

**EMPLOYMENT OF WORKERS—
AGE 40 AND OVER—IN VIRGINIA**

**REPORT OF
THE VIRGINIA ADVISORY LEGISLATIVE COUNCIL
to
THE GOVERNOR
and
THE GENERAL ASSEMBLY OF VIRGINIA**



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Richmond, Virginia, December 13, 1963.

To:

HONORABLE A. S. HARRISON, JR., *Governor of Virginia*

and

THE GENERAL ASSEMBLY OF VIRGINIA

At its 1962 Session, the General Assembly, concerned with the increasing difficulties encountered by workers age 40 and over (sometimes hereinafter referred to, rather inaccurately as to many of them, as "older workers") in securing employment in Virginia, adopted Senate Joint Resolution No. 42 directing the Virginia Advisory Legislative Council to make a study and to report on any need for legislation concerning the employment of such workers and the development of programs to aid them in obtaining suitable employment. The text of this resolution is as follows:

SENATE JOINT RESOLUTION NO. 42

Directing the Virginia Advisory Legislative Council to make a study relating to the problem of the employment of older workers.

Whereas, it is recognized that workers, age forty years plus, constitute a stable, industrious, productive and loyal segment of the manpower of the Commonwealth of Virginia; and

Whereas, it is in the best interest of the Commonwealth of Virginia that such workers be utilized in gainful and useful employment to the fullest extent; and

Whereas, many job opportunities are now denied such workers seeking employment on account of age; and

Whereas, it is the public policy of the Commonwealth of Virginia that its manpower should be utilized to the fullest extent; now, therefore, be it

Resolved by the Senate, the House of Delegates concurring, That the Virginia Advisory Legislative Council is hereby directed to make a study and report on the need for laws concerning the employment of older workers and the development of employment programs for such workers to seek and hold employment. The Department of Labor and Industry and the Virginia Employment Commission shall assist the Council in its studies. The Council shall conclude its study and make its report to the Governor and the General Assembly not later than October one, nineteen hundred sixty-three.

The Council selected Dr. J. D. Hagood, of Clover, member of the Senate of Virginia and member of the Council, to serve as Chairman of

the Committee to make the initial study and report to the Council. The following individuals were selected to serve on the Committee with Dr. Hagood: Harold B. Boyd, State Director, AFL-CIO, Richmond; James W. Davis, Realty Broker and Farmer and member of the House of Delegates, Agricola; William B. Hopkins, Attorney at Law and member of the Senate of Virginia, Roanoke; Dr. John P. Lynch, Physician, and former President of the Richmond Academy of Medicine, Richmond; Mrs. Dana F. Robinson, Counselor, Over-Sixty Employment Counseling Services of Northern Virginia, Arlington; William R. Shands, Attorney at Law and former Vice-President and General Counsel of the Life Insurance Company of Virginia, Richmond; and Charles H. Taylor, Executive Vice-President, Virginia Manufacturers Association, Richmond.

William R. Shands was elected Vice-Chairman; and John B. Boatwright, Jr. and Wildman S. Kincheloe, Jr. were appointed Secretary and Recording Secretary, respectively.

The Committee held several meetings, one of them being a public hearing to determine the major difficulties encountered by workers age 40 and over in seeking and finding employment in Virginia.

At the request of the Committee, representatives of the Virginia Industrial Commission, the Department of Labor and Industry, the Commission on the Aging, the Department of Education, and the Department of Welfare and Institutions attended a special meeting of the Committee at which problems of the employment of such workers, insofar as these departments and agencies are concerned, were discussed.

A questionnaire was also sent to the heads of all State agencies to determine their respective policies regarding the hiring of such workers, including any factors peculiar to the particular agency restricting or prohibiting the employment of such persons.

The Committee invited the views of the general public on problems relating to the employment of such workers at a public hearing held in Richmond, Virginia on May 1, 1963. Only a few persons appeared before the Committee; they (one of them being 46 years old and unemployed) related experiences and difficulties encountered while seeking employment in Virginia.

In response to newspaper coverage, many communications were received from older workers setting forth their plight and their needs. Their suggestions for improving the employment opportunities for older persons have been carefully considered.

The Committee has also reviewed the benefits available to older workers under the Federal Social Security System, the State assistance program and the various exemptions available under the federal and State tax provisions.

In its report, the Committee recognized and sought to determine and differentiate the problems, facts and needs with respect to the employment of persons age 40 to 64 as distinguished from older persons age 65 and over generally considered of retirement age.

Upon conclusion of its work, the Committee transmitted its report to the Council. The Council has considered the report and accompanying data at length, and after due deliberation, the Council now presents its report.

RECOMMENDATIONS

Based on our study of the potential of the older worker and taking into consideration the limitations set by our industrial society on his continued performance in the work force, we submit the following recommendations:

1. The employment (or activity) of persons of all ages is highly desirable:

- (a) to provide needed compensation;
- (b) to provide in each individual a sense of being needed and of self respect; and
- (c) to meet the needs of an ever growing State and Nation.

