qualify themselves for these new job opportunities. We must through all available media get the message across that this is a New Day, that there are industrial job opportunities.

The lack of any direct effort by a company to establish contact with the Negro community will certainly reinforce the Negro's impression that applying for a job there is a waste of time and effort.

A more aggrssive recruiting and training program is desirable and may be well nigh essential for satisfactory compliance with the Civil Rights Act.

By and large the Negro does not expect to be hired for a job at a level which demands skills or knowledge he does not possess. However, he is demanding the right to be hired in functional areas which the company views as training grounds for potential management people. Dollars alone do not define the nature of the Negro's ambition. If the Negro is to realize his ambition for top-level jobs, he must be persuaded to complete his education. College training is extremely desirable, a high school diploma is

absolutely essential, for jobs that require responsibility. The high school drop-out has been a major factor in producing the shortage of qualified Negroes today. The Negro's high drop-out rate can, to a degree, be attributed to the historical fact that possession of a high school diploma has not resulted in the same lifetime earnings for Negroes that it has for whites.

Here in North Carolina, with the exception of the public school system, we have in the past paid Negro high school graduates - and this is according to information which Doctor Henderson released some two years ago - only 55 percent as much as white high school graduates, and Negro college graduates only 62 percent as much as white college graduates. A more vivid illustration of this same point comes from the President's Manpower Report, which states that until recently a Negro with a college degree could expect to earn less in a lifetime than a white man with an eighth-grade education.

Business people can do many things to combat the drop-out problem, which is one of our most serious problems. They can approach school officials with requests to make talks to the student body, or to interested groups of students, describing the opportunities available in their company or in business in general. The fact that a representative of the business community is making the

effort to establish such a contact is bound to make a favorable impression.

Industry, through its personnel department, should establish contacts with the guidance counselors of our schools and colleges; and this is very important. Merely informing the guidance counselor of the opportunities available can benefit a recruiter in terms of the flow of applications. But there are additional long-range benefits to be gained as well.

The guidance counselor of a predominantly Negro school may know very little about the functions of business and how they relate to the high school curriculum. We certainly learned that this summer in a vocational guidance council sponsored by the University of North Carolina at Greensboro, in some industries in the Piedmont area, the Plans for Progress and the Good Neighbor Council.

The personnel man should arrange to meet with him and give a description of the factors which are important for successful employment in business.

Faculty members, guidance counselors, and placement officers should be invited to visit employers. With a more favorable attitude toward the business community and a better knowledge of the educational requirements, a high school guidance counselor will be better able to provide inspiration and direction to students.

To the extent that a cooperative approach by business and school personnel can be made to result in a more precise and functional definition of the educational needs of young people in today's world, students, educators, and businessmen alike would benefit.

As a means of self-education regarding the Negro's environment and way of life, there is much to be said for direct personal experience. Many whites seldom travel to or through the Negro community. A few never have; of those who have, the great majority have never taken advantage of the opportunity to observe and reflect on some of the differences between the Negro environment and theirs. The personnel man, the recruiter, can hardly be effective in obtaining and hiring Negroes unless he has some basic understanding of them.

The only meaningful test of a company's recruiting policy is: Do they tend to produce an inflow of Negro employees?. An effective recruiting program requires a lot of work.

Throughout North Carolina in government and in industry, Negroes are moving up the job ladder. A number of our industries adopted an equal employment policy prior to passage of the Civil Rights Act. In fact, some of our industries, I believe, Mr. Chairman, were in compliance with the Act on July 2, 1964, the day the Act was passed;

and some more were in compliance on July 2nd a year later when Title VII of the Act became effective. We have, however, taken cognizance of the fact that more complaints have been filed from North Carolina with the Equal Employment Opportunity Commission than from any other State. This in our opinion is attributable to several factors; one, for example, is more industrial expansion in North Carolina than in any of our other Southern States, more aggressive Negro leadership, and other reasons which in the interest of time I cannot discuss.

Most all of our county and municipal governments have not only adopted, but they have implemented in most cases an Equal Employment Policy. They may not have gone as far as they should have, but they have implemented such a policy.

A recent survey of State Government revealed that of the State's 43,386 regular full-time employees - this is as of July 1, 1966 - 6,754 or 15.6 percent were Negroes; and I do not say that that percentage can be found in any other Southern state. This most recent survey of State Government revealed that in the non-traditional areas of professional, semi-professional, managerial, and clerical work, Negroes represented a growing percentage of workers. Special commendation goes to the Paroles, Probation, and Prison and Correctional Departments for having employed

capable, qualified, and well-trained Negroes in high-level, non-traditional jobs. We are working toward the employment of non-whites in many other non-traditional jobs in the State Government, and I think you'll see some progress in these areas before too long.

Governor Moore has said, and I quote, "North Carolina stands on the threshold of an era of unprecedented prosperity in which racial discrimination has no place." End of his quotation.

My friends, we have made progress toward equal employment throughout North Carolina both in government and business. However, we still have problems regarding the employment and upgrading of minority groups. Many groups in our society are working constructively toward a solution of these problems and substantial progress is being made all along the line.

Affirmative action by industry, government, and Civil Rights groups is needed to make more and more progress. The North Carolina Good Neighbor Council is committed to an Equal Employment Policy and the training of youth for employment. However, again I say ours is a low-pressure, voluntary program. The need for 1967 is for teamwork, partnership, and cooperation based on mutual recognition of personal worth, individual enterprise, and excellence.

All levels of our society and all sectors of our

economy are involved in this effort to restructure our way of life. And no group has been more involved or is more involved, has had a greater influence, or has been more effective that the business community.

There are accomplishments in which we can all take pride, but there is much more to be done. What is needed is the elimination of old habits and ways of thinking that lead to the automatic rejection and isolation of people.

Let us here in the Carolinas and in the Textile Industry in particular apply and practice those principles which lie at the heart of democracy. The goal we seek is the employment of thousands here in the Carolinas who are capable and responsible citizens who will add strength to our economy and stability to our communities. This, Mr. Chairman, is the goal we must achieve.

THE CHAIRMAN: Thank you, Mr. Coltrane.

I wonder if you could respond to a question or two just before our break?

MR. COLTRANE: Surely.

THE CHAIRMAN: We are most appreciative of your having come, and specifically we appreciate your bringing with you the good wishes of the Governor. We are happy to have his good wishes for this Conference.

I was particularly struck with one point that

seemed to come out quite clearly from your comments regarding communication between industry and minority groups. I recall you mentioned specifically a concern about personnel officers not knowing minority communities sufficiently well to attract people from them or perhaps make judgments upon them. I was wondering what suggestions you would have for improving that.

MR. COLTRANE: Well, I think it's going to take action, Mr. Chairman, on the part of industry. I think, as I pointed out in my talk, we have some 75 local human relations or Good Neighbor Councils throughout the State. I think it would be well if, first, the personnel officers of some of our industries are represented on these councils. We have urged the mayors in most cases to see that industry is properly represented; and then, too, I think it would be well if the personnel officer or recruiter would make it a point to keep in communication with these local councils. And I particularly again emphasize the importance of the personnel officer or recruiter working with our guidance counselors. This vocational guidance counselors school that we had at UNC-G, this school was a very profitable one; and I appeal to the industry that's represented here today to help us put on at least three of those this year and it will not be very expensive for them. I think there should be one in the Charlotte area; there should be one in probably

the Salisbury-Statesville area; there will be one at UNC-G again, which will draw from a ten-county area; and there should be one in Eastern North Carolina.

THE CHAIRMAN: Mr. Coltrane, will you be able to come back this afternoon?

MR. COLTRANE: Yes, sir.

THE CHAIRMAN: I think that it might be in our best interests, and due to the fact that we are approaching noon, for us to start off our afternoon session with one or two questions of you; and then we can proceed on with the rest of the program. I am anxious to introduce one or two staff members of the Commission who are in the audience so that during the luncheon break, any of you who may have interest in chatting with them will know that they are here.

You have already heard from Don Hollowell, who is the Regional Director in Atlanta. I would like for you to see Mr. William Kendrick from our Washington Office and Mrs. Gloria Reardon also from Washington. Mr. Kendrick is particularly interested in the area of affirmative action on the part of industry; Mrs. Reardon in liaison with State and local Human Relations groups.

If any of you have anything that might be interesting to discuss with them or would like to talk to them and find out anything from them, please take advantage of the noon break to do so.

We'll have a recess now for a period of two hours and we will reconvene in this room at 2:00 o'clock.

Are there any other announcements of any sort?

Well, thank you very much for attending this morning session. I'll look forward to seeing you at 2:00 o'clock.

(Whereupon, at 12:00 o'clock noon, a luncheon recess was taken.)

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AFTERNOON SESSION

2:00 o'clock P. M.

THE CHAIRMAN: We seem to have fallen a few minutes behind schedule. Maybe we will be able to make it up as the time goes along. When we concluded our morning session, I had asked Mr. Coltrane only one question; and we thought we would begin this afternoon session by completing the question period with Mr. Coltrane, and then we will move on according to the schedule.

Mr. Coltrane, I feel like we're old friends now, having met both before and after lunch. When we were last talking, I was discussing with you the issue of communication; I think that had been your major message.

Commissioner Jackson has two or three questions he would like to raise with you, and so I will let him ask those.

MR. JACKSON: Mr. Coltrane, I also was very much impressed with your statement this morning and I certainly was happy to hear there are some 75 of these Good Neighbor Councils now throughout the State. I was wondering whether or not you could tell us whether these councils are pretty much distributed throughout the State or are they confined to the larger urban areas.

MR. COLTRANE: They are very well distributed throughout the State, ranging from one, I know, in the

b2

extreme eastern part of the State, in Elizabeth City, and going on over to Asheville in the west.

MR. JACKSON: And it's likely they are in those counties where there are concentrations of the textile plants?

MR. COLTRANE: Not necessarily. Most all of our county organizations, county-wide, are set up under the auspices of the County Commission, and a greater percentage of those are located in the eastern part of the State. They do have councils, of course, in Charlotte, Gastonia, and Hickory, Asheville, High Point, Greensboro, Durham, Raleigh.

MR. JACKSON: So in many counties where there are concentrations of this industry, you do have Good Neighbor Councils; is that right?

MR. COLTRANE: Yes.

MR. JACKSON: Could you tell us what the relationship of the Good Neighbor Council in the localities is to the units of government in those cities or counties?

MR. COLTRANE: Well, they have some 50 that were set up by the mayors in cooperation, of course, with the other members of the city council. And then we have some 20 that are set up county-wide by the county commissioners. But practically all of these 75 that I referred to this morning are set up by either the municipality, by the mayor

b3

in cooperation with the city council, or under the auspices of the county commission.

MR. JACKSON: And generally speaking, are efforts made to have industry representatives on the council?

MR. COLTRANE: We urge all of the power structure, whether it be the county commission or the municipality, the mayor and his staff or his council, that all segments of the population be well represented; and we merely insist that it be approximately a fifty-fifty bi-racial committee and all segments be represented.

MR. JACKSON: Finally, has either your State Agency or any of these county agencies, to your knowledge, had any specific dialogue with the textile industry about the various problems we are here talking about?

MR. COLTRANE: Not necessarily, not---

MR. JACKSON: But you have had some dialogue with them?

MR. COLTRANE: Well, not with the industry per se, but with industry in general.

MR. JACKSON: I see.

THE CHAIRMAN: Thank you very much, Mr. Coltrane.

Mr. Markham.

MR. MARKHAM: Our next speaker is Mr. Kelly Alexander, President of the North Carolina Conference of the NAACP Branches, and a member of the National Board of

b4

the NAACP.

THE CHAIRMAN: Mr. Alexander, we are delighted to have you and I'll take this opportunity to impose on you long enough to say that we are indebted to your brother who, in his role as counsel, made the facilities of this library available to us. We are most appreciative for that, and happy to have you make a statement.

MR. KELLY M. ALEXANDER: Mr. Chairman and members of the Commission, my name is Kelly M. Alexander. I am President of the North Carolina State Conference of Branches, National Association for the Advancement of Colored People. The North Carolina headquarters are at 112 North Irwin Avenue, Charlotte, North Carolina, and the National headquarters are at 20 West 40th Street, New York, New York.

May I take this opportunity to express our deep appreciation to Mr. Shulman, Chairman, and the members of the Commission, for extending me an invitation to express our views and participate in this very significant "Textile Employment Forum."

As far as we can discover, this is the first time that a large group of topflight businessmen, representatives of government, scholars, civil rights leaders, together with the average citizen, have set out to produce a result in the field of equal employment that

may be useful to thousands in the Carolinas. We consider and recognize that this is the beginning and we sincerely hope not the end of a great effort on the part of socially-concerned textile executives, the Commission, and a sensitive responsible Negro leadership to assure through cooperative relationship full utilization of Negro manpower resources in the Carolinas.

We in the NAACP firmly believe that to restrict employment opportunities on the basis of an individual's race, religion, ethnic origin, or sex violates American ideals and wastes the potential abilities of a significant proportion of our total population, and thereby prevents the full development and effective utilization of this State's manpower resources.

The Negro in North Carolina is having a most difficult time being integrated into the economic mainstream of American Democracy. He has suffered by racial discrimination in employment in all areas of community life.

Due to the long established policy of segregation in the body politics of this state, race bias in industry, trade unions, and government created in a large measure the very bad condition Negroes find themselves in today as to employment.

It is also true that the basic education that a

b6

person receives, the information at his disposal when he plans his career, and the employment openings available to him, all strongly affect his opportunities to become integrated into workforce on an equal basis with other citizens.

The facilities and methods used in the training of skilled and technical manpower have been closed to the Negro and because of discrimination in education he has not been able to adjust to changes taking place in the economy.

He has been the victim of a closed establishment as to basic employment opportunities, technology and education that would assist him in increasing his wage base from marginal job classifications to the better-paying position in the economy.

In projecting manpower and employment, I think it is clear that if we are to achieve better use of Negro human resources and of developing a more skilled labor force, we cannot disassociate from our thinking the efforts to combat poverty.

It is a known fact that Negroes rate high on the list of the unemployed as well as in the ranks of the poverty-stricken.

Negroes are still experiencing a major crisis of unemployment. The rate of Negro unemployment is between

b7

two and two and a half times greater than the rate of unemployment among whites, and the gap between the median income of Negro and white wage earners continues to grow.

During the periods of unemployment crises, Negroes are the first fired and last hired, both because of race and they are chiefly concentrated in the unskilled categories.

The National Commission on Technology, Automation and Economic Progress in its report to the President of the United States said among other things, that "if non-whites continue to hold the same proportion of jobs in each occupation as in 1964, the non-white unemployment rate in 1975 will be five times that of the labor force as a whole..."

According to the Social Security Administration, with the southern region, the proportion of Negro households in poverty is more than twice that of white households. A total of 17.9 percent of 12 million white families is poor, as opposed to 58.3 percent of 2.3 million Negro families.

The State of North Carolina is more dependent for its income on industrial wages than on farm profits. In terms of personal income payments, the largest contributions to the total are made by manufacturing enterprises. The great giant among these enterprises which comprise the North Carolina industrial family is the textile

b8

industry.

We who live in the Carolinas are fully aware of the long, long history of Negroes being excluded from textile employment. We are also aware of how employees of State employment offices contributed to this exclusion by accepting and filling discriminatory job orders received from the textile industry. Living in a state without fair employment practices legislation, Negro jobseekers were completely blocked out of the textile industry.

It is clearly pointed out in the Osburn Report - which all of you are so familiar with - on Negro Employment in the Textile Industries of North and South Carolina that "this pattern of exclusion was maintained until as late as 1960, when non-white 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."

The report also points out that Donald Dewey found in a study of textile mills 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."

We are deeply concerned about the effective implementation of Title 7 of the Equal Employment Section of the Civil Rights Act of 1964 because Negroes are skilled in this State and in the Carolinas and yet are still experiencing employment discrimination in many areas of the Carolinas in the textile industry.

It is fair to say that some progress is being made and in the Piedmont area, the National Association for the Advancement of Colored People is establishing constructive lines of communication for the first time with textile executives who are sincerely endeavoring to comply with the law. We have had conferences and they have indicated and they have employed to our knowledge some since this particular relationship has been established. However, we want to see more employment in all job classifications in the textile industry.

We firmly believe that:

First, textile management has an affirmative obligation to more effective utilize Negro manpower resources. Eliminate the pattern of marginal utilization and token accommodations. Employ Negroes in depth, across the board, the entire range of job categories, technical, professional, secretarial as well as production.

According to the 1966 Employment Survey in the Textile Industries of the Carolinas, the following

10

conclusions are made:

Negro employees are concentrated in the lowest occupational categories. Forty-four percent are laborers and service workers.

Negroes are not being hired for white-collar jobs.

Negro females are significantly under-utilized in this industry.

Both on a head-count basis and on a job-quality basis, the utilization of Negroes could be vastly improved in the textile industries of North and South Carolina.

Second, we reject the notion that Negroes are not qualified. They can be trained. One is not born a textile worker. Negroes are poorly represented in most skilled and technical job categories. They should not be barred from training and jobs that lead to skilled and technical work. There is every indication that the textile industry will become more and more skilled.

The Osburn report states again that "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 machine has created a demand for workers with greater skill than was required before.

Thirdly, the textile industry will continue for

11

a long, long time. I don't think that in this Carolina region it's about to die. It will be here for a long, long time and it will be a major industry and we welcome complete diversification, but we also ask that with this diversification should come increased employment opportunities for the Negro jobseeker.

Next, we certainly feel that State Employment Services can do more in assisting Negroes to obtain equal job opportunities. There should be a comprehensive investigation to determine if they are carrying out the policy of the United States Employment Service and its regulation in reference to service to minority groups. In too many instances, in too many areas of North Carolina, they are continuing discriminatory practices.

There should be more upgrading of Negro workers to better paying jobs. If Negro workers are upgraded in the textile industry, more new workers could be trained and, if this is done simultaneously, with efficient workers it would not take too long for an uninterrupted flow of workers moving up and others moving in behind them. I am aware this may not be management's answer, but there must be some process found for upgrading Negro workers; and there should be more on-the-job training programs.

A large number of Negro jobseekers have had less than an eighth-grade education. These people should not be

forgotten. How can these people be utilized in the work force to elevate them above the so-called poverty line, this line of poverty which the experts say is three to four thousand dollars? You would be surprised to know the thousands and thousands of Negroes who are still in need of job classification who, under the present system, can never reach this level; and this is a big problem for our State. These people want to work and want to keep a job, and they will respond to a training program that is not too sophisticated.

Since the textile industry enjoys so many forms of federal protection, they have an obligation also to employ all citizens equally. I think that if a concerted response is made, the NAACP will carry on a program involving these federal protections that the textile industry enjoys. If there is a continuation of discriminatory practices, the position of Unions in the textile industry will, no doubt, become stronger. The role they play in affecting the employment opportunities of Negroes is important. Union in many instances cooperate with the employers in determining who shall obtain apprenticeships and who shall not.

In 1960, according to the census, the percentage of whites under the age of 25 who were apprentices was four and one-half times as great as the percentage of

non-whites of the same age who were apprentices. These programs of apprenticeship should be continually evaluated so they will move beyond tokenism. I also think in the educational process that there must be a reshaping of the curriculums to adapt themselves to this wonderful world in a fashion that people can get jobs when they come out of school.

I would like to say in conclusion that all of us at this Textile Employment Forum are tackling perhaps the most important and difficult problems in the efforts of Negroes to achieve full employment equality. We do hope out of this discussion will come action in translating Civil Rights into Employment Rights so that all men may enjoy on an equal basis the wonderful world of work in a free dynamic society.

Thank you so much.

THE CHAIRMAN: Thank you, Mr. Alexander. If you will, we'd like to ask you some questions.

MR. ALEXANDER: Sure.

THE CHAIRMAN: You mentioned that you had become engaged in some cooperative programs in the industry---

MR. ALEXANDER: That's correct.

THE CHAIRMAN: ---in the central Piedmont area.

MR. ALEXANDER: That is correct.

THE CHAIRMAN: I was wondering what your

experience had been there. Do you find that there is any knowledge that you bring into this relationship that changes positions?

MR. ALEXANDER: I think traditionally one of the great barriers to moving to implement programs has been a failure of constructive Negro leadership in power to establish contact with the industrialists, to have direct contact with personnel directors, to have contact with executives who actually make policy in relation to employment conditions within the framework of their communities.

We have had experiences with a big corporation, some of these corporations, through our Job Market Information Bureau. We have established in the NAACP a Job Market Information Bureau because we found out that there was a lack of communication as to job market information to the community and to the areas where people actually need to know when there are job openings. They don't read newspapers, some of them don't listen to radio; and they could not get this information unless some agency distributes job market information to them.

In response to this kind of program we have had a multiplicity of people to come in to see where they can get a job, and we've sent a lot of them to the textile industry. We have sat down with people, representatives of the textile industry, to discuss how can the Negro be

integrated into adequate employment within textiles. And, of course, they are doing, some of them - and this does not represent the total textile industry; this represents more of the alert young executives who are socially concerned about change, and I would say there is a growing number of young textile executives who are concerned about this problem and want to do something about it.

THE CHAIRMAN: Have you found that this increased communication has led to change in the minority understanding of the problem? As I understand from what you are saying, this communication is essential to enable the industry side to attract and find minority people. Does the communication also create a better awareness among the minorities of what they ought to do to prepare for the jobs?

MR. ALEXANDER: There's an awareness on the part of a large number of women. As I cited in this report, we have a large number of people that are not high school graduates; they want factory work and, when we move into this area, we find that Negro women have faced a considerable amount of discrimination so far as employment.

To really make a dent in this area which I refer to, there must be thousands of these people employed in this category. Now there is an awareness on the part of them based on their educational levels. They understand that. But you must realize that they are mothers who are

breadwinners of families, who go to work at 7:00 o'clock in the morning and come home late at night, and who have four or five children. When they come home, they can't go to an adult education class because they have to take care of their personal responsibilities.

