I emphasize decent rates of pay because a major portion of the persons who are in poverty are there because the heads of those families are forced to accept jobs with poverty wage scales.

Although a total of 1.5 million men under 65 years of age work the year-round on a full work week schedule, their families are still in poverty. The families of these workers comprise eight million persons, approximately one out of every four of those caught in poverty's web. Over 300,000 women, also under age 65, worked 50–52 weeks during the year on a full work schedule but because of inadequate wages they and their families could not rise above the poverty line.

The working poor also include an additional one and a half million heads of families who work substantial portions of the year but not the full year, and here a combination of inadequate wages and lack of steady work spelled annual income below the poverty threshold.

Even with the increase in minimum wages resulting from recent legislation, many of these workers will remain poor. Substantial portions of these workers are employed in trades and occupations not covered by minimum wage legislation.

An environment of full employment would certainly aid in raising wages throughout the economy and be a major help to those poor who participated actively as workers and to the hundreds of thousands of others who were poor because they did not work at all.

Quite explicit in the above is the concept that broader coverage and higher standards of minimum wage legislation would be productive in reducing the burdens of income maintenance programs. We do not accept the notion that the Federal minimum wage curtails employment opportunities. While admittedly higher wages have an impact on cost from an employer's standpoint when he determines the price of goods, minimum wages also have a major impact not only on the income of the workers involved but on sustaining the health of the economy. Boosts in purchasing power by adding substantially to demand act as a stimulant of employment. This aspect of minimum wage legislation is too frequently lost sight of.

To the extent that guaranteed income programs are expected to meet income loss due to racial discrimination, they are being asked to do too much and will be burdened and stigmatized with too great a cost. The answer to discrimination is not income. Federal measures to eliminate discrimination in employment are potentially far more effective. Recent cuts in the budget of the Equal Employment Opportunity Commission and failure of Congress to give to the EEOC adequate enforcement powers are deplorable.

The failure, however, to assure jobs to all persons is not, however, a problem which can be met solely by eliminating discrimination.

I would strongly urge that the concept of assuring employment opportunities to all workers be made an integral part of national policy. The report of the National Commission on Technology, Automation and Economic Progress pointed out cogently that a substantial number of programs have already been instituted by the Federal government that recognize the important principle "that employing the unemployed is, in an important sense, almost costless. The unemployed consume, they do not produce. To provide them meaningful jobs increases not only their income but that of society."

Such a program of guaranteeing jobs has many functions. First, it could aid in providing services so urgently needed in key public service areas which are desperately short of manpower. Second, in combination with training, education and counseling, it could offer training opportunities for workers who for various reasons come to the labor market with lack of skills while simultaneously performing useful jobs.

I would note that the JOB's program—the manpower program currently being sponsored by the Labor Department—is not an alternative to public service employment. Under this program industry is being assisted by amounts estimated at about $3,500 per employee to hire the hard core unemployed. It is not a substitute since it is not really job creation in the sense of providing new jobs over and above those currently provided. Basically it is a program under which industry is being subsidized in training for jobs which frequently are entry level jobs where neither extensive skill nor training are required to perform efficiently. I mention this because the figure of $3,500 a year is not much different from the annual worker cost contemplated under the O'Hara bill, H.R. 12280, under which government would finance employment for one million workers primarily at the State and local level.