

Charters Granted and Canceled

There was a net increase of 333 in the number of State and Federal credit union charters during 1964 (table 6). New charters numbered 924, and 591 charters were canceled (including 16 in the District of Columbia that converted to Federal credit unions).

Under the State credit union program, cancellations exceeded new charters in the Northeast and Midwestern areas, and increases occurred in the South and West. For the Federal program, on the other hand, net gains were registered in all areas in the continental United States, with net losses occurring only in areas outside the continental limits—in Hawaii, Puerto Rico, and Guam.

In general, State-chartered credit unions predominate in the Great Lakes and Plains States, and Federal credit unions are generally more numerous in the Mideast, Southern, and Far Western regions. In the New England and Rocky Mountain areas, State and Federal charters are about equally divided. There is generally wide variation, however, among the States making up the various regions.

Research Grants Studies*

A number of the projects receiving support from the research grants program administered cooperatively by the Social Security Administration and the Welfare Administration have been completed and reports filed by the project directors. A few of the reports are summarized in the following paragraphs.¹

WORK EXPERIENCE OF SCHOOL DROPOUTS AND VOCATIONAL ARTS GRADUATES

The employment problem faced by high school dropouts and by graduates of vocational schools is analyzed in two 1964 studies. One concerns high school dropouts in Syracuse, New York,

*Prepared by Karen Bowles, Publications Staff, Office of Research and Statistics. Requests for information about any of the projects should be addressed to the agency or institution that conducted the research.

¹For an abstract of the report of another project, *The Aged, Family and Friends*, see pages 18-20.

during the academic year 1959-60, and the other examines the postgraduate employment experience of students of automotive mechanics in two Baltimore schools.

The Syracuse study² centers on the job opportunities that were available to 98 high school dropouts. The male dropouts, on the whole, had little difficulty in finding employment, although only low-level jobs with little or no opportunity for advancement were available to them. Generally they found full-time employment as unskilled or semiskilled operatives shortly after leaving school. Girls experienced far greater difficulty in finding employment. The positions offered to them were usually in retailing or services and were poorly paid.

The nonwhite male dropout found unskilled employment as readily as his white counterpart. His greatest problem was in obtaining a job that offered opportunity for advancement; in almost every instance, he was excluded from white-collar positions. The nonwhite girls felt the effects of discrimination even more strongly. It was more difficult for them than for the white girls to find employment.

Age at the time of dropout was more important to potential employers in the Syracuse study than the grade level attained. For a boy aged 17 or older, job availability was the same whether he had completed grade 9 or grade 11.

Age or grade completed did, however, make a difference in wages. Those who had completed grades 10 or 11 often received higher wages than those who had completed grade 9 or less. It was also found that male dropouts who had worked while they were in school found employment more readily than those who had not. The investigators suggest two reasons: the boys could work full time at what had previously been their part-time jobs, and their employers could recommend job openings when they left school.

The study also showed that dropouts whose families had been receiving public assistance were more likely to find steady employment and to apply for and work at more jobs. Undoubtedly,

²S. M. Miller and Betty Saleem, *Two Years in the Syracuse Labor Market: Work Experience of Dropouts* (Youth Development Center, Syracuse University), 1964. Mr. Miller, who was project director, has also contributed chapters, based partly on this study, to *Blue Collar World: Studies of the American Worker*, Arthur B. Shostak and William Gomberg, editors (Prentice Hall, Inc., 1964).

family financial pressures made it necessary for them to secure employment immediately. Parenthood, more than marriage itself, was likely to provide an impetus to jobseeking and steady employment.

Perhaps the study's most definitive conclusion is that, although the high school dropout can easily find employment, failure to finish his education almost invariably precludes any opportunity for advancement or for initial placement in a white-collar job.

The study of graduates of automotive mechanics school grew out of an earlier report conducted for the Equal Opportunity Commission of Baltimore.³ The report of that study analyzes the differences in employment opportunities of young white men and Negroes in relation to their educational backgrounds. The project covers 5 years—from the last year in high school to 4 years after graduation—in the work histories of the graduates of Mergenthaler High School, a predominantly white school, and Carver High School, a Negro school. Employment and earnings data were obtained from social security records for nine of the schools' graduating classes.

Like the Syracuse dropouts, many of the Baltimore graduates had been employed while in school, and those who had held jobs 6 months before graduation found it easier to secure permanent employment upon graduation. While they were in school, the Mergenthaler students earned only a slightly higher wage than the Carver students, but in full-time jobs the Mergenthaler graduates earned much more than the Carver graduates. In general, it would take a Carver graduate 4½ years in the labor market to obtain an income comparable with that of a Mergenthaler alumnus who had been employed for only a few months. The inequity in wages was especially marked in times of economic depression.