These are the people, the forgotten people in the employment area, and these are the people who live in the ghettos. These are the people who need help more than anybody else. I'm not too concerned, for instance, about a man with a degree because he can qualify and he can be integrated across the board in the textile industry or any other industry, because he possesses the basic educational training. But you don't solve the problem of employment if all the concentration is going to be made on that level. There must be some concentration made, there must be some program that can fit into this equation, that will help the thousands and thousands of people who are the forgotten citizens of our community and who are on the welfare rolls and who want to get off of the welfare rolls. And the only way they can get off of the welfare rolls, they must have adequate employment. It's even so seriously discussed among our people that they aren't really interested in this guaranteed wage thing because they can't find employment anywhere except in menial task operations, which pay nothing, even in this industry. It's a low-paying

industry in comparison to other industries.

So this is a serious problem and I would like for the Commission to tell me: What are we going to do with these thousands and thousands of people we talk about that need to be lifted? The Poverty Program can only do so much. Industry must take a look at them. Education must take a look at them. Government must take a look at them.

Until these people are placed into a position where they can get adequate employment that would raise their wage at least to $4,000.00 a year, we are in trouble and we're going to stay in trouble.

THE CHAIRMAN: Is it your experience that these people are anxious to get into on-the-job training programs or are anxious to get into any type of training?

MR. ALEXANDER: You see, the fallacy about people being on welfare and standing on the corner, that they won't work, is a lie. They do want to work. They haven't been able to find employment. They don't want to be on welfare; the average Negro is not anxious to get on welfare if they can get a job. This thing has been overrated. I say employ them in some area of industry, of the economy; give them an opportunity to make a decent wage and you'll see a change in the socio-economic conditions.

And that's one other thing: The Negro inherits

poverty. From generation to generation he inherits it because of his wage and because of the conditions in which he must live and that he is forced to live in because he can't get a decent job at a decent wage. This is the problem. And it's not only a Southern problem; it's a problem all over the country. It's a problem in the ghettos of California, New York, and up in your New England States I presume, if you have any Negroes up there. The same problem all over the country. This is a national problem that we are concerned about.

All of these statistics that you read about and all of this automation and everything, sure, the younger generation today who come out are facing a problem of employment. We are the victims of a vicious segregated educational system that has caused us to be in the condition in which we are today.

Do you know that there is not an educational institution, the so-called land-grant Negro college, not a Negro institution who ever taught anything in their schools about textiles? And I'll guarantee you that nobody has motivated the young Negro to take advantage of textile education, because he hasn't been orientated into this particular area of industrialization. There must be more motivation and there must be more interest and more concern about directing the young Negro into these productive jobs

and productive educational patterns.

We have been the victims of stereotyped educational training. Most of our schools have taught us to be preachers and doctors and all of these other things, service jobs, schools to teach you how to be a maid and a chauffeur and all these other sorts of things; but they haven't taught us and haven't given us and haven't exposed us to the educational training that will make us a financier, an entrepreneur, or to make us a technician, or to integrate us into the industrial and technological complex of the areas in which we live.

And migration has hurt us too. The best Negroes who are educated have migrated to the Northern and Western centers of these United States and left us with the problem of people who cannot adapt themselves to the technological changes which we face. We must keep these potential people here in our State and in our region. They don't need to go to New York and New England. They need to stay in North Carolina and South Carolina. But the opportunity must be expanded for adequate employment and for adequate wages so that they can live down here decently like other people live in other parts of the country. And until these programs can adapt themselves to solving these problems, we can forget it.

THE CHAIRMAN: Would you say that the tendency

b20

of the well-educated Negroes to migrate out, as you just said---

MR. ALEXANDER: Right.

THE CHAIRMAN: ---reflects a dissatisfaction with the employment situation of the lower-level Negroes who would be staying in any event?

MR. ALEXANDER: Yes.

THE CHAIRMAN: The failure to provide opportunities for the low level also serves to drive the high level out?

MR. ALEXANDER: Right. They go to places where they can find better employment and we are left with people who can't migrate but they are stuck in menial task job classifications, which is deleterious to the advancement of their socio-economic condition. And the condition, the cycle - this cycle continues. It continues where family after family inherits poverty.

THE CHAIRMAN: Your basic point, I gather, is that unless we have an injection of jobs at some point in the cycle, the cycle will continue on?

MR. ALEXANDER: It will continue on. It will continue on and there's no stopping point to it, either. Because you see, many people don't realize - we who live down here - you can write about segregation and discrimination, but we live with it and we know what you're

talking about because we have experienced it all of our lives, and we have not been able to get jobs. Employment Securities Commissions have discriminated against Negroes in job referrals. They have only sent them to jobs where they have requested a Negro. If there is a better-paying job, the whites have always received that job, not the Negroes. And it's questionable with me sometimes about this testing thing. I think some of these tests are aimed to keep the Negro and discourage him from employment; and I think that needs to be examined very diligently to see if tests are administered based on the job that the individual is trying to get, rather than a gigantic test which has nothing to do or related to the job which he's trying to get. In many instances Negroes have been discriminated against because of this test proposition too, and it needs to be looked into.

THE CHAIRMAN: Would you like to ask a question, Mr. Jackson?

MR. JACKSON: I'd like to ask two or three questions. I notice that you are President of the State Conference here in North Carolina of the NAACP. Could you tell us how many branches you have?

MR. ALEXANDER: The North Carolina Branches consist of 125 operative branches in the State of North Carolina. We cover North Carolina; in fact, we have more

22

branches in North Carolina than in any other State Conference in the United States.

MR. JACKSON: Well, the reason I asked the question, I was wondering to what extent do you have any cooperation, any participation, with the Good Neighbor Councils that have existed in these some 75 communities.

MR. ALEXANDER: We have a wonderful cooperative relationship with Mr. Coltrane, and we are always in contact. In these crucial periods of racial unrest, we always coordinate programs to see if we can solve many problems that these communities face. We have had problems during the time of racial unrest in some of the Eastern counties of North Carolina; we have gone in there and tried to establish constructive lines of communication with the power structure there to see if they would not be amenable to constructive social change amicably. And, of course, I don't know how much success we have had with it but, nevertheless, we have good coordination.

MR. JACKSON: To what extent has your Conference of Branches worked specifically with regard to job opportunities in the textile industry?

MR. ALEXANDER: Well, we are working now; we have a program in operation trying to develop more opportunities for our people. You see, we looked at this thing in a fashion wherein we saw all government money being

b23

flowed down to these communities, but still Negroes weren't benefiting therefrom and they were not getting the jobs. There was something wrong somewhere and something still is wrong somewhere, because we are finding out that there are so many people who are not being reached. And the purpose of the NAACP in this area is to establish constructive programs where the forgotten people can be reached, can be directed to the right agency so that they can get in contact with this job opportunity thing.

MR. JACKSON: Finally, do you know whether the industry is contacting any of the NAACP branches advising them of the job opportunities that are available? Are they doing any recruiting at all that is reported to you from the branches?

MR. ALEXANDER: Well, what we have found out from some areas of this State, they are not following through. We have Negroes who have filed applications for jobs in textile plants in some areas of the State and they have not received jobs, but other people have been employed. Of course, I don't want to single out any particular company here at this meeting; I think that's part of your rules. But I think our branches can supply the Commission with information concerning discriminatory practices so far as efforts to get jobs in the textile industry are concerned.

MR. JACKSON: Do they advertise at all in any

of the Negro newspapers?

MR. ALEXANDER: No, not in Negro newspapers, no.

MR. JACKSON: That's all.

THE CHAIRMAN: Mr. Alexander, may I assume from your comments that you feel that the Equal Employment Opportunity Commission as well has not done what it might in terms of getting to these forgotten people?

MR. ALEXANDER: You know, really we would like to see you be more vigorous and aggressive in trying to eliminate some of these problems we've talked about. We know you are limited so far as your enforcement powers are concerned. But when these meetings are held, if this is just going to be an intellectual spree, we can forget it. But if it's going to be something that's going to result in action--- You've had a wonderful session here and we have implicit confidence in your integrity that you're going to take what you hear here and try to implement it through your agencies so that more of the non-whites in our area can get equal job opportunities.

THE CHAIRMAN: Thank you very much, Mr. Alexander. We appreciate your coming.

Mr. Markham.

MR. MARKHAM: Mr. Leighton C. Dunlap, Industrial Relations Division of the Du Pont Company.

THE CHAIRMAN: Mr. Dunlap, we are happy to have

b25

you here and we welcome you.

MR. LEIGHTON C. DUNLAP: Mr. Chairman, members of the Commission, ladies and gentlemen, my remarks will be confined to the Du Pont Company's activities in implementing our equal employment policy with specific examples of affirmative action that have taken place in Du Pont textile plants in North and South Carolina.

Some background information may help set the stage. The DuPont Company is headquartered in Wilmington, Delaware. At present we have in excess of 111,000 employees and maintain some 85 manufacturing plants in 28 states. Our sales in 1966 exceeded $3,000,000,000. Our first plant was built in 1802 and for the next one hundred years the company grew slowly but consistently, producing gunpowder and explosives.

In 1910, the company began its program of diversification and is now the producer of many basic chemicals, plastics, dyestuffs, paint, ammonia, motion picture and X-ray film, synthetic rubbers, anti-freeze compounds, refrigerants, and a wide variety of textile fibers.

Of our 111,000 employees, 6,871 are classified as laborers and service workers. In North Carolina and South Carolina, we have 4,783 employees engaged in synthetic textile fiber manufacturing operations, and 297 of these

employees are classified as laborers and service workers. These figures indicate the technical aspect of our operations and point up the need for employees with good educational backgrounds. In a company where 7.1 percent of its jobs fall in the unskilled category, and in North Carolina and South Carolina where the ratio of unskilled jobs is 6.2 percent, it is apparent that the bulk of the better job opportunities call for a background and training in the technical aspects of our operations. For this reason we cannot lower our hiring standards. To do so would seriously handicap our activities.

In our efforts to employ minorities we have had our various installations review their employment practices to insure that they are realistic with regard to our needs without unduly operating to exclude any segment of the population.

On September 23, 1959, our Executive Committee issued a written policy statement as follows:

"RESOLVED, that it is the policy of E. I. du Pont de Nemours and Company not to discriminate against any employee or applicant for employment because of race, religion, color, national origin, or ancestry with respect to hiring, promotion, demotion, transfer, recruitment, termination, rates of pay or other forms of compensation and selection

for training."

Any doubts about whether management business meant vanished when on June 21, 1962, the Executive Committee approved the signing of a joint statement on "Plans for Progress" put forward by the White House. Subsequently, P. B. Lewis, Personnel Manager, was granted a leave of absence by the company to become Administrative Director of "Plans for Progress." His term expired December 31, 1965.

As you may know, this is a voluntary program which calls for affirmative action by member companies in the employment of minorities. At the present, over 300 major companies participate in this program.

We found that to be successful in carrying out an effective E.E.O. program, top management had to take a position of responsibility and line organization had to handle the implementation. In other words, from the top right down to the last line supervisor, each has a responsibility in the program and must work at it.

In spite of the apprehensions on the part of some people, we have met with very little unfavorable reaction in the implementation of our E.E.O. commitment in our plants. This includes those operating in North Carolina and South Carolina. In the furtherance of our E.E.O. program, employees were informed well in advance in order to give them time to understand the meaning of E.E.O. and

28

the use of common facilities by all employees. They were told the company intended to live up to its employment policy and "Plans for Progress" pledge, and that employees were expected to cooperate. Supervision personally discussed the program with each employee.

In order to meet management's expectations in the implementation of the company E.E.O. policy in the Carolinas, we have found that it was imperative that effective, affirmative action be taken to, one, increase the employment and upgrade the utilization of minority personnel; two, improve rapport with local minority leaders; and, three, implement an effective follow-up system. Some of the specific steps that were essential to achieve the above are:

Employment standards at these locations have been reviewed to insure that they are realistic. Employment practices of giving preference to relatives of employees or hiring those who scored highest on pre-employment tests had to be weighed against other aspects of the selection process.

Pre-employment selection procedures are necessarily designed to distinguish between those who can qualify for Du Pont starting jobs and those who cannot, but they are also designed to be as non-discriminatory with regard to race as they can be made. Tests are professionally

29

developed, job-related, and have been validated over a period of years by checking against job performance of employees after they were hired. At the Camden, South Carolina, Plant this has led to the discontinuance of a high school diploma as a requisite for employment.

"Qualification" for Du Pont employment does not mean that applicants must be already skilled; it usually means that they must be able to learn the skills needed in a modern chemical plant. In most cases Du Pont trains its new employees in the job skills required. What is needed is aptitude and reasonable grounding in fundamentals.

Our recruitment effectiveness from wage roll through professional levels has improved. Steps have been taken to insure the Negro and other minority communities that Du Pont wants and has challenging opportunities for qualified applicants; and if qualified minorities do not apply voluntarily at our locations, they are actively sought.

To increase the supply of minority employment applicants, we are participating in community programs and in some cases have instituted in-plant upgrading efforts. We are working with leaders and organizations in our various employment points to develop mutual understanding, confidence, and cooperation. To develop cooperation and understanding of our employment needs, we are working with

educators at all levels, particularly at predominantly Negro schools.

Specifically, contacts have been made with administrative officials of all high schools in the hiring area. Discussions included a review of Du Pont employment qualifications, testing requirements, and hiring practices. On one visit, 32 Negroes were given pre-employment tests and ten qualified. Later the guidance counselor accompanied to the plant a group of 40 seniors from a local predominantly Negro high school. These students applied for employment and took pre-employment tests with the high school guidance counselor observing the administration of these tests. During a follow-up visit to the high school, tests were reviewed with the principal and the counselor. Approximately 40 percent of the group qualified.

Some satisfactions have accrued from these affirmative action programs. A superintendent at our Camden, South Carolina, Plant in an unprecedented move was invited to speak at an event known as "Career Day" at the predominantly Negro high school. Urging this young audience to get educated, the superintendent discussed opportunities at Du Pont while establishing what we hope will be a lasting relationship with the school. Supervision has been contacting local Negro leaders such as teachers, school principals, business men, government officials, and our own

Negro employees, explaining our job opportunities. This program is beginning to bear fruit as the quality and quantity of applicants have improved. Some of the local Negro leaders are assisting interested Negroes in "brushing up" on arithmetic prior to taking the pre-employment test. The plant is continuing to follow up on those Negro job candidates who failed to qualify, explaining areas of weakness and suggesting they obtain outside help and return for re-test.

In another situation we discovered that college faculty members lacked knowledge of industrial needs. To deal with this problem, we invited and had the faculty members of North Carolina A & T College visit our industrial laboratories. In addition, a research associate at the Research Laboratory at our Kinston Plant made a formal presentation to faculty members and graduate students in the school of chemistry. Such invitations are now more commonly received since we are recruiting at 28 predominantly Negro colleges. These visits serve a dual purpose. They not only allow teachers and counselors to observe Negroes at work in the company, but they help company personnel men to stress the importance of schools providing good basic training to prepare students for industrial job opportunities.

We realized the hiring systems used by employers tend to leave unemployed those with limited skills and

aptitude for industrial employment opportunities. Historically, they have become a special burden to the whole community. As a corporate citizen, Du Pont seeks increasingly to cooperate with, and aid where possible, community programs for reducing this burden.

Finally, encouraging minorities to improve their level of education and establish effective communications with business schools and colleges stand high on the agenda of our textile operations in the Carolinas. Attempts are also being made to allay the suspicions and distrust that the minorities seem to have for the industrial community.

Personnel officers are constantly reviewing the requirements of various jobs and job categories, to develop training programs, to prepare materials to aid in informing and hopefully motivating these potential employees.

The initial employment of minorities is only a partial solution to the total problem. There remains orientation, training, and the developing of individuals for movement into all job categories. Significant progress has been made in this area. Test-limited employees in the Service Sections at the Kinston Plant have been assisted in qualifying for promotion if they desire. During one month, 21 such employees were transferred, eleven of whom had ten or more years of service. We are breaking down the

problem of minority employment into these various components and working with each one separately. Management views this subject of E.E.O. as one of long duration on which we are making progress and expect to devote effort for years to come.

Mr. Chairman, that concludes my remarks.

THE CHAIRMAN: Thank you, Mr. Dunlap, and I'd like to ask you a few questions.

How does your employment situation in the Carolinas today compare with what it was, for example, five years ago?

MR. DUNLAP: It has risen somewhat, but it hasn't been a startling rise. We operate two plants, one at Camden and one at Kinston, and I'd say that the employment, the total employment, has been fairly consistent.

THE CHAIRMAN: Has there been any change in minority employment?

MR. DUNLAP: Yes. Minority employment has increased. You take this affirmative action approach and visit the local predominantly Negro high schools, you begin to get a flow of minority people coming to your plant; and as they begin to understand that there are opportunities for them, why you begin to bring them on the roll. So we have shown an increase in minority employment in, I would say, all job categories.

84

THE CHAIRMAN: You mean it's sort of a self-reinforcing thing; once you start, more happens?

MR. DUNLAP: Yes, this is right. I think I can use a real good example in Wilmington. Oh, I'd say seven or eight years ago in Wilmington, Negroes did not apply for employment because they didn't get jobs in the offices in Wilmington. But as this began to change, we now have over 200 stenographic-type employees of minority races, and they are coming in more every day. They are satisfied that we offer them job opportunities, and I think this happens in any place where they begin to realize that opportunities exist. They come in; I think they want to be treated just like anybody else. If they can do a job when you give it to them, fine; if they're not qualified, they understand and perhaps they'll go and become qualified. We try to help them and encourage them to do this.

THE CHAIRMAN: Do you work with groups such as the NAACP or the Civil Rights leaders in getting this word out?

MR. DUNLAP: Well, I'll tell you what we've done. Our top management people have visited various cities in the United States in the last year, New Orleans, Houston, and have had meetings with the Negro leaders of those communities; and we feel this will establish a better rapport and we get a better understanding. Our plant

managers in those areas participate in these meetings. This is a program we feel is going to be helpful.

THE CHAIRMAN: I was interested in your illustration of a case in which you suspended a requirement for a high school diploma. Would you say a few more words about that?

MR. DUNLAP: Well, what we have done, we examined the selection procedures and we've found that we can get just as good results by presenting tests based on the jobs at the location. The high school diploma was not an important requirement. In other words, the high school diploma is nice to have, but we really didn't have to have that to prove successful in certain type jobs in this plant; so we have eliminated the requirement of a high school diploma and substituted this testing procedure which we developed ourselves. We have a staff man who is assigned to do nothing but research on testing, and he has made validation studies based on the jobs at that location.

THE CHAIRMAN: Has this testing enabled you to hire anybody who did not complete grammar school?

MR. DUNLAP: Well, an example that I recall, when we first instituted this, one of the employees we had who was in an unskilled job who had just finished the third grade, qualified for one of our better operating jobs just on the basis of this test. Now this may be an extreme

example, but this happened, I know.

THE CHAIRMAN: This is a test that enables you to make a judgment with regard to one specific job or a series of jobs, or what?

MR. DUNLAP: Well, we develop and train our own people. We are looking for learning ability. So these tests, the first battery of tests are tests that are pretty basic in arithmetic, they must be able to read, and things of this type; and people who come through this procedure, then we train them into the jobs in the whole gamut in the manufacturing area. I mean they are eligible for all of the jobs that exist.

THE CHAIRMAN: Could somebody without a grammar-school education get through this?

MR. DUNLAP: Yes. If he could come in and meet the qualifications, yes.

THE CHAIRMAN: What has your experience been in re-testing? You mentioned that you went out and re-tested people who failed the original time.

MR. DUNLAP: Well, what we try to do is counsel people. You know, people will come in and take a battery of tests and maybe in one area they are weak. We will counsel those people to build up their arithmetic or build up their English, word usage, or build up some skill and then come back and take a re-test. We have called some of

these people and had them come back after a period of time, and some qualify and some don't. But we do this. We've taken this initiative.

THE CHAIRMAN: Are you working with any particular groups or agencies in terms of people who would help the people who you counsel to improve their reading, Mr. Dunlap?

MR. DUNLAP: I'll tell you what we're doing. This is a pilot plan type of thing, our pilot program. But the Board of Fundamental Education--- Are you familiar with the Board of Fundamental Education out at Indianapolis?

THE CHAIRMAN: Why don't you explain that, if you will?

MR. DUNLAP: It is an organization that will come in and take people who have little education and develop their educational level; like say you were third grade, they would guarantee eighth grade; they can take eighth grade and they'll guarantee up into the high school level. So we have a program that we are using in Wilmington now where we have 40 people who do not have the educational backgrounds, and we are now putting them through this program. We're going to see how it works and if this works, we'll use this at other locations. But it is a good way to help upgrade people you have in dead-end jobs on your locations.

THE CHAIRMAN: But to the extent you've had experience, your experience indicates that the absence of an education does not mean the absence of capability to do the job?

MR. DUNLAP: This is right. You always play percentages; the person with more education, it seems to me--- You like to play the percentage, but it doesn't exclude an individual who doesn't have a formal education from getting a job and being successful.

THE CHAIRMAN: Now I'm not talking about college graduates, but does the fact that a person has completed high school as opposed to having gone through six grades demonstrate that he's going to do better? Does your experience show that people who do have the education do do better, or is it just an assumption?

MR. DUNLAP: I don't have any figures. I have not seen any studies made by our people in this direction. But, you know, you get down to individuals and there are some individuals who can pick up things pretty fast whether they have a formal education or not; and then there are some people who can get a formal education and still can't do very well either.

THE CHAIRMAN: It's the task of the employers to find the ones who are trainable?

MR. DUNLAP: We try to select the people who we

think are going to be employees of ours who are going to develop through our organization. We are hopeful that any employee we hire can move up the ladder.

THE CHAIRMAN: Did I understand you correctly in gaining the impression that you consider virtually everybody you hire somebody who has to be trained in order to do the job?

MR. DUNLAP: Yes. The people we hire, we are hiring to train for jobs; we are developing our own people. This is a basic principle that we've operated on since the company started.

THE CHAIRMAN: And they don't come into work to start that first day being fully able to do it?

MR. DUNLAP: No. We do not go out and hire skilled people. We bring people in and develop them in to the type of work that we have to offer, which may be a little different. We are a chemical company. In some of the jobs, a lot of the people come from rural areas; they have people who have had no contact with any formal type of training. But if you can identify an ability to do something, why you can get those people to be productive.

THE CHAIRMAN: Do you have any questions?

MR. JACKSON: Yes.