2. The public should be made aware of the potential of the older worker and the practical problems he faces once he is displaced for one reason or another from his regular job. This should include the following considerations:

- (a) Through general acceptance of the Bismarckian concept that 65 years should be considered the automatic retirement age, by reason only of a birthday, many valuable workers are now relegated to the scrap heap of unemployment. A more realistic goal should be based on ability to perform and not on birthdays. The public should be shown that most older workers wish to continue gainful employment as long as health permits.
- (b) That insurance programs and pension plans are now largely geared to compulsory retirement at age 65. Consideration should be given to making such plans more flexible to enable the retention of capable workers to an older age.
- (c) That the State employment policies, through encouragement from the Governor, should be administered in favor of the employment of the qualified older worker, not only as a sound economic measure but in the way of setting an example for industry.

3. That the role of education in the State be stressed in the following manner:

- (a) Prepare the young in every way that their talents and capacities permit to continue a fruitful work life; this should include teaching the young that work will become more technically advanced with the years and they should be prepared to make continued adjustments to meet it;
- (b) That educational programs be encouraged to retrain the worker to meet changing work requirements;
- (c) That more stress be placed on vocational and technical education for the great number of those who lack college motivation or ability; and
- (d) That the locality assume more responsibility for the specific needs of its own older workers in employment, their retraining and their activities after retirement from the active work force.

4. Penalties enacted or imposed to prevent the employment of older people should be removed.

5. No additional legislation seems necessary or desirable to implement the above recommendations, but the creation of an improved attitude toward the older worker should be encouraged by the Commonwealth and, more importantly, by industry and the public at large.

6. The Virginia Employment Commission should expand and intensify its efforts to find employment for older workers.

7. Full support should be given to the Governor and private initiative to provide more industry and employment opportunities for Virginia.

THE PROBLEM

A major cause of public concern in America today should be the plight of the so-called "Older Worker." It has become commonplace for persons forty years of age and older to be told that they cannot be considered—because of age—for the position which they seek. In many cases these individuals are the heads of families and employment is essential. Employment practices and compulsory retirement of older persons are not only depriving the economy of much needed experience, skill and energy, but simultaneously deprive many middle-aged and older persons of gainful employment in work for which they are trained and an opportunity to maintain an adequate standard of living. It is obvious that this waste of manpower cannot be continued if maximum productivity is to be realized.

National employment figures indicate that at about the age of forty-five years for male employees and fifty years for female employees the problem of age as an obstacle to securing employment opportunities becomes acute. Many economists believe the category affected begins about the age of forty years or less in many areas of the country.

While national employment figures indicate a healthy and continuing increase in the employed labor force, and a slowly decreasing unemployment figure, the number of unemployed people in the older workers category is steadily increasing. The picture in Virginia, as it regards unemployment in general, and older workers in particular, is much brighter than in most other states of the United States. However, Virginia's problem in this regard is likewise increasing, leaving no room for complacency.*

The Virginia Employment Commission recently reported that the number of jobless in the State dropped to 38,500, or 2.5 per cent of the total work force of 1,515,350, during September. This was the lowest percentage since September, 1953, when 2.5 per cent also were unemployed. In the nine Septembers between 1953 and 1963, unemployment has ranged as high as 4.4 per cent and has averaged about 3.4 per cent. National and Virginia unemployment were near the same point in 1953. Since then, national unemployment consistently has run higher than Virginia's and was estimated at 4.8 per cent in September, 1963.**

*See tables, Appendix II.

**See graph, Appendix I.

CONTRIBUTING FACTORS

A major contributing factor is our population explosion. In 1900 the population of Virginia totaled 1,000,854 of which 72,846 or 3.9% were 65 years of age or over. This population increased to 3,000,318 in 1950

but the number of people in this age category increased to 214,524 or 6.5% of the total population. The 1960 total population of 3,954,429 included 281,561 or 7.1% in this older age group. It is estimated that this age group in Virginia is showing an annual increase of from eight to nine thousand persons. There is considerable variation, of course, in the counties and cities in the distribution of this aging population.

According to the 1950 United States Census, the population in the age group 40 to 64 was 771,150 or 23.3% of the total population in the State at that time. In 1960, the population in this age group had risen to 982,526 or 24.8% of the total population. Thus, in 10 years this age group increased by 211,376 or 27.4%.

Another contributing factor is the increasing average age of the population. Since the middle of the Nineteenth Century, the average length of life in the United States has increased about 29 years. According to mortality conditions in 1850, the expectation of life at birth was approximately 41 years. By 1962, the figure had risen to about 70 years. The improvement in longevity has been much more rapid in the period since 1900 than in the preceding fifty years, despite the very limited gains made during the past decade.

Retirement systems are generally structured for thirty years of service. Costs of such systems increase when the benefits accorded thereby are maintained or increased and the terms of employment necessary to be eligible for benefits are decreased. Most retirement systems maintained by private firms are in package form—that is, they also include life and accident and health insurance in addition to retirement benefits. These provisions disproportionately increase the cost of retirement systems when an older worker is hired.

Many small business operations, which could not afford elaborate “fringe benefits,” formerly provided employment opportunities for older people. The trend toward mergers and consolidations, occasioned by increasing labor and other operating costs, has eliminated many of these smaller businesses. Automation has also eliminated many jobs for which older workers were especially well suited. Many companies feel that such automatic equipment and machinery call for the higher degree of dexterity generally enjoyed by the younger worker. They also believe that older workers find it more difficult to adjust to modern technology.

