

REMARKS OF HONORABLE JOHN E. FOGARTY, REPRESENTATIVE OF THE SECOND CONGRESSIONAL DISTRICT OF RHODE ISLAND AT NATIONAL CONFERENCE ON SOCIAL WELFARE ON THE OCCASION OF THE GENERAL SESSION OF THE 85TH ANNUAL FORUM AT THE OPERA HOUSE, CHICAGO, ILLINOIS ON MAY 14, 1958

I have long held the view that the fields of welfare and health offer to a Member of Congress potentialities for really rewarding public service. I must say that my activities in these fields have given me great personal satisfaction and I am particularly happy, therefore, that the National Conference of Social Work has found my efforts such as to merit this recognition.

This occasion provides me an opportunity to comment briefly on several public questions in which, I am sure, we have a mutual interest.

I am deeply concerned regarding unemployment and about the social and economic implications of the reverses which business is experiencing. I have no desire, at this time, to debate the extent of the recession, to forecast its duration, or to assess blame. What we must be concerned about is the stark reality of unemployment and the extent to which it has already been reflected in the lives of many workers who live on marginal incomes and to whom the loss of even a single week's pay presents a family

crisis. Our social security programs both social insurance and public assistance, for the past 20 years have made truly remarkable progress in protecting the public against loss of income and in softening the blows of business set-backs, but even a recession of the proportions we are now experiencing has demonstrated the gaps in these programs and has pointed the way to certain remedies which to me are quite obvious.

What happens, for example, to the workers who is laid off and then exhausts his benefit rights? There are thousands of these people you know -- 189,000 in March and almost 150,000 in each of the two preceding months. In many states, they can't even turn to public assistance for help because there is no assistance program for employables. The plight of the worker who is not covered by unemployment insurance is even worse. These are the people in 23 states where there is no unemployment insurance protection for workers of employers who have less than 4 employees and in 32 states where at least 20 weeks of covered employment is required. They are also the farm workers, domestic servants and similar groups. Considering the cost of living, the average income of even regularly employed workers covered or not covered has not enabled a great many of them to do much

about the proverbial rainy day. These people are in trouble as soon as their pay stops.

Unemployment insurance has undeniably done a great deal to cushion the shock of income loss for workers and to shore up the economy but we must recognize that with few exceptions weekly unemployment payments are too low. They will exceed a \$30-\$35 maximum in only a handful of states and the average payment amounts to only 35%-45% of average weekly wages. In absolute amounts payments have increased to some extent but wages have far outrun increases in benefit amounts.

This situation, in my judgment, calls for a two-way stretch -- that is, a program that, on the one hand, will give immediate relief, and on the other, will result in the enactment of more adequate legislation by the states.

Last March I introduced a bill to deal with the immediate, emergent aspects of this problem. This was frankly intended as a gap-filling, federally financed arrangement designed to prevent suffering while the states were considering more permanent solutions to the problems at hand.

Congress currently has such legislation under consideration.

As a permanent proposition, I would not want to see the Federal Government subsidize the inadequacies in the existing Federal-State system of unemployment insurance. Moreover, I strongly advocate the principles embodied in the existing program. I think, for example, that unemployment insurance properly should be supported by a tax on payrolls and I think the benefits paid should bear a relationship to the wage loss. But speaking generally, states have been unwilling or unable to make the program adjustments necessary to reflect the needs of a rapidly expanding economy. In my own State of Rhode Island employers have consistently had to pay the maximum unemployment tax rate of 2.7% and have provided as adequate benefits as we could finance. Few other States have charged the maximum rate and then only for limited periods. The average tax rate the country over is 1.3%. Most states could, without undue burden, support a much more adequate program than they have. I will not labor this point further except to say that the permanent programs of the states must be liberalized to provide higher benefits for longer periods

of unemployment and in other respects must be improved so as to bolster the workers' own efforts to deal with the effects of unemployment.

Another pressing social and economic problem in which, I am sure, we have a mutual concern is this entire matter of aging. I know this subject is becoming a little hackneyed but if you could listen, as I do each year, to the testimony of the host of witnesses who come before our appropriations subcommittee seeking funds, I am sure you would understand my special desire to relieve the plight of the aging and, at the same time, recapture for the Nation the tremendous productive capacity of hundreds of thousands of mature people who despite their age possess skills that are probably at a higher level than at any other time in their lives.

We know that now we have almost 15 million people 65 years of age and over in our population. Every year more than a million Americans reach 65, the period of life we call old age. And every year we have a net increase of more than 370,000 in the aged population. We know that there are an additional 36 million people in the period of middle age

during which most of the problems of the later years have their onset.

We know also that many of the problems of later years can be prevented if we as individuals and as a Nation take the proper preventive action.

The testimony which I hear suggests not only that we have failed to find a solution for these problems but that the problems of our older population are far outstripping our efforts to deal with them. Our failure to deal with the situation successfully has left people in this age group not only with problems of employment and income but with problems of health, disability, housing and just plain loneliness.

I hope you won't conclude that a Congressman's only escape from frustration when he is confronted with difficult public issues is to introduce a bill. That is what I did in dealing with unemployment and I have done the same thing in order to stimulate more rapid planning and action on aging. Briefly what I propose is to make Federal funds available to permit every state to hold an aging conference leading to a White House Conference on Aging. I would devoutly hope that the national conference would produce an action program which would serve as a rallying point for

all who would lend their efforts to this most necessary work.