One question, Mr. Dunlap. The way you explained your affirmative action program for your company, it's

obvious that you work at it. Do you have someone full time doing this work, or is it several people doing a little of it? How do you do this?

MR. DUNLAP: Well, I'm doing it right now full time. This is one of my responsibilities - we set it up this way.. I went on special assignment about a year ago and now I'm on the job full time. We find that we have to spend all of our time in implementing this program.

MR. JACKSON: Do you work primarily at Camden?

MR. DUNLAP: No, I work out of Wilmington.

MR. JACKSON: Out of Wilmington?

MR. DUNLAP: Yes.

MR. JACKSON: And do you have someone working at the Camden Plant and at the other one in North Carolina, or do you service those two also?

MR. DUNLAP: The personnel superintendent at these two locations has the responsibility of implementing the program. He deals very closely with me; I visit the plants. I think I've been all over the United States in the past year talking about this and helping people and giving some guidance.

THE CHAIRMAN: Do you find that it's good business?

MR. DUNLAP: We think it is. We've taken the position that we are going to implement this program, and

1

we feel that it is good business.

THE CHAIRMAN: Thank you very much, Mr. Dunlap. We are very happy to have had you come today.

Mr. Markham.

MR. MARKHAM: Mr. Emanuel Lipscomb, Director of the Trade Analysis Division, Office of Textiles, Business and Defense Services Administration of the U. S. Department of Commerce.

THE CHAIRMAN: Mr. Lipscomb, we're happy to have you.

MR. EMANUEL A. LIPSCOMB: Thank you, Mr. Shulman, and I'd like to thank the Commission also for inviting me to attend today. Before making my statement, I would like to say that I have been in this area with the Department of Commerce now for about seven years. In my present position as Director of Trade Analysis Division I am interested primarily in international problems that affect the textile industry. Today I shall attempt to relate some of these international problems to the Commission's problems in equal employment opportunity facing the Commission today.

At the outset, I would like to point out that the Department of Commerce is concerned - and I would like to say seriously concerned - with the effective implementation of the Equal Employment Opportunity provisions of the Civil Rights Act. We commend the Commission's foresight in

arranging this forum which provides the opportunity for a free exchange of ideas in this vital area. We feel confident that through endeavors such as these, the hopes of the past, coupled with sincere efforts of the present, will produce economic stability for all people in the future.

The textile industry's role in the economic development of industrialized countries is well known. A fleeting review of the 18th century shows much of the trade of England being centered around textile products. In the 19th and early 20th centuries textiles were installed as the industrial base of the New England States. We now can see the vital role being played by textiles in the Southern United States.

There are more than 7,000 textile establishments in the United States employing nearly one million workers. Over 50 percent of the total employment is located in the Carolinas and Georgia. When we add the workers in the garment area, the total employment rises to over two million workers. The added impact of this industry on the economy can be seen in the fact that more than two million people in other industries are directly affected by the textile industry. For example, all of the raw wool and about 60 percent of the raw cotton produced in the United States are used by the domestic textile industry. The United States textile industry also is the main customer for domestically-

produced man-made fiber, dyestuffs, and textile machinery.

The industrial revolution now going on in the Southern United States is not an isolated development. On the international scene, numerous emerging countries are now pursuing courses of industrialization. These countries are following the time-worn pattern of using textiles as the industrial base. In the growth process, the developing countries need foreign exchange with which to purchase and develop more sophisticated products. Consequently, a large proportion of their textile production is directed towards the import markets of the world. The rapid growth in the textile industries of a large number of the less developed countries, or "LDC's," as we call them, is demonstrated by the fact that in 1960 there were nine LDC's exporting cotton textiles to the United States in amounts approaching ten million equivalent square yards or more. For the year ending September 1966, the ten million group had expanded to 17 countries. Countries not in the ten million class, as a group, exported 2.5 million yards to the United States in 1960, but in the year ending September 1966 these countries accounted for nearly 75 million yards.

In the man-made fiber sector, United States imports from all sources in 1962 were about 213 million square yards. By October 1966, the year ending total had

44

climbed to nearly 800 million yards. About 70 percent of the trade during the latest period came from Japan and the LDC's in the form of fabrics, apparel, and made-up articles.

When we look at the domestic production of cotton and man-made fiber broadwoven goods, the level of production during 1965 was slightly below the 1962 level for cottons and up by about 43 percent for man-mades. During these same years, however, imports of cotton products were up by 13 percent, while imports of man-made fiber textiles soared by 165 percent. Preliminary indications reveal that in 1966 domestic production of cotton fabrics was somewhat below 1965 and only moderate increases occurred in the man-made sector. However, by November 1966 the annual rate of cotton and man-made fiber textile imports were more than 40 percent higher than in 1965.

Back in the middle fifties, the United States textile industry was in the throes of a serious down-turn in the domestic market and rising imports. At that time the Government negotiated a voluntary agreement with Japan under which the Japanese agreed to limit their exports of cotton textiles to specific levels. However, during this same period, and shortly thereafter, many other countries began to embark on the route of economic industrial development. Under the weight of the attendant rising tide

of imports, the American textile industry continued to stagger. The economic plight of the industry was characterized by serious operating deficits and subsequent mill closings. Those familiar with the industry can readily understand that the economic structure of an entire community can be wiped out by the closing of a single mill.

Out of this background came President Kennedy's seven-point program for assistance to the textile industry in early 1961, which resulted in an international conference and first, the Short-Term Arrangement, then the Long-Term Arrangements Regarding International Trade in Cotton Textiles. These arrangements were negotiated by the major importing and exporting countries of 1961. The Short-Term Arrangement was for one year from October 1961 through September 1962, while the Long-Term Arrangement, or the "LTA," as we call it, extended for five years from October 1962 through September 1967. These arrangements were not designed to stop the flow of cotton textile imports, but to bring about some semblance of order to the domestic and international market place. Indeed, a review of the latest import totals reveal that cotton textile imports have continued to rise.

Under the LTA, some very important accomplishments could be realized.

One, the domestic cotton textile industry gained confidence in developing new products to meet market demands,

without fear that a sudden deluge of imports would be concentrated in the newly-developed product. In other words, the LTA provided safeguards against product concentrations which, in effect, could result in a progressive and piecemeal elimination of broad segments of the industry.

Two, in the absence of the LTA, indications are that imports would have been substantially higher than the record levels noted at the end of the fourth year of the Long-Term Arrangement, that is, the year ending September 1966. It does not require much conjecture to visualize what the condition of the domestic textile industry might have been today without the LTA, particularly when we review the serious condition of the industry at the time the agreement was negotiated.

The LTA is one of the programs designed to recognize and meet, by large measure, the needs of the developing nations, and to prevent irreparable damage to the cotton sector of the domestic industry by uncontrolled and disruptive imports. The man-made fiber textile sector of the industry is equally important. We need only to walk through the department stores and supermarkets to observe the role that man-mades and blends have assumed in consumer demand. Thousands of jobs in research and production will depend on the health of the man-made fiber, as well as the cotton sector of the industry. Therefore, we should be

concerned about the major changes in the trade picture of the man-made textiles. Indeed, this area is being explored very carefully by the Government to determine what action might be appropriate to carry out the President's textile program.

As Doctor Osburn pointed out in his report, one important characteristic of the textile industry is its low wage level. Because the value added per employee is very low, the salary level of the textile employee has a direct and significant bearing on the cost of the final product to the consumer. However, even the low wage level of the American textile worker is many times the level of wages for similar workers in many of the developing countries.

For example, in 1964 the average hourly wage for the United States textile worker was somewhere between $1.70 and $1.80. In 1965 the average United States wage was $1.88. But this 1964 average compares with wages of textile workers in some of the countries which export to the United States as follows:

In Portugal the average hourly wage was 12 cents to a high of 27 cents. In Spain wages ranged from 29 cents to 36 cents an hour. In Israel the wages ranged from 43 to 53 cents an hour. In Hong Kong the wages were from 25 to 31 cents an hour. In Japan the wages were from 19 cents to

44 cents an hour. In Taiwan the wages ranged from 8 cents to 12 cents an hour. And in Singapore the hourly wages were 13 to 16 cents.

It must be recognized that for many of the countries cited, the hourly wages do not reflect some fringe benefits which are substantially larger than those enjoyed by workers in the United States. However, because the cost of the benefits are geared to the general level of the economy of the particular country, they do not serve to close the gap in labor cost between the United States and the foreign producer. These factors help to place the American textile producer at a serious competitive disadvantage in domestic and world-wide markets.

Now the effect of international trade in textiles on the health of the domestic industry is very important to the problems being considered by this forum today. Even though recent years have seen a movement away from the historical employment patterns, as Doctor Osburn has pointed out, the rate of movement during the coming months and years must be, and is expected to be, accelerated. Jobs at all levels of responsibility in the blue and white collar areas must be made available to the Negro. To accomplish this goal, it is imperative that each segment of the industry remains strong and viable.

The textile industry is in the forefront

49

in meeting competition from the developing countries. It is also in the forefront in the industrial development of the Carolinas, as well as in other sections of the South. Therefore, disruptive pressures which would lead to serious depressions in the industry would prove detrimental to any programs for increased employment opportunities for Negroes in this industry, and also would seriously damage a large segment of the economy of the Carolinas and other areas.

While being cognizant of the role that the United States must play as a leader of the free world by providing markets for their industrial products, we must be also very keenly aware of the economic problems within the United States and the obligations to be assumed by our domestic industry in resolving these problems. The plight of the large numbers of low-wage, near-poverty, and poverty-stricken Negroes who have been displaced from productive agricultural and other pursuits is clearly analogous to that of the masses of people in many of the developing countries of the world. However, through the coordinated and concerted efforts of the textile and other industries, educational and social institutions, community leaders, and offices of the local and federal governments, this important segment of our population can realize the fruits of economic stability.

I feel very confident that the talent assembled

here today can form the nucleus of a program for positive results. Let me assure you that the Department of Commerce stands ready to assist in every way possible to bring about the success of this program.

Finally, I, myself, am quite cognizant of many of the problems being faced by members of the Negro race in their struggle for economic and social stability. However, I have every confidence that the course charted today into the broader fields of economic growth, together with human advancement and national good will, shall lead us in America to more nearly approach the ideal of the poet who wrote of this land, "Here alabaster cities gleam, undimmed by human tears."

And finally, I would like to commend the Commission and Doctor Osburn on the fine reports that they have prepared of this industry and North and South Carolina. The Commerce Department has read these reports with interest. We have affirmative action programs within the Department of Commerce, and we are willing to cooperate in any way we can to coordinate these programs with the Commission's efforts.

Thank you very much.

THE CHAIRMAN: Thank you very much, Mr. Lipscomb. I wonder if you would respond to a few questions.

What is the relative state of technology between

the textile industry in this country and the textile industry in some of these countries which have such low wage rates?

MR. LIPSCOMB: The relative state of technology between the countries, I would say in many of the developing countries of the world their industries are much more advanced than our own domestic industries in many respects. Their industries are more highly integrated than the U. S. industries. Early last year, during the early part of last year, I visited Taiwan. I visited some of the mills in Taiwan, and they are developing this industry with new machinery. When you go into a mill, you see the bale of cotton and man-made fiber being opened when you start into the mill. When you come out on the other side, you actually see the shirts and the garments, all by one firm. You look at their spinning equipment, their weaving equipment, the latest model machines from Western European countries, as well as Japanese machines and from other countries. They use American air-conditioning equipment in their modern plants that they are developing, mostly the European textile equipment, like the looms and the spindles and those things.

However, take a country like India. India has had a textile industry for a number of years; they are not just developing their industry. Their industry is still

52

well behind the U. S. industry, technically.

THE CHAIRMAN: Would you happen to have any knowledge of what the educational attainments of the workers in these industries are in the foreign lands?

MR. LIPSCOMB: I have discussed that with some of the foreign producers. I believe the average educational level of the people in a lot of these countries is very low in the textile industry. I believe this is why it's used as your initial step in development, is because the people learn to a great extent to do with their hands. In these foreign countries, remember, the technological problems are primarily solved by the American textile industry. Our importers go into these countries and they have a product that they want produced, so it's a question of actually the hand labor that's needed to produce that product, not the technical development that they are engaged in. Consequently, the educational level of the workers is very low. And again in Taiwan, I saw numbers of girls who were working in this industry between the ages of 14, 15, and 16 years old who did not have the equivalent of what we would consider elementary school education.

THE CHAIRMAN: Would they be working on jobs requiring some degree of training in order to run the machines, or what type of jobs would they be working on?

MR. LIPSCOMB: The producers, textile

manufacturers in these countries have their own training programs. These people I saw, they were working as weavers, they were working as loom operators, they were working on sewing machines; but they are all trained by the industry there.

THE CHAIRMAN: Mr. Jackson, do you have any questions you'd like to ask Mr. Lipscomb?

MR. JACKSON: Yes, just two questions.

Mr. Lipscomb, do I understand your statement regarding the Kennedy seven-point program, I think back in 1961 or 1962, to mean the capability of this industry to compete with its foreign competitors is due largely to the national policy designed to assist the industry so that it would be put in a competitive position?

MR. LIPSCOMB: Yes, this is true. The industry here during the - well, I'd say even back around '55, '56, and '57, was in the point of a down-turn. This was immediately after the Korean conflict. The military orders dropped off at the same time you had sharp increases in imports; and your imports, if they are concentrated in specific areas, can wreck the industry itself. So this was more or less a national program by the government to assist the industry.

MR. JACKSON: Could you compare the assistance that the national policy directed towards this industry with

54

those that contribute to and support other industries, Mr. Lipscomb?

MR. LIPSCOMB: Well, I---

MR. JACKSON: Was it more or less?

MR. LIPSCOMB: I would say the textile industry is supported more by the national policy in terms of the total policy than the other industries in general.

MR. JACKSON: I take it from your title as Director of the Trade Analysis Division - do you actually represent the Department of Commerce and the nation in these international trade conferences? Would you represent the interests of this industry in determining the quotas and tariffs and so forth?

MR. LIPSCOMB: Yes. The administration of this program is committed to six agencies, of which the Department of Commerce is the Chairman of the General Interagency Committee. We participate in all of the negotiations with these various countries for trade levels, as well as overall levels; yes.

THE CHAIRMAN: Mr. Lipscomb, I just want to make sure that I understand the trade arrangement correctly. Is my impression correct that what we are doing as a nation is not blocking imports of textiles in general, but blocking specific concentrations designed to knock out a particular production in the United States, to have whatever effects

55

imports might have spread over the entire industry rather than concentrated on a particular segment?

MR. LIPSCOMB: This is one important part of it. We attempt to prevent concentration; then also we attempt to prevent an unlimited rise in the overall level. For instance, a product that's not very important; for instance, let's take shirts for example. A concentration in shirts not only affects the garment maker who's cutting and sewing shirts, but it also affects the basic textile mill that's weaving the fabrics for the shirts; so we are interested not only in the concentrations, we are also interested in the overall level of imports.

Of course, what can happen in concentrations, for example, we do not have the velveteen industry in this country now. Almost the total velveteen demand is being supplied by imports, so the mills that were formerly involved in the velveteen industry, they either have switched over or gone out of business entirely.

THE CHAIRMAN: Thank you very much, Mr. Lipscomb. We are most appreciative of your coming down and testifying.

Now it's quarter of 4:00 and we are supposed to be winding up in here about 5:00. It might be in our joint interests to take a short break now.

(Whereupon, a short recess was taken.)

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THE CHAIRMAN: Mr. Markham, would you tell us who the next speaker will be?

MR. MARKHAM: Mr. Neil MacArthur, Manpower Administrator of the United States Department of Labor.

THE CHAIRMAN: Mr. MacArthur, we are delighted you could come down and we are pleased to have you make a statement.

MR. NEIL MacARTHUR: Thank you, Mr. Chairman, Mr. Commissioner. Mr. Ruttenberg, the Assistant Secretary of Labor for Manpower, appreciates this opportunity for a representative of his office to come before this forum to explain the availability of programs to this industry, and people interested in doing something to assist disadvantaged people in getting employment.

In 1962 Congress enacted the Manpower Development and Training Act, which made available several millions of dollars of federal funds to the Department of Labor and H. E. W. for the purpose of developing training programs to assist the unemployed, the under-employed people who are in a situation where they may lose their jobs because of automation or technical change or plant moving out, upgrade people who are working in jobs below their potential, and also upgrading present employees where it will make jobs available for the unemployed.

MDTA funds are allocated to each state on a

proportionate basis, based on several factors, such as unemployment in the state population and so on and so forth. The programs are divided basically into two large classifications:

On-the-job training. This is training where an employer agrees to employ somebody and train them, and the Government picks up part of the training cost.

Or institutional programs, where the training is done in a public school or some other training facility, for which there are jobs available in the community. These programs are instituted by employers or the State Employment Service where they have determined a need for specific occupations. They then authorize the school system, vocational education, or other institutions to set up a training program. With MDTA funds we pay for the cost of equipment, development of the program, instructors' wages, and so on and so forth. These programs have been fairly successful in many areas and highly successful in others, depending on the degree of skill that you hope to accomplish through these programs.

On-the-job training programs which, in the case of what we are discussing here, is direct to the point, and the trainee knows he's got a job and he knows he's got an employer and the employer is putting something forth in order to make that man more employable.

OJT training falls into many classifications, such as the straight on-the-job training, as I explained, pre-job training where the trainee takes some skill or academic training, coupled with the on-the-job training. There is pre-job training with basic education, which was discussed this morning, where the trainee takes basic education coupled with skill training, and then on-the-job training where he's actually employed; and some of these where they work on the job and as a part of their workday, take skill training, academic skill training such as blueprint reading, this type of thing.

Who can sponsor an OJT program is something quite often asked. Of course, the individual employer can enter into a contract to train X number of trainees in certain job classifications. A group of employers can band together and undertake a contract to train a certain number of trainees. An employer association can sponsor a program, and we have had successful programs with employer associations sponsoring them. Trade unions or trade unions and employer associations band together. We've also had some successful programs where one individual employer who would have training facilities available, which other employers may not, and he would train in his facility for other employers in the area. This we've done where a company that had a large facility and were not utilizing

the whole facility, where new machinery was coming in, they would train on that machine or in that area, then the trainees would move to other employers in the area and be fully employed.

The objective of MDTA training is to give the trainee employable skills. We have demonstrated or cited this morning some of the programs that we have funded which have proven what you can do with training if it is well organized, and determine what they are going to do with it.

Testing, we have also done experiments in testing to show that employees who have shown on tests that they cannot qualify with the company's norms, with a training program, taking these individuals, with special attention they have been able to move up and be able to compete with a normal employee. We would hope that with the use of MDTA training that this door that they talked about that has been opened, that we can actually move the minority through this door.

The best designed and best thought out training program will not work without trainees. This is a problem, in locating the proper people to be trained. Any employer group or anyone that sponsors a program must understand that they have to do some out-reach. One of the problems with the minorities is that nobody has assured them that the opportunities are there and that they can take advantage of

them. So in order to make a program work, you must have a good out-reach program. You must also do some counseling along with this.

Areas by which trainees are available. Of course, the standard procedure is through the State Employment Service. It must be also understood that all trainees must pass through the State Employment Service and receive some kind of identification, in many cases testing. Another source of trainees is your community organizations, minority organizations, YMCAs, churches, et cetera. The OEO, the Economic Opportunity programs in the area available trainees. In most cases we have a basic education program along with the OEO program which are an ideal source of finding people that are motivated to go on into skill training.

NYC programs, or Neighborhood Youth Corps, which is a part of the OEO and is administered by the Labor Department - here is youth that are given actual work experience. We do not use NYC as a skill training program, but to give the youth an opportunity to learn good work habits. At the completion of the training, they are available for work experience or actual jobs, and we would hope that the employers in the area would utilize these sources.

Where they have other Federal funded programs,

other MDTA programs such as your institutional programs, a young man may take training in a machine shop program. Although there may not be machine shop jobs available at the time he completes his program, this does not preclude him from taking a job in other skilled occupations. Normally, any skilled training prepares an individual for any type of skilled occupation.

One thing must be understood. The Labor Department does not select trainees for on-the-job training programs. The final selection is the responsibility of the sponsor or the employer.

In institutional programs the selection of the trainee is the State Employment Service's responsibility. We are looking and would hope that industry and other organizations would use imagination in how to utilize MDTA funds.

We are attempting to force states and communities to design programs which we call "coupled," and this is coupling of institutional training with on-the-job training. In other words, we prepare them in a school and couple it with a job, couple it with an OJT program which has jobs at the completion of it.

There are other variations that we are looking for to utilize these MDTA funds. We do not have standard package-type programs that we can pass out and say this is

the way you must operate or you cannot receive Federal funds.

The agencies that are responsible for these funds and are available to assist industry and other groups in developing a program, if it's an on-the-job program, it comes under the U. S. Department of Labor Bureau of Apprenticeship and Training. They are available to give you technical assistance, assist you in developing your program, and will then take care of the red tape, as they say, in getting the program funded from the various funds that are available. If it is an institutional program, the State Employment Service is responsible for instituting the institutional programs.

Programs that are within a state are developed by the Bureau of Apprenticeship or the State Employment Service. If it is a multi-state program, such as North Carolina and South Carolina, and the textile industry wanted to go into a long-range program, this would be developed through the Bureau of Apprenticeship's Regional Office or the Federal Employment Service's Regional Office, or it could possibly be done through Washington. The Manpower Administrator would eagerly enlist the textile industry's representative to come into his office and discuss the possibilities of designing programs in order to get minorities into your industry. We have dedicated 60 percent of Manpower funds this year for the purpose of training

disadvantaged people.

There is another avenue of training that the textile industry has not taken advantage of, and this is organized apprenticeship programs. Here is a means by which people - young men especially - can start at the bottom on an organized program by which they will become skilled craftsmen after a certain number of years. These programs also are developed by the Bureau of Apprenticeship and Training and are designed to fit the needs of a specific industry.

Again, we do not standard stock type apprenticeship programs that you must adhere to. On industrial apprenticeships we realize that they must fit into that employer's needs for skilled labor. The apprenticeship program is probably the best way to assure that minorities that have normally been excluded from skilled training may receive good training and become skilled craftsmen. .