The American drive to improve methods of production and our high standard of living with its accompanying high labor cost, have resulted in continued improvement in doing a given amount of work with fewer workers. There has been a constant increase of new products and new machines to produce them. While the new methods, new products and new machines require new or additional workers to produce them, these new or additional workers are not the same individuals as those displaced. Different techniques, different locations and different skills are required. In meeting these changes, the older worker is sometimes less adaptable. If the change is within the activities and geographical location of his employer, the worker 40 to 60 years of age is usually retained. But if such is not the case and the worker 40 or over is forced to seek other employment, he is at a distinct disadvantage.

The advances in modern technology require a vast amount of training on the part of the individual companies concerned. Such training calls for the investment of large sums of money. It is only natural that these companies regard such an investment from the standpoint of what benefits can be derived therefrom. They believe, generally, that the return of

such investment from a younger person will be greater than from an older person.

GOVERNMENTAL POLICIES

The Federal Civil Service Commission has instituted on-the-job adjustments in work schedules and assignments, and gradual retirement programs, and is planning their expansion. Most significant, perhaps, is the fact that in 1956 the Commission eliminated maximum age limits for initial employment. After three years experience, the Commission states that it has received "no significant complaints" from the agencies, and no evidence of interference with their operations by not being able to impose such maximum age limits.

A questionnaire was sent to the heads of all State agencies to determine their employment policies with regard to older workers. The results of this questionnaire were very enlightening and encouraging. Their response, in capsule form, was essentially as follows:

The maximum age limits among the several State agencies range from forty-five to seventy years, with a median maximum age of sixty-five years. Most reporting agencies indicated they preferred at least five years tenure prior to retirement so that a reasonable return on their investment in the particular employee might be realized.

Those agencies with the lower maximum age limits indicated that such restrictions were necessitated by strenuous travel requirements or heavy physical labor involved in the particular job classification. It is important to note also that the vast majority of State departments and agencies do not have fixed or definite minimum age requirements.

The majority of the departments and agencies encountered little difficulty in employing older workers. When asked to comment generally on their experience with older workers, most indicated that older workers usually make the best employees; they are more accurate and dependable, especially in areas involving technical work.

While there are minor variations in employment practices among the various State agencies, ordinarily such variations are predicated upon the fact that in some areas the work is of a more strenuous and demanding nature than in others. When an employee's health or age becomes an impediment to the satisfactory accomplishment of the work assigned, a very real effort is made in all State agencies to reassign the individual to more suitable work.

The following is a policy statement regarding older workers, presented at the request of the Committee by John W. Garber, Director, State Division of Personnel:

"Except in cases of public necessity, the Commonwealth prohibits employment in its public service beyond the age of 70 years. Within this age limit there is no State policy barring the employment of older workers. Where age may be a factor related to the physical requirements of certain jobs, as in law enforcement, departmental policies may establish lower age limits on employment and tenure.

"Membership in the Virginia Supplemental Retirement System and in the State group life insurance plan, mandatory for all new

employees below the age of 60, is not available to new employees who have attained that age. This reflects actuarial considerations, however, and does not imply a hiring policy.

"Individual department heads have varying views with respect to the older worker. In some instances there is a positive preference for maturity, while in others, given equally well qualified applicants, there is a tendency to choose from among the younger group. In general, selections tend to be made on an individual basis, and it is doubtful that, outside the field of law enforcement, agency heads would describe a policy discriminating against the older worker."

Thus, general policy of the State Division of Personnel, when securing employees for vacancies which exist in any part of the State government, is to choose the proper worker for the particular job. Of the many factors to be considered in such selection, age is relatively unimportant unless work of a strenuous physical nature is involved. Even in such a case, it is the capacity to perform the work that is more important than any

Most State employees do not retire until about the age of seventy, which is mandatory. Under the State Retirement Act employment outside State service does not cause a retiree to forfeit any benefit under the retirement system once he has retired from State service. The State Retirement System is integrated with the Social Security System and seeks to provide an overall retirement of about 50% of final salary at the \$4,000 level, with percentages decreasing at higher rates of compensation.

VIRGINIA AGENCIES' ACTIVITIES

The Commission on the Aging is a State agency, co-operating and co-ordinating with other State agencies, organizations, groups of citizens and individuals concerned with the field of aging. It provides the information and guidance through which all interests can work together in clarifying needs, establishing standards and finding practical solutions to problems affecting the aging and the aged.

The Commission on the Aging consists of the State Health Commissioner, the Superintendent of Public Instruction, the Director of the Department of Welfare and Institutions, the Commissioner of Labor, the Commissioner of Mental Hygiene and Hospitals and the Commissioner of the Virginia Employment Commission as ex officio members, and of five persons appointed by the Governor from the general public.

The Department of Welfare and Institutions related that older workers are used extensively in many areas of its operation. Their experience to date has been completely satisfactory. Age generally is not one of the major factors considered; however, as age increases beyond fifty, greater attention is given to the physical condition of the individual. They have found that older workers tend to give greater attention to their work, and are less prone to absenteeism. Turnover in the older age group is much less, resulting in large savings to the Department. Age is even less important as regards the professional phase of social work of the Department of Welfare and Institutions. In these areas, of course, the emphasis is upon skill, training, and experience rather than age.