This matter of identifying and encouraging programs that promote a vigorous, independent and satisfying old age is everybody's business. As a matter of fact, the states and communities are much closer to the old people themselves, know the needs better and, therefore, have a correspondingly greater responsibility and know-how than does the Federal Government. But Congress must not shirk its responsibility either. It is a source of much gratification to me to know that many of our great voluntary associations in your own field of welfare, as well as in the other allied fields, and that a great many of our national and international service clubs along with scores of community organizations are already involved in what should become a great national movement.

In my years in Congress, I think I have evolved a fairly simple and practical view in dealing with social problems. I have little patience with those who stand in constant dread of what they call the "Welfare-State" -- whatever that is. I have no patience either with those who think that the cost of social programs is going to drive us into national bankruptcy. After all only 9% of our gross national product is

now going into health, education and welfare programs and surely we can afford that much in a long-range expanding economy. It just seems to me that as a Nation we cannot do less than to develop the programs and pay the costs of meeting the social problems that arise out of our growing and changing population and out of a world beset with international tensions and profoundly significant scientific developments. Voluntary and Governmental programs and expenditures that were sufficient, let us say, at the time the Social Security Act was passed, are not sufficient to meet the challenges of the present and the future. I say that we must be a part of the moving scene or we will be lost in its dust. I am interested in the conquest of space but I am also interested in the conquest of poverty. We should know how to guide a missile, but we must also know how to guide a delinquent child.

It is considerations such as these that account for the interest I have already expressed and which includes also other fields such as the special needs of exceptional children, the strengthening of family life, the up-dating of the contributions and benefit structure of old-age, survivors and disability insurance, not to mention my long standing and

enthusiastic interest in the extension of medical research and the improvement of medical services.

The few minutes that remain to me I would like to devote to two or three of these subjects. In what better way does mankind demonstrate the development of a social conscience than by the services provided for exceptional children? A creed for exceptional children was well expressed by Dr. Leonard Mayo, of the Association for the Aid of Crippled Children as follows:

We believe that the nation as a whole, every state and county, every city, town, and hamlet, and every citizen has an obligation to help in bringing to fruition in this generation the ideal of a full and useful life for every exceptional child in accordance with his capacity: the child who is handicapped by defects of speech, of sight, or of hearing, the child whose life may be adversely influenced by a crippling disease or condition, the child whose adjustment to society is made difficult by emotional or mental disorders, and the child who is endowed with special gifts of mind and spirit.

These exceptional children number between 5 and 10 million. Many of them can make outstanding contributions to society if we make it possible

for them to get the social, medical and health services, and the education they need.

I am glad to be able to say that in Rhode Island we have had a program for handicapped children for some time and recently our clinical services for mentally retarded children were expanded and strengthened. While Federal, State and local governments have a responsibility in making such programs possible, it is especially because of the interest of parents' groups and other voluntary organizations in working with government that we are able to make progress in helping the handicapped find their place in society.

Let me turn briefly to my concern for the strengthening of family life. The family has always been, and despite the complexities of our economy today remains, the basic unit in our society. We have made much progress in education, in greater life expectancy, in economic security and other fields which contribute to the strength of the family as a unit. Concurrently with these gains, however, have been problems resulting from separation, divorce, unmarried parenthood, employment of mothers of young children, and other situations that have caused the

weakening or breakdown of far too many families. I feel that we must move to make tangible our concern for these stresses and strains. We must learn more about the causes of family breakdown and the most effective ways of meeting them.

My final comment has to do with the improvements that I feel are urgently needed in our system of old-age, survivors, and disability insurance. This system represents our major defense against the economic hazards of old age, severe disability and premature death of family heads. During the past two years we have seen progressive and substantial increases in the cost of living and yet we have made no adjustment in the relatively small benefits that are being received by beneficiaries of the system. While many individuals can work well past 65, I am convinced that there are a substantial number who cannot stay employed until that age even though they are not totally disabled and I am convinced that we should make provisions within the system for those who have to retire in their early 60's.

When the Social Security Act was passed in 1935 the taxable wage base that was established covered the full earnings of all but a small fraction of people covered under the system. This is no longer true. While creditable earnings have been increased to \$4200, this figure barely covers the earnings of the majority of workers today. The figure should definitely be increased to include the full earnings of most workers. I am concerned that benefits for widows are as low as they are. I think that there is ample evidence that the needs of an older widow are comparable to those of a retired person.

I feel also that our social insurance system can be used as an effective vehicle for dealing with some of the medical care needs of our older population particularly in regard to assuring that medical and hospital costs can be met. If we do not keep our social insurance system in line with current needs, many of the gains for which you, as individuals and in groups, have fought and won in recent decades will be greatly diminished in effectiveness. This is no time to go backward.

I am particularly honored that this Conference, representing as it does many persons concerned, under a wide variety of auspices, with social welfare and social work, has chosen to accord me this high honor.

I can only hope that my dedication to see that the less fortunate people of the country have a reasonable share of the products of our economy and the gains that we make, will match to your own.