The Syracuse and Baltimore studies differed in both subject and method. Both show, however, that the nonwhite youth has difficulty in securing employment with wages and opportunity for

³ Bernard Levenson and Mary S. McDill, *Employment Experiences of Graduates in Automotive Mechanics: Mergenthaler and Carver High Schools, Baltimore*, Report No. 2 (Youth Employment Project, Department of Social Relations, Johns Hopkins University), August 1964. Mr. Levenson was project director.

advancement comparable with that of the white worker. Moreover, although the two projects focused on different populations, both point up some of the crucial factors that determine the early employment experience of young men and women entering the labor force.

The Baltimore study will be extended to include a follow-up study of these and other graduates, additional data, and refinements in data collection designed to clarify the process of induction into the labor market and to provide a better understanding of the various factors that influence earnings in this age group.

DECISIONS LEADING TO INSTITUTIONALIZATION OF THE AGED

The role the aged themselves play in the decision resulting in their admittance to homes for the aged bears heavily on the success of their adjustment to institutional life. This is a principal finding in a study of the residents of a home for the Methodist aged and a home for the Jewish aged in a Southwestern metropolitan area.⁴ The aged, as well as many of their relatives and friends and their doctors, were interviewed to determine the influence each had on the decision for institutionalization and the consequent attitude of the resident toward his new surroundings.

Those residents who felt they had shared in the decision to enter the home adjusted most favorably—even better than those who had sole responsibility for the decision. The greatest difficulty in adjusting was reported by the aged who had played no part in the decision and felt that they had been placed in the home without consideration of their own wishes.

The study investigated the role of those involved in the decision-making process as they

⁴ Hiram Friedsam and Harry Dick, *Decisions Leading to the Institutionalization of the Aged* (North Texas State University), 1963. Mr. Friedsam was project director. See also Harry R. Dick and Hiram J. Friedsam, "Adjustment of Residents of Two Homes for the Aged," *Social Problems*, Winter, 1964, and "An Exploratory Study of Resident and Relative Views of Involvement in Admissions to Two Homes for the Aged," *Journal of Health and Human Behavior*, Spring, 1964. See also Harry R. Dick, Hiram J. Friedsam, and Cara Ann Martin, "Residential Patterns of Aged Persons Prior to Institutionalization," *Journal of Marriage and the Family*, February 1964.

themselves saw it. Children of residents saw themselves in supporting roles; conversely, the residents were more likely to see their children, particularly their sons, in initiating roles. Sons-in-law and daughters-in-law also were reported as initiators by the residents. Doctors, when involved, were usually considered by both residents and relatives as having played either initiating or supporting roles; social workers were held by both to have been neutral in their effect on the decision.

Because institutionalization is often viewed as a "last resort" by relatives as well as residents, the success of adjustment depends largely on how well the home meets the needs of the aged at the time the decision is considered. Older persons, those in poorer health, and those with no relatives may find that institutional living is the most satisfactory arrangement for them. The aged who may not require the facilities available in the institution and who have close family ties may find the home a less pleasing choice.

COMMUNITY DEVELOPMENT AND PREVENTION OF DEPENDENCY

Like many Indian tribes, the Wisconsin Winnebago live in extreme poverty. Two out of every 3 rural Winnebago households have income of less than \$3,000 a year. Many of these families live in houses lacking indoor plumbing and furnace heat; many live in wigwams or in houses made of tarpaper. Generally, neither husband nor wife has had a high school education, and the husband does not hold a full-time year-round job.

This interim report identifies the core of the Winnebago problem: the inability of the tribe members to find satisfactory employment because of inadequate education, lack of skilled training, and job scarcity in rural areas.⁵ The traditions and heritage of the tribe influence, to some extent, the employment capacities and preferences of its members. Seasonal crop work and handicrafts no longer provide an adequate income, although they do allow those Winnebago

who prefer to remain in rural areas to do so. Since so few of the adults have had a high school education and are reluctant to leave their home, it is difficult for them to find employment that would provide adequate and steady income.

Though the needs of the Winnebago are many, only a small proportion of the tribe relies on public assistance. Some members do make use of allocations from the Federal surplus food program. The higher incomes of the few who have left the rural areas and found employment in the cities are offset, in part, by increased living expenses. In addition, a number of them report discrimination in housing and employment.

The results of the study are being used by the tribe's business committee to analyze programs for land acquisition, improvement of housing, the possibilities of Indian-oriented economic activities for the immediate area, and a survey of the educational opportunities available.

GEOGRAPHIC MOBILITY OF LABOR

Economic and occupational considerations are more important than other factors when a worker contemplates a move.⁶ Such factors as climate, more desirable community surroundings, and nearness of friends and relatives are less likely to affect overall mobility in the labor force. Because economic and occupational considerations count so much in the decision to move, the success of a move usually depends on the relative level of income received in the new area.

