B. The per diem allowance of $7.50 per day will be limited to 30 days for unmarried policemen, and for married policemen will be limited to such time as is required to relocate his family, but not in excess of 60 days, subject to change based on difficulty of recruiting, as indicated above. The estimated annual cost for these allowances is $67,000.

Federal Government agencies such as the Tennessee Valley Authority, the Atomic Energy Commission, and the Veterans Administration, have authority to pay preemployment interview expenses. In a report on H.R. 9020, 89th Congress, in June, 1965, concerning the payment of preemployment interviews expenses of applicants for positions in the Federal Government, the United States Civil Service Commission pointed out the need for payment of interview expenses in order to compete with private industry. Also, in the report it was stated that it has been the experience of Federal employers in recent years that inability to pay these expenses was a governing factor in numerous declination of job offers.

A report issued March, 1962 by the Civil Service Commission on "Moving Expenses of Federal Employees" pointed out some of the "above normal" living or extra expenses incurred as the result of relocating. These extra expenses were incurred by reason of requirements such as food and lodging of an employee while maintaining his family at the old location; house-hunting visits to new locations; temporary housing at the new location; return trips to the old place of residence for visiting and moving employee's family; closing of the old residence and opening the new permanent home, including forced sales, increases in rent, home payments, need for purchasing new household furnishings, and similar other needs. The study showed that analysis of over 5,000 responses indicated that four out of five employees lost money on their move. The average loss, counting only expenses considered necessary and reasonable for such moves, was $558. (With the $250 resettlement allowance plus the $7.50 per diem allowance not to exceed 60 days for a married policeman, the District could pay a maximum of $700.) Heaviest losses were from closing costs on sale of old home, closing costs on new home, above normal cost for employees reporting to new jobs ahead of their families, and cost of temporary quarters for the family.

A study of industry practice in 1964 by the American Management Association confirmed earlier studies by the National Industrial Conference Board and others that the great majority of businesses having specific policies on transfer expenses (generally the larger firms) do everything possible to ease the burden on employees who are asked to move. Practically all underwrite temporary living expenses and make allowances for assistance in disposing of homes and in meeting other relocation expenses.

For the foregoing reasons, the Government of the District of Columbia strongly urges the enactment of H.R. 13981 in order to make available for the use of the District the Metropolitan Police recruitment inducements provided by the bill.

I have been advised by the Bureau of the Budget that from the standpoint of the Administration's program, there is no objection to the submission of this report to the Congress.

Sincerely yours,

THOMAS W. FLETCHER,
Assistant to the Commissioner,
(For Walter E. Washington, Commissioner).

Mr. WHITENER. H.R. 13980 is a bill introduced by Mr. Broyhill on November 13, 1967?

Mr. WASHINGTON. November 13, yes.

Mr. WHITENER. That is the one I believe Mr. Broyhill mentioned a while ago and said there was some error?

Mr. BROYHILL. No, not an error in the bill. I stated that in the agenda of the hearing there was an error as to what was included in the bill. The agenda states that my bill would increase the pay of police and firemen by an average of 7 percent, and I believe it would increase the pay by 8.7 percent. Is that your understanding, Mr. Commissioner?

Mr. WASHINGTON. Yes.

Mr. WHITENER. You may proceed, Commissioner Washington.