We have used MDTA funds in OJT programs to prepare youth to enter apprenticeship programs. We have had some highly successful programs in such trades as bricklaying, carpentry, painting, machinists, operating engineers, plant operators, and so on. In fact, the aircraft industry in Texas has shown us what can be done; people who normally would not even be employed as sweepers are now

top people in their tool and die department. Through the use of a specific training program where they pre-job train them to show the potential of the individual before he even entered into the plant, and once they got this basic education which has been demonstrated today that in most cases they lack, they were able to go on the job and perform as well if not better than most of their employees who went through a rigid testing procedure. In fact, one of the large aircraft industries has a college program completely funded by the company which anybody employed is eligible for merely by taking tests.

THE CHAIRMAN: Mr. MacArthur, would you be good enough to try to wrap up your statement? We are trying to hold the speeches in the area of fifteen minutes.

MR. MacARTHUR: To finish, this program, everybody in the plant was eligible for it. The cutoff point was 80. No minority member had ever come closer than 45. A few years ago the company decided that they must have some minorities pass through this program. They took a young man with a score of 40. To their astonishment he decided to go to the University of Iowa. He has gained honors both scholastically and with his fellow students. He is now working on his Ph.D., and every department manager has requested that he be assigned to them at the completion of his training. They are now looking at their

testing procedures to see if they can change them in order to find more of these people.

Thank you.

THE CHAIRMAN: Thank you, Mr. MacArthur. That's what is known as Manpower Development. Do I understand correctly that an employer could go out and select applicants for employment, bring them into his plant, put them to work on on-the-job training, and have part of the cost paid by the Department of Labor?

MR. MacARTHUR: True. Of course, it's done in advance. We set up a contract with the employer to train in certain occupations. He then selects the trainees. We would then put into the contract the basic qualifications of these trainees and then upgrade them. We can also work this where they've got people presently employed and, as we said, where they lack education; and this is worked where the employer says we will do the basic education, we will do the skilled training and move them on up, and also move people presently in skilled occupations up to higher occupations on the ladder. Say, we'll move up five people in this occupation if they'll move five up to this and hire five more at the bottom of the ladder.

THE CHAIRMAN: Are the institutional training programs conducted only in the daytime?

MR. MacARTHUR: No. It's up to the school to

adjust them to fit the needs of the community. We don't say when they have to be done. In fact, we've got some tolerance under the Fair Labor Standards Act to permit them to be done in the evening after working hours, because we realize the problem of people quitting their jobs in order to go into training. We've now relaxed this somewhat to permit them to take training after working hours without wages.

THE CHAIRMAN: How would employees be selected to participate in a combined institutional on-the-job training program if more than one state were involved?

MR. MacARTHUR: More than one state? It it were a coupled program, we would then set up a prime contract which the association would operate. We would then specify the type of people that they are going to train: the unemployed, the disadvantaged, not requiring high school diplomas, giving employment service. They can be tested. This is required in many cases. We've set up programs. We've only trained the ones that failed the test. We are willing to pay this expense; Federal funds are used to take care of the expense, the additional cost, in order to train a person. So we will take failures and we will pay the cost of training the failures.

THE CHAIRMAN: You mean there could be a training program specifically designed for people who failed

the normal employment test?

MR. MacARTHUR: That would be the ideal. We would look on that more favorably than we would the others.

THE CHAIRMAN: Would that standard as such be an acceptable standard, this training program designed exclusively for people who failed the test?

MR. MacARTHUR: We have programs of this type. We wouldn't want to pick up the ones that would normally pass because they don't need training.

THE CHAIRMAN: What about people who would normally fail the employment service test?

MR. MacARTHUR: We have programs in that; these are the institutional type programs. The company has jobs available. They set a certain norm and the employment service gives a test. They haven't been able to fill these jobs. The company says all right, the ones who have failed it, you set up a program in the public school or in a school and train them in both the academic and in the skills in order to bring them up so they can compete with the normal.

THE CHAIRMAN: Mr. Jackson, do you have any questions?

MR. JACKSON: Yes, I have three or four questions. To what extent does the textile industry use the MDTA on-the-job training programs; could you tell us?

MR. MacARTHUR: Very, very little. There have

been only two or three small programs.

MR. JACKSON: How does this compare with other industries in these two states; do you have any idea - the utilization of them?

MR. MacARTHUR: Well, the first two years of MDTA, the states didn't use all of their funds. Last year they did a pretty good job of utilizing their funds. One area where they have used a lot of training is in the hospitals in both North Carolina and South Carolina; they've done an excellent job of bringing people in and giving them some meaningful training in order to compete for jobs in hospital occupations.

MR. JACKSON: Do I understand from your last answer that neither North Carolina or South Carolina used all of their funds allocated to them for the institutional programs?

MR. MacARTHUR: For either program.

MR. JACKSON: And when these funds are not used, they are restored to the Secretary of Labor who can recommit them to other states or other type programs; is that right?

MR. MacARTHUR: If a state does not use their funds, after a certain date we then bring them back into Washington; the Manpower Administrator then uses them to fund other programs for other states who have utilized all of their funds or for national programs.

MR. JACKSON: Now you mentioned that trade associations could sponsor on-the-job training programs. Do you know whether or not the ATMI sponsors on-the-job training programs for members of the association?

MR. MacARTHUR: No, they do not.

MR. JACKSON: I also understood you to indicate that the textile industry does not use apprenticeship programs either, extensively?

MR. MacARTHUR: Not extensively, no. There are very few registered apprenticeship programs. They may have some informal programs in operation, but registered apprenticeship programs they do not utilize, where they have related school training. Most of it is straight on-the-job type rub-off training rather than formalized apprenticeship training.

MR. JACKSON: Do I understand you correctly, sir, that a company who had a large unskilled labor force and wanted to train those unskilled laborers to move up into skilled jobs, they could apply for on-the-job training program funds and the Federal Government would pick up part of the cost of upgrading its present employees from unskilled labor pools to handle skilled job needs? Is that correct?

MR. MacARTHUR: That's right. We are looking for this type of training, where they have created this pool of unskilled, uneducated workers, the first ones that

are going to lose their jobs as the industry becomes more automated and changes. We could then move them up; they qualify for MDTA training.

MR. JACKSON: What percentage of these costs are paid for by the Federal Government under MDTA?

MR. MacARTHUR: There's no way I can set a specific figure. It's a negotiable contract. It's a cost-reimbursing type contract. We sit down with the employer and develop his additional cost over and above his normal cost, and this would include on-the-job instructors' textbooks. We will not buy equipment for an individual employer. Now if there were one employer going to train for a group of other employers, now we might buy specialized equipment or rent or lease specialized equipment in that case.

MR. JACKSON: Now for a lot of the small companies, say just in the textile industry, do I understand that they could group themselves together and have one contract and service small-company needs?

MR. MacARTHUR: This has been done and can be done.

MR. JACKSON: Thank you.

THE CHAIRMAN: Thank you very much, Mr. MacArthur. We appreciate your coming down.

Mr. Markham, will you announce the next speaker?

MR. MARKHAM: Mr. Paul Swaity, Vice President, Textile Workers Union of America, AFL-CIO.

THE CHAIRMAN: Mr. Swaity, we're happy to have you.

MR. PAUL SWAITY: Thank you.

THE CHAIRMAN: Please proceed with your statement.

MR. SWAITY: Mr. Chairman and members of the Commission, unlike the major employers of the textile industry who are conspicuous by their absence today, the Textile Union Workers of America welcome this opportunity to appear before this Commission. We do so in the hope that this Forum will help to shape genuinely useful programs and will open new vistas for employment of minority groups. But before this problem can be realistically attacked, it must be placed in its proper perspective and to do so, we must speak frankly about the nature of the Southern textile industry and in that process we must deal with the day-to-day facts of life in this industry that the Commission may not be fully aware of.

To put it bluntly, this industry not only manufactures textiles, it also manufactures poverty; and its byproducts are injustice and inequality. The tools it uses are not only looms, spinning frames, and other standard machinery; it also relies on intimidation and coercion and

discrimination, and it uses them not only on a racial basis, but also against white workers who seek a remedy for the substandard conditions that have been imposed upon them by this industry's traditional low wage policy. These elements are at the heart of the industry-wide conspiracy which employs the black list and plays white worker against white worker in a determination to keep Unionism and industrial democracy out of the Southern textile plants.

To understand fully the validity of this statement requires some background information on this point. The textile industry is located largely in the South, as a result of the industrialization program which has had no parallel in any region of the United States. Nowhere else has new industry been more energetically wooed and pursued. Nowhere else has the power structure offered greater incentives to lure plants into various communities; and these run the gamut of concessions on taxes, electric power, and water, all the way to guarantees of cheap labor and a pledge to keep the workers docile and non-Union.

Nowhere else has substandard subsidized industrialization proceeded so rapidly and on such a wide scale in this country. Yet nowhere else, Mr. Chairman, have workers, black and white alike, been accorded so small a share of the prosperity which this industrialization has brought. Even today, in a period of peak prosperity in the

textile industry, they persistently maintain the traditional role of the lowest-wage manufacturing industry in the whole nation.

As of June 1965, approximately 40 percent of the non-supervisory workers in this industry were earning less than $1.50 an hour or $3,000.00 a year, the very minimum which the Government says is needed to lift a family from the poverty level. In the Southern hosiery industry in the knitting mills with 114,000 workers employed, 54 percent, Mr. Chairman, earn less than the minimum figure. In the Southern yarn and thread mills, with 85,700 workers, 58 percent are in the same predicament.

And that's only one side of the coin. Southern textile workers are denied virtually all of the economic and social benefits that are standard and modern in organized industry. These include company pension plans, company-paid health insurance, six or more paid holidays per year, supplementary employment benefits, severance pay, and other company-financed aids that cushion the shock of automation and technological changes.

This is why we say, Mr. Chairman, that it is a heavy drag upon the economy of both North and South Carolina where 45 percent of the industrial jobs are textile jobs. The most dramatic evidence lies in the fact that North Carolina is the lowest of all 50 States in average

manufacturing wages, while South Carolina staggers along in 47th place on the national wage level.

These conditions have been brought about by the industry itself. It maintains substandard wages and working conditions and it moves to crush any opposition to this entrenched system. It also manipulates the social forces in the community to preserve the status quo.

For many years this industry was family-owned. It was located primarily in the small towns surrounded by the largely agricultural areas. The textile mill was the only source of factory employment. Management was personal and loyalty was demanded of supervisors and workers alike. Workers often lived in small mill villages where houses were company-owned. They could remain there only as long as they were employed by the company.

While the company mergers and the development of larger industrial complexes have dissolved this pattern largely, management still dominates the textile town. It still controls the credit policies of its banks and, for practical purposes, it still dictates the editorial policies of the local newspapers in these communities. By virtue of its opposition as the chief employer, textile management is able to force the community to submit to its will in a large variety of economic and social matters. Thus it is in a position to control and restrict mill hiring, and this

has meant discrimination both because of race and because of membership or sympathy with a Union.

The industry's position towards Unions has been and continues to be one of total opposition to any form of organization or collective bargaining for its workers; and as a result, less than ten percent of the textile workers in the Carolinas are members of any Union. The methods it uses to suppress Unionism are frequently in open defiance of the law. In plant after plant there is the same pattern of opposition that involves intimidation of pro-Union workers and threats to close the mill, mobilization of the business community to withdraw credit from Union members, and many similar devices to harass the workers who are trying to build the Union and gain industrial democracy.

The most damaging tactic, however, is the illegal discharge of Union supporters and the black-listing of such workers, not only in the community, but in the surrounding area as well.

We have also come to learn over the years that the employer's anti-Union campaign is almost inevitably accompanied by an appeal to race prejudice. Again this tactic follows a clear pattern in one organizing campaign after another: First the workers are informed of the Union's forthright stand on civil rights and equal job rights, and this is tied with a fear campaign implying that

a vote for the Union is a vote for racial mixing on a social basis. At the same time the specter is raised that the Union will see to it that white workers are replaced by the Negroes. In fact, the press in Greenville, South Carolina, a major textile center, recently used this very theme in giving the Commission's announcement of the holding of this Forum. In addition to non-Union propaganda, the employers had in actuality practiced job discrimination in a number of respects, restricting Negroes to menial jobs and maintaining strict segregation in plant facilities.

This, then, is the nature of the industry which our Union operates in. We are well aware that in the public mind there is usually the image of a powerful Union which exercises great influence over the hiring practices of the industry. Mr. Chairman, in textiles there is absolutely no resemblance to this image. At best, Unions have only a small foothold in this industry and we must wage a constant battle to maintain even that small foothold.

The crucial fact is that the responsibility for the existing racial pattern is solely in the hands of management. The employer exercises the unilateral right to hire in the Union as well as the non-Union plants. It is management which determines the jobs and departments to which new workers will be assigned. In fact, in many plants a recommendation from the Union is a "kiss of death" for a

worker seeking a job.

The Textile Workers Union of America places no obstacles whatever in management's way with respect to hiring of minority groups. Membership in TWUA is open to all on a non-discriminatory basis, and our Union operates on a completely non-segregated basis. Our constitution treats everyone equally, regardless of race, color, or creed. There are no segregated local Unions or different classes of membership in our organization. Minority group members have the full and unrestricted right to participate in Union activities and many, in fact, have been elected themselves to positions ranging from shop stewards all the way to the international offices. They have full access to the grievance procedure established under the collective bargaining agreements.

As our brief points out, in 1966 a survey conducted by our Union in seven plants covered by our contracts yielded returns from some 30 companies with a total of approximately 19,000 production and maintenance workers. It showed that Negroes in these Union plants comprised 11.1 percent of the workers in the bargaining units, and 54.7 percent of Negroes in the Union plants were upgraded to semi-skilled operative classifications, in contrast with the earlier management hiring practices which limited Negroes to unskilled labor and service

classifications.

So it is evident that some progress is being made in making employment opportunities in Southern textile plants available to Negroes. But let us not forget that this improvement has taken place under the pressure of a tight labor market and in an effort to qualify for defense orders, not because of any moral impulse or soul-searching on the part of the industry. There still is boundless room for improvement and a pressing need for affirmative action programs to insure equal employment opportunities for all.

We have suggested to a number of the mill management that it would be fruitful to take advantage of the Government-assistance programs available in the on-the-job training programs as just discussed by the previous speaker. Despite the serious labor shortage in the last two years, these suggestions have fallen on deaf ears. Southern textile employers are so hostile to any measure of any degree of Government regulation that they even refuse to participate in Government-assisted training programs.

We undertook a program, Mr. Chairman, in New Jersey on a large basis. We circulated the information on that program to all of our staff and tried to promote it throughout the industry, and we were not able to get many buyers to that program. In one area in the South, in a

Columbia plant, we have such a program.

By contrast, however, this reluctance does not include Government aid where no regulation of their activities is involved. For example, there is the matter of import controls instituted in 1961, the one-price cotton law in 1964. The industry eagerly gobbled up more than four hundred million dollars a year in Government subsidies at that time without sharing the benefits of this program equitably with either its employees or the consumer.

This is not startling because we are dealing with an industry that is lacking in total social conscience. It violates the National Labor Relations Act deliberately and repeatedly. Yet we live in a society that for some strange reason arms employers with the so-called right-to-work laws and other legislative tools with which to keep wages low and frustrate the attempts of its workers to raise their standard of living.

And to crown it all, our Government awards employers with multi-million dollar Federal contracts even as the industry thumbs its nose at the laws designed to bring about a better life for workers, black and white alike.

This is exactly what is at issue in this Forum, and we have detailed it in our brief which has been filed with the Commission. What it boils down to is the fact that

to seek equal opportunity in an industry which is largely devoid of industrial democracy is putting the cart before the horse. The plain fact is that equal employment opportunities cannot be built upon quicksand. There must be a strong foundation based upon industrial democracy.

Enlarging employment opportunities is a complex task. It requires affirmative action on many fronts. All interested parties can contribute to the success of such a venture by cooperating fully in a joint effort to overcome the obstacles to true equality of opportunity. The employers must ~~show a fine~~ shoulder the prime responsibility. They do the hiring and they assign new employees to particular departments, and this frequently determines the opportunities for future operating; and it is therefore their responsibility to conduct their recruiting in such a way that the dissemination of information about job opportunities among all who qualify is assured. They have the responsibility to adopt hiring procedures which screen applicants on the basis of objective qualifications for the job, rather than extraneous factors such as race. They also have the responsibility to institute training programs to enable new employees to acquire skills, as well as to permit old employees to upgrade their skills. Finally, they have the obligation to develop rules governing promotions which will avoid favoritism and discrimination.

THE CHAIRMAN: Mr. Swaity, will you try to wrap it up?

MR. SWAITY: The Government also has many responsibilities in this area. Of fundamental importance is the employment act of 1946. The gain of Negro employment in the textile industry during recent years owes much to the rapid growth of the nation's economic activities, stimulated by the Federal Government's policies and Great Society programs.

Mr. Chairman, fair employment practices are a part of our goal and we have pursued it in collective bargaining with the Southern textile industry for the benefit of all members, both Negro and white, and we intend to continue our efforts in this direction and look forward to cooperating with all interested parties for the achievement of a better life for the textile workers.

THE CHAIRMAN: Thank you, Mr. Swaity.

What specific help do you think your Union or a Union might be to attracting Negro applicants to the textile industry or to other industries?

MR. SWAITY: In those plants where we have collective bargaining rights, I would assume that a program under the on-the-job training program perhaps could be most useful; and we are prepared, have been, have offered, and are prepared to enter into this kind of programs, joint

programs on a joint basis. I think this is one way of providing the qualifications to fulfill the jobs.

I think, secondly, that we certainly have and feel strongly about encouraging the Negro employees or minority group employees who are brought into a plant where they ask another worker to help them to be trained, that our members do as much as possible to help them and assist them to meet the qualifications and get the training that is required.

Certainly where grievances take place because someone is not being upgraded because somebody has not had the opportunity, the Union can play a role in insuring that the upgrading is carried on on a fair and impartial basis.

THE CHAIRMAN: Is it necessary for the Union--- Let me see if I can phrase this question. When you have a plant which is organized and new applicants come in and they are Negro and they end up going into lower-graded jobs, and that goes on for several years until a concentration develops, is it necessary for them to be held in those jobs by reason of the fact that they have accumulated their seniority there, or are they able to advance into higher-ranking jobs, under your agreements?

MR. SWAITY: Under our agreements there would be a range, Mr. Chairman. We have some plants and some contracts where an employee can move from one department on

to another department by actual bidding and using his seniority, carrying his seniority with him. Some of the contracts call for carrying only half of the seniority when he passes over. In most of the plants he maintains his seniority he left - or it's left there for layoff purposes in case something should happen, but he starts with a new seniority.

We run into this kind of a problem, Mr. Chairman, that goes back again to the problems we have in the industry. The employers resist transfers on a plant basis because they feel that this means double retraining, so to speak. In other words, every time they take a man out of Department A and move him into Department B, not only is he going to undergo a training program, they say, and be a new employee for some time, but a new person is going to have to train for A. They can short-cut it one if they hire from the outside and put a man into Department B. So you have resistance from the employers to clauses that would provide for bidding, actual bidding by seniority from one department to another.

Last year in the contract negotiations we went into this in a tremendous way. I can attest very personally to the kind of opposition we ran into, and we were successful in this particular case of getting the clauses changed. But, as I say, we ran into tremendous difficulties

on this very aspect.

THE CHAIRMAN: Do you run into difficulties with opposition from white members of your own Union?

MR. SWAITY: In this case we do not. This is the kind of thing, it seems to me, that is the responsibility of the Union at that point to move in that direction, because they have no opportunities for upgrading either. They would be affected by the same kind of clause. And as a Union, we would want a kind of seniority system that would give people an opportunity to advance at all times, black and white alike.

THE CHAIRMAN: So that you would favor the changing of situations that tend to accrue limited rights by departmental service?

MR. SWAITY: That's right.

THE CHAIRMAN: Do you have any questions, Mr. Jackson?

MR. JACKSON: Yes, I have two or three questions.

Is there any significant difference in the hiring pattern or the practices in Unionized plants as against non-Union plants that you have observed as to whites and Negroes?

MR. SWAITY: Not significantly different.

MR. JACKSON: Generally the pattern would be just about the same?

MR. SWAITY: Yes.

MR. JACKSON: Does your Union have any Negro organizers or do you have any local officials, presidents, or members of your local staffs and so forth in the Carolinas?

MR. SWAITY: Yes, we do. And I might just point out for example in Charlotte, North Carolina, in a plant that's probably 60 percent white, the president of that local is a Negro. We made a survey of the number of stewards in the plants - and this is based on kind of a median at the plants - and our figures ran 13 percent Negro stewards, which was above what appears to be the number of Negroes employed in the industry.

MR. JACKSON: Does your Union participate in the Good Neighbor Councils that are established here in North Carolina or any counterpart to that in South Carolina?

MR. SWAITY: In some of them, yes. Some of our staff have been very active, and some of our local Union officers have been active.

MR. JACKSON: What opportunity exists for your Union to work with other community forces to try to have a total community involvement in opening up more job opportunities for minority workers in North and South Carolina?

MR. SWAITY: We welcome that opportunity and

feel this is the direction we ought to be going a great deal more than we are, because the problems - the Union's function is not, in the narrow sense, one of simply raising the wages and taking care of the grievances in the plant. The philosophy of our Union is a broad one which takes care of the problems on a broad basis, social problems of various types; and the only way these can be attacked is on a broad community basis.

MR. JACKSON: Now is there a substantially different pattern between the hiring patterns and practices that you have observed in the Carolinas, in the Southern States in textiles, and what you have observed in the plants where you are organized in the North in terms of utilization of Negroes?

MR. SWAITY: Definitely, there is a different pattern than there is - at least in those I have observed. I couldn't give you any statistics on the thing, but my own observations are: yes.

THE CHAIRMAN: Just one final question, Mr. Swaity. What has your experience been with regard to ease of organizing Negro workers versus white workers? Is there a difference between the two in the interest they take in the Union?

MR. SWAITY: I would say that our experience more recently has been that Negro workers - perhaps because

of their experience in collective action in winning certain rights - have become much more prone to organize and participate in Unions.

THE CHAIRMAN: You say there has been a change?