The study notes that the most mobile groups in the economy are the professional and technical workers; the least mobile are the farmers. Persons who place a premium on job security rather than on advancement or accomplishment usually prefer to remain in the home area rather than move to new and possibly more productive jobs. Homeownership tends to discourage mobility. Education and mobility seem to be related; 33 percent of the persons with college degrees had

⁵ John B. Lansing and Eva Mueller, *The Geographic Mobility of Labor: A First Report*, Institute of Social Research, Survey Research Center, University of Michigan, 1963. The authors were the directors of the project.

The preliminary results of the study have also been published in *Economic Redevelopment Research*, issues of April, July, August, September, and October 1964 (Area Redevelopment Administration, Department of Commerce).

moved within the last 5 years, and 8 percent of those who had only grade school educations or less.

Four-fifths of those who had moved felt that the change had been to their advantage. Thus, the study indicates that in general a high proportion of the moves between labor markets have been well-considered and proved to be economically advantageous.

USE OF CREDIT UNIONS BY LOW-INCOME GROUPS

This study analyzes six firms in the Chicago-Gary-South Bend area to determine the importance of various factors in the use of credit-union facilities.⁷ Age, sex, income, length of employment of members and nonmembers, and the consumer views of competing credit institutions were considered. There was little significant difference between the credit-union members and nonmembers in their attitudes toward credit and savings and in their image of the credit union itself. Convenience seemed to be the greatest advantage that the credit union enjoyed over its competitors.

⁷ John T. Croteau, *The Use of Credit Unions by Low-Income Groups* (University of Notre Dame), 1963. Mr. Croteau directed the project.

Recent Publications*

SOCIAL SECURITY ADMINISTRATION

DIVISION OF THE ACTUARY. *Mortality Experience of Workers Entitled to Old-Age Benefits under OASDI 1941-1961*, by Francisco Bayo and Milton P. Glanz. (Actuarial Study No. 60.) Washington: The Division, Aug. 1965. 35 pp.

WELFARE ADMINISTRATION

OFFICE OF AGING. *Training in Social Gerontology and Its Application*. Washington: U.S. Govt. Print. Off., 1965. 21 pp. 15 cents.

A suggested 2-year graduate curriculum.

Proceedings of the International Congress of Paris on Home Help Services. (WA Publication No. 10.) Wash-

*Prepared in the Library, Department of Health, Education, and Welfare. Orders for items listed should be directed to publishers and booksellers; Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, D. C. 20402.

ington: U.S. Govt. Print. Off., 1965. 71 pp. 30 cents.

Papers presented at the meetings held in Paris in September 1965.

GENERAL

APPLEMAN, PHILIP. *The Silent Explosion*. Boston: Beacon Press, 1965. 161 pp. \$4.95.

Problem of excessive population growth, especially in the underdeveloped countries.

CONFERENCE ON LABOR. NEW YORK UNIVERSITY. *Proceedings of the Seventeenth Annual Conference on Labor*. Washington: Bureau of National Affairs, Inc., 1964. 504 pp. \$14.50.

Includes a panel discussion on pension and welfare planning.

CUMMINGS, LAURIE D. "The Employed Poor: Their Characteristics and Occupations." *Monthly Labor Review*, vol. 88, July 1965, pp. 828-835. \$1.

Focuses on those who are poor though working the year around at a full-time job, identifies the specific jobs paying low wages, and shows the characteristics of workers holding such jobs.

CUTRIGHT, PHILLIPS. "Political Structure, Economic Development, and National Social Security Programs." *American Journal of Sociology*, vol. 70, Mar. 1965, pp. 537-550. \$1.75.

DENENBERG, HERBERT S., and others. *Risk and Insurance*. Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1964. 630 pp. Basic principles and relation between risk and insurance.

Medicare and Social Security Explained. Chicago: Commerce Clearing House, Inc., 1965. 176 pp. \$2.50.

The health insurance programs for the aged and the OASDI program, as amended in 1965; includes information on coverage, benefits, and contribution schedules.

MOORE, TRUMAN. *The Slaves We Rent*. New York: Random House, 1965. 171 pp. \$4.95.

The plight of migrant labor.

OKUN, ARTHUR M., editor. *The Battle Against Unemployment*. New York: W. W. Norton & Co., 1965. 204 pp. \$4.

STAATS, DONALD J. "Normal Benefits Under Private Pension Plans." *Monthly Labor Review*, vol. 88, July 1965, pp. 857-866. \$1.

VROOM, VICTOR H. *Work and Motivation*. New York: John Wiley & Sons, 1964. 331 pp. \$6.95.

WRIGHT, DALE. *They Harvest Despair: The Migrant Farm Worker*. Boston: Beacon Press, 1965. 158 pp. \$4.95.

The life of the migrant farm worker, as shared by the author.

RETIREMENT AND OLD AGE

FAMILY SERVICE ASSOCIATION OF AMERICA. *The Family Is All Generations*. New York: The Association, 1965. 46 pp. 45 cents.

"Emerging ways of helping older people and their families."

FREEMAN, JOSEPH T., and WEBBER, IRVING L., editors. *Perspectives in Aging*. Edited and compiled as a supple-