As of February, 1963, there were 13,779 recipients of old age assistance. This number constitutes 4.8% of those 65 years of age and over in Virginia. Of these recipients, 4,161 were male and 9,618 were female.

The old age assistance program is gradually decreasing because of the effect of Social Security.

Information furnished by the Virginia Industrial Commission indicates that Workmen's Compensation rates do not increase when older workers are kept on. The premiums for occupational death and disability insurance are set on the basis of the hazards involved in the job, rather than on the personal characteristics of the employees; the ultimate cost being determined by the accident experience of the firm. Accident frequency generally declines with age. This decline offsets the tendency for the period of disability-per-accident to increase with age and leads to the likely conclusion that age has no noticeable influence on Workmen's Compensation rates.

The Federal Manpower Development and Training Act has been in operation since December of 1962 and provides for a joint effort between the Department of Education and the Virginia Employment Commission. As of November, 1963, there were approximately 464 people in training in Virginia under the Federal Manpower Development and Training Act. Approximately 18% of the enrollees to date are over 40 years of age. While there is no age limit for enrollees under this Act, its benefits are not specifically designed for older workers.

There are approximately 12,697 persons presently enrolled in the general adult education program in twenty-three counties and twenty cities throughout the State. Most of the classes for this group are conducted in the evening in high school buildings. Among the various courses offered are those in the regular academic high school education, history and social science, arts and crafts, and business education. The Department of Education estimates that about forty per cent of the enrollees are older than forty years. The cost of such classes are borne from local funds and from tuition payments, with some State reimbursement.

There are approximately 83,035 persons enrolled in the specialized adult vocational education program. About thirty per cent of these enrollees are above the age of forty years. However, to this date, there are no classes in these two programs which are specifically designed for older workers.

The local school superintendents are advised of the amount of funds which are available for such adult education programs, and when they find that local interest exists, and if at least ten persons are interested, they will proceed to set up the night classes in their school buildings. The State will pay a part of the instructional salaries, to the extent that available funds will permit. The amount of State money available for these purposes is approximately \$40,000 annually. During the past year, reimbursement by the State for instructional salaries amounted to about twenty-three per cent of the cost of such instruction.

The Virginia Employment Commission maintains thirty-eight local offices in thirty-five cities and towns scattered throughout the State of Virginia. These offices do substantially all the placement work which is done by the Commission. The Commission has found it difficult to place older workers. The Commission indicates that the problem becomes acute about the age of 45 and, therefore, classes applicants above this age as older workers. There were approximately 19,000 registrations in 1962 of persons forty-five years of age or older and the Commission was able to place approximately 15,000 of these applicants. It is important to note that the Commission does not register a person whom they are able to place immediately.

There were approximately 1,280 applications by persons over the age of sixty-five during 1962 and the Commission was able to place only 450 such persons.

Because of the specialized nature of placing both the handicapped worker and the older worker, the Commission trains special counsellors for this work. The Commission finds that persons forty-five years of age and over are most easily placed in employment in private households. In 1962 the Commission placed 6,800 persons in employment in private households, 2,400 in wholesale and retail trades, and 2,100 in construction work. Service industries, medical services, hotels and restaurants, etc., absorbed 1,800 and manufacturing was next with 1,400. Government, State, federal and local, utilized 271 such applicants.

A recent study by the Virginia Employment Commission revealed the following situation:

The employment policy limiting hiring of older workers, particularly by branch firms, stems from the fact that the home office sets age policy, which is followed without regard to the individual applicant. Insurance rates and retirement plans account for another age restriction. A remarkable revelation is that male applicants in the upper age groups can be referred more rapidly than women in similar age groups. In many cases further restrictions are placed on older workers due to their attitudes. The primary restriction limiting employment of older workers is the cost of training, and length of time older workers would normally remain in production as compared to younger trainees.

CONCLUSION

Older workers are a valuable manpower resource. Policies regarding their employment should be founded on two fundamental precepts: (1) this State and Nation can fully meet the social, economic, and political challenges of our time only through the full utilization of the talents and experience of all of the people; (2) there should be no artificial barrier based merely on age between a citizen and his opportunity to perform useful and productive service. With the long-term trend toward an increasing number of older persons in our population, it is important that we utilize this valuable source of manpower. With a long lifespan made possible by better health, nutrition and other factors, our older citizens who are able and who wish to work should certainly have full opportunity for employment in accordance with their qualifications.

Employment policies should recognize the fact that the older workers group is a stable, industrious, and loyal segment of the working force. Their past experience in business and industry should be utilized. As far as job stability is concerned, an outstanding asset of older workers is their dependability. A 1956 Prentice-Hall survey found that 84% of companies surveyed had less turnover among older than younger workers, 15% had about the same for both age groups, and only 1% had more turnover among older workers. In regard to getting along with others, a recent University of Illinois survey showed that employers rated 32% of the older people higher, 59% about the same and only 9% lower than younger workers in terms of ability to get along with others on the job.