MR. SWAITY: I couldn't tell you how much of a change because actually, say ten years ago when I worked in the Southern area as an organizer, there weren't too many Negroes working in the textile plants then, very few. More recently there is a larger number. Our experience would be that they are more prone to participate in collective action programs by organizing than perhaps some of the white workers.

THE CHAIRMAN: Would you be able to help an employer reach out to the minority communities in order to recruit?

MR. SWAITY: We would be willing to help and we desire to help if, as I say, our system could be of some help. I want to repeat what the feeling has been in regard to any recommendations we make. Now, Mr. Chairman, one of the things I hope the Commission is aware of, that by virtue of organizing a plant does not mean that at that point the Union has been accepted. We have virtually innumerable plants in this part of the country where there is a fight going on constantly as to whether that Union is going to be discontinued. There is a seesaw. Under the right-to-work

laws in this part of the country, employees can or cannot belong to a Union; and certain employers are constantly trying to whittle down the membership to where the Union becomes weak and ineffective. So if one month we've picked up 15 members, we've lost 20; maybe next month we pick up 20 and so on. It's just that kind of a seesaw going on in this part of the country.

There are some employers with which we have good relations and which do not fall in this category, and there, I assume, we could be helpful.

THE CHAIRMAN: I see. Well, thank you very much, Mr. Swaity.

Mr. Markham, who is our next speaker?

MR. MARKHAM: Mrs. Alice Spearman, Executive Director of the South Carolina Human Relations Council.

MRS. ALICE SPEARMAN: Mr. Chairman, members of the Commission, and ladies and gentlemen, I'm going to put on a very brief demonstration, the like of which may lighten the end of a heavy day, and that is one of a woman who passes up an opportunity to talk. I would like to say that we are deeply appreciative and do applaud this Commission for its initiative in calling this Forum and what it offers by way of demonstration of the type of public education that is needed, the coordination and correlation.

I think that I probably am speaking for a

minority group which is perhaps one of the least often heard, but one of the most underestimated and one of the most under-developed potentials for progress in the region, and that is just the average citizen.

We represent a very inclusive lay voluntary organization. We would like to underscore briefly that we would like to see more aggressive and affirmative action on the part of this Commission and we promise you if you will help us to get educated and help educate the citizenry, that you will have more support for this type of action. We would like to see more emphasis - as was brought out by Doctor Henderson this morning - on the development of the role of the primarily rural non-farm population, which is large in our State of South Carolina.

As limited as our resources as a voluntary agency are, we do have a program in 30 of our 46 counties which we call the Rural Advancement Project. Mr. James, too, is going to underscore brevity here because of the hour of the day. You'd be surprised what you are missing by way of wise and vital observations from this seldom-heard group; but, nevertheless, he will make some pertinent and relevant concrete remarks to bring us back to earth from all of these wonderful generalizations and all of this information that may take us a little time to digest.

Mr. James.

MR. LEONIVER S. JAMES: My name is Leoniver S. James and I am Field Representative for the South Carolina Council on Human Relations. I have prepared a paper that's only three minutes, but I might take five minutes to read it.

THE CHAIRMAN: Take three.

MR. JAMES: The paper is only three minutes long; I'll take about five to read it.

I notice that one of your suggestions was that we should pick out one of the suggested topics you had. So I looked down and saw "Textile Industry to Seek Out Employees for Training and Upgrading," and I took that as a subject in South Carolina and this is the way I tried to develop it.

I had conversations with three persons who were prepared to explain the new emphasis being given to training opportunities in the textile industry. One of the persons was a senior Negro employee who has been working in a plant for 21 years. Another was the personnel officer of the same industry in a textile plant. The third was our State Director of the Bureau of Apprenticeship and Training for the Federal Government, who is responsible for approving on-the-job training courses for the Manpower Development Training Act.

It was amazing to note - I went down to the plant myself - and it was amazing to note the changes that

have taken place in the textile industry, and especially in this plant and in others in the State. This employee had told me before I went down there that he was exceedingly happy and pleased with his position in the mill. He was responsible for operating six machines. He indicated that all of the segregation which he had formerly endured had been eliminated. He was so glad to tell that the MDTA course had been in operation in this plant for nearly a year, where white and Negro employees and prospective employees are being trained for better jobs. He told me how he had been promoted with personal help from fellow employees. But he was so happy that Negroes as well as whites are being encouraged to take the training that leads to better jobs.

In my conversation with the personnel officer at the textile mill in question, I found out more about their training program for upgrading employees for available jobs. He emphasized the fact that all of the employees and prospective employees, regardless of color, are being hired and upgraded on the basis of merit only. He told me some other things. He gave some interesting facts about the MDTA program. He says there are 293 trainees, both employees for upgrading and prospective employees. Fifty percent of this group in training are Negroes. The Negroes have a better record for staying on the job after they are

trained, he said, than the whites. The Negroes by 32 percent hold their jobs after they are trained, and only 24 percent of the whites.

Then it was also interesting to learn, after a long discussion with the personnel officer, that one of the females who worked there in the training has only been there a year and she's making $90.00 a week, although she was making $20.00 a week when she came there as a domestic. Then they had a loom fixer who's also getting a very good salary, who is a Negro, who just trained there recently.

The Director of the Apprenticeship Training Program was the next man I talked to. In fact, he sent me down to the plant. He said that he has this type of training in textiles going on in many of the institutions in the State. In fact, he says all but two of the plants in the State have training programs similar to the one in this instance. He is very pleased with the training programs in the textile industry and he feels that the textile industry in South Carolina is making greater progress than many in the industry to break down the discrimination in employment.

It seems that the textile industry in South Carolina does not need much urging to single out employees for training and upgrading. They are doing this and there is more of it going to be done. I have been invited to

visit many of the institutions, and I'm going to do this from now until the end of the year to find out what's going to be done. It may be that their programs could be improved. I think this could be done and more courses be expanded. Of course, there are no apprenticeship courses being given. All of the courses under the MDTA program or by the Federal Government or financed partly by the Federal Government and the textile industry are productive courses only.

I also found out that the personnel officers go to the high schools to try to seek out young people who are interested in training.

Thank you very much for this opportunity to present to you what we are trying to do in South Carolina.

THE CHAIRMAN: Thank you, Mr. James.

Mrs. Spearman, I might say it's with regret that I found myself the victim of your decision to spare us further talk, and I would like to ask you one thing.

Do you feel that there really is a substantial number of people in the citizenry who want to do something in this area if they could just be mobilized?

MRS. SPEARMAN: I definitely do. I think that the intelligence, good-will, and sense of responsibility of the rank-and-file person in our culture is under-estimated by our leaders.

THE CHAIRMAN: So the average individual is waiting to be asked?

MRS. SPEARMAN: I think waiting to be informed and given an opportunity to take constructive action.

THE CHAIRMAN: Mr. James, will you be continuing on doing the kind of thing you just reported on?

MR. JAMES: Yes, I will be.

THE CHAIRMAN: Is that a full-time occupation?

MR. JAMES: I have a full-time occupation, and I have arranged my work so that I can work in this program. Instead of having meetings once a month with my groups - I have ten groups in the State which are visited, representing 32 counties - I go to them bi-monthly instead of monthly this year; and I'm going to spend a portion of the year going to these industries.

THE CHAIRMAN: Are there other people like you associated with the Council?

MR. JAMES: Yes, we have volunteers. I happen to be the only one that's a regular member.

THE CHAIRMAN: I see.

Do you have any questions, Mr. Jackson?

MR. JACKSON: Yes. I just wanted to find out a little bit about the South Carolina Human Relations Council. I take it you have no official standing with the State Government, is that right?

MR. JAMES: No. We are a private organization, privately financed, working under the Southern Regional Council.

MR. JACKSON: You do have a paid staff that does this group type work, is that right?

MR. JAMES: Yes.

MR. JACKSON: You mentioned something about some local units. Are these part of the Council or are they individual groups separately organized?

MR. JAMES: They are affiliated units, yes; they are affiliated units. And you have how many local units?

MRS. SPEARMAN: Yes, there are 12 adult councils, primarily in the larger urban centers. We have programs in the colleges with the college students, a few groups of high school students, and activities with them. Some of this work focuses on community projects such as tutorials and so on and, incidentally, is good citizenship education for our youthful voters.

Then we do have then ten groups that draw primarily from the rural non-farm population in 32 of our primarily rural counties.

MR. JACKSON: Do any of the cities and counties of South Carolina have any official or semi-official Human Relations Committees or something like the community councils?

MRS. SPEARMAN: Not at all, and for this reason: Organizations such as our own are badly needing resources to explore an unexplored continent---

MR. JACKSON: Thank you.

MRS. SPEARMAN: ---and develop its undeveloped resources. We don't have to leave the Continental U. S. A.

MR. JACKSON: Thank you.

THE CHAIRMAN: Thank you very much, Mrs. Spearman and Mr. James.

Mr. Markham, does that complete the list?

MR. MARKHAM: That completes the list of speakers for today.

THE CHAIRMAN: Well, we're at that point in the program where, as I announced this morning, we would have a period of a half hour at the end of each day's session - well, actually, tomorrow it will be just before the end, since I will make a closing statement following the discussion period. We are, in any event, at the discussion period now where anybody in the audience who desires to make a comment will be heard.

I would like to repeat the ground rules that I mentioned this morning for the guidance of any of you in the audience who may not have been here at the time that I said them. These statements will be limited to three minutes, and we are committed to there being no charges

against a specific individual employer or employment agency because the statute which sets us up says that charges will be received by the Commission in confidence; and we do have representatives of the Commission available for anybody who does want to make such a charge.

The purpose of these public comments is in keeping with the spirit of this Forum, which is designed for the purpose of promoting opportunities. We do not have charges in the Forum itself.

Now perhaps the easiest thing to do would be for us to take this microphone over here and move it around. I think it would be desirable if any of you are interested in saying something, just indicate that fact and we'll move the microphone to your area. Now when you do say something, please state your name and whatever it is you have to say.

We'll start right here since you are at the microphone.

MR. OMEGA F. NEWMAN: I am Omega F. Newman from York, South Carolina.

THE CHAIRMAN: Thank you, sir. I'm not sure your microphone is on.

MR. NEWMAN: I am Omega Newman from York, South Carolina, and before I make a statement I want to ask a question. Would it be in order to ask a question on a point of information of a previous speaker?

THE CHAIRMAN: No. We want to avoid moving the question area from the Commissioners into the audience. The purpose of this is for you to throw light, further light on whatever you have in mind for us. The questioning as such is to be confined to the Commission.

MR. NEWMAN: I'm sorry. There was something I misunderstood. Therefore, I'll reserve my statement until sometime tomorrow.

THE CHAIRMAN: All right, sir.

Would you like to make a comment?

MR. W. C. ALLRED: Yes. I am W. C. Allred, Executive Director of the North Carolina Council on Human Relations. Since I am a relatively new staff member to this Council, I either missed the opportunity of requesting a position on the program or was overlooked in your staff's search for appropriate people to give testimony before this Commission.

I wanted to make this very brief statement: That the North Carolina Council on Human Relations, associated with the Southern Regional Council, has a staff office in Greensboro, North Carolina, and we are seeking to help employers, unions, and other interested people who are committed to taking affirmative action in this area. Obviously we are not an employment service. We consider the state office and the five local affiliates that we have

to be referral agencies for employers who wish to use us as a resource to get applicants for their firms.

We are currently in contact with several representatives of Federal agencies who have the responsibility for equal employment opportunities - for instance, under the Social Security Administration and our local affiliates - which will tend to be more aggressive, aggressive in the sense that they are committed to the principle of the Civil Rights Movement, would be more aggressive local affiliates than some of our very effective but less aggressive Good Neighbor Councils and Mayors Commissions.

Now that concludes my statement.

THE CHAIRMAN: Thank you. Now state the name of your organization again.

MR. ALLRED: This is the North Carolina Council on Human Relations. It is one of eleven Human Relations Councils associated with the Southern Regional Council. Mrs. Spearman is to South Carolina in her blessed way, and in several ways that I can't be - but we are in similar staff positions.

THE CHAIRMAN: Thank you very much.

MR. ALLRED: I did want to interject into this Forum to that extent anyway.

THE CHAIRMAN: Thank you very much.

MR. MARKHAM: Mr. Chairman, I want to assure Mr. Allred that we did not overlook the North Carolina Council. One of our original speakers was Mr. John Wheeler of Durham who is President of the Southern Regional Council, and we felt that he could represent North Carolina as well as the Southern Council.

MR. ALLRED: Good. Thank you, sir.

MR. MARKHAM: He was not able to be here.

MR. ALLRED: Yes, I have talked to him about this. That's fine. Thank you.

THE CHAIRMAN: By the way, Mrs. Gloria Reardon, who is concerned with liaison with Human Relations Council, is here and it might be worthwhile for you to say hello to one another.

MR. ALLRED: Yes. Thank you.

MR. CHARLES McLEAN: I am Charles McLean, Winston-Salem, North Carolina. I would like to inquire as to whether information could be secured that would give a fairly good summary of the Federal funds that subsidize textiles, the textile industry.

THE CHAIRMAN: That is your comment?

MR. McLEAN: It's my question. I have many others. You say I cannot refer to a speaker.

THE CHAIRMAN: Right. I think the appropriate manner for you to pursue that question would be to seek out

Mr. Lipscomb, who was a previous speaker, right after the Forum and he may know. I do not know. I'm certain that if there is a place where it could be found, it would be found in something associated with the Department of Commerce.

MR. McLEAN: I wanted to ask Mr. Lipscomb, but I understood I couldn't.

THE CHAIRMAN: You know there are certain technical difficulties associated with a forum.

MR. GOLDEN FRINK: I am Golden Frink of the Southern Christian Leadership Council. I have a question I don't know whether it's proper to ask. I'd like to know if there is a possibility that you have the power to cut off these subsidies to these textile industries, how long would it take you to do it and has it ever been tried?

THE CHAIRMAN: Well, that again is a matter about which I do not know the answer; and I would take the liberty of interpreting your question as a comment that this is an area that you consider worth exploration.

MR. FRINK: Yes, sir.

THE CHAIRMAN: And so construed, I will take the liberty of passing on to the next speaker.

Is there anybody else who would like to make a comment?

Well then, may I say that we have gone through

one day and we'll be here tomorrow. We'll look forward to seeing you at that time.

The meeting stands recessed.

(Whereupon, at 5:15 o'clock P. M., the meeting was recessed, to be reconvened the following day at 9:00 o'clock A. M.)

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OFFICE OF RESEARCH AND REPORTS
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
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WHITE COLLAR EMPLOYMENT OPPORTUNITIES FOR MINORITIES IN NEW YORK CITY

by

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Research Report 1967-23

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Dale L. Hiestand

TABLE OF CONTENTS

TABLES

TABLE OF CONTENTS (cont'd)

TABLE OF CONTENTS (cont'd)

TABLE OF CONTENTS (cont'd)

WHITE COLLAR EMPLOYMENT OPPORTUNITIES FOR MINORITIES IN NEW YORK CITY

I. Purpose of the Report

This report provides a factual background on white collar employment patterns for minorities and others in the New York City area. This analysis centers particularly on white collar employment patterns of Negro and Puerto Rican men and women. Special attention is also given to women, regardless of whether they are members of these minority groups or not. The purpose of the report is to outline the contours of the white collar labor market in New York City in order that efforts to promote more equal employment opportunities might be as productive as possible. The report thus tries to point up where the strategic efforts might be made in an action program.

An expansion of minority employment in white collar occupations is important for three principal reasons: (1) the major remaining occupational inequality facing minorities is at the white collar level; (2) the white collar sector is the most rapidly growing part of the labor force; and (3) the more members of minority groups that can be elevated to white collar jobs, the less will be the competition for blue collar

jobs, increasing the chances for the unemployed to gain employment.

II. Sources of Information

The principal sources of information for this report are: (1) the 1960 Census of Population, which is now almost eight years old, and (2) the 1966 survey of employers by the Equal Employment Opportunity Commission using its Form EEO-1. For several reasons, these data are not directly comparable. The Census is collected at homes, and therefore pertains to those living in the city or metropolitan area, regardless of whether they work in or outside these areas. The Commission data are collected through employers, and therefore pertain to those who work in the city or metropolitan area, even if they live elsewhere.

The Census attempts to collect information on all public and private employees, the self employed, and those employed without pay in family enterprises. The Census inadvertently missed some persons, although primarily among poorly educated and blue collar workers. The Commission data pertain only to employees of private firms and organizations. Report forms

were sent to all firms and organizations which might be among those from whom a report could be required by law: business firms with 100 or more employees, business firms and nonprofit enterprises with federal contracts amounting to $50,000 or more and with 50 or more employees, and business firms which had voluntarily joined the Federal Plans for Progress program. Not all covered firms and nonprofit enterprises responded to the request. There was in 1966 a total of 3.5 million employees in New York City, 3.1 million of them in private and nonprofit enterprises. The Commission survey included data on 1.2 million private and nonprofit employees.

The data have other shortcomings. The Census data on employment by occupation and race were not always reported for the city alone. Some Census data were available for New York City and even for its five separate boroughs (counties): Manhattan (New York); Brooklyn (Kings); Queens (Queens); Bronx (Bronx); and Staten Island (Richmond). In other cases, Census data are available only for the New York Standard Metropolitan

Statistical Area (SMSA) which includes New York City plus its four suburban counties in New York State: Nassau and Suffolk (comprising that part of Long Island to the east of Queens and Brooklyn) and Westchester and Rockland (to the north and northwest).

The EEOC data are available for each of the nine counties in the metropolitan area, but the discussion here centers on the city. Because city-wide organizations could report through their head offices, the data for the separate boroughs are not particularly useful and are not presented here.

Data are presented for Negroes, wherever that is possible. In many cases, however, the Census reported data for non-whites, which includes Negroes, Japanese, Chinese, and other non-Caucasians, rather than for Negroes separately. In the New York SMSA, Negroes comprise 94 percent of all nonwhites. Since those of other races tend to have somewhat higher educational, occupational, and income levels, nonwhite data tend to understate slightly the differences which exist between the Negro and the total or white populations.

In several cases, it has been possible to report separately for Puerto Ricans, i.e., those of Puerto Rican birth or

parentage. The Census classifies Puerto Ricans as white, Negro, or other nonwhite, as the case may be, and they are accordingly included on that basis in the data on whites and Negroes or nonwhites. More than 90 percent of the Puerto Ricans in New York are white.

The EEOC form provided for reports on Negroes and those who were Spanish speaking. The latter category includes Puerto Ricans, Cubans, and others of Spanish ancestry. The individuals filling out the forms used their discretion as to just which classification in which to report a Negro who was Spanish-speaking, as well as a person of Puerto Rican or other Spanish extraction who regularly spoke English on the job.

III. Findings

A. Broad Relationships and Trends: 1950 and 1960

The proportion of nonwhite workers in New York City who were in white collar jobs in 1960 - about 25 percent - was about half the proportion for the total labor force - about 50 percent. (See Table 1.) The proportion of nonwhites in the managerial and sales occupations was even smaller as compared to that in the total labor force, the former being

TABLE 1

PERCENT OF TOTAL AND NONWHITE PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX, NEW YORK CITY, 1960

	Employed men and women		Employed men		Employed women	
	Total	Nonwhite	Total	Nonwhite	Total	Nonwhite
White collar, total	48.0	25.9	42.8	24.0	57.2	28.3
Professional and technical	11.1	6.0	11.0	4.6	11.3	7.8
Managers, officials, proprietors	8.7	3.0	11.5	4.4	3.8	1.2
Clerical and kindred workers	21.2	14.4	12.5	12.5	28.1	16.8
Sales workers	7.0	2.5	7.7	2.5	5.7	2.5
Blue collar, service, etc.	52.0	74.1	57.2	76.0	42.8	71.7

Source: Based on data from U. S. Census of Population 1960, General Social and Economic Characteristics, New York PC(1) 34 C.

only one-third the latter. Only in the case of male clerical workers were the proportions approximately equal among both nonwhites and whites.

These patterns also held if the suburbs were included, as Table 2 indicates. For the New York SMSA as a whole, the proportion of Negroes who were in white collar occupations was about half the proportion which prevailed in the labor force as a whole.

Table 2 also indicates that the proportion of Puerto Ricans who were in white collar occupations was somewhat lower than in the case of Negroes (17.6 percent compared to 23.7 percent.) This difference was divided about equally between the professional and related occupations and clerical work. Puerto Ricans are as likely to hold managerial or sales jobs as are Negroes.

While the proportion of Negroes in white collar jobs in 1960 fell short of that which prevailed in the total labor force, Negroes - more particularly Negro women - had improved their position significantly since 1950. (See Table 3.) The proportion of Negro men in white collar occupations remained

TABLE 2

PERCENT OF TOTAL, NEGRO, AND PUERTO RICAN PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX, NEW YORK SMSA, 1960

	Employed men and women			Employed men			Employed women		
	Total	Negro	Puerto Rican	Total	Negro	Puerto Rican	Total	Negro	Puerto Rican
White collar, total	49.5	23.7	17.6	44.9	22.3	17.0	58.0	25.4	18.7
Professional and technical	12.4	5.3	2.3	12.5	4.0	2.1	12.1	6.9	2.7
Managers, officials, and proprietors	9.7	2.5	2.6	13.0	3.7	3.4	3.7	1.0	1.1
Clerical and kindred workers	19.9	13.6	10.0	11.2	12.3	8.6	36.0	15.1	12.6
Sales workers	7.5	2.3	2.7	8.2	2.3	2.9	6.2	2.4	2.4

Source: Based on data from U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1) 34 D; Subject Reports, Puerto Ricans in United States, PC(2) 1D.

TABLE 3

PERCENT OF TOTAL AND NEGRO PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX, NEW YORK SMSA, 1950 and 1960

Occupation	Total		Negro	
	1960	1950	1960	1950
		Males		
White collar, total	44.9	45.9	22.3	21.4
Professional and technical	12.5	10.6	4.0	3.3
Managers, officials and proprietors	13.0	15.7	3.7	4.9
Clerical workers	11.2	10.9	12.3	10.8
Sales workers	8.2	8.7	2.3	2.4
		Females		
White collar, total	58.0	56.7	25.4	16.1
Professional and technical	12.1	11.8	6.9	5.0
Managers, officials and proprietors	3.7	4.2	1.0	1.1
Clerical workers	36.0	34.6	15.1	8.4
Sales workers	6.2	6.1	2.4	1.6

Source: Based on U. S. Census of Population: 1960, Detailed Characteristics, New York; PC(1) 34 D; 1950, Characteristics of Population, New York; Vol. II, No. 32.

essentially unchanged at just over 20 percent, while the proportion among all males also remained essentially unchanged at about 45 percent. On the other hand, the proportion of Negro women who were in white collar occupations increased from 16 to 25 percent while the proportion among all women workers remained essentially unchanged at not quite 60 percent. The most dramatic change was the fact that the proportion of Negro women who were in clerical occupations increased from 8 to 15 percent.

Another aspect of these findings appears in Table 4. The number of Negro men in each of the white collar occupations increased more rapidly than did the total number of men. As a result, Negro men accounted for 37 percent of the net growth in male white collar employment in the New York SMSA over the decade of the 1950's. In part, of course, this reflects the relatively slow growth in total male employment in the white collar occupations.

Table 4 also shows that the number of Negro women in each of the white collar occupational groups increased more rapidly than did the total number of women. For all white

TABLE 4

CHANGES IN EMPLOYMENT IN WHITE COLLAR AND ALL OCCUPATIONAL GROUPS, NEGRO AND ALL EMPLOYED MEN AND WOMEN, NEW YORK SMSA, 1950 to 1960

	Percentage change, 1950 to 1960		Negroes as a percent of change in total male employment in occupational group
	All men	Negro men	
All occupations	6.9	47.2	48
White collar, total	4.6	51.4	37
Professional and technical	25.4	75.8	7
Managers, officials and proprietors	-12.0	11.0	a/
Clerical workers	10.7	64.5	47
Sales workers	1.3	40.5	60

	Percentage change, 1950 to 1960		Negroes as a percent of change in total female employment in occupational group
	All women	Negro women	
All occupations	20.9	45.6	28
White collar, total	24.4	90.6	13
Professional and technical	25.7	103.8	22
Managers, officials and proprietors	7.5	27.8	13
Clerical workers	26.1	163.2	19
Sales workers	22.1	116.0	17

a/ Not applicable.

Source: Based on U. S. Census of Population: 1960, General Social and Economic Characteristics, New York, PC(1) 34 C.

collar occupations, the change was 91 percent for Negro women and 24 percent for all women. Because total female employment in these occupations expanded so rapidly, Negro women accounted for only 13 percent of the net growth in female white collar employment in the New York SMSA between 1950 and 1960.

Nonwhites accounted for 14 percent of all employed persons living in New York City in 1960. (See Table 5.) However, they accounted for only 8 percent of the white collar employed. Their proportion came to 9 percent among clerical workers and 8 percent among professionals, but only 5 percent among managerial and sales workers.

For the New York SMSA as a whole, Negroes comprised somewhat smaller percentages of all persons employed in the white collar occupations, although the patterns were similar to those for New York City. (See Table 6.) Puerto Ricans, while making up nearly 5 percent of all employed persons in the metropolitan area, comprised less than 2 percent of all persons employed in white collar occupations. Puerto Ricans were a higher percentage of all clerical workers (2.4 percent),

TABLE 5

NONWHITES AS A PROPORTION OF PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX, NEW YORK CITY, 1960

Occupation	Total	Nonwhites	Nonwhites as a percent of Total
	(In thousands)		
All employed	3,308	470	14.2
Male	2,102	264	12.6
Female	1,206	206	17.1
White collar, total	1,590	122	7.6
Male	900	63	7.0
Female	690	58	8.4
Professional and technical	368	28	7.7
Male	232	12	5.2
Female	136	16	11.8
Managers, officials and proprietors	288	14	4.9
Male	243	12	4.8
Female	46	3	5.5
Clerical and kindred	702	67	9.0
Male	263	33	12.6
Female	439	34	7.8
Sales workers	231	12	5.0
Male	163	6	3.9
Female	68	5	7.7

Source: U. S. Census of Population: 1960, General Social and Economic Characteristics, New York, PC(1) 34 C.

TABLE 6

NEGROES AND PUERTO RICANS AS A PERCENT OF PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONS, BY SEX, NEW YORK SMSA, 1960

Occupation	Negroes as a percent of total	Puerto Ricans as a percent of total
All employed	11.5	4.8
Male	9.6	4.8
Female	15.1	4.7
White collar, total	5.5	1.7
Male	4.8	1.8
Female	6.6	1.5
Professional and technical	5.0	0.9
Male	3.1	0.8
Female	8.6	1.0
Managers, officials and proprietors	2.9	1.3
Male	2.7	1.3
Female	4.1	1.3
Clerical and kindred	7.9	2.4
Male	10.5	3.6
Female	6.4	1.6
Sales workers	3.6	1.7
Male	2.7	1.7
Female	5.8	1.8

Source: U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1) 34 D, and Subject Reports, Puerto Ricans in the United States, PC(2) 1 D.

but comprised less than 1 percent of those in professional and technical positions. These patterns generally held for both Puerto Rican men and women.

As a result of the more rapid increase in the number of Negroes in the white collar occupations between 1950 and 1960, they comprised a larger proportion of both men and women in each of the major occupational groups in the latter year. (See Table 7.) The increase was most marked in the case of Negro female professionals and Negro male clerical workers. The only situation in which Negroes had and continued to hold a position of at least equality with the white labor force was among male clerical workers.

New York City, as the center of the major metropolitan area of the nation, has four boroughs which individually are as large as major cities, and its fifth borough is the size of a small city. However, there were no marked differences among the boroughs, in terms of the relative importance of white collar occupations among the nonwhite and the total labor force living in them, as Table 8 shows. The residents of Queens were somewhat more likely to be in white

TABLE 7

NEGROES AS A PERCENTAGE OF PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX, NEW YORK SMSA, 1950 AND 1960

Occupational group	Negro males as percent of total males employed		Negro females as percent of total females employed	
	1960	1950	1960	1950
All employed	9.6	7.0	15.1	12.6
White collar, total	4.8	3.3	6.6	3.5
Professional and technical	3.1	2.2	8.6	5.4
Managers, officials, and proprietors	2.7	2.2	4.1	3.4
Clerical workers	10.5	7.0	6.4	3.1
Sales workers	2.7	2.0	5.8	3.3

Source: U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1) - 34 D, Table 122; 1950, Vol. II, Characteristics of Population, Part 32, New York, Table 77.

TABLE 8

PERCENTAGE OF TOTAL AND NONWHITES EMPLOYED IN THE WHITE COLLAR SECTOR, BY COUNTIES OF RESIDENCE IN NEW YORK CITY, 1960

	New York City, Total	Bronx	Brooklyn-Kings	Manhattan-New York	Queens	Staten Island-Richmond
Total	48.1	45.7	45.4	47.0	53.3	48.9
Nonwhite	25.9	28.8	22.6	25.4	31.7	23.0
Total Male	42.8	39.6	40.0	43.3	47.1	40.7
Nonwhite Male	24.0	25.4	20.1	24.8	29.0	19.7
Total Female	57.2	57.0	55.6	52.3	64.9	64.0
Nonwhite Female	28.3	33.1	25.9	26.2	35.2	26.8

Source: U. S. Census of Population: 1960, General Social and Economic Characteristics, New York PC(1) 34 C.

collar occupations, but the differences were not great. The range among the boroughs from the lowest to the highest percentage in white collar jobs was only from 45 to 53 percent for the total labor force, 40 to 47 percent for the male labor force, and 52 to 65 percent for the female labor force. The ranges were similarly limited in the case of nonwhites, 23 to 32 percent for the total, 20 to 29 percent for men, and 26 to 35 percent for women.

However, as Table 9 shows, nonwhite men and women comprised 23 and 25 percent, respectively, of all male and female workers living in Manhattan, with successively smaller percentages among those workers living in Brooklyn, Bronx, Queens, and Staten Island. This pattern among the boroughs also tended to prevail for their white collar workers.

In the various occupational groups, there were some exceptions to this pattern. For instance, Negro women comprised an exceptionally high proportion of the female professional workers living in the Bronx, Queens, and Richmond. Similarly, Negro men comprised an exceptionally high percentage of all men in clerical occupations who live in Manhattan, the Bronx, and Queens.

TABLE 9

PERCENTAGE OF NONWHITES AMONG PERSONS EMPLOYED IN WHITE COLLAR OCCUPATIONAL GROUPS, BY SEX AND COUNTY OF RESIDENCE IN NEW YORK CITY, 1960

	New York City		Bronx		Brooklyn-Kings		Manhattan-New York		Queens		Staten Island-Richmond	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
All employed	12.6	17.1	9.8	13.7	12.0	17.4	22.5	25.0	7.3	10.4	3.1	5.8
White collar, total	7.0	8.4	6.3	8.0	6.0	8.1	12.9	12.5	4.5	5.7	1.5	2.3
Professional and technical	5.2	11.8	4.5	14.5	4.7	12.5	8.4	11.5	4.2	10.5	2.6	6.1
Managers, officials and proprietors	4.8	5.5	5.4	6.9	3.8	4.5	8.5	6.6	2.7	3.6	0.5	0.9
Clerical workers	12.6	7.8	10.4	7.1	10.8	7.5	24.0	13.8	8.4	4.9	1.6	1.5
Sales workers	3.9	7.7	2.5	4.9	2.9	7.2	10.8	15.9	1.9	3.8	0.8	0.5

Source: U. S. Census of Population: 1960, General Social and Economic Characteristics, New York PC(1) 34 C.

B. Detailed Occupational Patterns, 1960

As a result of the progress in the past, Negro men and women comprised a greater proportion of those in a few white collar occupations than they comprised among all employed men and women in the New York City area in 1960, as Table 10 indicates. Of over fifty detailed white collar occupations, Negroes comprised an unusually high proportion of the men in four occupations and of the women in four occupations. For Negro males, these occupations were, in order, social, welfare and recreation workers; medical and dental technicians; mail carriers; and musicians and music teachers. For Negro females, the high-percentage occupations were dietitians and nutritionists, social welfare and recreation workers, professional nurses, and medical and dental technicians.

Of more significance for public policy are those white collar occupations with quite low percentages of Negroes employed. In designating these occupations, a conservative criterion is used: occupations in which the percentages of Negroes employed were less than one-half of their percentage in all white collar occupations. For males, the criterion is

TABLE 10

WHITE COLLAR OCCUPATIONS WITH A HIGH [a/] PERCENTAGE OF NEGROES, NEW YORK SMSA, 1960

Occupation	Negroes as Percent of Total Employed in Occupation
MALE	
All occupations	9.6
White collar, total	4.8
Social, welfare and recreational workers	19.1
Medical and dental technicians	17.1
Mail carriers	12.8
Musicians and music teachers	9.8
FEMALE	
All occupations	15.1
White collar	6.6
Dietitians and nutritionists	35.7
Social, welfare and recreational workers	23.6
Nurses, professional	17.5
Medical and dental technicians	16.2

a/ "High" is defined as greater than the proportion which Negro men or women comprised of the total number of employed men or women, respectively, in the New York SMSA.

Source: U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1), 34 D.

one-half of 4.8 percent, or 2.4 percent; for females, one-half of 6.6 percent, or 3.3 percent.

Table 11 lists those occupations in which very low percentages of Negro men or women were employed in the New York SMSA in 1960. Of more than 50 white collar occupations, 33 had a very low percentage of Negro males employed, and 15 occupations are so designated for females. As demonstrated in earlier parts of this report, Negro females have made a greater penetration into white collar employment than have Negro males.

In general, the table shows that there were relatively few Negro men employed as managers, officials, and proprietors or salesmen in many industries or as engineers, architects, lawyers, pharmacists, artists, dentists, social scientists, designers and draftsmen, high school teachers, and physicians and surgeons. Quite low percentages of Negro women were found among managers, officials and proprietors in wholesale and retail trade; authors, editors, and reporters; college presidents, professors, and instructors; lawyers; artists; designers and draftsmen; therapists; sales workers in insurance

TABLE 11

WHITE COLLAR OCCUPATIONS WITH A QUITE LOW PERCENTAGE OF NEGROES, NEW YORK SMSA, 1960

Occupation	Negroes as Percentage of All Men or Women Employed in Occupation
Male	
All employed	9.6
White collar, total	4.8
Managers, officials, proprietors, self employed, manufacturing	0.2
Salesmen and sales clerks, manufacturing	0.7
Engineers, miscellaneous	0.7
Salesmen and sales clerks, wholesale trade	0.8
Engineers, aeronautical	0.9
Architects	1.0
Managers, officials, proprietors, self employed, wholesale trade	1.0
Managers, officials, proprietors, salaried, manufacturing	1.0
Engineers, mechanical	1.1
Lawyers and judges	1.1
College presidents, professors, and instructors	1.2
Engineers, electrical	1.3

TABLE 11 (Continued)

Authors, editors, and reporters	1.3
Accountants and auditors	1.3
Insurance agents, brokers and underwriters	1.4
Pharmacists	1.5
Salesmen and sales clerks, miscellaneous industries	1.7
Engineers, civil	1.7
Managers, officials, proprietors, self employed, construction	1.8
Managers, officials, proprietors, self employed, total	1.9
Managers, officials, proprietors, self employed, retail	1.9
Artists and art teachers	2.1
Dentists	2.1
Social scientists	2.1
Managers, officials, proprietors, salaried, wholesale and retail trade	2.1
Designers and draftsmen	2.2
Teachers, secondary	2.3
Physicians and surgeons	2.4
Managers, officials, proprietors, salaried, finance, insurance and real estate	2.4

TABLE 11 (Continued)

Managers, officials, proprietors, salaried, misc. industries	2.4
Managers, officials, proprietors, self employed, eating and drinking places	2.4
FEMALE	
All employed	15.1
White collar, total	6.6
Authors, editors, and reporters	1.5
College presidents, professors, instructors	1.7
Lawyers and judges	2.1
Managers, officials, proprietors, self employed, wholesale and retail trade	2.4
Artists and art teachers	2.5
Designers and draftsmen	2.6
Therapists and healers	2.6
Secretaries	2.6
Managers, officials, proprietors	
salaried, total	2.8
salaried, wholesale and retail trade	2.9
salaried, misc. industries	2.9
Bookkeepers	2.9
Sales workers, insurance and real estate	3.1
Social scientists, n.e.c.	3.3

Source: U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1), 34 D.

and real estate; and social scientists. It is particularly significant to note how few Negro women there were among secretaries and bookkeepers.

C. White Collar Employment, Income, and Race in 1959

Even when they attain white collar occupations, Negroes do not ordinarily obtain the income levels which whites obtain at these levels. As Table 12 indicates, nonwhite families in which the head of the family was employed in managerial occupations in 1959 had an average income only 55 percent of that of all families from the same occupational group. The comparison came to 63 percent in families headed by sales workers and 71 percent in those headed by professional and technical workers. Among families headed by clerical workers, nonwhites came the closest to the average income for all families headed by such workers, but even here there was a discrepancy of 18 percent.

These discrepancies reflect a mixture of forces. Nonwhites undoubtedly are found in greater proportions in the lowest paying occupations within each major occupational group. Even within a given occupation, such as that of stenographer

TABLE 12

MEDIAN INCOME OF FAMILIES, CLASSIFIED BY OCCUPATIONAL GROUP OF THE HEAD OF THE FAMILY AND COLOR, NEW YORK SMSA, 1959

Occupational Group of Head of Family	MEDIAN INCOME		
	All Families	Nonwhite Families	Nonwhite as Percent of Total
Professional and technical	$9,596	$6,832	71
Managers, officials, proprietors			
Salaried	9,453	5,242	55
Self-employed	9,735	5,365	55
Clerical	6,472	5,303	82
Sales workers	7,893	4,985	63

Source: U. S. Census of Population, 1960, Detailed Characteristics, New York PC(1) 34 D.

or cashier, nonwhites probably tend to be employed by those firms with lower pay scales. In an unknown proportion of cases, nonwhites may receive lower pay than whites, even when performing similar jobs for the same employer.

Other factors may be at work. Nonwhite families more often are headed by a woman than are white families, and are therefore subject to a variety of male-female differentials similar to the white-nonwhite differentials outlined above. It is not clear whether the white or the nonwhite families drawn from white collar groups are likely to have higher proportions of families with more than one income earner or with more unemployment, intermittent employment, and part time work on the part of those who do work.

Regardless of these unknowns, there is no doubt that Negroes tend to earn less than whites, even when they do attain white collar employment.

D. White Collar Employment, Education, and Race in 1960

Education, of course, is an important determinant of whether a person can obtain white collar employment. This plays some part in explaining the relatively fewer nonwhites and Puerto Ricans who are in white collar occupations in the

New York area. As Table 13 shows, about 40 percent of all males and all females ages 14 or more in the area had at least a high school education in 1960 but only about 30 percent of the nonwhite males and females and 14 percent of the Puerto Rican males and females.

These figures take on special significance, when they are compared to the proportions of the total, nonwhite, and Puerto Rican labor force in the New York area which were in white collar occupations. As Table 13 shows, the proportions of men and women who were in white collar occupations were higher than the proportions which had completed high school for the total and for Puerto Ricans. Contrariwise, relatively fewer Negro men and women were in white collar occupations than had graduated from high school.

This discrepancy was particularly marked in the case of women. While 33 percent of the nonwhite women had graduated from high school, only 26 percent were in white collar occupations. On the other hand, although only 41 percent of all women in the New York area had high school diplomas, 58 percent of those who were employed were in white collar occupations.

TABLE 13

PERCENTAGE OF POPULATION AGED 14 YEARS AND OVER WITH A HIGH SCHOOL DIPLOMA COMPARED TO PERCENTAGE OF EMPLOYED PERSONS AGED 14 YEARS AND OVER IN WHITE COLLAR OCCUPATIONS, TOTAL VS. NONWHITES AND PUERTO RICANS, BY SEX, NEW YORK SMSA, 1960 and 1950

	Percentage with High School Diploma or more		Percentage Employed in White Collar Occupations	
	1960	1950	1960	1950
Male				
Total	40.3	36.4	44.9	45.9
Nonwhite	29.1	23.1	23.1	22.3
Puerto Rican	13.8	11.3	17.0	17.3
Female				
Total	41.2	36.5	58.0	56.7
Nonwhite	33.1	24.9	26.1	16.5
Puerto Rican	14.2	10.9	18.7	12.5

Source: Based on data from U. S. Census of Population: 1960, Detailed Characteristics, New York, PC(1) 34 D; Subject Reports, Puerto Ricans in United States, PC(2) 1 D; 1950, Characteristics of the Population, New York, Vol. II, No. 32; Vol. IV. Special Reports, Part 3, Chapter D. Puerto Ricans in the Continental United States.

These patterns prevailed in 1950 as well, with one notable exception. Formerly, the proportion of nonwhite men who were high school graduates was the same as the proportion in white collar occupations. Their educational gains between 1950 and 1960 did not produce significant occupational gains, however.

While there are certain noncomparabilities here -- the education figures refer to the population aged 14 and over, but the occupational figures refer only to those who were employed -- the import is clear. It is difficult to conjecture any explanation for these relationships without assigning a large role to discrimination on the basis of color. Puerto Ricans, who are largely white, had a pattern similar to that for whites, even though they had far smaller proportions with a high school education or in white collar occupations.

E. Occupational Patterns Within Industries, 1966

Broad occupational patterns provide only limited guidance for activities to promote more equal employment opportunities. Firms are most easily identified by their industrial affiliation. It is precisely to identify the occupational

patterns for minority group employment within industries that the EEO-1 data were collected by the Equal Employment Opportunity Commission from private profit seeking and non-profit enterprises in 1966.

In the New York metropolitan area, including New York City and the four suburban counties of Nassau, Suffolk, Westchester, and Rockland, reports were received from 5,212 establishments. These enterprises, as Table 14 shows, employed a total of 951,156 white collar workers, who comprised 65.0 percent of all their employees. Negroes and Puerto Ricans comprised 10 and 6 percent, respectively of the total number of workers in the metropolitan area covered in the reports, and 6 and 3 percent, respectively of the white collar workers. These proportions, which cover only private employment in the larger enterprises, were somewhat different from those for all employment reported in the 1960 Census and discussed earlier. How much of these differences is due to the lack of comparability of the data, and whether there are any trends, cannot be ascertained.

In the city proper, Negroes and Puerto Ricans comprised slightly higher proportions of all covered employees and of all white collar workers in the 1966 survey. Negroes had come

TABLE 14

WHITE COLLAR AND TOTAL EMPLOYMENT IN REPORTING FIRMS IN NEW YORK CITY AND METROPOLITAN AREA, 1966

	New York City			New York SMSA		
	All Employees	Negroes	Puerto Ricans	All Employees	Negroes	Puerto Ricans
Officials and managers	133,348	2,336	1,453	155,050	2,571	1,557
Professionals	113,637	3,090	1,822	144,730	3,626	2,019
Technicians	52,083	5,581	2,056	73,420	6,648	2,257
Sales workers	104,483	4,107	2,135	118,862	4,345	2,208
Clerical workers	407,079	35,732	17,866	459,094	37,517	18,352
Total white collar	810,630	50,846	25,332	951,156	54,707	26,393
All employees	1,216,656	127,922	76,549	1,464,323	146,490	83,577
	Percentage Distribution					
Officials and managers	100.0	1.8	1.1	100.0	1.7	1.0
Professionals	100.0	2.7	1.6	100.0	2.5	1.4
Technicians	100.0	10.7	4.0	100.0	9.1	3.1
Sales workers	100.0	3.9	2.0	100.0	3.7	1.9
Clerical workers	100.0	8.8	4.4	100.0	8.2	4.0
Total white collar	100.0	6.3	3.1	100.0	5.8	2.8
All employees	100.0	10.5	6.3	100.0	10.0	5.7

Source: EEO-1 reports.

close to achieving proportionate equality in the clerical occupations in the city, as Table 14 indicates, and were more than proportionately represented among technicians. They comprised 8.8 percent of all clerical employees and 10.7 percent of all technicians, in comparison to 10.5 percent of total employment. Puerto Ricans had also made their major gains into clerical and technician occupations, but still were considerably short of equality. They comprised 4.0 percent of technicians and 4.4 percent of clerical workers, in comparison to 6.3 percent of all employees.