Former President Dwight D. Eisenhower, concerned with the problems faced by older workers when seeking employment opportunities, made the following statement: "Our Nation now must learn to take ad-

vantage of the full potential of our older citizens—their skills, their wisdom, and their experience. We need those traits fully as much as we need the energy and boldness of youth.”

One of the major reasons cited by employers for not hiring older workers is that such action would result in prohibitive costs for some of the more common fringe benefit items such as retirement pensions, group life, accident, and health insurance, and workmen’s compensation. Actually, the cost of private pension plans depends upon the coverage of workers and the type of plan adopted. There are many variations of such plans. A plan may cover all workers, office staff only, plant workers only, or even only certain departments. It may exclude temporary or part-time work or personnel in certain occupations. It must be remembered that the cost of pensions represents only a part of the benefit package. The entire cost of the package should be considered when establishing hiring policies.

Even under those plans where it generally costs more to provide dollar benefits for an older person than for a younger person, there are offsetting factors. Under most private pension plans, the cost is not affected significantly unless hirings are unbalanced greatly with respect to age. Most employers will agree that the needs of the business, its productivity requirements, and the skills necessary for that business to function efficiently are the primary basis on which employers should select and hire workers. In this regard, the knowledge, skill, and abilities of experienced workers may far outweigh any cost differential due to pensions.

It is also noted that some employers are reluctant to employ forty-plus workers where benefits are based on length of service. Their reasoning is that the payments of small pensions, or none at all, would create an unfavorable impression on the public. With Social Security covering at least ninety percent of workers today, and with average benefits increasing, many older workers would readily accept a small pension or even none at all, in exchange for the opportunity to work.

Another factor to be considered is that the spread and accrual of vested rights under private pension plans will gradually enable an ever increasing number of older workers to enter new employment without forfeiting previously acquired pension credits. The knowledge that an older job applicant has a vested right to a pension as a result of his previous employment generally helps to reduce a prospective new employer’s concern for the worker’s future retirement security. This provides an added incentive for hiring the worker if otherwise qualified.

We believe it is a sound business practice to consider the question of age differentials in relation to the *entire* package of benefits—pensions, workmen’s compensation, accident and health insurance, and group life insurance. The impression that these related benefits must cost a great deal more for older workers is not justified by the facts. The National Association of Manufacturers has stated: “In any consideration of possible increased cost, while it may be desirable to have a low insurance and pension rate, it is insignificant when one compares it with the cost involved in turn-over, poor or indifferent performance, absenteeism, lack of job interest and application, and the fact that the company is cutting itself off from the services of able, mature employees.”

With regard to workers aged 62 and over, effective flexible pension plans can be developed in view of the fact that flexible retirement pro-

grams act to reduce pension costs. The United States Department of Labor has estimated that it costs 40% less to retire men at 70 than it does to retire men on the same pension at 65. In addition, the worker under a contributory type of program can build up higher monthly pension payments for himself by continuing to pay into the program past the age of 65.

We believe that education is the most important factor in an over-all solution to the problems faced by older workers today. Many of these problems find their root in the lack of proper training, and preparation for the difficulties occasioned by both advancing age and increasing technology. Not only have the individual workers been remiss in their preparation, but also, public sentiment has not caused our citizenry to adjust to and compensate for the inevitable changes in their physical, economic and social conditions.

To remedy our present crucial situation, effective steps must be taken in every possible area. Emphasis must be given to our State programs of vocational education. They must be broadened and strengthened; and where practical, tailored to aid the older workers group.

To lessen our problems in the future, each worker should attempt to develop multiple skills, attempting to maintain a reasonable degree of proficiency in each, so that when there is little need for his primary skill, he may fall back upon others. Such skills should be developed for their avocational values as well as for remunerative purposes. Possibly, the preliminary development of these basic skills should commence at the secondary school level.

Our educational programs must not only be tailored to meet the present crucial situation but must be evaluated continually so as to meet the changing technological advances in the future. Vocational and technical education must be made available to those individuals who lack college motivation or ability to supplement secondary education and prepare them to take their places as productive members in a technical society.

The educational programs must overcome the natural reluctance to attend school which seems to be apparent among the large majority of our nonprofessional workers. The reluctance of the older worker to attend school stems from many causes: economic inability, fear of ridicule, and an idea that he may be slower at the learning process than formerly. There is no evidence that older people are slower at learning than they may have been at an earlier age. The basic problem seems to be one of motivation and the help of an enlightened responsive community is needed.

There is at present a Commission studying vocational education needs in Virginia. We hope that as a result of their recommendations, a broader program of such training may eventuate; and that in development of such a program, the needs of older persons will be borne in mind.

Training of individuals will not of itself overcome the problems caused by employment policies of industry. Therefore, an informational program should be directed towards the general public, to minimize the misconceptions which are now held regarding the potential of the older worker. Generally the performance of older people who are employed is considered highly satisfactory by their employers, according to opinion surveys, and this view is substantiated by productivity studies. But when the older person becomes unemployed and is seeking work, his assets seem to shrink in the eyes of many prospective employers because of general

attitudes about hiring such workers. This problem is reflected in the longer duration of unemployment among workers over 40 years of age.