Both Negroes and Puerto Ricans fell very far short of proportionate equality in the managerial, professional, and sales occupations. In each of these occupational groups, both Negroes and Puerto Ricans had much less than half the number which would prevail in a proportionate distribution.

Negro and Puerto Rican men tended to be far less well represented in white collar occupations relative to other men than were minority group women relative to other women. In part, this reflects the fact that most men in white collar occupations were managers, professionals, and salesmen, where

minority groups tended to be most underrepresented. In the case of Negro men, however, they tended to be more seriously underrepresented even in clerical and technical occupations, as Table 15 shows.

White collar employment in New York City is spread across many industries, with the largest concentrations in finance, retail trade, insurance, communications, and wholesale trade, as Table 16 shows. Wholesale trade, as Table 17 indicates, is the only industry in this group which employs a quite low proportion of Negroes. Communications is noteworthy for the extremely small proportion of Puerto Ricans among its employees.

An important factor in any effort to promote expanded minority employment would be the total number of white collar workers per firm. Statistical analysis reveals, however, no connection between the average size of the white collar work force in an industry and the extent to which firms rely on Negroes and Puerto Ricans as white collar workers. The largest number of white collar workers per establishment were in the communications, utilities and sanitary services, educational services, and tobacco manufacturing industries.

TABLE 15

NEGROES AND PUERTO RICANS AS A PERCENT OF EMPLOYMENT IN VARIOUS OCCUPATIONAL GROUPS, BY SEX, NEW YORK CITY, 1966

	Negro		Puerto Rican	
	Male	Female	Male	Female
Officials and managers	1.2	4.9	1.1	1.1
Professional	1.1	8.5	1.1	2.5
Technicians	5.8	20.2	3.8	4.3
Sales workers	1.8	7.6	1.3	3.3
Office and clerical	6.9	9.6	5.6	3.9
Total white collar	3.1	9.6	2.5	3.6
All employees	8.3	13.8	6.3	6.1

Source: EEO-1 reports.

TABLE 16

WHITE COLLAR EMPLOYMENT DISTRIBUTION AND PATTERNS IN NEW YORK CITY, 1966

Industry	Number of White collar employees	Number of establish-ments	White collar workers per establishment	White collar as percent of all employees
Mining	6,982	20	349.1	98.7
Contract construction	7,303	147	49.7	42.2
Food & kindred prod. mfg.	19,176	132	145.3	50.2
Tobacco mfg.	5,014	9	557.1	98.1
Textile prod. mfg.	5,342	83	64.4	56.2
Apparel mfg.	6,880	153	45.0	29.9
Lumber & wood prod. mfg.	403	5	80.6	59.3
Furniture & fixtures mfg.	1,565	21	74.5	27.1
Paper & allied prod. mfg.	6,058	65	93.2	50.2
Printing and publishing	29,600	147	201.4	61.8
Chemicals & allied prod. mfg.	36,606	148	247.3	74.9
Petroleum & petrol. prod. mfg.	3,223	11	293.0	96.6
Rubber & plastic prod. mfg.	2,087	15	139.1	55.4
Leather products mfg.	770	31	24.8	13.9
Stone, clay, and glass prod.	1,202	22	54.6	39.5
Primary metals mfg.	6,644	45	147.6	60.6
Fabricated metals mfg.	4,715	63	74.8	34.5
Machinery mfg. (non-electrical)	9,486	69	137.5	51.9
Electronics mfg.	19,280	120	160.7	56.3
Transportation equipment mfg.	1,988	28	71.0	39.4
Instruments & related prod.	5,600	41	136.6	42.7
Misc. mfg.	2,476	55	45.0	23.4
Transportation	51,877	257	201.9	41.3
Communications	69,043	32	2,157.6	77.5
Utilities & sanitary services	14,382	12	1,198.5	50.1

TABLE 16 (Continued)

Industry	Number of White collar employees	Number of establish-ments	White collar workers per establishment	White collar as percent of all employees
Wholesale trade	62,034	611	101.5	84.6
Building materials sales	362	3	120.7	67.2
Retail trade	94,934	325	292.1	67.3
Finance	112,855	352	320.6	95.1
Insurance	73,015	216	338.0	95.8
Real estate	1,568	34	46.1	28.7
Personal services	5,418	76	71.3	24.8
Business services	43,241	265	163.2	73.7
Repair services	1,639	12	136.6	32.0
Motion pictures, amusements	6,674	73	91.4	65.7
Medical services	38,149	103	370.4	58.8
Legal services	4,881	25	195.2	99.6
Educational services	15,790	26	607.3	82.2
Misc. services	32,003	192	166.7	89.9
Total [a/]	810,630	4,249	190.8	66.6

a/ Includes one agricultural establishment not shown separately.

Source: EEO-1 reports.

TABLE 17

NEGROES AND PUERTO RICANS AS A PERCENT OF ALL WHITE COLLAR WORKERS, BY INDUSTRY, NEW YORK CITY, 1966

	Industry	Sum	Negro	Puerto Rican
1.	Primary metals mfg.	3.5	1.7	1.8
2.	Stone, clay, and glass mfg.	3.6	1.7	1.9
3.	Utilities and sanitary services	3.8	2.7	1.1
4.	Real estate	4.0	3.2	0.8
5.	Petroleum and petroleum prod.mfg.	4.0	2.8	1.2
6.	Legal services	4.0	2.1	1.9
7.	Mining	4.1	2.2	1.9
8.	Transportation equipment mfg.	4.3	2.3	2.0
9.	Tobacco mfg.	4.7	2.5	2.2
10.	Wholesale trade	4.9	2.8	2.1
11.	Chemicals and allied prod. mfg.	5.0	2.4	2.6
12.	Food and kindred prod. mfg.	5.0	3.1	1.9
13.	Paper and allied prod. mfg.	5.1	2.4	2.7
14.	Contract construction	5.2	2.2	3.0
15.	Lumber and wood prod. mfg.	5.5	2.0	3.5
16.	Machinery mfg. (non-electrical)	5.6	2.8	2.8
17.	Electronics mfg.	5.7	3.7	2.0
18.	Printing and publishing	5.7	3.3	2.4
19.	Furniture and fixtures mfg.	5.9	3.2	2.7
20.	Motion pictures, amusements, recreation	6.3	3.7	2.6
21.	Instruments and related prod.mfg.	6.4	3.5	2.9
22.	Fabricated metal mfg.	6.6	3.0	3.6
23.	Transportation	6.7	2.6	4.1
24.	Rubber and plastic prod. mfg.	6.6	3.7	2.9
25.	Textile products mfg.	7.4	3.9	3.5
26.	Building materials sales	8.3	5.5	2.8
27.	Insurance	8.6	5.7	2.9
28.	Finance	9.6	5.5	4.1
29.	Misc. services	10.0	6.6	3.4
30.	Misc. mfg.	10.1	5.3	4.8
31.	Apparel mfg.	10.5	6.5	4.0
32.	Business services	10.8	7.2	3.6
33.	Educational services	11.3	7.9	3.4
34.	Repair services	12.0	6	5.4
35.	Retail trade	12.8		3.8

TABLE 17 (Continued)

Industry	Sum	Negro	Puerto Rican
36. Communications	13.1	12.0	1.1
37. Leather products mfg.	14.4	6.5	7.9
38. Personal services	16.4	9.6	6.8
39. Medical services	24.5	18.8	5.7
Standard	4.6	3.1	1.5
All industries [a/]	9.4	6.3	3.1

a/ Includes one agricultural establishment not shown separately.

Source: EEO-1 reports.

Both Negroes and Puerto Ricans comprised relatively large proportions of the white collar workers in educational institutions and quite small proportions in utilities and sanitary services. Very few Puerto Ricans were employed as white collar workers in communications and very few Negroes were in the offices of tobacco manufacturing companies.

The proportion that white collar employees comprise of all workers in a given industry usually depends on the nature of the industry. In New York City, however, establishments formally listed in, say, a heavy industry may have very high proportions of white collar workers simply because they are headquarters or sales offices. This clearly seems to be the case, for instance, for the tobacco manufacturing, mining, and agricultural industries, and undoubtedly affects the data for many other industries, but to an unknown extent.

Industries in the New York City area differ greatly in the extent to which they rely on Negroes and Puerto Ricans as white collar workers, as Table 17 shows. Out of 39 industries, 8 employed quite low proportions 1/ of minority

1/ The standard for "quite low" proportions of minority group employment used in this section of this paper is less than half the proportion which minorities comprise of a given class of workers in all industries. In each table, the entries for industries which employ "quite low" proportions of a minority group are underlined.

group workers in white collar jobs. Among these were only two industries -- utilities, including sanitary services, and petroleum and petroleum products manufacturing -- which employed very few Negroes as well as very few Puerto Ricans. Five others -- primary metals manufacturing; stone, clay and glass manufacturing; legal services; mining; and transportation equipment manufacturing -- employed quite low proportions of Negroes but nearly average proportions of Puerto Ricans as white collar workers. The remaining industry, real estate, had very few Puerto Ricans but nearly an average proportion of Negroes among its white collar workers. There were, in addition, ten other industries in which only Negroes comprised a quite low proportion, and one other in which only Puerto Ricans comprised a quite low proportion. The latter industry -- communications -- is notable because it employs so many Negroes but so few Puerto Ricans among its white collar workers.

For these reasons, it must be concluded that variations in employment patterns within New York City are not so much due to particular industry patterns. They are due firstly to different patterns at various occupational levels and

secondly to differences among firms or establishments within a given industry. The important policy implications of this point will be noted later.

As Table 18 indicates, there was some tendency for industries to be consistent in terms of the relative proportions of Negroes among employees in each of the five white collar occupational groups, ranging from managerial to clerical. Quite low percentages of Negroes were found in all five occupational sub-groups in three industries: primary metals, paper and allied products, and chemicals and allied products manufacturing. Quite low percentages of Negroes were also found in four out of five white collar occupational sub-groups in eight other industries.

In the case of Puerto Ricans, the patterns were not quite as consistent among the various white collar sub-groups. Table 19 shows that in only two industries, utilities and communications, did Puerto Ricans comprise a quite low proportion in all five white collar sub-groups. In no other industry did Puerto Ricans comprise an exceptionally low proportion in more than three of the five occupational groups. A most

TABLE 18

NEGROES AS A PERCENT OF WORKERS IN WHITE COLLAR OCCUPATIONAL GROUPS
IN NEW YORK CITY, 1966

	Industry	White Collar, total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
1.	Stone, clay & glass prod. mfg.	1.7	0.0	*	*	0.0	3.7
2.	Primary metals mfg.	1.7	0.6	0.6	1.3	0.0	2.9
3.	Lumber & wood prod. mfg.	2.0	*	*	*	2.7	2.5
4.	Legal services	2.1	0.0	0.5	*	*	3.0
5.	Contract construction	2.2	0.9	0.7	3.1	2.2	3.6
6.	Mining	2.2	0.1	0.1	*	0.7	4.2
7.	Transportation equipment mfg.	2.3	1.2	0.7	4.6	0.0	3.2
8.	Paper and allied prod. mfg.	2.4	0.3	0.2	5.3	0.8	4.2
9.	Chemicals & allied prod. mfg.	2.4	0.5	1.0	4.5	0.7	4.3
10.	Tobacco mfg.	2.5	0.4	3.0	*	1.6	4.2
11.	Transportation	2.6	1.8	0.5	2.5	1.9	3.7
12.	Utilities & sanitary services	2.7	0.9	0.7	1.4	0.7	5.1
13.	Machinery equipment mfg.	2.8	0.4	1.2	1.8	0.1	5.0
14.	Wholesale trade	2.8	0.8	0.7	3.3	1.2	4.9
15.	Petroleum and petrol. prod. mfg.	2.8	0.2	0.1	0.8	*	5.2
16.	Fabricated metals mfg.	3.0	1.7	0.1	7.3	0.5	4.6
17.	Food and kindred prod. mfg.	3.1	0.7	1.7	5.8	2.1	5.5
18.	Real estate	3.2	1.6	2.5	3.6	*	4.3
19.	Furniture and fixtures mfg.	3.2	1.7	*	*	0.0	5.5
20.	Printing and publishing	3.3	0.9	1.4	9.0	1.0	5.0
21.	Instruments & rel. prod. mfg.	3.5	1.1	1.7	4.3	0.0	6.3
22.	Electronics mfg.	3.7	1.2	1.0	8.5	0.2	5.8
23.	Motion pictures, amusements	3.7	0.7	4.9	4.1	2.4	4.0
24.	Rubber and plastic prod. mfg.	3.7	1.1	0.8	9.2	0.0	6.3
25.	Textile prod. mfg.	3.9	0.8	0.3	0.9	0.5	6.7
26.	Misc. mfg.	5.3	3.8	*	6.5	1.1	7.7
27.	Finance	5.5	0.6	0.7	5.4	0.4	7.1
28.	Building material sales	5.5	*	*	*	0.9	10.8

TABLE 18 (Continued)

Industry	White Collar total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
29. Insurance	5.7	1.8	1.1	3.5	0.9	7.5
30. Leather products mfg.	6.5	2.6	*	*	*	11.9
31. Apparel mfg.	6.5	2.2	2.6	4.6	0.3	13.2
32. Repair services	6.6	4.2	0.8	*	8.1	8.0
33. Misc. services	6.6	1.7	4.4	6.3	9.5	10.7
34. Business services	7.2	1.7	1.4	8.9	0.4	10.5
35. Educational services	7.9	5.0	2.8	15.0	*	14.2
36. Retail trade	9.0	3.3	2.6	4.9	7.4	15.3
37. Personal services	9.6	4.9	1.7	5.5	33.0	3.9
38. Communications	12.0	1.9	0.9	2.4	1.1	19.4
39. Medical services	18.8	9.3	13.3	25.2	*	18.6
Standard used	3.1	0.9	1.3	5.3	1.9	4.4
All industries a/	6.3	1.8	2.7	10.7	3.9	8.8

* Less than 100 workers in all in this particular industry and occupational group.

a/ Includes one agricultural establishment not shown separately.

Source: EEO-1 Reports.

TABLE 19

PUERTO RICANS AS A PERCENT OF WORKERS IN WHITE COLLAR OCCUPATIONAL GROUPS IN NEW YORK CITY, BY INDUSTRY, 1966

	Industry	White Collar, total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
1.	Real estate	0.8	1.6	0.4	0.9	*	0.6
2.	Utilities & sanitary services	1.1	0.3	0.7	1.4	0.0	1.6
3.	Communications	1.1	0.2	0.3	1.0	0.1	1.7
4.	Petroleum	1.2	0.6	0.5	0.8	*	1.8
5.	Primary metals mfg.	1.8	0.6	1.4	2.4	1.1	2.5
6.	Stone, clay & glass prod. mfg.	1.9	0.8	*	*	0.0	2.8
7.	Legal services	1.9	0.0	0.3	*	*	2.7
8.	Mining	1.9	0.3	0.9	*	0.3	3.2
9.	Food & kindred prod. mfg.	1.9	0.7	1.1	5.6	1.1	3.2
10.	Transportation equipment mfg.	2.0	2.0	0.7	3.1	0.0	2.4
11.	Electronics mfg.	2.0	0.7	1.0	4.9	1.0	2.6
12.	Wholesale trade	2.1	0.7	1.1	1.3	0.9	3.7
13.	Tobacco mfg.	2.2	0.6	0.0	*	1.5	3.7
14.	Printing & publishing	2.4	1.0	0.3	3.1	0.5	4.1
15.	Motion pictures, amusements	2.6	2.3	2.0	0.7	1.1	3.3
16.	Chemicals & allied prod. mfg.	2.6	1.0	1.4	3.4	0.7	4.6
17.	Paper & allied prod. mfg.	2.7	1.2	0.5	10.2	0.4	3.9
18.	Furniture & fixtures mfg.	2.7	1.7	*	*	1.2	4.2
19.	Building materials sales	2.8	*	*	*	4.2	2.5
20.	Machinery mfg. (non-electrical)	2.8	1.7	1.3	2.1	0.8	4.3
21.	Instruments & related prod. mfg.	2.9	0.7	1.2	4.0	0.5	5.0
22.	Insurance	2.9	0.8	0.9	1.5	0.7	3.7
23.	Rubber & plastic prod. mfg.	2.9	2.0	0.6	9.2	0.0	4.1
24.	Contract construction	3.0	1.6	2.4	4.6	0.5	3.7
25.	Educational services	3.4	1.4	1.5	4.6	*	6.8
26.	Misc. services	3.4	0.4	2.3	4.1	4.7	5.1

TABLE 19 (Continued)

Industry	White Collar, total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
27. Textile prod. mfg.	3.5	1.3	2.4	2.6	0.6	5.5
28. Lumber & wood prod. mfg.	3.5	*	*	*	1.8	5.4
29. Fabricated metal prod. mfg.	3.6	1.5	2.5	7.9	0.5	5.1
30. Business services	3.6	0.9	1.7	6.6	0.5	4.8
31. Retail trade	3.8	1.6	1.6	3.7	3.7	5.5
32. Apparel mfg.	4.0	2.1	1.7	6.9	0.1	7.3
33. Finance	4.1	0.8	1.2	3.9	0.4	5.1
34. Transportation	4.1	2.0	1.6	2.0	3.0	5.9
35. Misc. manufacturing	4.8	3.8	*	6.5	0.9	7.0
36. Repair services	5.4	2.5	2.5	*	5.7	6.7
37. Medical services	5.7	2.7	4.8	5.8	*	7.8
38. Personal services	6.8	4.7	5.0	*	2.0	8.9
39. Leather products mfg.	7.9	8.1	*	*	*	9.8
Standard used	1.5	0.5	0.8	2.0	1.0	2.2
All industries a/	3.1	1.1	1.6	4.0	2.0	4.4

* Less than 100 workers in all in this particular industry and occupational group.

a/ Includes one agricultural establishment not shown separately.

Source: EEO-1 reports.

striking fact is the broad range of industries in which Puerto Ricans comprised quite low percentages of sales personnel.

It was noted earlier that industries which have high proportions of Negroes in white collar occupations also tend to employ high proportions of Puerto Ricans in the same occupations. As Table 20 suggests, a similar pattern prevailed as between minority group men and women. Wherever Negro men comprised a small proportion of male white collar workers, Negro women also tended to comprise a small proportion of female white collar workers, and similarly for Puerto Ricans.

In general, of course, minority group men comprised a lower proportion of the male white collar workers in an industry than minority group women of the female white collar workers. In a significant number of industries, however, the relevant percentage was higher for minority group men than women. Indeed, among the clerical workers of most industries, male Puerto Ricans were a greater proportion of the male workers than Puerto Rican women were of the female workers. A similar pattern held among Negroes. However, in the few industries which employ the bulk of clerical workers, Negro

TABLE 20

NEGROES AND PUERTO RICANS AS A PERCENT OF WHITE COLLAR WORKERS, BY SEX AND INDUSTRY, NEW YORK CITY, 1966

		Negro		Puerto Rican	
		Men	Women	Men	Women
1.	Primary metals mfg.	1.5	2.0	1.5	2.2
2.	Stone, clay & glass mfg.	1.2	2.7	1.7	2.4
3.	Utilities & sanitary services	1.6	6.8	0.9	1.7
4.	Real estate	2.8	3.6	1.0	0.5
5.	Petroleum & petrol. prod. mfg.	3.3	2.1	1.1	1.5
6.	Legal services	2.3	2.0	1.7	2.1
7.	Mining	1.5	3.5	1.4	2.9
8.	Transportation equip. mfg.	2.2	2.5	1.8	2.3
9.	Tobacco mfg.	2.2	3.2	2.1	2.5
10.	Wholesale trade	2.0	4.5	1.6	3.1
11.	Chemicals & allied prod. mfg.	2.0	3.0	1.9	3.9
12.	Food & kindred prod. mfg.	2.6	4.7	1.6	2.9
13.	Paper & allied prod. mfg.	1.3	4.0	1.8	3.9
14.	Contract construction	2.1	2.6	3.1	2.9
15.	Lumber & wood prod. mfg.	0.9	3.2	1.9	5.3
16.	Machinery mfg. (non-electrical)	2.4	3.7	2.2	4.1
17.	Electronics mfg.	3.2	4.6	1.9	2.2
18.	Printing & publishing	1.2	3.9	0.8	3.0
19.	Furniture & fixtures mfg.	2.4	4.6	2.5	3.0
20.	Motion pictures, amusements, recreation	3.1	4.5	2.7	2.5
21.	Instruments & related prod. mfg.	3.0	4.8	2.5	3.8
22.	Fabricated metal mfg.	3.0	3.0	3.4	4.1
23.	Transportation	2.3	3.3	3.5	5.5
24.	Rubber & plastic prod. mfg.	3.8	3.6	3.4	2.0
25.	Textile prod. mfg.	3.0	5.1	3.1	4.1
26.	Building materials sales	3.9	7.1	2.3	3.3
27.	Insurance	3.0	7.6	1.8	3.6
28.	Finance	3.4	8.2	3.9	4.2
29.	Misc. services	4.2	10.5	3.0	4.0
30.	Misc. mfg.	5.0	5.6	3.5	6.7
31.	Apparel mfg.	2.8	13.0	2.5	6.8

TABLE 20 (Continued)

		Negro		Puerto Rican	
		Men	Women	Men	Women
32.	Educational services	5.5	10.8	3.2	3.7
33.	Repair services	5.4	8.0	4.6	6.3
34.	Business services	5.1	9.0	3.1	4.0
35.	Retail trade	4.9	10.3	2.9	3.8
36.	Communications	2.1	17.8	0.8	1.3
37.	Leather products mfg.	3.3	11.7	7.9	7.9
38.	Personal services	4.0	14.5	9.7	4.3
39.	Medical services	12.0	21.4	6.8	5.3
	Standard	1.5	4.8	1.2	1.8
	All industries a/	3.1	9.6	2.5	3.6

a/ Includes one agricultural establishment not shown separately.

Source: EEO-1 reports.

women were proportionately more important among women than Negro men were among men. In the aggregate, therefore, Negroes comprised a far higher proportion of women than men clerical workers.

F. Women Workers, 1966

Women comprised 47 percent of the white collar labor force among the reporting employers, which was somewhat above their overall proportion of 39 percent among employees of reporting establishments in the city, as Table 21 shows. However, this was essentially due to the overwhelming concentration of women in the office and clerical occupations, among whom they accounted for 69 percent of all employees. Indeed, women accounted for a more than proportionate share of the office and clerical employees in every industry, and for half or more in all but two industries, utilities and transportation.

Among technicians and salesworkers, women were in general only slightly underrepresented but they were considerably underrepresented among professional employees and seriously underrepresented among officials and managers.

TABLE 21

WOMEN AS A PERCENT OF WORKERS IN WHITE COLLAR OCCUPATIONAL GROUPS IN NEW YORK CITY, BY INDUSTRY, 1966

	Industry	White Collar, total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
1.	Contract construction	20.2	2.1	1.4	1.2	2.2	57.1
2.	Utilities & sanitary services	21.3	2.4	4.3	1.6	0.9	47.6
3.	Food & kindred prod. mfg.	27.0	3.2	6.5	8.8	1.8	66.5
4.	Instruments & rel. prod. mfg.	30.1	6.7	7.2	5.1	1.8	70.4
5.	Tobacco mfg.	30.2	2.7	3.5	15.1	2.8	65.9
6.	Transportation	30.5	4.2	2.6	7.4	44.3	47.0
7.	Machinery equipment mfg.	30.5	2.6	2.9	2.4	3.2	62.6
8.	Wholesale trade	30.7	5.5	10.4	4.9	4.9	65.7
9.	Electronics mfg.	30.9	5.3	3.8	6.5	13.3	71.3
10.	Stone, clay & glass prod. mfg.	31.4	4.0	*	*	3.2	69.6
11.	Fabricated metals mfg.	31.5	3.1	4.2	9.3	3.1	68.0
12.	Rubber & plastic prod. mfg.	33.5	3.7	3.9	0.9	0.0	72.2
13.	Primary metals mfg.	33.7	2.4	4.7	5.4	4.8	66.7
14.	Chemicals & allied prod. mfg.	33.7	5.1	6.3	22.4	6.4	72.8
15.	Mining	34.7	1.0	4.9	*	1.3	66.1
16.	Transportation equip. mfg.	35.0	5.2	4.5	10.0	0.0	63.1
17.	Furniture & fixtures mfg.	36.0	4.3	*	*	2.7	74.0
18.	Petroleum & petrol. prod. mfg.	36.2	0.3	7.3	10.1	*	65.1
19.	Apparel mfg.	36.5	8.4	29.1	25.7	6.2	73.4
20.	Leather products mfg.	37.8	7.8	*	*	*	78.6
21.	Misc. services	38.3	18.2	17.7	12.8	38.4	77.2
22.	Paper & allied products mfg.	40.0	6.7	12.5	33.6	4.3	76.7
23.	Miscellaneous mfg.	40.9	9.7	*	4.3	16.9	69.7
24.	Textile products mfg.	40.9	10.9	25.8	33.0	4.7	66.7
25.	Finance	42.4	7.7	11.7	27.2	7.4	53.6
26.	Motion pictures & amusements	43.7	5.1	61.6	10.0	9.8	50.3

TABLE 21 (Continued)

Industry	White Collar, total	Officials and Managers	Profes-sionals	Techni-cians	Sales	Clerical
27. Educational services	44.7	27.4	26.3	48.9	*	80.6
28. Repair services	46.5	2.0	3.3	*	21.0	70.4
29. Lumber & wood products mfg.	47.2	*	*	*	23.4	79.3
30. Legal services	48.1	25.5	6.2	*	*	68.2
31. Printing & publishing	49.4	18.0	40.2	27.0	10.7	72.4
32. Real estate	49.9	3.9	67.2	12.5	*	71.7
33. Building material sales	50.8	*	*	*	33.9	84.2
34. Business services	53.1	14.4	15.5	16.0	17.4	79.1
35. Personal services	53.3	19.8	20.7	7.0	57.5	67.2
36. Insurance	58.3	13.6	11.0	24.6	6.3	78.2
37. Communications	63.0	42.7	14.9	7.5	3.6	89.6
38. Retail trade	66.4	25.1	34.5	23.5	77.6	80.7
39. Medical services	72.4	56.3	48.8	85.1	*	85.2
Standard used	19.5	7.4	9.0	17.0	18.5	19.5
All industries a/	46.7	14.9	18.0	34.1	37.1	69.2

* Less than 100 workers in all in this particular industry and occupational group.

a/ Includes one agricultural establishment, not shown separately.

Source: EEO-1 reports.

However, these patterns varied greatly from industry to industry. In a few industries, there were no women employed as salesworkers, and they were relatively scarce in the majority of other industries. Women were, however, a greater than proportionate share of the sales personnel in transportation, miscellaneous services, personal services, and retailing.

Similarly, there were great differences among industries in terms of the relative importance of women among technicians. Women were uncommonly few among the technicians in a majority of industries employing a significant number of such workers. In two industries - educational and medical services - women accounted for a more than proportionate share of those employed as technicians.

Women were, as noted earlier, significantly underrepresented among professional employees in private enterprises. Among those industries which employed significant numbers of professional workers, the majority employed exceptionally few women professionals, using the average for private establishments as the standard. However, in four industries - printing and publishing, medical services, motion pictures and amusements,

and real estate - a higher than proportionate number of women were employed in professional occupations.

Of all the occupational groups, the lowest proportion of women was found in the managerial occupations. Again, the proportions of women among officials and managers were exceptionally low in the majority of industries. Only communications and medical services employed relatively more women among their managerial employees than the total number of women privately employed in this New York City sample.

IV. Implications

The above findings begin to suggest the nature of the programs which may be developed to promote the increased employment of minority group members in the white collar sector. In general, Negroes and Puerto Ricans have gained a substantial place in the clerical and technical occupations. Minority men have fared less well relative to the majority than have minority women. As a group, however, women were underrepresented in all fields above the clerical level in private employment.

Highest priority should be given to developing programs to promote the increased employment of Negroes and Puerto

Ricans as managers, officials, and salesmen.

In only two industries in New York City were either Negroes or Puerto Ricans employed as either managers or salesmen in proportions greater than they comprised of the total work force. In all New York City there was not a single Negro or Puerto Rican employed in a sales position by the reporting firms in rubber and plastics products manufacturing; stone, clay and glass products manufacturing; transportation equipment manufacturing; or real estate. Not a single Negro was employed as a salesman by the firms in furniture and fixtures manufacturing, primary metals manufacturing, petroleum and petroleum products manufacturing, and instruments and related products manufacturing, although eleven Puerto Ricans were so employed. On the other hand, among the salesmen of reporting leather goods manufacturing and utilities and sanitary services enterprises, there was not a single Puerto Rican and only five Negroes. Not a single Negro or Puerto Rican was employed in a managerial capacity by the reporting firms in lumber and wood products manufacturing or in legal services. No Negro manager was employed in stone, clay, and

glass products manufacturing and no Puerto Rican manager in building materials sales firms.

Secondly, any effort to promote the increased employment of minority groups must take account of the fact that white collar workers are employed in every industry and firm across the city, that the average number of white collar workers per firm is often small, and that many different kinds of workers with a wide variety of specific skills are involved. As Table 16 indicated, the average number of white collar employees per reporting firm came to 191 persons. Even if complete equality in background, desires, and opportunities prevailed, the average firm would employ only about 20 Negroes and 12 Puerto Ricans in white collar jobs, given their relative proportions among private employment in the city. At present, the average establishment employs only 12 Negroes and 6 Puerto Ricans in white collar jobs.

Even more important is the fact that the white collar group is divided up into rather distinct groups in terms of education, skill, and background. The employment structure in the average New York City reporting firm included 31

officials and managers, 27 professionals, 12 technicians, 25 sales workers, and 96 clerical workers. Within each of these major groups, there are many smaller groups with specialized skills and preparation.

Moreover, firms in a given industry sometimes employ a relatively high proportion of a minority group in one occupational group and a low proportion in another occupational group. Even more important is that firms within a given industry may differ greatly among themselves.

For these reasons, efforts to promote more equal employment opportunities in managerial and sales positions might well cut across industry lines and work through management, sales, and related organizations, training institutes and the like. On the other hand, the great differences among firms also calls for a quite selective approach. Such an approach is now possible because of the reports submitted by individual companies which provided original data for this report. These provide the basis for the Commission to identify specifically those individual firms which employ no or few Negroes and Puerto Ricans at each of the various

occupational levels, and to initiate such activities as may be appropriate in the given situation. The point is that the existence of individual firm reports make it no longer necessary to look for "patterns" in order to persuade members of given industries to respond collectively.

This can be illustrated by noting that out of the 4,249 reporting companies in New York City, 1,151 did not employ a single Negro in any capacity, and 1,375 did not employ a single Puerto Rican or other Spanish American. As for white collar workers, 1,827 companies employed not a single Negro in those occupations and 1,936 companies employed not a single Puerto Rican. This comes to over 40 percent of the reporting enterprises, which with few exceptions had more than 50 employees. The large number of companies with no minority group workers in white collar jobs is not a matter of small work groups, as Table 22 makes clear. Among establishments with 20 or more clerical workers, there were 456 which did not employ a single Negro and 558 which did not employ a single Puerto Rican as a clerical worker. The establishments with no minority group workers in clerical occupations were primarily

TABLE 22

NUMBER OF ESTABLISHMENTS WITH 20 OR MORE CLERICAL EMPLOYEES BUT NOT A SINGLE CLERICAL WORKER FROM SEVERAL MINORITY GROUPS, NEW YORK CITY, 1966

	Number of firms with no clerical worker who was:					
Industry	Negro	Negro Male	Negro Female	Spanish American	Spanish American Male	Spanish American Female
Mining	1	5	5	3	6	6
Contract construction	16	20	20	12	17	16
Food & kindred prod. mfg.	14	29	21	27	39	30
Tobacco mfg.	0	1	0	1	3	1
Textile prod. mfg.	5	12	10	6	14	10
Apparel mfg.	4	14	9	13	22	13
Furniture & fixtures mfg.	3	4	5	2	4	3
Paper & allied prod. mfg.	17	21	20	12	21	15
Printing & publishing	19	36	36	22	44	36
Chemicals & allied prod. mfg.	25	46	32	22	42	25
Petroleum & petrol. prod. mfg.	1	2	2	1	5	1
Rubber & plastic prod. mfg.	3	3	3	2	2	4
Leather products mfg.	1	4	1	1	2	2
Stone, clay & glass prod.	3	7	4	4	7	4
Primary metals mfg.	7	12	12	7	14	10
Fabricated metals mfg.	11	14	17	13	14	16
Machinery mfg. (non-electrical)	4	6	8	8	11	15
Electronics mach. eq., etc. mfg.	11	20	18	21	36	25
Transportation equipment mfg.	6	6	9	5	9	8
Instruments & related prod.	7	11	12	11	15	13
Misc. mfg.	5	8	7	5	12	5
Transportation	44	54	74	35	49	58
Communications	5	8	8	5	14	7
Utilities & sanitary services	1	2	2	1	2	1
Wholesale trade	76	132	110	95	151	131

TABLE 22 (Continued)

Industry	Negro	Negro Male	Negro Female	Spanish American	Spanish American Male	Spanish American Female
Building materials sales	0	0	0	0	1	0
Retail trade	13	40	23	22	51	30
Finance	41	74	96	62	104	104
Insurance	30	60	42	27	72	34
Real estate	4	5	6	7	8	8
Personal services	24	34	26	14	14	19
Business services	16	42	30	29	66	35
Repair services	0	3	0	2	3	2
Motion pictures, amusements	13	17	19	8	15	12
Medical services	9	26	11	22	45	26
Legal services	4	11	8	8	14	11
Educational services	2	6	3	4	7	6
Misc. services	14	35	36	19	58	31
All industries	456	831	745	558	1,013	773

Source: EEO-1 reports.

concentrated in wholesaling, transportation, finance, insurance, chemicals, and personal services.

The search for firms which employ unusually low proportions of minority group personnel may still be made along industrial lines. If so, it might well be directed at the following industries in the following order:

1. Utilities and sanitary services
2. Chemicals and allied products manufacturing
3. Primary metals manufacturing
4. Petroleum and petroleum products manufacturing
5. Mining
6. Transportation
7. Wholesale trade
8. Legal services
9. Tobacco manufacturing
10. Communications
11. Paper and allied products manufacturing
12. Food manufacturing
13. Real estate
14. Machinery manufacturing (non-electrical)
15. Transportation equipment manufacturing
16. Stone, clay and glass products manufacturing
17. Wholesale trade
18. Fabricated metals manufacturing
19. Lumber and wood products manufacturing

In many of these industries, the establishments in New York City are undoubtedly primarily headquarters, sales, and similar offices. Each of the above industries employs an unusually small proportion of either or both Negroes and

Puerto Ricans in white collar occupations. Their ranking is based on a number of factors, including the degree to which they employ a low proportion of minority workers in white collar jobs; the extent to which this pattern was consistent among different minority groups and occupational levels; the total number of white collar workers in the industry; and the number of white collar workers per firm in the industry.

In dealing with industries and firms which employ relatively few minority manpower in white collar jobs, it will be necessary to stress not only initial hiring, but also access to means to gain the skills and experience necessary to move into managerial, professional, and sales occupations. This involves gaining admission to training programs and career ladders within enterprises which lead from technical and clerical positions upward. Most secretaries, bookkeepers, and accountants are developed through internal promotion and employer sponsored training. Most managers and as many as a third of all engineers do not have formal training for their occupations. Rather they have moved upward on the basis of on-the-job training, night school, independent study, support

by superiors, and individual initiative. Promotions for managers and salesmen are by no means as systematic as in the case of many blue collar workers, and this presents special problems in maintaining equal opportunity for advancement.

Clearly, however, formal education is a great help for gaining the better managerial, professional, and sales jobs in large organizations, particularly those which are based on a highly developed or advancing technology. This points to the necessity for enlarged opportunities for college and graduate study in the city and state university system and elsewhere. In particular, schools and universities must make increased efforts to persuade and support potential college and graduate students from among minority groups.

It would also appear desirable to undertake efforts to take advantage of the increased numbers of potential managerial and sales personnel who are already occupied in those enterprises which have moved most aggressively to employ and develop minority workers in white collar jobs. In particular, serious consideration should be given to the recruitment of potential or developed minority group managerial, professional,

and sales personnel from the Federal, state, and local governments, the armed forces, and selected industries and private and nonprofit enterprises for the purpose of employment in firms and industries which have few high level minority group employees. A major route for advancement for those in higher level occupations is to move into new and somewhat risky situations.

It also appears advisable to forcefully bring to the attention of minority group youngsters the extent to which opportunities in the white collar sector are already open to them in New York City. Materials might well be prepared identifying those industries and firms which employ relatively large numbers and proportions of minority group members. This could be very useful in more effectively counseling young people in terms of the opportunities which have already opened up. The likelihood of even further advances where few minority group members are now employed should also be constantly kept in mind.

V. Open Questions

This study represents the first attempt to prepare a comprehensive analysis of white collar employment patterns for minorities in any major city. It represents a step forward in the continuing effort to promote more equal employment patterns for all. New York City is a white collar city. In it, moreover, minority groups comprise a larger proportion of white collar workers than in nearly every other metropolitan area. New York is clearly the leader when one considers the relative size of minority groups in its labor force. Nevertheless, it is clear that there is great room for further progress.

This report primarily outlines the patterns which exist. It does not indicate how these patterns occur, in a dynamic sense, nor how problems might be ameliorated. The present section lists a suggested agenda of questions which should be explored if the dynamics of the white collar labor market in relation to minority groups is to be better understood.

(a) How do white collar workers find their jobs? How important are want-ads, private employment agencies, public employment services, direct applications, assistance by

friends and relatives, employer recruitment at schools, and the like? Are members of minority groups any more or less likely to be located by each of these different methods? To what extent do employers use recruiting methods which almost guarantee they will see relatively few members of minority groups, as by recruiting through suburban or outlying schools or among the friends and relatives of present employees? To what extent do private employment agencies actively seek out minority persons for white collar work?

(b) What specific white collar jobs do minority group members in fact locate? How many are in firms owned by or primarily serving members of the same minority groups? Do minority group members obtain relatively more white collar jobs in small or large firms and agencies? Do the jobs they obtain lead to promotion ladders, or are they "dead-end" jobs? Do they involve dealing with the public? Are they highly routinized and perhaps very subject to displacement by automation and computerization?

(c) What is the experience of white collar minority workers with respect to promotion? How many become supervisors

and move on to minor executive posts? How fast do their salaries move up, relative to whites?

(d) What are the implications for minority groups of the tendency for large firms to increasingly rely on other service firms for white collar functions? Are a firm's own employees more or less likely to be Negro or Puerto Rican than the employees of firms supplying office temporaries, accounting and other technical services, miscellaneous business services, and the like?

(e) To what extent do various types of educational and training programs in high schools, private schools, junior and senior colleges, and private institutions provide trained manpower for various white collar occupations?

(f) What is the racial composition of students in college preparatory, general, and various occupational programs in the city school systems? In the various parochial and private school systems? In various private profit and nonprofit secretarial and similar schools? In the various junior and senior colleges and their programs? In the various special programs organized by governmental agencies?

(g) In particular, how well are minority group young people being developed for professional and managerial occupations by the primary, secondary, and higher educational institutions of the city?

(h) What is the placement experience of majority and minority groups from these programs? Do minority group members with general education rather than specific training obtain white collar jobs as easily as majority group members with similar backgrounds?

(i) How well do minority group members fare in being selected for initial placement, for on-the-job training programs, and for advancement in clerical, sales, and managerial employment?

(j) How well do minority persons who are graduates of high schools, colleges, and other white collar training institutions in other parts of the United States fare when they enter the New York labor market?

(k) What have been the experiences of members of minority groups with respect to the establishment and growth of their own firms?

Research agendas can be endless and there is no point in further extending this one. The purpose of the present report has been to illuminate those areas in which action toward improved employment opportunities is more likely to produce results. The preceding data are adequate for the initiation of action programs on an extensive basis. Improvement in white collar employment opportunities in New York City will also point the way for similar efforts in other major cities throughout the country.

The key importance of New York City as a model for the nation should be constantly kept in mind. New York is the leading center for corporate headquarters. It may be useful as a matter of corporate policy to increase the employment of minority group members in these corporate headquarters as a demonstration for their units in the rest of the country as well as for visitors from abroad. If national and international corporations can be persuaded to initiate such efforts, it may be a decisive step in the direction of a truly multiracial democracy in the United States.

June 29, 1965

Honorable John W. Macy, Jr.
Chairman, U. S. Civil Service
Commission
Washington, D. C. 20415

Dear Mr. Macy:

Reference is made to our letter of June 22, 1965, in which we requested further exemptions from the competitive service for position in the Equal Employment Opportunity Commission.

Attached are duty statements and organization charts reflecting the location of each of the following positions.

Schedule C

Special Assistant to the Chairman	GS-17	1
Public Affairs Officer	GS-17	1
Chief, Congressional Liaison Staff	GS-16	1
Chief, Program Review Staff	GS-16	1
Chief, Liaison Staff	GS-16	1
Private Secretary to Member, EEOC	GS-11	4
Special Assistant to the Member, EEOC	GS-14	4
Secretary, Congressional Liaison Staff	GS-9	1
Secretary to the Commission	GS-11	1
Private Secretary and Confidential Assistant to the Chairman	GS-12	1
Secretary (Stenography) (Sect. to Special Assistant to Chairman)	GS-9	1
Secretary (Stenography)	GS-9	1
	Total	18

Schedule B

Deputy Executive Director	GS-17	1
Deputy General Counsel	GS-16	1
Chief of Conciliation	GS-16	1
	Total	3

Title VII of the Act defines those employment practices of employers, employment agencies, and labor organizations which are discriminatory and there-

fore, unlawful; and empowers the Commission to receive and investigate complaints of such practices, to seek compliance through conference, conciliation, and persuasion with findings of the Commission, to enter into agreements with States and localities which have their own fair employment practice laws in order to eliminate overlapping, and to utilize their services in carrying out the aims of Title VII; and it authorizes suits in the Federal courts to be brought by aggrieved individuals for injunction against such practices as the Commission has found unlawful and concerning which it has been unable to obtain voluntary compliance. The Commission may intervene in such suits and it may make recommendations to the Attorney General for civil action against persons practicing resistance to full enjoyment of equal employment rights. While Title VII defines the persons subject to the Act and unlawful employment practices are also defined, complex problems of interpretation of the statute in these respects will abound. The Commission in the initial phase of operating its program will be heavily concerned in the determination and projection of policy on these fundamental matters as well as on problems involving state and local jurisdictions and other Federal agencies. The initial policies and programs of the Commission which the Act establishes will have much to do with assuring the success or failure of attaining the major social policy and program goals defined in the Civil Rights Act. The following five staff positions of the Commission are considered to have a great impact on the policy decisions made by the Commission. The incumbents will be intimately aware of the attitudes and positions taken by the Chairman and Members of the Commission. This awareness must be maintained in the strictest confidence. Because of their policy making and confidential nature we are recommending their exception from the competitive service under Schedule C.

The position of Special Assistant to the Chairman is that of a close personal confident of the Chairman who carries out assignments of a confidential and policy nature relating to various aspects of the Commission's programs of particular interest to the Chairman.

The activities of the Public Affairs Officer, Chief, Congressional Liaison Staff, Chief, Program Review Staff, and Chief, Liaison Staff are so intimately concerned with policy and program development at the highest levels of the Commission and because their influence is exerted in the development of Commission policies and programs they are atypical of positions in the competitive service and are recommended for exception under Schedule C.

The confidential nature of the following positions is immediately apparent from a review of the appropriate duties statement. Each incumbent reports directly to a presidential appointee or Schedule C supervisor. In view of the confidential nature of these positions, Schedule C is recommended.

Counsel, and Chief of Conciliation, we must be in a position to select incumbents with unique assortment of training and experience which is relatively impossible to define in advance. Each of these incumbents must be in total sympathy with the program, in addition to having technical experience in the specialized areas of responsibility, but also in the field of human relations. In view of the difficulties in setting forth exact qualification standards, we recommend the exception of the positions from the competitive service under Schedule B.

Sincerely yours,

Mary P. Valentino
Personnel Director

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