The problems faced by the older workers when seeking employment opportunities are extremely personal and profoundly individual. By their very nature, these problems are socio-economic and respond best to local effort on an individual basis. Communities and interested local organizations must continually appraise the local situation and prepare long-range remedial plans. In those instances where the localities are unable to cope with the problem because of limited resources, the State should lend the community a helping hand.

Under the Federal Social Security System an older worker, after reaching a certain age, becomes eligible for benefits, which in many cases are not sufficient to sustain the individual without other income. If he earns over twelve hundred dollars in any particular year, he loses benefits at the rate of approximately one dollar for each two dollars earned, up to seventeen hundred dollars, and one dollar in benefits for each one dollar earned above this amount. Thus, this national system has a tendency to relegate those eligible for its benefits into a nonworking category for which most such people are not prepared either financially or psychologically. In one respect, this system imposes what might be called a penalty on individuals over sixty-five years of age. If an individual must continue working to supplement his income after he reaches the age of sixty-five years, he and his employer are required to continue paying the Social Security tax on wages earned, while at the same time he must forfeit all or a major part of his benefits under the system, although in most cases the benefits he is *not* receiving are far more than the combined tax on his earnings. We believe this tax on the wages which an eligible individual earns after reaching the age of sixty-five years should be discontinued, thereby reflecting the savings to the System occasioned by the forfeiture of benefits.

As we have illustrated by the facts which we have assembled, age restrictions on job opportunities exist. The facts reveal great misconceptions on the part of the employer, the public, and even the 40-plus job seeker. The State government, through its general employment policies can improve understanding throughout the State. But it is in the community—where people live—that the problem exists. That is where a man or a woman is going to get a job—or not get one. That is where new and more realistic attitudes must be created. We believe this responsibility of creating an enlightened attitude rests upon the community and industry as well as the State and federal governments.

Laws prohibiting job discrimination on the basis of age will not solve the problem of general unemployment or the problems of unemployment peculiar to older workers. We believe that the problem must be met affirmatively and not by legislation of this type.

The Virginia Employment Commission is to be commended for its efforts in behalf of the older workers. We believe its efforts in this respect should be expanded and intensified, especially in the area of public relations and public education. The Commission, through its thirty-eight local offices, has an unusual opportunity to stimulate positive local effort on behalf of the older workers respecting their hiring and utilization.

We heartily commend the Governor, private employers, organizations and groups for their splendid efforts in seeking and bringing new industry into Virginia. At least a partial answer to the older worker's problems lies

in the creation of employment opportunities for workers of all ages. When new opportunities are created, older workers are benefited, though possibly not in the same proportion as the younger workers. Efforts in this area should be continued and each citizen is urged to support both State and private initiative in developing new employment opportunities.

We believe it is time that the old ideas regarding aging be discarded and that a new concept of aging be adopted by society. We concur with the following statement by the Committee on Aging of the Council on Medical Service of the American Medical Association, in the Report entitled *A New Concept of Aging*:

"Does stress assist in maintaining good health? Stress is actually an important factor in the preservation of good physical and mental functions. This term 'stress' has become something of a national 'scare' word with many people—particularly middle-aged and older adults. Too many people believe that a society in which things are 'easy' is conducive to health—that is, that an individual's health and happiness are in inverse proportion to the amount of effort required to live

"What the Committee feels is that the key to positive health lies in struggle rather than retreat—in enjoyment rather than avoidance of the stress of living. It might be said that the 'wounds of combat' are definitely preferable to the decay of idleness, both from a biological and a moral standpoint

"The Committee's efforts to improve the health of older people are certainly most commendable—but to what end? Why exert these efforts to improve the health of older people in the face of a society that, basically, feel they have 'nothing to offer'?

"This is precisely why the A. M. A. Committee has made stimulation of a realistic attitude toward the aging and the increased capability of older people a priority. If the increased capabilities of older people are not recognized and utilized, they will wither. Health requires not only the observance of a sound exercise, nutrition and living program, but a reason for being well. A sense of purpose, and the opportunity to contribute to others—these are as vital to total health as are adequate nutrition and rest

"Insofar as these unrealistic employment and retirement policies tell the older person 'you are no longer needed—you no longer have anything to contribute'—they destroy his reason for being well—indeed they undermine his motivation to keep on living at all.

"This may be valid as far as the individual who's at a creative and mentally challenging job. But it seems hard to believe that the person retired from 45 years at the production line—45 years of 'putting nuts on bolts' is going to miss his old vocation very much. This is a very narrow view of work and what it can mean in the life of an individual. Work can and does fill many human needs beside the urge to create something 'distinctive'.

"It can provide status and identity—an answer to the question 'what are you?'

"It obviously can provide economic security and freedom from fear of dependency.

"And it provides, perhaps more than anything else can, a sense of belonging—an involvement with other human beings."

Community-wide attitudes toward any given social problems are usually generated by responsible local groups—the civic clubs, local business, professional, labor, and government organizations. So far the problem of age discrimination in employment has yet to be taken up by the majority of local leaders and passed along for community support in a campaign to combat it. Local groups probably don't realize, except vaguely, the extent of the problem and harm it can do the community as a whole, not to speak of the disruptive influence on the individual. However, the field has been pioneered by a few communities whose experience indicates that public opinion is a powerful weapon in the case of the social problem, as it is in others. Two major happenings occur when local groups lead the way to muster public opinion, and other community resources, behind programs to reduce age discrimination for the job seeker; (1) there is a notable shift in attitude toward job seeking older workers; (2) their employment opportunities improve.

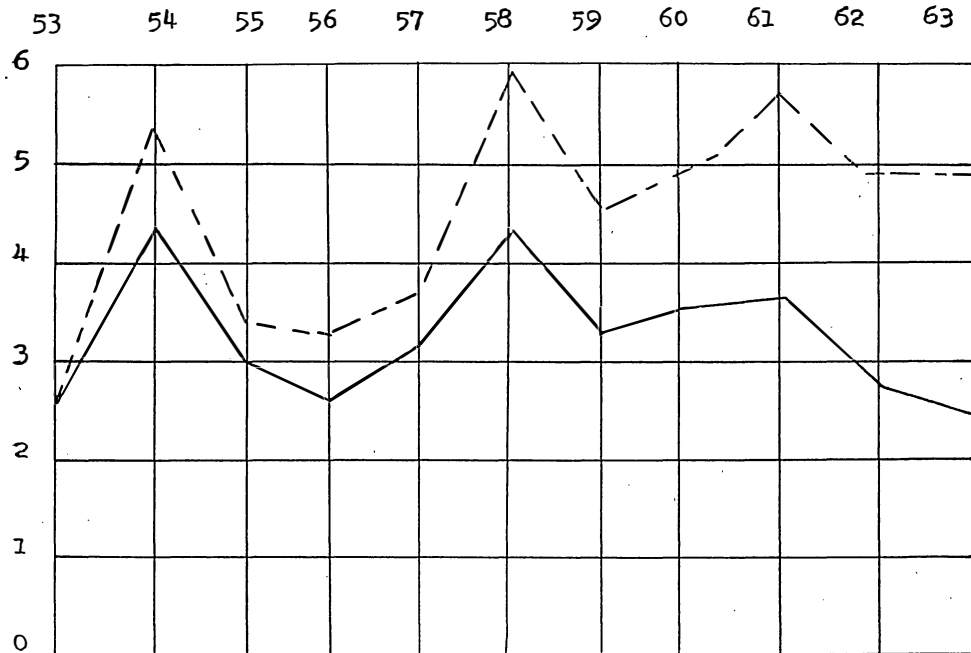
ACKNOWLEDGEMENTS

The Council wishes to express its appreciation to the members of the Committee and to all others who assisted in connection with this study. We have been greatly aided by the contribution of time and effort made by the members of the Committee and hereby express our indebtedness to them.

Respectfully submitted,

CHARLES K. HUTCHENS, Chairman
EDWARD E. WILLEY, Vice-Chairman
C. W. CLEATON
JOHN WARREN COOKE
JOHN H. DANIEL
CHARLES R. FENWICK
TOM FROST
J. D. HAGOOD
EDWARD M. HUDGINS
J. C. HUTCHESON
BALDWIN G. LOCHER
LEWIS A. McMURRAN, JR.
MOSBY G. PERROW, JR.
ARTHUR H. RICHARDSON

APPENDIX I



Solid Line traces Virginia's Unemployment Rate from 1953 to present.
Dotted Line is the National Jobless Percentage over the same period.

APPENDIX II

TABLE 1

RATIO OF UNEMPLOYMENT TO THE CIVILIAN LABOR FORCE BY SEX
SELECTED AGE GROUPS

1950 CENSUS COMPARED WITH 1960 CENSUS

	MALE		FEMALE	
	1950	1960	1950	1960
TOTAL	3.8	4.1+	4.5	4.3—
14 to 19 years	8.6	9.1+	10.8	8.6—
14	3.3	5.2+	15.2	7.3—
15	6.0	5.9—	5.5	9.4+
16	10.6	10.3—	18.1	9.3—
17	10.2	9.8—	13.3	9.7—
18	8.3	9.9+	10.2	9.9—
19	8.4	9.2+	8.7	6.9—
20 to 24 years	6.8	6.5—	5.6	5.9+
20	8.6	8.2—	6.7	6.8+
21	7.1	7.4+	6.8	6.3—
22	6.8	6.2—	5.6	5.6
23	6.7	5.7—	3.7	5.1+
24	5.3	5.5+	4.9	5.5+
25 to 29 years	4.1	3.8—	4.7	4.5—
30 - 34	3.2	3.1—	4.1	4.5+
35 - 39	2.8	3.2+	3.7	3.7
40 - 44	2.6	3.4+	3.2	3.6+
45 - 49	2.8	3.6+	3.3	3.4+
50 - 54	2.7	3.6+	3.1	3.4+
55 - 59	2.6	4.2+	2.7	2.9+
60 - 64	2.9	4.1+	3.2	2.3—
65 - 69	3.3	3.0—	3.1	3.8+
70 - 74	2.3	3.7+	2.2	3.6+
75 years and over.....	1.8	3.4+	2.2	3.5+
Civilian Labor Force 40 and over.....	499,680		673,309	+34.7
Unemployed 40 and over	13,980		23,871	+70.8
Civilian Labor Force under 40	692,990		726,208	+4.8
Unemployed under 40	33,935		34,846	+2.7

OLDER WORKERS IN VIRGINIA

APPENDIX II Table 2

	N u m b e r		% Change 1950-1960	% of Total	
	1960	1950		1960	1950
I. POPULATION IN VIRGINIA					
Male					
Age 40-64	482,765	380,170	+ 27.0	12.2	11.5
Age 65—over	122,718	98,690	+ 24.3	3.1	3.0
Total Males—all ages	1,969,556	1,667,455	+ 18.1	49.8	50.3
Female					
Age 40-64	499,761	390,980	+ 27.8	12.6	11.8
Age 65—over	158,843	114,475	+ 38.7	4.0	3.5
Total Females—all ages.....	1,984,873	1,645,110	+ 20.6	50.2	49.7
Total Male and Female					
Age 40-64	982,526	771,150	+ 27.4	24.8	23.3
Age 65—over	281,561	213,165	+ 32.1	7.1	6.4
Total all ages	3,954,429	3,312,565	+ 19.4	100.0	100.0
II. EMPLOYMENT					
Male					
Age 40-64	396,041	322,525	+ 22.8	29.5	28.2
Age 65—over	39,039	45,260	— 13.7	2.9	3.9
Total Males—all ages	889,550	831,730	+ 6.9	66.4	72.7
Female					
Age 40-64	198,929	110,145	+ 80.6	14.8	9.6
Age 65—over	15,519	7,770	+ 99.7	1.1	0.7
Total Females—all ages	451,250	313,025	+ 44.1	33.6	27.3
Total Male and Female					
Age 40-64	594,970	432,670	+ 37.5	44.4	37.8
Age 65—over	54,558	53,030	+ 2.9	4.1	4.6
Total all ages	1,340,800	1,144,755	+ 17.1	100.0	100.0

OLDER WORKERS IN VIRGINIA

APPENDIX II Table 2

	N u m b e r		% Change	% of Total	
	1960	1950	1950-1960	1960	1950
III. CIVILIAN LABOR FORCE					
Male					
Age 40-64	411,178	331,435	+ 24.0	29.4	27.8
Age 65—over	40,351	46,545	— 13.3	2.9	3.9
Total Males—all ages	928,061	864,725	+ 7.3	66.3	72.5
Female					
Age 40-64	205,664	113,710	+ 80.9	14.7	9.5
Age 65—over	16,116	7,990	+101.7	1.1	0.7
Total Females—all ages	471,456	327,945	+ 43.8	33.7	27.5
Total Male and Female					
Age 40-64	616,842	445,145	+ 38.6	44.1	37.3
Age 65—over	56,467	54,535	+ 3.5	4.0	4.6
Total all ages	1,399,517	1,192,670	+ 17.3	100.0	100.0
IV. UNEMPLOYED					
Male					
Age 40-64	15,137	8,910	+ 69.9	25.8	18.6
Age 65—over	1,312	1,285	+ 2.1	2.2	2.7
Total Males—all ages	38,511	32,995	+ 16.7	65.6	68.9
Female					
Age 40-64	6,735	3,565	+ 88.9	11.5	7.4
Age 65—over	597		+171.4	1.0	0.4
Total Females—all ages	20,206	14,920	+ 35.4	34.4	31.1
Total Male and Female					
Age 40-64	21,872	12,475	+ 75.3	37.2	26.0
Age 65—over	1,909	1,505	+ 26.8	3.2	3.1
Total all ages	58,717	47,915	+ 22.5	100.0	100.0

OLDER WORKERS IN VIRGINIA

APPENDIX II Table 2

	N u m b e r		% Change 1950-1960	% of Total	
	1960	1950		1960	1950
V. NOT IN LABOR FORCE					
Male					
Age 40-64	53,858	41,825	+ 28.8	4.4	3.8
Age 65—over	82,241	52,060	+ 58.0	6.7	4.8
Total Males—all ages	301,655	231,615	+ 30.2	24.7	21.2
Female					
Age 40-64	293,711	276,915	+ 6.1	24.1	25.3
Age 65—over	142,727	106,485	+ 34.0	11.7	9.7
Total Females—all ages	918,815	861,895	+ 6.6	75.3	78.8
Total Male and Female					
Age 40-64	347,569	318,740	+ 9.0	28.5	29.1
Age 65—over	224,968	158,545	+ 41.9	18.4	14.5
Total all ages	1,220,470	1,093,510	+ 11.6	100.0	100.0

¹ Of the 1,093,513 persons fourteen years and older not in the Labor Force in 1950, 681,210 (62.3%) were keeping house, 95,450 (8.7%) were unable to work, and 34,130 (3.1%) were inmates of institutions. A portion of the balance (282,720) did not give any reason why they were not in the Labor Force. The United States census does not give the number of persons forty and over not in the Labor Force, but 402,635 were forty-five and over, and 46,085, or 11.4%, were in the "Other and Not Reported" group. The balance were either housewives, unable to work, or inmates of institutions. This breakdown is not given in the 1960 census, but the relationships would probably not be too dissimilar.

² The above tables in Appendix II were prepared by J. Gordon Gifford, Labor Market Analyst of the Virginia Employment Commission.

